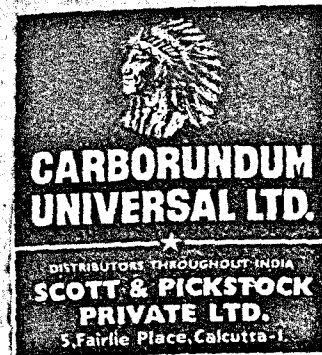




CAPITAL

A Weekly Journal of Commerce, Industry and Finance

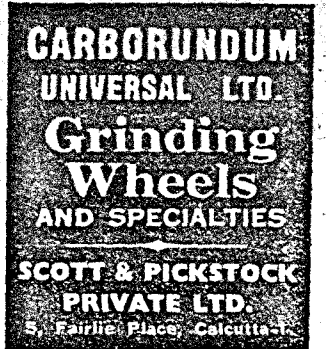
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A NEW YEAR PROBLEM FOR THE JUTE INDUSTRY

NEED FOR SELF-SUFFICIENCY IN RAW MATERIAL SUPPLY

THE old year has not closed without anxieties for the future of at least one large industry in eastern India. Jute goods have not had too bad a time in the past twelve months. Prices now are buoyant; so much so in fact that serious doubts are arising about the continued rate of offtake. The chief reason is, of course, the Suez crisis. It cannot, therefore, be expected to last very long. But without some fortuitous prop to demand, the jute industry would have been in great difficulty during 1956. Even with the recent excellent quotations for goods, many of the best mills are unable to cover their costs of production. When the fear of war has subsided and the Canal is cleared some time during the coming months, these units will, presumably, lose even more money, because neither of the two above contingencies promises to do much to help tackle the cause of all the trouble—the raw-jute situation. Only the efforts of the growers and those whose job it is to encourage them to increase their output, can do this. A meeting was held in Delhi on 30th December, 1956, under the chairmanship of the Union Minister for Agriculture, Dr. P. S. Deshmukh, to consider the problem. Another, between the Secretaries of State agricultural departments and Development Commissioners, is scheduled for 12th January. The industry has great hopes for the successful outcome of these meetings. But they are not the first to have considered the question, and the extent of the difficulties involved are by now as well known as their possible solutions. What has been lacking so far is a determined effort to get on with the job.

One fact which has served to underline the problem lately has been the enormously high premium now being asked for Pakistani jute. This presents a disheartening prospect for the New Year, and it is one which is due solely to the industry's continued reliance on a foreign source of supply for its marginal needs. The aim of self-sufficiency in raw jute is one about which much is heard. And there is no doubting the progress which has been made towards it. During 1955-56 production reached 4,140,000 bales compared with 2,930,000 bales in 1954-55. But the industry's consumption, at present capacity, is in the neighbourhood of six million bales a year, and the difference can only be made up from Pakistan. After the experience the industry has had this year of importing jute across the border, there must be few representatives of it who regard a permanent continuation of this need with anything but the utmost trepidation. If the aim of the East Bengal Government is not deliberately to disrupt the working of India's jute mills by a rigid control of shipments and by placing almost every conceivable obstacle in the way of their securing raw material supplies, it is certainly to extract the last anna from Pakistani exports to this country. The coming months hold little prospect of improvement in that attitude. The only solution to it is self-sufficiency for India. When this is the aim in so many other fields, it is strange that where raw jute is concerned, the efforts towards it should up to now have been so half-hearted.

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The revised target for jute production in the second plan period is placed at 5,540,000 bales by the Indian Central Jute Committee. This compares with the figures already mentioned of 4,140,000 bales for the 1955-56 crop and about six million bales for probable consumption. The target, therefore, does not represent self-sufficiency and even this limited aim will only be achieved, apparently, by increasing the acreage under jute cultivation in Assam and West Bengal. It seems to have been based on a yield of 2.62 bales of raw jute from each acre, as quoted by the president of the Committee, Dr. M. S. Randhawa, for the year 1955-56. But there is no real reason why, with more modern methods of cultivation, the yield should not be raised to

three bales an acre, an improvement of about 12 percent over the present performance. Already production has increased from 2.36 bales an acre in 1954-55. If this could be done, an annual consumption in the region of six million bales would be met entirely from home production, and from the same acreage that will be required for the target of 5,540,000 bales. This increase in yield could be achieved in the space of one season if the better methods already suggested by the Committee of Experts, among others, were to be implemented. The estimate of jute production (including bimli and mesta) for the Indian Union in 1956-57, at current yields, is about 5,200,000 bales. An improvement in performance of the size mentioned would, therefore, close the gap between production and consumption by 50 percent. This is an attractive possibility for an industry which has had such unfortunate experience with its raw material in the past year.

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Provided it is really the Central Government's intention that the country should become self-sufficient in raw jute, and given the fullest co-operation of the various producing States, it should not be difficult to bring about a substantial improvement in a comparatively short time. As the past year has proved, this is what the industry is most in need of. The methods are well known. Briefly, they involve providing fertilisers to growers, either free of cost or on a loan basis, making available to them such agricultural implements as have already proved effective, teaching advanced methods of sowing and encouraging the use of better seeds. The question of fertilisers has been under discussion for some time, and considerable progress can be reported. It was stated at the recent meeting in New Delhi that the entire area under jute cultivation will have been served by the end of the plan period. One of the decisions made was to undertake the top-dressing of jute with ammonium sulphate. The provision of agricultural implements, such as seed drills and wheel hoes, might best be accomplished on a communal basis, although satisfactory methods of getting these tools into the hands of the cultivator have still to be devised. The multiplication of seeds is already being tackled at the Central Jute Committee's nucleus jute seed multiplication farms at Nilganj and at the newly-acquired Panagarh plots, the land for which was secured last May. Up to now, an area of only 78 acres has been sown at this latter centre, but it should be possible to do considerably more in the coming season. The

Committee itself foresees a development period of two years. But even at the end of that time, it will not be possible to cover the entire jute-growing area unless, in the words of Dr. Randhawa, "steps are taken to multiply seed in the fields of growers in National Extension Service blocks".

This statement gives an important clue to how a rapid increase in jute yield might be expedited. There is no doubt that the unorganised nature of the cultivation process has stood in the way of improvement on the scale required. It might also account for the obvious reluctance which has often been shown by State Governments towards tackling the job. The provision of fertilisers and agricultural implements would be facilitated if done through such organisations as the Community Projects and National Extension Services. The increase in the number of such institutions during the second plan could mean that a considerable proportion of the growing area will soon be covered. Where it is not, the importance of increased jute production might be used as an excuse for seeing that it is brought under one or other of the schemes without delay. At the Delhi meeting, it was stated that the co-operation and assistance of the workers in the various projects would be enlisted in the jute-growing States. This is a development which, if pursued with the necessary vigour, holds considerable promise for the future. The outcome of the Committee's efforts to spread the finding of its researches are impressive, but as the president himself pointed out, they are inadequate unless a "closer liaison with the National Extension Service" can be secured. Clearly, much is going to depend on these organisations and on the Community Projects for achieving self-sufficiency.

The chief necessity for reaching this aim now appears to be some method of overcoming the difficulties of the State Governments. It is at this level where most of the industry's hopes have so far been frustrated. It is true that much of the trouble can be traced to a reluctance to do anything at all. The industry is often wrongly regarded as being rich enough to pay almost any price for its raw jute however outrageous. But those who make this mistake would do well to remember that as things are, a good deal of the money unnecessarily spent is going to East Pakistan; it is not being pocketed by the Indian producer. The fear that the grower will inevitably suffer if the output of jute is improved, need not be entertained for one moment. There is plenty of scope (to the full extent of the supplies from across the border) for the Indian crop to be increased before prices begin to be pushed downwards. It is true that a target of self-sufficiency will involve an increase in acreage, and that it might mean a loss of land to rice cultivation. This is a genuine fear. But it has already been faced when fixing the second plan target of 5,540,000 bales, and anyway it is probably better to buy rice from abroad, given present world prices, than it is to import raw jute. The health of the jute goods industry is of supreme national importance. It is at the same time the first earner of foreign exchange in the country and one of the largest employers of labour. For the sake of an improvement in the home-grown crop of 20 percent above current output, its existence and prosperity are not something which can be cheerfully risked.

WORKERS AS MANAGERS

MUCH has been said and heard in the past year or so about the proposal that workers should participate in the management of industry. The inaugural address of the Central Labour Minister, Mr. Khandubhai Desai, at the State Labour Ministers' conference in New Delhi last Thursday indicates that matters are now at the stage where concrete steps to implement the proposal might soon be framed. The virtues of such a move are not to be denied—in theory. But how it will work out in practice is quite another matter. The Planning Commission has gone on record as saying that closer labour-management association will promote increased productivity for the general benefit of the enterprise, the employees and the community; it will give employees a better understanding of their rôle in the working of industry and of the process of production; and it will help satisfy the workers' urge for self-expression, "thus leading to industrial peace, better relations and increased co-operation." Mr. Desai has talked of it as one aspect of the evolving "industrial democracy", adding: "We have to see that the workers feel

the sensation of participation in the management and also that they are not only wage-earners but are part and parcel of the industrial production and they are as important in stature and status as management itself."

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The whole concept of workers' participation in management in India is, in inspiration, mainly political. It springs from the fundamental assumption in official circles that entrepreneurs are too powerful, that most of them are merely unprogressive exploiters with an authority that must be curbed in favour of a working class whose numerical superiority at the polls is too evident to be ignored. Practically all the labour legislation in this country enacted during the last few years has been based on this assumption, in so far as it has tended to readjust not only the monetary rewards but also the rights and obligation of industrial employment. The trend is in line with the new social values of the age. But in India, a fundamental weakness has been the heavy preoccupation with the rights of labour without a balancing em-

phasis on its obligations. The composition of the trade unions being what it is, this has left an open field for irresponsibility among demagogues who have an interest in the well-being neither of industry nor of its workers. The growth of this irresponsibility over the years could prove to be one of the major handicaps in making a success of schemes to associate workers more closely with management. This success will depend primarily on attitudes and approaches, but the mental conditioning which has been given workers by political interests competing for their votes can hardly be a happy augury.

Mr. Desai gave a too gentle hint of the handicap when he said: "If we want the workers to participate in the management and take up responsibility of looking to the production side, etcetera, they must be trained in two ways: they must be trained in the trade union organisation as well as by giving them some basic knowledge about the industry in which they are working." For this purpose, he added, a provision of Rs. 50 lakhs had been made in the second plan; many, however, will be inclined to await further details of the sort of training it is proposed to give before they have the reassurance that it will succeed in making trade union practices less subject to purely political pressures. Such efforts as the Government may have made in that direction in recent years have been dismal failures. The most prominent of these failures in the past few months has been seen in the I.N.T.U.C. claim, suitably timed for the elections, for a 25 per cent increase in wages in certain major industries. Even the I.N.T.U.C. should have learnt from its Congress Party mentors that the granting of the claim would damage irreparably not only the industries concerned, but the five year plan and the economy as well, with whose success the longer political future of the parent Party is closely interlinked.

There are already a few industrial companies in this country which have established regular facilities for management-labour consultation on work, methods and techniques. Their example could be more widely emulated. In their own way, perhaps, most concerns with a regard for efficiency offer scope for such consultation, whether formal or informal, between managers and employees. But to extend the practice from consultation to active participation of workers in the management would increase the field for disputes and allow unnecessary interference with what are properly the functions and responsibilities of the managers. The hope that a greater co-operative spirit will prevail if labour is given more say in managerial decisions is idealistic and fanciful. The Labour Ministry must often wonder how it would work in its own administration—for instance, if its peons and chauffeurs were to have a voice in deciding whether delegations should wander through Europe studying "industrial democracy." Apparently, to it, what's sauce for the goose need not always be sauce for the gander.

THE PREFERENCE SYSTEM ON TRIAL

U.K. LOOKS TOWARDS LARGER EUROPEAN MARKET

NEGOTIATIONS for a tariff-free (or nearly so) West-European market stand out as the most significant economic development of 1956, for many countries besides Britain. This is not yet, however, an achievement, and years must elapse before the plan—assuming that it is adopted in some form—can materially affect international trade. In the meantime, we need fresh thinking on a related subject, imperial preference. The British Government refused to associate itself with the European plan without assurance that the system of preference could be maintained intact. It is, however, questioned whether the system, as now operating, brings sufficient benefit to any party to it to justify its implied acceptance as the foundation of British policy in overseas trade. The system has a fairly long history. It was first adopted by Canada, in 1897, and other Commonwealth countries followed her example in the early years of the present century. But preferential tariffs were not incorporated in the fiscal system of the United Kingdom until 1919, and they had little significance even then, as the U.K. was a low-tariff country. Imperial preference was not co-ordinated and consolidated in the Commonwealth as a whole until the Imperial Economic Conference at Ottawa in 1932.

Over this whole period of 60 years, and even—indeed, mainly—in the shorter time since 1932, profound changes have occurred in the Commonwealth's industry and trade. The preferences have become less relevant, and also, because the rise in prices has reduced the real value of specific duties, less effective. Some Commonwealth countries are concerned more with protecting their industries against any competition (including British) than with importing British goods rather than foreign. Britain, on the other hand, is concerned as much with the absolute rates of duty

as with the relatively favourable rates applied to her exports. The preferences themselves presuppose a protective system of tariffs; and over the main period of imperial preference Britain has been, indeed, a well-protected country. She does not, however, impose import duties on such produce as wheat and wool, and she has therefore been unable to grant preferential rates to Australia on exports which represent, normally, about half of Australia's sales to Britain. Australia is the principal market for British exports; yet Australia is the Commonwealth country that has found imperial preference least satisfactory. It is significant that the recent trade agreement between the two countries had to provide other means to assure to Australia a reasonable outlet for her goods in Britain. Equally significant, Australia could not assure British exporters of the favourable rates of preference they had enjoyed in the past.

India presents a different problem, with her large-scale export of manufactured goods, principally cotton cloth, which she did not have in large quantities when the preference system was formulated, and against which, therefore, Britain has no protective tariffs. At the Ottawa Conference it was not foreseen that other Commonwealth countries would export manufactured goods that would seriously compete with British goods in their home market. Nor were the implications of the Commonwealth countries' industrialisation, involving protective duties on British as well as foreign manufactures, fully understood. Nor was the colonies' independence clearly envisaged. The Commonwealth's modern industries are still young; those of western Europe are mature. The Commonwealth is not yet in a position where it can form a free-trade area. Western Europe, broadly speaking, is in such a position. Hence the strong

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appeal of the European plan to British exporters—and to Britain as, essentially, an exporting nation.

It is evident, however, that the system of preferences, involving discrimination against foreign goods, must limit the range of such a free-trade plan—though it is not, admittedly, the only limiting factor. Exponents of free-trade in Britain do not accept the idea that this disadvantage of imperial preference is counter-balanced by adequate advantages. Thus, *The Economist*, discussing the subject last June, said bluntly: "The main value of Imperial Preference to an expanding Britain is that it gives us an advantage over America in Canadian markets; for the rest, Imperial Preference is very largely a system whereby we buy some relatively dear Commonwealth products in return for their buying the products of certain declining British industries."

There is, anyway, an interesting alternative to the existing system of Commonwealth preferences—a very interesting alternative from the viewpoint of the dominions and colonies, though Britain may not view it with much enthusiasm. The west-European community, so that the Commonwealth countries would receive preferential treatment of their exports in the European market, granting in exchange similar preferential treatment to west-European goods, with no special arrangement in favour of Britain. Such an arrangement, if liberally conceived, could represent a huge extension of the area of relatively free American blessing, for America would be the principal country against which the preferential discrimination would operate. There are, however, so many American firms manufacturing in Europe excluded from the benefits of such a plan. Europe's dependence on the dollar area would be eased; disappear. Then the other form of discrimination against American goods, due to the lack of dollars, could be withdrawn. Britain has no good reason to withhold her support for such a plan. She would lose her privileged trading position, but she would gain many financial benefits from the extension of the use of sterling that would develop almost automatically within the broader framework.

CURRENT COIN

Promising Outlook for Aluminium.—Only a few years ago, the aluminium industry in this country was troubled by poor demand. The steady recovery since then owes much to general economic expansion as well as to the industry's enterprise in evolving new uses for the metal. Mr. Lakshmi Singhania told the annual general meeting of the Aluminium Corporation of India Ltd. in his presidential address last Thursday (a fuller version of the speech appears on a later page) that aluminium was formerly used in the main for utensil manufacture. But now its industrial uses are becoming important, and their growth promises a rapid increase in consumption. It is necessary to install plant for the manufacture of such finished products as alloy sheets, pressure castings, extrusions, A.C.S.R. cables and foils for packing. Mr. Singhania quoted statistics to suggest that world production of aluminium has been rising faster than for steel, while its price has risen more slowly than that of copper. On this basis, he argued, with some exaggeration perhaps, that "aluminium is the only metal which is still continuing to be comparatively economical." He was, however, right in offering this as an argument for developing the industry rapidly in India. The Government was criticised by Mr. Singhania for its import policy. He was glad that it had accepted the Tariff Commission's recommendation to continue the *ad valorem* duty on imports until the end of 1958; but he regretted that the duty of 25 per cent *ad valorem* imposed on aluminium scrap 13 months ago had been withdrawn last July. The result, he feared, may be that increasing quantities of scrap will be imported instead of virgin metal, their quality must be doubtful and scrap prices abroad will rise. The Aluminium Corporation is planning a three-fold increase in its present capacity, but Mr. Singhania indicated that the location of new plant might be affected by the D.V.C.'s charges for power supplies. The present plant is situated in the D.V.C. area, and it is hoped that it will be able to get power at economic rates when the planned sources come into being. But the rates now being demanded are "very high", according to Mr. Singhania. "We have been left, therefore, no other option than either to put up a plant in a new area where power is available at a suitable rate, or to put up our own plant to generate the necessary power."

Structural Engineering.—Mr. A. D. Shroff, chairman, told the annual general meeting of the Structural Engineering Works Ltd. on Monday that the working results for the year ended last June had been satisfactory, and the works in both Sewri and Mulund remained fully occupied. The demand for structural fabrication has been growing, so the directors are thinking of increasing the company's capacity from 350 tons to 750 tons a month. The Mulund works are engaged in completing the Vaitarna-cum-Tansa pipeline scheme. A contract has been negotiated with the Bombay municipality for the fabrication and laying of pipes for the third stage of about 1½ miles. Similar substantial contract are being negotiated with other municipal authorities. Some shareholders have been disappointed with the proposed dividend of Rs. 15 a share, but Mr. Shroff stated that it was necessary to plough back a substantial portion of the profits for expansion and other projects. Furthermore, "it is the general experience of all industries in recent months that the availability of funds, both in the shape of new capital and working capital from banks, is definitely diminishing, and I shall be very unhappy if, for lack of finances, this company is precluded from completing the various projects." Mr. Shroff pointed to two aspects of the Government's taxation policy which are unfair to companies like Structural Engineering. Firstly, in the case of Section 23A companies, he felt it was necessary to differentiate the smaller medium-scale industries from those companies which had been formed essentially to avoid large payments of direct taxes. Secondly, the super-tax on dividends was "illogical and unscientific" as it completely ignored the average return earned by shareholders over a period of years.

Assam Railways and Trading.—The chief worry of Colonel C. F. Binney, chairman of the Assam Railways and Trading Co. Ltd., seems to centre on his concern's coal interests. In a statement to shareholders, an extract from which appears on a later page, he points out that profits from the plywood factory and the brick works have increased. But the increase has been offset by the drop in profits from the collieries and by the reduced dividends on the company's investments. The deterioration in the case of coal is accounted for partly by an underground fire and explosion at the Tipong colliery early in 1956; and partly by the fact that the cost of production has continued to rise while an adequate increase in the controlled selling price has not been given. The Tipong workings, which were affected by the fire

and explosion, have been closed for some months. Steps are being taken to reopen them, but have met with only limited success so far. An area producing about 4,000 tons a month is still inaccessible, and it is not practicable at short notice to replace the whole of this output by extraction from other areas. Referring to plywood production, Colonel Binney says that it has increased by 25 per cent. This, together with an increase in sales of tea chests, has raised the profits from the plywood factory, saw mill, etcetera. Profits from the timber department and the brick works were again affected by Government orders; the company had to use coal from outside sources, which was inferior in quality and had to be purchased at a much higher price than its own coal. An award of the Assam Labour Tribunal also had an adverse effect. The sale of bricks continues to improve, as does that of tea chests. In Colonel Binney's opinion, the prospects of getting good revenue from the company's investments in tea are "reasonably satisfactory".

Too Little for Agriculture.—Professor D. G. Karve's presidential address to the seventeenth annual conference of the Indian Society of Agricultural Economics, held recently in Cuttack, contained a comprehensive analysis of India's agrarian problems, and discussed the relationship economic research should bear to practical policy. Agriculture, which provides most of the employment and almost half the national income, suffers from a condition of chronic under-investment. Professor Karve estimated investment in it at 30 per cent of the country's total investment. This suggests a serious imbalance in the use of capital resources. The importance of agriculture as one of the principal sources of an investible surplus for development is all the greater now that rapid industrialisation is proposed. He said that the provision of Rs. 25 crores as long-term credit and Rs. 50 crores as medium-term credit to agriculturists during the second five year plan would be inadequate. The planners had been unrealistic in providing for agriculture an even smaller proportion of the capital outlay in the second plan than they did in the first. It seemed that they had been "lulled into complacency by the favourable results of two or three monsoons". Referring to the programme to extend the national extension movement to the entire countryside, Professor Karve said that a similar complacency was evident there too. A rapid increase "in the formal setting up of agricultural extension organisations without adequate technical and financial strengthening", or "setting up targets of agricultural production without corresponding programmes of agricultural extension and institutional finance," would be fatal to the plan. The weakness was deep-seated, so "large-scale and sustained efforts" were required to "lay the foundation for a major plan of economic transformation." These efforts should not be exclusively centred on physical output alone, but should bear a close relation to social values. In terms of practical politics, these values would involve a thorough-going programme of land and tenurial reform, and other measures of social justice which would vest the ownership of land in the genuine tiller of the soil. He regretted that the pace of land reform was being slowed down. Professor Karve recognised that the redistribution of land would create the problem of economic holdings as the man-land ratio was already precarious, so he suggested joint farming under a co-operative system as the best solution. The national extension movement could promote this aim, and it should do so with the assistance of research on such questions as the determination of economic optima under varying conditions of cultivation.

Economy in Production.—In his convocation address to the members of the Institute of Cost and Works Accountants recently, Mr. A. K. Chanda, Comptroller and Auditor-General of India, stressed that in the context of India's industrial growth, greater attention should be paid to economy in production. The need for it was especially great in State-owned undertakings, which in some cases were monopolies, because, unlike the managers of private concerns, officers in charge of public enterprises had no personal financial stake and the prospects of their service were quite unaffected by the degree of efficiency or economy they maintained. This, he said, would safeguard the interests of the taxpayers, and would also make for a more rational use of the economy's scarce resources. In this connection, Mr. Chanda pointed out that while the financial deficiencies of the second plan were being over-stressed, too little attention was being paid to the organisational and manpower deficiencies. "It would be stating the obvious," he said, "to say that only by competent planning and careful and economic execution could the available resources be made to go a longer way towards the materialisation of the plans and programmes." Mr. Chanda deplored a tendency to belittle the rôle of accountants and auditors. In the U.K., where the administration was universally acclaimed for its high standard of integrity and efficiency, the Secretary of an administrative

Ministry was also appointed separately as the Accounting Officer of the Treasury. It was considered a distinction to be so designated. But in India the administrative services had developed a complex, "frequently breeding even an attitude of arrogance towards accounting functions." India was on the threshold of an industrial revolution, so it could not afford to have uneconomic and wasteful methods in the establishment or operation of manufacturing units. They should not be indefinitely insulated from the impact of world competition. Efficiency of production has to be maintained and this can be done by a strictly economic use of productive resources. Cost accountancy is the only means of ensuring maximum efficiency and economy in production, and Mr. Chanda gave the example of the Chittaranjan Locomotive Works, the operational success of which was in no small measure due to the employment of a fully-trained account's officer. There is the need for specialisation in different lines of industry, and a cost accountant trained in the affairs of the cement industry cannot be profitably employed by a steel works. Mr. Chanda suggested that the Institute, which was fulfilling a vital need by turning out trained cost accountants, should arrange for "complementary specialised training in different industries" for its students.

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We also acknowledge with thanks the receipt of 400 drums from the Metal Box Co. of India Ltd. and 100 tins of sweets, jointly donated by the Metal Box Co. of India Ltd., Messrs. James & Sons Ltd. and Messrs. C. E. Morton (India) Ltd.

CURRENCY AND REAL WEALTH

"WHAT I think of Bimetallism" is the title of an attractive paper by Mr. Labouchere, just published by the "Gold Standard Defence Association". Mr. Labouchere treats the subject in a plain, commonsense manner, and he appeals more particularly to wage-earners to take the trouble to understand the question, because bimetallism, if adopted, would greatly reduce their ability to provide decently for themselves and families. The following passage is worth reproducing: "There are men amongst us who honestly and conscientiously believe that bimetallism would be an advantage to us. This may appear surprising, but everywhere and in every age there have been persons who lose their heads over some theory, and then are unable to perceive its practical folly. In the middle ages, there were many chemists who passed their lives trying to transmute silver into gold; and there is much similarity between those chemists and the bimetallists of our day. Increase the world's coin, they say, and you will increase its wealth. This is almost as absurd as it would be to suppose that the climate of this planet would be bettered were there more barometers. The wealth of a country has nothing to do with the volume of its currency, because currency is nothing more than a measure of value for everything else. Nothing indeed is more remarkable than the very small amount of currency that suffices for the world's requirements. All the buying and selling that takes place involves a very small movement of what we call money, whether the transaction be between country and country, or between the inhabitants of any country. A country imports and exports. If the exports exceed the imports, very little of this is paid in money, the margin of loss is liquidated in bonds and other such securities, whilst the transactions themselves are arranged for by bills of exchange. A domestic trader buys with cheques, and sells for cheques. Beyond a comparatively small amount of coin for his daily turnover, and for the payment of wages, he does not require coin, from year's end to year's end. Of course, if there is a large amount of gold existing in a country, which can be brought into marketable form for less than the actual cost of mining, etc., the particular country is the richer for it, but the sum total of the world's wealth is only augmented, as it would be by an impetus being given to any other industry."

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SOUTH EASTERN RAILWAY

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The General Manager invites tenders for the sale of 90 condemned wagons stabled at Mathurakati Scrap Yard, South Eastern Railway, Kharagpur. Tender No. 84/S/3/6 in this connection is obtainable from the Office of the Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23 on production of Cash Receipt for Rupees five only from the Chief Cashier, South Eastern Railway, Garden Reach, Calcutta-23 by local firms and on remittance of Rupees five only by Money Order to the Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23 by outside parties. The cost of Tender Forms is not refundable. The wagons may be inspected on any working day before the closing date of the tender. Tender will be received up to 11 hours on 22-1-1957 and opened in the Office of the Deputy General Manager at 12 hours on the same day.

GENERAL MANAGER

INDUSTRIAL TRENDS IN THE UNITED KINGDOM

RISE OF NUCLEAR COMPANIES

THE announcement of the award of two further contracts in connection with the U.K.'s atomic energy programme, one for the largest atomic power station in the world so far, has been the topic of outstanding industrial interest during the past few weeks. Moreover, another contract is due for announcement shortly, and the expenditure contemplated on all three contracts cannot be less than between £160 million and £180 million. This is a vast sum for what is still only a beginning of nuclear energy developments, and it is evident that great changes in the industrial organisation of the U.K. as a whole are in store, and, in fact, are already in process of initiation. As has been mentioned before, firms tendering for atomic power station contracts work together in groups, which practice has introduced a new and more powerful kind of industrial co-operation, among engineering firms in particular. There are now five such groups, consisting of some 30 companies in all, the companies being in a number of instances subsidiaries or associates of other concerns. There is thus a considerable amount of interlinking within the groups, but as yet the groups themselves have remained self-contained. It is, however, not difficult to conceive of atomic construction problems arising on such a scale as to necessitate the combined operations of several groups, and of course many more groups are likely to be formed than those which exist at present.

It is of interest to note that the shares of the group companies are in strong demand and that, at current prices, yield no more than an average of 3½ percent. There has been a disposition in some quarters to criticise the prices of the shares as being too high. But it has to be noted that a large proportion of the total shares involved is held by insurance companies, financial trusts and other powerful financial institutions which observe very conservative principles of investment. These concerns have not hesitated to add substantially to their holdings when reactions occur in the share prices by reason of political uncertainties. The advantages of investments in shares of companies having substantial contracts over long periods are not far to seek. It is true that the building of atomic power stations means the diversion of labour and materials which otherwise might be

employed in ordinary industry and which, up to a point, could represent a lessening elsewhere of activity by the contracting parties. Against this is the consideration that companies having home contracts assured on a great scale are put in a favoured position to tender for export contracts, if they wish to do so.

Long-term Expansion

A still more important fact from the point of view of the long-term expansion of the nuclear companies is that they are the first to enter an entirely new field capable of literally tremendous development in one direction or another. These companies are, so to speak, acquiring fresh techniques which will open up new avenues for them, while they are able to earn revenue from already established sources. Further, although in a strictly official sense the obtaining of "priorities" after the manner of the war and postwar days no longer exists, privileges do come the way of companies falling within the "strategic" class whether the strategy be of the armament or the economic variety. It is, therefore, not really surprising that those concerned with institutional investment so persistently acquire shares of these companies, among which some of the most famous names in British industry are already to be found. Large additional amounts of capital will have to be found by the companies. Here again general strategic planning by the State ensures that whatever Government is in power, every official facility will be granted for this purpose. It cannot be otherwise; for the whole economic future of Britain is being based upon the reduction of production costs, which it is believed can be brought about through the provision of atomic power for industry, and by the nation being ahead of others in that respect. This may seem rather over-ambitious, at least so far as comparison with the United States is concerned. But the United States is not among the trade competitors most to be feared; even if it were so, the value to a modern Government in having an indicated goal or "target" round which to centre the national effort is estimable.

Atomic Ideal

Indeed, there are plenty of signs that the Government well appreciates the importance of having an atomic ideal to keep before the public, especially as ideals having practical bearing are notoriously in short supply at the moment. So there is seldom a lack of atomic news. It has to

be added, however, that most of the news about the work on hand is couched in fairly wide terms and lays stress on what may be expected later. Three years is a favourite period. Thus, the announcement of a research station for discovering uses for atomic waste products keeps to this formula, stating that fruits from this type of research may be expected at the end of three years. The research station for this purpose is to be linked with the main Atomic Energy Research Establishment in Harwell. Little has yet been indicated of the probable uses of atomic waste in industry. Literature is increasing upon the likely value of atomic waste to agriculture, notably for influencing plant growth and for the development of new strains. The Atomic Energy Authority has announced that it is setting up a commercial department to handle sales and to fix prices for the radio-active materials, uranium, plutonium, thorium and graphite. So far it has not been possible to buy these materials. They could be obtained only under a leasing arrangement, with guarantee of return of the materials to the Authority. Apparently, the sales now contemplated are to the Central Electricity Authority. An additional announcement must be awaited before the bearings of the selling arrangement upon industry can be ascertained. Although leasing is to be forgone, it is evident that some stipulation of the return of the materials to the Atomic Energy Authority must be continued, or, at any rate, some provision must be made for close accountability.

Future of Cotton Textile Industry

What are known as the Emsley Lectures were inaugurated by the Textile Institute, Manchester, in 1953 as a means of commemorating the memory of John Emsley, the first Fellow of the Institute. The sixth of these lectures was delivered by Dr. F. C. Toy, formerly Director of the British Cotton Industry Research Association, who took for his subject "The Impact of New Ideas on an Old Craft Industry." The old craft industry thus indicated is the British Cotton Textile Industry, of which the latter designation is no longer wholly appropriate, since one-third of the machinery of that industry is now processing man-made fibres. Dr. Toy, speaking, it might be hazarded, from much painful experience, remarked that getting the industry to take science seriously had been a difficult task, and credit for realising its importance within a reasonable time had to be given to only a few. However, more alertness had been shown in recent years. The cotton industry had not been short of new ideas during the last 37 years. Over that period the British Cotton Research Association alone had transmitted to the industry the results of 2,000 researches, "something new, on the average, once every week". The position has now been reached that the scientific basis of all the main processes have been worked out; the causes of all the main defects in yarns and cloth with cotton and man-made fibres have been discovered; scientific control of raw materials and of quality at every stage, from opening to finishing, have been established. There are also many new types of machinery for those who have the will and the means to use them.

Dr. Toy's views on the future of the cotton textile industry were especially interesting, coming as they did from one who had been in close contact with it for many years, and who, being now retired from an official post, could speak more frankly than would have been diplomatic before. He estimated that the first-class firms might represent one-third or one-quarter of the capacity of the industry today. There appeared to him to be no prospect of the industry continuing indefinitely with its present size and constitution. Nearly 300 mills had closed during the last four and a half years—rather less than 10 percent of total capacity. There would, in Dr. Toy's opinion, be a further period of overall contraction "which would be a healthy thing in the long run." He foresaw, as have other close students of the factors involved, that the chief hope for the British cotton industry is to maintain at the highest possible quality the goods it produces. Investigations showed that fully three quarters of the firms which had gone into voluntary liquidation since 1951 had been indifferent to research. Firms which at present survived, but were also indifferent to research, would certainly disappear as the years passed.

Lukewarm Approach

A very considerable number of firms exist which are not wholly indifferent to research, but which display no marked enthusiasm. The fate of these is in the balance; for Dr. Toy is convinced that there can be no lasting place in the future for those whose approach to science is merely lukewarm. Firms coming within that group would have to appreciate much more the value of scientific management—the measurement of performance, efficiency, etcetera—as a basis for executive action. What is needed above all else is greater efficiency (through productivity), more originality (through research), and more scientific management to ensure both. I see this old craft, said Dr. Toy in conclusion, as subject to the impact of two great forces, one detrimental, the other beneficial. One force is competition from developing countries abroad; and there is little or nothing we can do about this beyond temporary palliative measures. The other force is science, including management and all that appertains thereto, and to whose possibilities Lancashire has not responded sufficiently. Wholehearted application of all that science can give and by a much greater proportion of the British cotton industry is essential to survival in a substantial sense and for the maintenance of its health.

A DITCHER'S DIARY

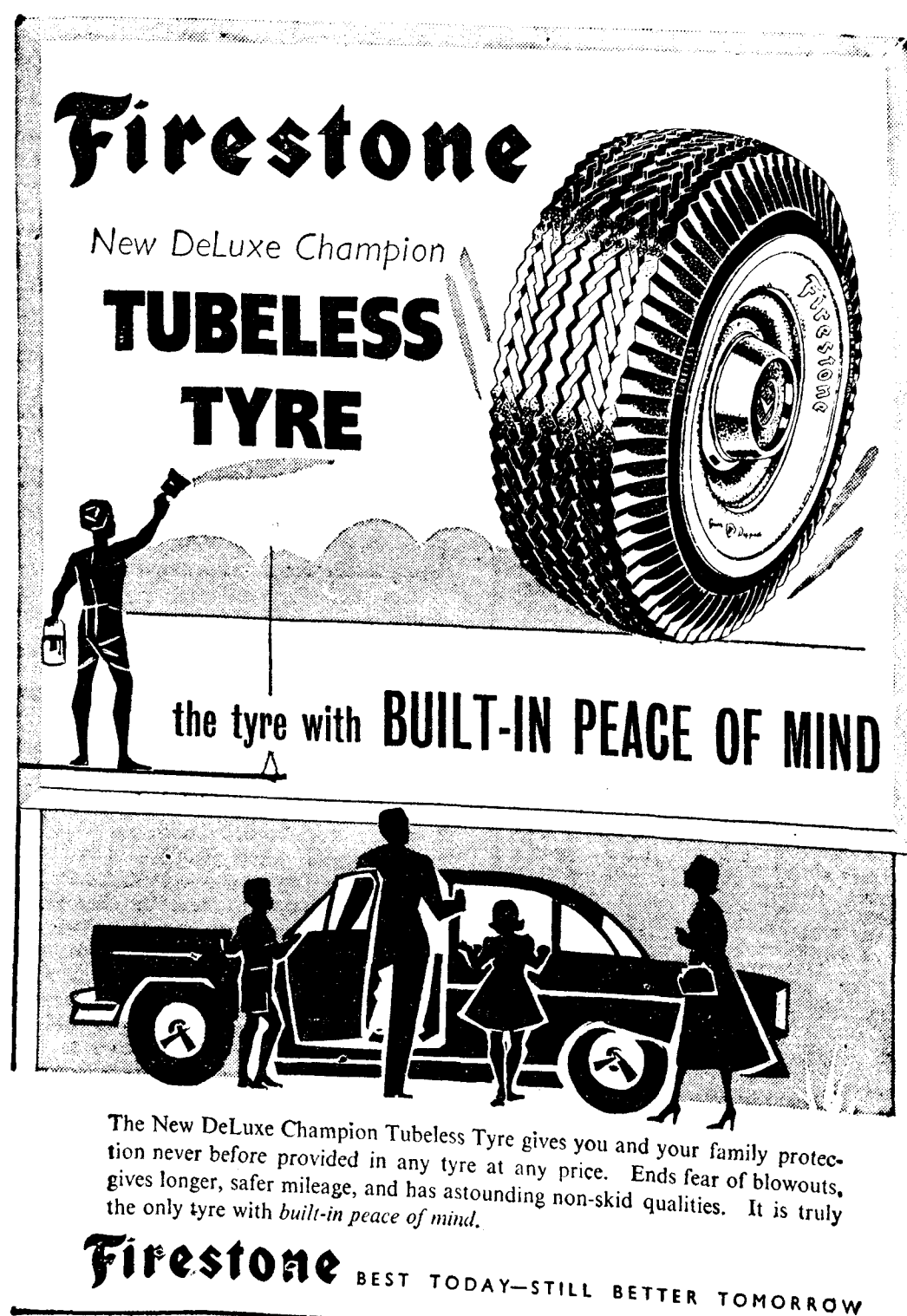
evidence to suggest that Mr. Nehru's visit to America has been a successful one—both for India and for the United States. If there is now greater appreciation in Washington of India's economic needs and potentialities in the context of the second five year plan, then that will be gain enough. But it also seems likely, especially after the reported invitation to Marshal Tito for a visit to America, that Washington no longer sees neutralism as wholly evil. Yet it may still be an error to imagine that the whole world has finally been converted to India's view of the nature of the times we live in—and may have to die in. In his address to the United Nations Mr. Nehru spoke of the influence world opinion appears to have wielded on affairs in recent months. From the tone of his speech, a moving one, it was not clear whether Mr. Nehru was speaking of a state of affairs already in existence or of one we would all like to obtain. The restraint on Russian behaviour brought about by world opinion has, obviously, not been fully appreciated by the Hungarians. Egypt? None of us knows just what led to a sudden termination of fighting there, but it may not have been the result only of world opinion, itself an ill-defined phrase. What made the U.N. appear effective on the recent occasion was the support given it for different reasons, by America and Russia, the two greatest powers in the world today. What we would like to see is the U.N. being effective for the justice of its collective stand. There is a difference between the two, and power as the prime determinant of world affairs still awaits abolition.

Along with many others, the international events of the past two months have left me wondering why Britain's action in Egypt should have brought Asian opinion about her ears while the Russian subjugation of Hungary has been opposed by only a few independent voices. There is the fear of colonialism, of course. But that was out of date ten years ago and, anyway, it does not explain the comparative indifference to one of the most shameful examples of modern imperialist aggression as perpetrated by the Soviet Union. In fact, a fair question would seem to be: Whom does Asia consider the better democrat, Sir Anthony Eden or Mr. Krushchev? The explanation may be that Asia, and much of the rest of the world too for that matter, simply does not know what Britain stands for. If that is true, then Britain has only herself to blame. A clue to the mystery arrived on my desk the other day in the form of a pamphlet entitled *Britain's Voice Abroad*. It owes its existence, and its readable style, to the journalists of the *Daily Mirror* and if all that it says is true, Britain should overhaul its propaganda services at once or simply give up trying to be a first-class power. Personally, I have always regarded the infamous Dr. Goebbels as the political prophet of the twentieth century. He proved conclusively that people will readily believe black is white provided they are told often enough. How much easier should it be simply to prove that white is white? But that is something Britain has clearly not been able to do; and the reasons are, according to the pamphlet, the traditional reticence of the race, the interplay of internal politics and the pathetic belief that skimmed resources and a horde of amateurs can do all that is needed. Few of those who have had any dealings with British information services will disagree on that verdict. About the first point, only experiences such as Suez can bring about a more realistic attitude. With the second, I can recommend one of the pamphlet's suggestions that the overseas publicity services be put above

politics right away. On the third, well, the best way out is obviously to appreciate the one fact that a few extra pounds spent now may save the whole future of what a nation stands for later on. And if any proof is wanted of that fact, then Britain need look no further than her present declining prestige in Asia, in spite of her rôle as the guardian of freedom, democracy and progressive thought throughout the world. After all, realities amount to very little if nobody knows about them. The Soviet Union has been prepared to pay a high price for indifference over Hungary; the pamphlet puts it at the equivalent of £1,300 million a year. Britain spends less than £12 million; apparently, preferring to pay the rest in terms of lost prestige and misunderstanding.

As one whose desk is burdened with a dozen Russian propaganda hand-outs and four or five American, for every one British, the findings of this report do not come as a surprise. On turning to the section dealing with the department responsible, the Commonwealth Relations Office, I read of it that: "It would be hard to conceive of a more ineffectual information service". The reasons—"sloth" and "a woeful lack of funds". Last year the C.R.O. received less than half a million pounds for its entire information activities, and £70,000 was for the B.I.S. in India. The Russian figure is not given, but if it is not at least five hundred times as large I would be surprised. There are only seven United Kingdom-based information officers in the whole of this country and much of the material they distribute is of no specific interest to India. For the largest nation in the Commonwealth, the hope of democracy and freedom in Asia and the second largest country in the world, this is nothing short of insulting. Perhaps it accounts for the fact that although Mr. Nehru accuses Britain of being downright aggressive, he is still one of the best friends she can hope for in India. What can Britain expect when, according to the pamphlet, an important New Delhi society once asked the British Council to supply a lecturer on George Bernard Shaw. "We have no speaker available" was the reply. The society then asked the Soviet Embassy for help and the Russians promptly sent along their cultural attaché who made a brilliant speech on Shaw and his place in the British theatre. Much the same story is told about the other organs of British propaganda. And the trouble is not reserved to the political field; those who saw Britain's effort at the 1955 Delhi Industries Fair were not left wondering why imports from Russia, Czechoslovakia, East and West Germany, and Poland are increasing so much faster than those from Britain. In 1955-56, the British Government spent only £60,000 on international trade fairs. If it all went on the Delhi exhibition, it was money wasted because it only served to make Britain look ridiculous in the eyes of a generation of Indian industrialists which has the freedom to place orders where it likes. My advice to those who begrudge the money needed to "sell" Britain is to come and have a look at a certain plastic-covered pavilion which blazes with light every evening on Calcutta's Maidan and reflect on how it is selling Czechoslovakia. It is time Britain got herself out of the habit of believing that propaganda is not a gentlemanly way of influencing people—for that matter, neither is a gunboat. Hurt feelings about being misunderstood are no use either, nor is blaming the man on the spot provided he has been carefully chosen for his professional qualifications in the first place. The answer is more money and a greater effort. Britain is lucky, what she has to "sell" is worth taking. Dr. Goebbels was never so fortunately placed.

THE DITCHER.



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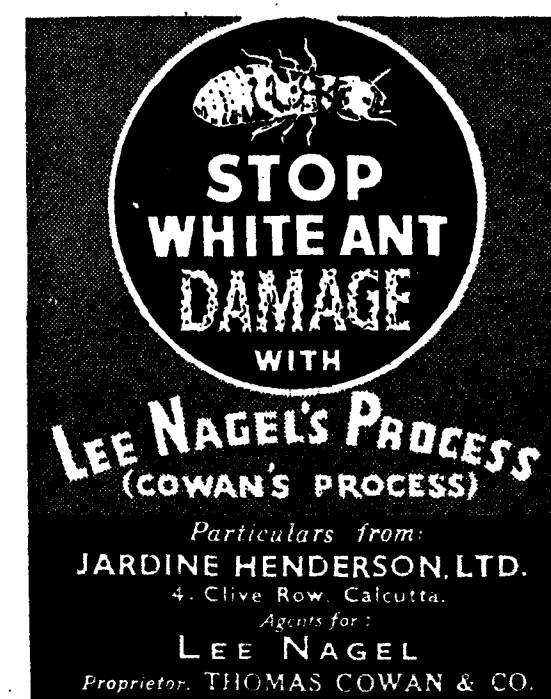
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CHAIRMAN MR. J. R. D. TATA'S REVIEW

THE INDIAN BANK LTD.



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Branches throughout South India, In Bombay,
Calcutta, New Delhi, Colombo, Singapore, F.M.S. &
16 Local Offices

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AUTHORISED	... Rs.	1,00,00,000
SUBSCRIBED	... Rs.	72,00,000
PAID-UP	... Rs.	62,02,615
RESERVE & OTHER FUNDS	... Rs.	79,25,000
DEPOSITS (30-6-56)	... Rs.	32.08 Crores



ALL TYPES OF BANKING BUSINESS INCLUDING FOREIGN EXCHANGE TRANSACTED

D. P. PARTHASARATHY,
B.A. (Hons.), B.L.S.
Ag. Secretary.

MR. LAKSHMIPAT SINGHANIA'S REVIEW

WORKS · HOWRAH 145

Gentlemen, before I close I would like to express again great appreciation of the patient and conscientious working of our Indian technicians who have made this Corporation a success by doing pioneer work for this industry against heavy odds, and I can say that the technical technicians of your Corporation have performed a great duty in development of this industry. But for their co-operation this Corporation would not have turned the corner and established itself for the future.

THE ASSAM RAILWAYS AND TRADING COMPANY, LIMITED

EXPECTATIONS PARTLY FULFILLED

The 76th annual general meeting of The Assam Railways and Trading Company, Limited was held on 28th December, 1956 in London, Col. C. F. Birney, D.S.O. (the chairman), presiding.

The following is an extract from his circulated statement.—

The reasonably satisfactory expectations indicated in my remarks last year have been fulfilled in part only this year. Increased profits from the Company's plywood factory and brickworks have been counterbalanced by a fall in profits from the collieries. There have also been some reductions in the dividends received from the Company's investments. Our two associated tea companies continued to do well, though profits did not reach the exceptional figures of the previous year. The net profit for the Company as a whole, after taxation, amounted to £79,337 as compared with £87,569 for 1954-55.

We continue to be well up to date with payments on account of taxation. Indian tax is payable in advance, and the amount so paid has been included as such under current assets, whilst on the left-hand side of the balance sheet, £5,000 has been set aside for United Kingdom tax on the profits to date.

As will be seen from the report, your Board recommended a dividend of 10 per cent. on the "B" Stock, 8 per cent. having been paid on the "A" Stock. It is also recommended that £10,000 be placed to Reserve for Development and Replacement of Fixed Assets and £20,000 to General Reserve.

Review of Activities

The coal position has deteriorated still further. The output from the Company's collieries (which represents a substantial contribution to the economy of Assam) increased slightly over the previous year, but was seriously interfered with by an underground fire and explosion which occurred at Tipong Colliery early in 1956. The workings affected have been completely closed for some months, but steps have now been taken in co-operation with the Mines Department to re-open them, hitherto with limited success. A small increase in the controlled selling price was authorised during the year, but this was barely sufficient to compensate for the increased contributions to the Coal Mines Provident Fund which it was intended to cover, and the cost of production continued to rise without any adequate increase in the selling price.

Production of plywood increased by 25 per cent. and this, together with an increase in the sales of our tea chests, resulted in improved profits on the Company's plywood factory, sawmill, etc. Our tea chests continue to enjoy a high reputation, both amongst consumers of tea chests and also with the Government departments which are concerned in maintaining the quality of tea chests.

There was a further increase in the profit earned by the Company's brickworks at Ledo, which continues to show improved results.

Profits from the timber department and from the brickworks were again affected by Government orders, requiring us to use coal from outside sources, inferior in quality to and purchased at a price much higher than our own coal. These profits were also adversely affected by the award of the Assam Labour Tribunal.

No definite information has yet become available as to the Government of India's intentions in regard to the future of the Coal Industry. An increase in the selling price of coal has been authorised, but it is doubtful whether this increase will even cover the increased labour costs resulting from awards made by the All India Industrial Tribunal. As has been indicated previously on a number of occasions, the controlled selling price of our coal is more than ever inadequate to cover the costs of production, the expenditure necessary to maintain the productivity of the mines, and to allow of a reasonable profit on their working.

The profit continues to be seriously affected by the closure of Tipong Colliery, owing to the underground explosion, an area producing something like 4,000 tons a month being still inaccessible. It is not practicable at short notice to replace the whole of this by extraction from other areas. The sale of tea chests and bricks continues to improve. The prospects of a good revenue from the Company's investments in tea are reasonably satisfactory.

It is with the greatest regret that I have to refer to the death in August of Mr. W. R. Gawthrop, your Managing Director, so soon after taking up that position. We had looked forward to obtaining the benefit of his mature wisdom and great knowledge of Assam and the Company's affairs for many years. Those who have known him and who have had the privilege of working with him realise how much his advice and energetic application to the forwarding of the Company's interests will be missed. I am sure that you will wish to be associated with an expression of our great sense of loss and of our deepest sympathy with Mrs. Gawthrop.

In conclusion, our thanks are due to the staff in Assam for their continued application to the Company's affairs. The increasing strain on those who are responsible for maintenance and improvement is a factor which must not be lost sight of. More especially are we grateful to Mr. G. E. D. Walker, our General Manager, for his energy and leadership and for the way in which he has shouldered the ever growing responsibilities of his office.

Addressing the Meeting the Chairman said:—

In addition, I should like to give Shareholders some more up-to-date information than was available when my Report was written. The latest figures from Net Revenue from your collieries has been falling steadily for the last 3 years. In 1952-53 it was over 10 lakhs of rupees—in 3 years it had dropped to something under 1 lakh, and it seems certain that the cur-

rent year will show a substantial loss. This loss is, of course, aggravated by the explosion and fire at Tipong, to which reference has been made, but the regular downward trend is evident.

The present controlled selling price of coal was sanctioned 8 years ago. Since then there has been a steady rise in the cost of materials and a fall in the output per man-shift. Year after year we have drawn the attention of Government to the position, and, apart from a small increase recently sanctioned to cover specific increases granted to labour by the Tribunal, no relief has been obtained.

The Collieries, which, on the merits of their coal and with readily available markets, could have built up a strong financial position with adequate resources to finance expansion, have now reached a position at which they are actually being run at a loss. And this is at a time when recent pronouncements regarding the renewal of leases throw some doubt on our future security of tenure—security which is essential to justify long-term planning.

Your Board feel this position cannot be accepted, and they propose to make further urgent representations to Government. With this in view, Sir Frederick Bourne, who will succeed me as Chairman in a few days' time, is proceeding to India shortly and will report Delhi for consultation at a high level.

The visit was adopted.

STRUCTURAL ENGINEERING WORKS LTD.

CHAIRMAN MR. A. D. SHROFF'S

REVIEW

Speech of the Chairman Mr. A. D. Shroff at the Annual General Meeting of Structural Engineering Works Ltd. on 31st December, 1956.

The Directors' Report and Audited Accounts for the year ended 30th June, 1956 have been in your hands for some time and I am sure you will find the results satisfactory.

As pointed out in the Directors' Report, both the Works at Sewri and Mulund continued to be fully occupied. As a matter of fact, the demand for structural fabrication capacity in the country has been insistent and your Directors are seriously considering increasing the capacity from 350 to 750 tons per month. The Mulund Works are busily occupied with the completion of the Vaitarna-cum-Tansa Pipeline Scheme. I am glad to inform you that the Company has been able to secure by direct and independent negotiations with the Bombay Municipality the work relating to the fabrication and laying of pipes for the third stage for about 15½ miles. It is a matter of considerable gratification that the authorities concerned have been fully satisfied with the type and quality of work executed on this pipeline scheme. Besides, the Company is negotiating with other municipal authorities in the country for substantial contracts of a similar nature, some of which are likely to fructify before the end of this official year.

The Company has now completed its thirteenth year and it would not be inappropriate if I refer to some of the salient features in its operations during this period. I am confident that the shareholders of this Company will look with pride upon the success of this Company as an achievement of free enterprise in the medium-scale industry. It must, however, be put on record that this achievement is very largely, if not entirely, due to the enterprise, pioneering spirit and faith of Mr. N. B. Bhagat, the founder of this Company. Starting with very modest means and with the assistance of the late Mr. M. C. Ghia and the Investment Corporation of India, he embarked on this industry in 1943 when, being unknown to the investing public, he could not gather sufficient capital. But his faith in the ultimate success of the Company and the persistence with which he fought the difficulties in the initial stage have fortunately brought this Company to its present stage of strength and prosperity. Perhaps it may not be generally known that in undertaking the Tansa Pipeline Project, he mortgaged his personal properties to raise additional finance supplementary to banking facilities to cope with the increasing funds required for the execution of the contract. Men of Mr. Bhagat's courage and faith in the industrial development of the country are contributing towards raising the status of India as an industrial country.

Dividends

Your Directors are recommending the payment of a dividend of Rs. 15/- per ordinary share, which is fully justified by the results of the last year. As a matter of fact, some shareholders have complained that the dividend recommended is disproportionately low and I have full sympathy with them realising that since the inception of the Company the average dividend distributed to shareholders only comes to 4.61%. I, however, want the shareholders to appreciate that in view of the number of projects, both expansion and new, the Directors are compelled to plough back a substantial amount of the profits to enable the Company to successfully implement them. It is the general experience of all industries in the recent months that the availability of funds, both in the shape of new capital and working capital from Banks, is definitely diminishing and I shall be very unhappy if, for lack of finances, this Company is precluded from completing the various projects under the consideration of your Directors.

From other platforms I have earnestly pleaded with the Finance Minister for examination of the position of Companies like these which come under the mischief of Section 23-A of the Indian Income-Tax Act. There are good and sound reasons rooted in the historical background of a number of smaller medium-scale industries which justify a differential treatment from those companies which have been essentially formed to avoid a large payment of direct taxes. Similarly, the history of this Company confirms my plea that the penal super-tax on dividends is both illogical and unscientific as it completely ignores the average return earned by shareholders over a period of years.

I am glad to say that our relations with our workers have been very happy and satisfactory throughout the year.

I wish to take this opportunity of expressing our gratitude to all those who have rendered such devoted and loyal services to achieve the results of the last year and I am sure the shareholders will join me in paying this tribute to our entire staff.

Note: This is not a report of the proceedings at the above Annual Meeting.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

STRONG DEMAND FOR INTERBANK FUNDS

Wednesday, 2nd January.

THE seasonal demand for funds has continued to increase during the holiday period. The leading source of offtake is now the sugar industry, where the crushing is in full swing. The requirements on account of cotton stocks have been maintained, and accommodation against grain storage has now made its appearance. There has been rather less enquiry from the jute mills in the past two weeks, but it is considered that this is a temporary feature because the long-term trend of jute advances continues upwards. There is every sign that this year will be a bumper one so far as demand for seasonal advances is concerned. The interbank market has been exceptionally tight during the last few days on account of year-end requirements. The call rate is quoted at 4½ per cent, with borrowers over.

It has been a poor week for export bills. The few documents which have passed have been equally divided between tea and gunny. Remittance has been good, as might be expected at this time of year. Sterling continues to strengthen. A considerable bear position is apparently still being maintained, but covering has been going on at a brisk pace. The pound is quoted higher against both the dollar and the Continental currencies.

Silver was steady on fresh support and the price advanced from the previous week's level of Rs. 172 to Rs. 173, quoted today. The rate for ready delivery was Rs. 173-4. The London and New York prices were almost unchanged.

In spite of the rise in silver, gold was easier. The price declined from Rs. 106 to Rs. 105-12. The sovereign at Rs. 69-4 showed a loss of 4 annas.

During the week ended 21st December, 1956 Government of India Treasury bills for Rs. 4,05,00,000 were sold in favour of the Reserve Bank.

During the week ended 28th December, 1956, Government of India Treasury bills for Rs. 3,87,00,000 were sold in favour of the Reserve Bank.

Increases of Rs. 57 lakhs and Rs. 35 lakhs in active notes and in the total note issue to Rs. 1,466,07 crores and Rs. 1,475,21 crores, respectively, were the outstanding features of the return of the Reserve Bank of India for the week ended 28th December, 1956. Notes held in the Banking Department declined by Rs. 22 lakhs to Rs. 9.14 crores. Deposits of the Government of India rose by Rs. 1.68 crores to Rs. 57.24 crores, while other Government accounts declined from Rs. 9.45 crores to Rs. 8 crores. Balances of commercial banks, at Rs. 58.09 crores, showed an increase of Rs. 5.76 crores. Balances held abroad were Rs. 3.96 crores lower at Rs. 86.57 crores, but investments increased by Rs. 46 lakhs to Rs. 61.82 crores. Other loans and advances improved from Rs. 93.81 crores to Rs. 106.04 crores, of which advances to scheduled banks against usance bills increased from Rs. 49.49 crores to Rs. 57.20 crores. Such advances totalled Rs. 425.68 crores since 1st January, 1956. Ways and means advances stood at Rs. 7.27 crores (Rs. 7.41 crores).

The statement of the position of scheduled banks for the week ended 21st December, 1956, shows Demand and Time liabilities at Rs. 646.72 crores (Rs. 9.43 crores on account of borrowings from banks) and Rs. 459.86 crores (Rs. 2.86 crores), compared with Rs. 655.66 crores (Rs. 11.21 crores) and Rs. 459.71 crores (Rs. 2.90 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 89 lakhs and Rs. 10 lakhs to Rs. 35.29 crores and Rs. 50.78 crores, respectively. There is a drop of Rs. 50 lakhs in investments to Rs. 364.83 crores. Advances and bills discounted, at Rs. 783.81 crores, show a rise of Rs. 6.61 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.8 percent and 70.8 percent, against 7.8 percent and 69.7 percent.

The return of the State Bank of India for the week ended 21st December, 1956, shows a rise of Rs. 1.77 crores in total deposits to Rs. 239.03 crores. Investments in Government securities are up by Rs. 1 lakh at Rs. 95.49 crores, while other authorised investments are down by Rs. 20 lakhs at Rs. 11.21 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 3.09 crores to Rs. 137.09 crores. Cash and balances are, in consequence, shown at Rs. 16.46 crores, or Rs. 95 lakhs less.

LONDON FINANCIAL LETTER

RESTORING THE STRENGTH OF

STERLING

By Air Mail.

THE City of London has to admit that the International Monetary Fund, which it has so often criticised as nearly useless, is now performing a most important function. When the sterling area's published reserves had fallen alarmingly below \$2,000 million, the Fund added \$1,300 million in the space of a few days. With nearly \$1,000 million of dollar securities available as collateral for an American loan, the additional resources that could be used, if necessary transformed the whole appearance of the reserves supporting sterling. It was immediately evident that the risk of devaluation with a few months was negligible, and pressure against the currency was immediately relaxed. There remain, however, some very unsatisfactory elements in the position and some questions not satisfactorily answered. Mobilisation of reserves in an emergency is sensible and necessary, but it does nothing to correct the underlying problems. It has been said that the Chancellor of the Exchequer, Mr. Harold Macmillan, reacted tardily to the crisis, but that his belated actions were bold and comprehensive. Insofar as sterling's problem was psychological—the fear (or hope) that the reserves could not support its present value for long—the Chancellor tackled it effectively. Mobilising reserves is not, however, the same thing as remedial action. The "approximate balance" in the current account with the outside world envisaged in the year to June next represents a deterioration of nearly £300 million from the annual rate of surplus established in the preceding half-year—and by the end of June the seasonal pressure on sterling will be about to begin. Yet the Chancellor does not, apparently, feel that any drastic action is needed to prevent the deterioration. He prefers, it seems, the old helpless expedient of a dollar loan.

The main unanswered question is where the sterling that caused the loss of some £100 million worth of gold and dollars in November originated. It is known that there were no large quantities of "American" or of "transferable" sterling available to sell, and it seems that much of the foreign capital that could conveniently leave London had done so before November. The question arises, therefore, whether "native" sterling has been leaking freely from the sterling system. Such leaking could well occur through those sterling countries whose controls are less stringent, or less efficient, than Britain's—and to those countries capital can flow unrestricted from sterling countries whose exchange control is stricter. While confidence in the currency is sustained it may seem that this inequity on the gold loss is academic. But unless the authorities can get to grips with the underlying problems not even the formidable reserves protecting sterling can sustain that confidence indefinitely. And, while there are limits to the amount of foreign-held sterling that can be offered, the sterling held within the sterling area is inexhaustible.

Financing Russian Policy

A not inconsiderable factor in the recovery of sterling—specifically, "transferable" sterling—was the selling of substantial quantities of Russian gold. The phenomenon has been much discussed here, for sales of Russian gold in international markets (in this case they were focussed on Switzerland) had not previously been seen for many months. It is axiomatic that the Russian authorities sell gold to acquire foreign currency. The question is why they wanted sterling at that time. They did not seem to be short of it for ordinary commercial purposes, for they had been offering credit to importers. It was suggested that they wanted it for Egypt; but when China assisted Egypt in the earlier phase of the Suez Canal crisis, she sold "transferable" sterling to provide Egypt with other currencies.

Russian officials are often keen business men, and they would not be reluctant to take advantage of the favourable rates for buying "transferable" sterling that were established in November. But there are reasons to believe that this demand for sterling will be repeated after that temporary advantage has disappeared. For the whole rouble system seems to be undergoing profound modifications. The pool of sterling and other foreign currencies is not, apparently, functioning any longer; so a surplus earned by one country in the Soviet bloc is not necessarily available to offset a deficit of another. In present circumstances, Soviet Russia must evidently assist the deficit countries. At the same time, the demands of consumers throughout the bloc—including Russia itself—may involve an appreciable increase in imports of consumer goods; and wherever they may ultimately be distributed, it will presumably be necessary for the Russians to pay for them in the first place. If this interpretation is correct, considerable quantities of Russian gold may be exchanged for sterling in the future; for the Russian authorities use sterling widely in their transactions with non-sterling countries as well as with the sterling area. Other precious metals may be similarly sold, as in the past. But it is possible that in the more distant future an increasing proportion of Russian imports will be financed by sales of diamonds, if the vast discoveries reported by a prospecting expedition in Yakutsk, Siberia, are substantiated.

RESERVE BANK

(ISSUE DEPARTMENT)

(In 100's of Rupees)

	Week ended 28-12-56	21-12-56	30-12-55
Liabilities—			
Notes in Banking Dept.	9,14.06	9,36.33	12,03.72
Notes in Circulation	14,96,06.70	14,65,49.58	13,61,97.57
Total Notes issued	14,75,20.76	14,74,85.91	13,74,01.29
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,47,30.03	4,47,30.03	6,96,87.35
Total A	5,65,06.06	5,65,06.06	7,26,89.56
B Rupee Coin	1,24,30.01	1,24,45.16	1,08,44.41
Rupee Securities	7,85,34.99	7,85,34.99	5,38,67.32
Total	14,75,20.76	14,74,85.91	13,74,01.29

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	57,23.96	55,55.68	54,90.87
(b) Other Govts.	8,00.16	9,45.27	10,62.48
(c) Banks	53,09.16	52,32.33	57,86.77
(d) Others	13,37.05	13,34.78	15,81.27
Bills Payable	14,34.99	13,32.57	9,38.36
Other Liabilities	1,07,10.71	1,05,96.49	26,75.06
Total	2,84,65.64	2,76,47.32	1,84,44.81
Assets—			
Notes	9,14.06	9,36.33	12,03.72
Rupee Coin	9.27	8.99	7.25
Subsidiary Coin	9.29	8.72	4.92
Bills Discounted (Int.)	—	—	45.50
Govt. of India Treasury Bills	3,29.59	3,73.47	11,61.18
Balances held abroad	82,60.74	86,54.58	48,30.27
Loans to Govt.	7,26.70	7,40.70	3,66.00
Other Loans etc.	1,09,03.95	93,80.65	44,62.72
Investments	61,81.62	61,35.81	50,54.14
Other Assets	14,30.32	14,06.03	13,08.11
Total	2,84,65.64	2,76,47.32	1,84,44.81

SCHEDULED BANKS

(In 100's of Rupees)

	Week ended 21-12-56	14-12-56	23-12-55
Liabilities—			
(a) Borrowings from Banks	9,42.71	11,20.65	6,81.14
(b) Others	6,37,29.97	6,44,45.59	5,99,86.79
Time Liabilities—			
(a) Borrowings from Banks	2,86.90	2,90.00	5,78.50
(b) Others	4,57,00.32	4,55,80.61	4,14,49.06
Borrowings from State Bank Demand Liabilities	9,67.71	9,89.79	7,75.65
Time Liabilities	35,29.45	36,17.93	33,94.86
Balances with the Reserve Bank	50,77.96	50,87.89	55,69.83
Balances with other banks in current account	10,75.01	10,46.30	10,55.97
Money at calls and short notice	13,03.31	14,15.26	12,00.44
Investments in Central and State Govt. Securities	3,64,82.92	3,65,32.92	3,87,32.70
Advance	6,18,76.06	6,05,49.67	5,13,53.78
Income bills purchased and discounted	1,10,02.02	1,17,97.29	61,73.25
Foreign bills purchased and discounted	55,02.82	53,73.44	46,88.61

CLEARING HOUSE RETURNS

	Week ended 28-12-56	Rs (thousands) Calcutta	Bombay
28-12-56	61,86.15		
21-12-56	79,46.90		
14-12-56	67,18.32		
7-12-56	72,11.96		

STATE BANK OF PAKISTAN

(ISSUE DEPARTMENT)

	(In 100's of Rupees) week ended 14-12-56	7-12-56
Liabilities—		
Notes in Banking Department	11,09.03	9,47.06
Notes in Circulation	3,18,66.93	3,15,33.90
Total Notes issued	3,29,75.96	3,24,80.96
Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	82,02.81	82,02.81
Government of India Securities	21,63.47	16,63.47
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28
B Rupee Coin	5,58.00	5,58.00
Rupee Securities	1,60,30.93	1,60,30.93
Bills with Reserve Bank of India pending transfer to Pakistan	19.02	15.02
Govt of India Securities	4,40.63	4,40.63
Govt of India Securities	1,00.90	1,00.90
Rupee Coin	29.51	29.51
Total	3,29,75.96	3,24,80.96

BANKING DEPARTMENT

Assets—			
A	Gold Coin and Bullion	Rs	11,33.41
	Sterling Securities	Rs	42,02.81
	Government of India Securities	Rs	21,63.47
	India Notes representing assets	Rs	16,66.00
	receivable from the Reserve		
	Bank of India	Rs	43,02.28
B	Rupee Coin	Rs	5,58.00
	Govt. of Pakistan Securities	Rs	1,60,30.93
	Held with Reserve Bank of India		
	pending transfer to Pakistan		
	Gold Coin and Bullion	Rs	19.02
	Sterling Securities	Rs	4,40.03
	Govt. of India Securities	Rs	1,00.90
	Rupee Coin	Rs	29.51

"CAPITAL" STOCKS AND SHARES INDEX*

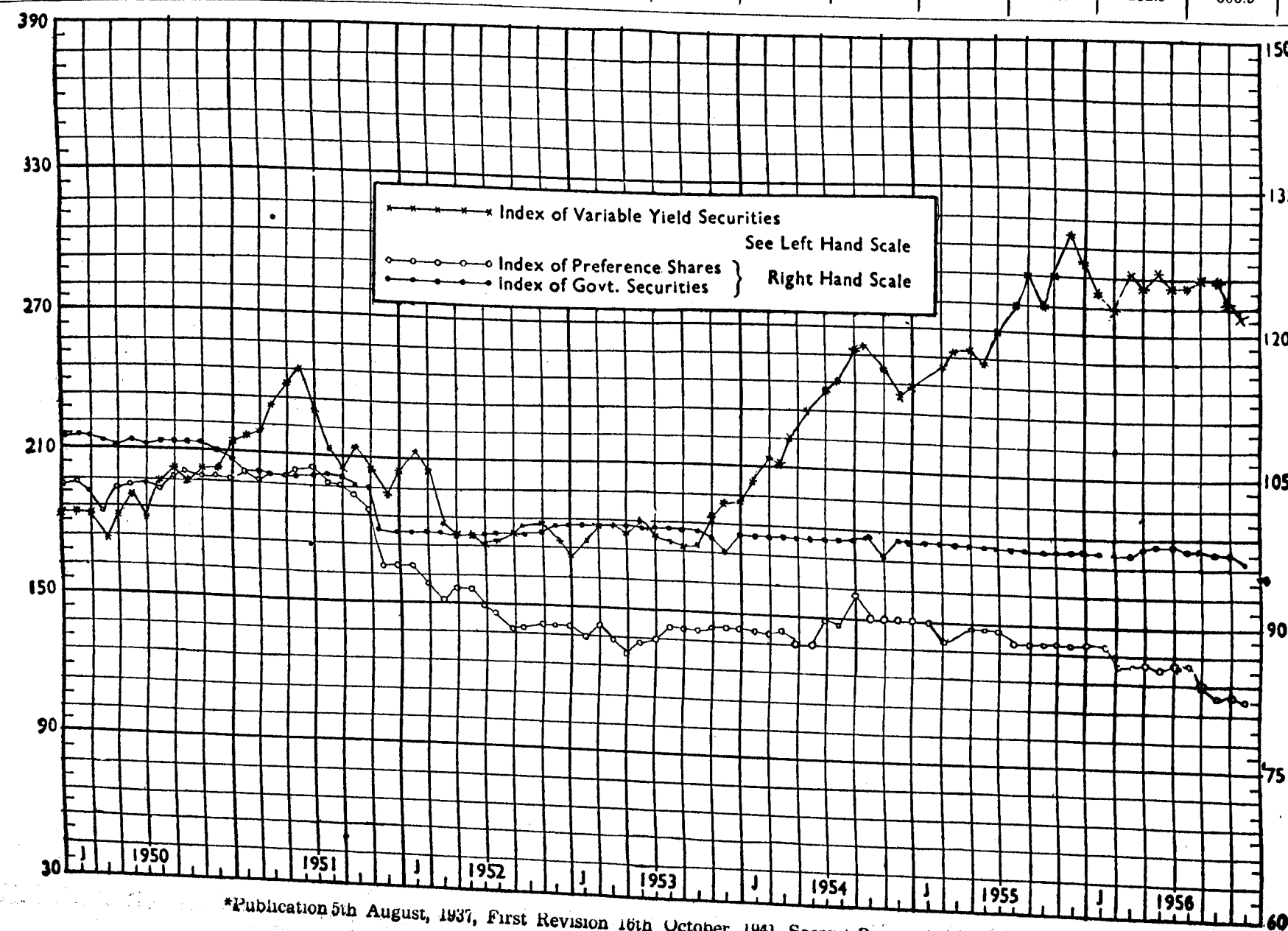
The Capital Stocks and Shares Index (Base: 1939) has now been brought up to November, 1956. Compared with October, the November indices for Government securities and preference shares show drops of 0.4 points and 1.3 points, respectively.

There were decreases in cottons 1.2 points, jutes 7.9 points, minings and oils 20.6 points, cements 13.4 points, engineering 0.3 points, papers 45.7 points and miscellaneous 4.6 points, while increases occurred in coals 8.2 points, teas 20.8 points and

sugars 4.5 points.

Correlating all the factors, the Capital variable yield securities index shows that the index for stock prices in these classes of shares declined by 5.9 points during November, 1956.

Weights	Index of Govt. Securities	Index of Preference Shares	Variable-Yield Securities											Combined Index
			Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement Lime etc.	Eng and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others	
1952.	...	...	7	12	9	11	10	6	17	4	9	6	11	100
December	98.1	87.4	131.4	188.5	175.1	150.0	92.2	89.6	159.3	166.7	517.5	139.5	218.2	173.2
1953.	...	...	...	...	...	...	...	...	...	...	...	...	...	...
January	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9	176.0
February	97.9	87.8	133.5	199.6	175.6	147.2	101.4	91.9	165.3	189.7	549.3	148.9	234.2	182.3
March	98.2	86.4	136.7	204.1	184.8	144.6	96.8	92.1	165.3	196.0	569.2	155.9	222.4	183.1
April	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3	181.9
May	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	186.3
June	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	181.9
July	97.6	88.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1	178.7
August	97.6	88.5	134.0	197.6	166.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	215.1	175.2
September	97.7	88.6	131.7	192.6	150.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3	177.1
October	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	583.1	171.9	227.0	189.8
November	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1	193.4
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2	193.8
1954.	...	...	...	...	...	...	...	...	...	...	...	...	...	...
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.3
February	97.8	88.0	132.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.4
March	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7	211.6
April	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.8
May	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	222.8
June	98.0	90.7	128.0	236.7	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	239.8
July	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	250.9	350.9	926.3	196.9	294.1	246.1
August	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	260.4
September	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.0	262.0
October	96.9	90.2	128.8	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7	253.2
November	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0	238.6
December	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1	242.5
1955	...	...	...	...	...	...	...	...	...	...	...	...	...	...
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.6
February	97.8	88.3	122.5	209.5	185.8	146.0	157.7	107.4	297.4	376.8	984.0	202.6	278.6	252.4
March	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3	260.8
April	97.9	89.2	121.2	216.1	199.5	152.7	149.2	114.3	304.1	373.8	1054.2	201.3	289.4	259.2
May	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2	255.2
June	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	322.9	391.2	1105.2	190.3	289.4	271.1
July	98.2	87.7	112.8	249.1	211.7	150.3	204.1	121.0	325.1	378.9	1148.3	210.6	302.3	281.8
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3	293.3
September	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2	283.0
October	98.3	87.1	126.1	257.8	203.1	142.8	225.0	130.3	363.9	363.0	1176.8	224.3	317.8	296.8
November	98.1	87.7	125.4	222.4	147.6	219.2	234.2	131.1	375.0	349.2	1304.7	223.6	350.3	311.9
December	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2	302.4
1956	...	...	...	...	...	...	...	...	...	...	...	...	...	...
January	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1	288.5
February	98.3	86.4	122.0	246.6	206.7	132.9	217.0	120.6	331.0	286.4	1242.4	193.6	301.8	282.6
March	97.9	88.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	185.6	298.2	295.6
April	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	345.4	321.2	1287.4	181.9	296.6	290.5
May	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7	298.8
June	98.2	86.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	188.9	314.2	290.9
July	97.9	86.0	128.3	283.7	201.1	112.7	226.6	124.9	330.0	313.6	1365.6	189.3	297.7	291.7
August	98.0	84.5	134.0	295.7	204.1	119.4	212.4	128.5	337.3	303.8	1342.4	191.9	309.0	294.5
September	97.4	83.6	132.5	277.1	206.7	121.0	230.0	130.7	331.3	294.9	1347.1	191.3	320.4	294.5
October	97.0	83.8	132.2	270.1	206.1	114.6	223.5	125.1	311.8	309.7	1311.9	178.6	308.5	284.5
November	96.6	82.5	132.2	268.9	214.3	106.7	202.9	117.7	311.5	330.5	1266.2	182.9	303.9	278.6



Stocks and Shares

MARKET FACES THE NEW YEAR IN DEPRESSED MOOD

MORE SHOCKS AWAITED FROM INDORE CONGRESS SESSION

Wednesday Evening.

THE stock market has begun the New Year on a subdued note. There has been little change on today's opening quotation of Rs. 28-5 for Indian Irons. During business hours prices tended to sink lower while in the evening they showed some buoyancy and climbed to Rs. 28-10. During the slack holiday period a new low level for Irons was reached at Rs. 27-12. The general undertone is one of extreme caution. This week's Indore meeting of the Congress Party is expected to bring fresh bad news for the market and operators are not inclined to take chances. Other speculative shares have ruled quiet in sympathy with Irons, although Indian Coppers are steady.

Investment counters have shown little sign of life and turnover has been small. The coming elections and the various taxation ideas have contributed to a general feeling of uncertainty and even first-class investment shares are unable to find buyers in spite of the favourable prices at which they are now quoted.

Details of the recent trading follow.

The Government security market continued to rule quiet and prices, where changed, were marked down. Three percent Conversion Loan was unchanged at around Rs. 73, and Non-terminable Paper was quoted at the same rate. In short-dated loans, 3% 1957 was taken at Rs. 99-12, 3% 1958 was marked at around Rs. 99-9, 2½% 1961 was quoted lower at Rs. 93-5, 3½% 1961 was easier at around Rs. 99-3, 2½% 1960 had sellers at Rs. 96-6 and 3% 1959-61 was weak at Rs. 97-12. In the medium-dated group, 3% 1963-65 was quoted at Rs. 94-3, and 3% 1964 was marked at the same rate. In National Plan issues, 3½% 1964 was unchanged at Rs. 98-3, but 3½% 1965 eased further to Rs. 98-5. In long-dated loans, 3% 1966-68 was traded at Rs. 92-4. Three percent 1970-75 continued on offer at Rs. 87-14 while 3½% 1974 was marked at around Rs. 98-8. Sellers continued to predominate the market for State loans, but prices were unchanged.

Among preference shares, Associated Hotels were crossed at Rs. 55-12 and Bharat Collieries were marked at Rs. 50-8. British India Corporation were done at Rs. 119 and Calcutta Electric were crossed at Rs. 10-4. Dalmia Cement Rs. 100 paid-up were marked at Rs. 91 and a small lot of the Rs. 40 paid-up shares changed hands at Rs. 36. Indian Aluminium were taken at Rs. 78 and there were buyers of Indian Iron & Steel at Rs. 100. In jute, a solitary transaction was reported in Gouapore at Rs. 80 and in Kamarhaty at the same rate.

Business in bank shares was on a much reduced scale with only three shares changing hands, namely Hind Bank at Rs. 35, a small lot of Punjab National at Rs. 49-12 and United Bank of India "D" shares at Rs. 4-8.

In railways, a small lot of Bankura Damoodar was transacted at Rs. 56-12 and Katakhal-Lala Bazar at Rs. 69. Dehri Rohtas were slightly better at Rs. 13-6.

In cotton, Jayshree were reported at Rs. 5-13 and Kesoram were marked down from Rs. 15-4 to Rs. 14-15. New Victoria were shaded at Rs. 1-13 and Swadeshi Cotton Preferred-Ordinary were reported at Rs. 11-6. Elgin were marked down today from Rs. 25-12 to Rs. 25.

Business in coal shares was of a retail nature and price movements were narrow. Bengal fluctuated around Rs. 443 and Burrakur, after being done up to Rs. 21-14, were easier at the close at Rs. 21-4. Bharat Collieries were unchanged at Rs. 6-12. Central India Collieries were marked back from Rs. 6-8 to Rs. 6-3 while Western Bengal were better at Rs. 5-15. East Indian eased from Rs. 27-8 to Rs. 27 as did Equitable from Rs. 25-4 to Rs. 24-10. Katras Jheriah were unchanged at Rs. 56-8.

Jute shares continued their downward trend and buyers were conspicuous by their absence. Here is a chart showing representative price movements:

	Opening 20-12-56	Closing 2-1-57
Anglo-India	142	135
Birla	14 14	14 10
Caledonian	160	139
Delta	128	127
Howrah	19 12	19
India	121	120
National	20	18 12

In electrics, Calcutta were unchanged at Rs. 13-1 and Cuttack were reported at Rs. 8-8.

In sugar, Cawnpore improved from Rs. 16-8 to Rs. 17-8 and Champaran jumped from Rs. 21-8 to Rs. 24-8 (after Rs. 26-4) on rumours of a bonus issue. Durbhanga improved from Rs. 20 to Rs. 21-8 while Ramnugger were easier at Rs. 23-4. Carew were depressed at Rs. 7-8. Dyer Meakin Breweries changed hands at Rs. 5-12.

In the engineering section, Indian Iron & Steel shares were weak and at one time during the holidays were marked down to Rs. 27-12 in the evening against an opening quotation of Rs. 29-7; tonight's closing quotation is Rs. 28-3. Braithwaite were unchanged at Rs. 26 as were Burn & Co., at Rs. 318. Jessop & Co., after being sold down to Rs. 28-12, recovered to Rs. 29 as did Richardson & Cruddas from Rs. 21-10 to Rs. 22-12. Textile Machinery receded steadily from Rs. 20-9 to Rs. 19-11.

In paper, Orient were marked down from Rs. 32-8 to Rs. 31-7 and India Paper Pulp were unchanged at Rs. 22-8. Titagur Paper were quiet at Rs. 36.

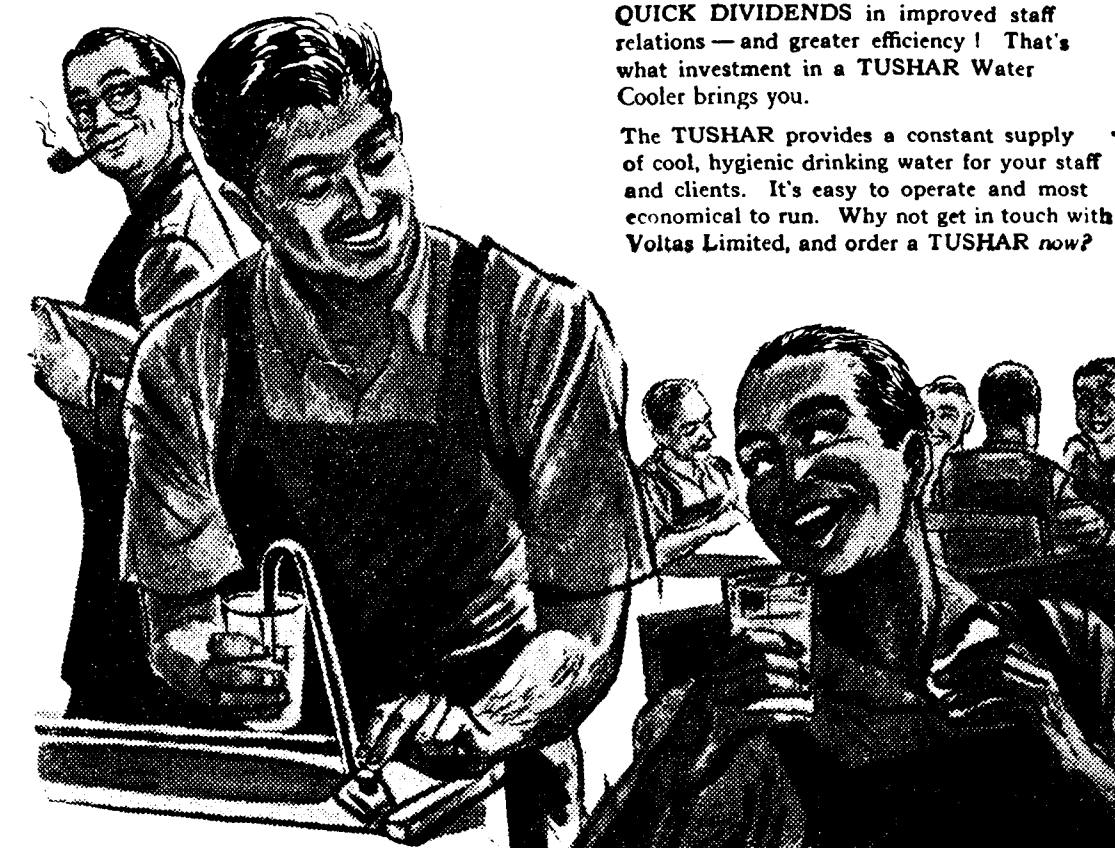
In cement, Assam Bengal were unchanged at Rs. 6-14 and Dalmia were easier at Rs. 12-4. Sone Valley were marked down from Rs. 8-4 to Rs. 8.

In insurance, the only share dealt in was Concord of India at Rs. 11-2.

In shipping, Calcutta Landing were Rs. 1-8 lower at Rs. 14 while India Steamship were fairly steady at Rs. 9-5. India General Navigation recovered from Rs. 69 to Rs. 71 while Port Shipping receded from Rs. 14-12 to Rs. 14-10.

In the miscellaneous group, Aluminium Corporation recovered from Rs. 10-4 to Rs. 10-8 and Balmer Lawrie were better at Rs. 150. Britannia Biscuits met with small enquiry at Rs. 15 while Clive Row were depressed at Rs. 10. Great Pyramid Insurance were offered at Rs. 2-8 and Hindustan Motors were marked back further to Rs. 7-12.

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FRESH BUOYANCY IN STOCK MARKETS

INDUSTRIALS AND GILT-EDGED RISE

London, 2nd January.

BUSINESS in the stock exchange remained at a very low level immediately after the Christmas holidays but expanded sharply after the week-end to end the year on a buoyant note. Substantial gains were scored in the main sections on the last day of 1956, and a very firm tone was maintained into the New Year, although the advance later slowed down and became more selective. Sentiment was aided by a more hopeful view of the Middle East situation, coupled with the growing belief that money will become cheaper. Gilt-edged securities were prominent in the advance. The fall in the Treasury bill rate for the third week in succession stimulated the general hope of a fall in interest rates, which brought in fresh buyers of Funds. Foreign bonds were subdued throughout, but the Chinese issues were weaker. Dollar stocks eased, reflecting the tone of Wall Street. The industrial market recorded extensive gains, with virtually all groups participating in the advance. The best features were provided by atomic power and textile shares. Gold shares met with selective support, and several appreciable gains were scored. Coppers went ahead, but reacted later on profit-taking while other base metals moved similarly. Cils responded strongly to the Middle East developments and were substantially higher, although they closed below the best levels. Only limited business was transacted in rubber and tea shares, but the tone was satisfactory and prices were generally steady to firm.

The Money Market

With only three full working days and the year-end activities in full swing, conditions in the money market during the past week have been very difficult. Discount houses had large commitments for Treasury bill payments, but available funds were very meagre and with their need for money to tide them over the old year, they had to

borrow a large amount from the Bank of England on the Bank rate term of 5½ percent. In open market operations, day-to-day money rates ranged between 4½ percent and 5 percent, with the latter rate conceded for over the turn of the year and for a week. There was a fair offtake of Treasury bills with March maturities and "hots" sold at 4-13/16 percent, and under duress at a higher rate. This week, with the arrival of the new year, conditions are expected to be easier and the supply position is likely to be helped by a large number of excess bill maturities. Applications for £270 million worth of 91-day treasury bills totalled £372,465,000, of which £270 million were allotted at the average rate of 97½-1316 percent, against 98½-143d percent in the previous week. This week £270 million worth of 91-day bills are on offer. The Bank of England return for the week ended 26th December showed that notes in circulation were £1 million higher at £1,997 million, while bankers' deposits were £3 million higher at £203 million.

Activity on Wall Street

Foreign bonds featured on Wall Street with increased activity and firmness in Serbs, which gained a couple of points. Polish were also in demand and higher by one point or so. German Nationals were easy, with Italians easing after fractional gains. Greeks were mixed. Norwegians unchanged and Danish occasionally lower. Japanese were mostly higher and few Brazilians showed wide price movements either way on small volume. Chile 3 percents finished with a small decline. U.S. Government securities were highlighted by the slump in long-termers, where record lows were touched. This was attributed, in part, to liquidation in order to obtain funds for the purchase of higher yielding corporates scheduled to reach the market. The market recovered at mid-week, only to slip back again. Investment quality corporates lost some ground, but eventually developed a firmer trend.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 18th December shows that gold stocks rose by \$22 million to \$21,931 million. Foreign deposits fell by \$17 million to \$405 million, while foreign investments rose by \$46 million to \$3,653 million. The Federal Reserve bought \$54 million worth of bills and \$186 million of government securities under repurchase agreements. Total discounts and advances increased by \$213 million to \$772 million,

while aggregate of excess reserves of member banks rose by \$254 million to \$613 million. Daily average excess reserves of member banks fell by \$1 million to \$578 million, while their daily average borrowings declined by \$172 million to \$527 million. Business loans of New York city banks rose by \$218 million to \$11,477 million, compared with a rise of \$70 million to \$9,131 million a year ago.

Hongkong Gold Improves

The declining trend of the Hongkong gold market was arrested over the past week as sterling again depreciated in New York. After fluctuating somewhat, the market closed above the opening level. The official offtake was 2,060 taels and the unofficial 15,200 taels. Carry-over charges were 259 cents a ten taels in favour of sellers. Arrivals totalled 25,000 ounces. Forward contracts were done at \$(U.S.)37.73.

Paris Gold Quiet

Very quiet conditions prevailed during the past week on the Paris gold market. There was a weaker tone at first prompted by reports of increased Russian gold deliveries to western Europe, and also because the U.S. Senate had waived the tax on gold trading. The supply of gold through smugglers dried up considerably because of the petrol crisis. A large part of the gold arriving on the Paris market has been carried by car. However, fine gold continued to weaken compared with the previous week's levels in a very narrow market due to a lack of demand. Coins were relatively steadier, and the level of prices at the end of the week was about the same as at the beginning.

West German Gold Reserves

Western Germany's gold reserves in the past week exceeded Dm6,000 million for the first time, the Bank Deutscher Laender said. The Bank in its weekly report added that gold reserves rose by about Dm426 million to Dm6,220 million in the week ended 13th December. Total gold and currency reserves reached about Dm18,000 million by 15th December, compared with Dm12,900 million at the beginning of 1956. Note and coin circulation totalled about Dm16,000 million on 7th December, 1956.

Aluminium Surcharge Withdrawn

The Aluminium Union Limited has announced that from 1st January, 1957, the surcharge of 30 a ton on supplies of virgin aluminium will be discontinued. Thus, from 1st January the rate is £197. The Aluminium Union Limited has acted as the agent of the U.K. aluminium industry for importing and distributing higher cost American metal, and by agreement, has applied the surcharge to all supplies of virgin aluminium since 1st July, 1956.

Vegetable Oils Unchanged

With the New Year holidays a restrictive factor, generally quiet conditions ensued in most oils and seeds. Prices varied little from the previous week's levels. Straits coconut oil ruled steadier, with small business passing at hardening rates, but Ceylonese oil was neglected, with re-sellers talking of £104 c.i.f., but open to bids around £2 less. Linseed oil was neglected, with sellers reluctant to quote lower due to a shortage of near oil. Edible oils lacked attention, usually at unchanged rates, the early closing of the American markets precluding late offers. Rumours circulated that shipments of Indian castor oil were extended to the end of January, but confirmation was lacking and buyers here remained unmoved. British East African castorseed softened slightly, but again the response was poor. Groundnuts were rarely mentioned with any certainty, and in the absence of constructive demand, the recent rates were generally repeated, except for Nigerian which was difficult to trace under £95 c.i.f.

Limited Activity in Rubber

The intervention of the Christmas holiday precluded the development of large-scale activity in the London rubber market during the past week. Prior to the closing for the holiday, the market failed to hold a full response to a sharp advance in eastern values, but the quietness was relieved by a little squaring of accounts and switching from near to distant positions. A further sharp advance in Singapore prices put values up by 1d a lb. on the resumption of business after the recess, with the higher level attributed to disturbing Indonesian political events. Business was mainly of a speculative character, and factory interest was negligible. Selling orders in the late stages reduced the advance by ½d a lb. and values closed the week about 3d higher on balance. Traders reported a moderate increase in available supplies of sole crepe as a result of the arrival of vessels in the port of London, but although the holidays restricted business, 50d was still required for good quality ½ inch smooth No. 1 on the spot.

Tea Research in East Africa

Sir Engel Dow, Professor of Agriculture, Cambridge University, told the recent annual conference of the Tea Research Institute of East Africa in Kericho that there is a good chance of developing a high level of tea-growing in East Africa if the growers support increased research. He said that botanical experiments must be combined with careful study of soil, temperature and water content.

U.K. Textile Delegation to India

The U.K. cotton industry delegation under the leadership of Sir Cuthbert Clegg is leaving by air for India on 9th January for discussions with representatives of the Indian cotton industry, it was officially announced. Lancashire cotton circles, although relieved of many anxieties by the current boom on the home market and by the fact that Lancashire cotton textiles are now more competitive with Indian textiles—are still pressing for talks with India for the restriction of Indian cotton textile exports to the U.K.

New Delhi

THE FALL IN FOREIGN EXCHANGE RESERVES

PROPOSALS TO INCREASE EXPORT EARNINGS

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government is determined to ensure the stability of the Indian rupee. In the postwar period, the currency has acquired a status of its own. The unphased implementation of the second five year plan is largely responsible for the rapid depletion of sterling resources during the last few months. The sterling balances stood at Rs. 538 crores on 7th December, 1956. The minimum requirements are placed at Rs. 440 crores—Rs. 400 crores as a paper currency reserve and Rs. 40 crores as working balances. This leaves a balance of Rs. 98 crores, as on 7th December. There has been a weekly deficit of Rs. 6 crores. In other words, on 7th December, India had enough foreign exchange to meet her present commitments for 16 more weeks. This is on the assumption that no fresh additions are made to the sterling reserves. As already reported, proposals are being considered to step up exports. A small quantity of sugar (50,000 tons) and groundnut oil may be exported to earn foreign exchange.

There is no intention at present to draw on the paper currency reserve of Rs. 400 crores of sterling balances kept in London. There will be no need to do so, it is explained here. India can draw \$100 million from the International Monetary Fund to tide over any emergency. By the end of March, it is expected, negotiations for some loans which are now in progress with the World Bank may be finalised.

Tourism in Reverse

The problem of foreign exchange is considered only temporary. Many points of leakage are being closed. They include "tourism in reverse," or the practice of "seeing the world at India's expense." In 1955, for example, 1,000 persons went out of India and cost Rs. 50 million in foreign exchange. The 1956 record cannot have been less disappointing. In addition to the large cultural missions which toured various countries, two missions from the Agricultural Ministry and the Planning Commission visited China; the Minister for Agriculture, with a small team, visited Russia; the Deputy Minister for Transport, with some officials, visited Europe; and so did the Deputy Minister for Production and the Minister for Information and Broadcasting. The Minister for Natural Resources visited the U.S.A. and Europe, and the Minister for Communications visited South America. The list is by no means exhaustive. It merely gives some idea of how foreign exchange resources were used.

The Finance Minister, at least for the time being, has put a stop to such trips abroad. But this is the pre-election period, and how far his policy will succeed after the elections depends largely on the co-operation he gets from his colleagues in the Cabinet, particularly the Prime Minister.

Effect on Industrial Expansion

The import of cement has also been stopped, although existing commitments will, of course, be honoured. The import of steel in 1957 will be staggered. A new pattern of industrial development is proposed. Licences for new units, or for the expansion of existing units, involving a large outlay of foreign exchange are being granted on the condition that the licensee raises the foreign exchange himself, either through a loan or long-term credit facilities. Generally speaking, the expansion of production is aimed at through existing units or through machinery and equipment available or manufactured in India.

Raw Film Project

India is often blamed for accepting Communist aid in industrialisation. The fact, however, is that she is sometimes driven to accept such aid. The raw film industry illustrates the point. India is the second largest consumer of raw films. She has been wanting to develop a raw film industry of her own. The only offer of help so far has come from Eastern Germany. Even now, India is open to offers. As things stand, she may be driven to accept the aid offered by the East Germans.

Expansion in Chemicals

The setting up of a Development Wing is a principal item in the progressive plan of Imperial Chemical Industries. It is proposed to bring to India fully qualified men to study the various avenues of production, plan their development, undertake designing, and, above all, train the Indian personnel to replace them within a reasonable period. The company has submitted plans to the Government for the manufacture of water-treatment chemicals in India. Permission has also been sought to expand the manufacturing capacity for caustic soda and chlorine. The manufacture of "safety fuses" is being undertaken. It is estimated that when in full production, this unit will meet 60 percent of the demand, leaving the remainder to the existing units.

Industrial Production Rises

There has been an all-round increase in industrial production during 1956. With 1951, the beginning of the first Plan, as base, the general index of industrial production averaged 134.7 during the first nine months of 1956, as against 122.1 for the

year 1955. The increase in production was shared by almost all the important industries. The general index of industrial production for different months of 1956 was as follows: January 122.9; February 134.2; March 128.6; April 134.7; May 151; June 199.6; July 152.6; August 132.7; and September 145.8.

The following statement shows the production of various industries:

Name of Industry	Unit	Production		Production	Estimated
		1954	1955	during 1956 Jan-August	Production during 1956
<i>Engineering Industries :</i>					
Fluorescent Lamps	.. Nos.	214,800	721,200	591,900	887,850
Power Transformers	.. KVA	398,224	564,713	544,800	817,200
Aluminium	.. Tons	4,886	7,245	4,513	6,769
Copper	.. Tons	1,464	1,560	1,003	1,504
Wood Screws	.. Th. gross	5,098.4	5,743.9	3,742.8	5,614.2
Diesel Engines	.. Nos.	8,654	9,948	7,777	11,665
Power Driven Pumps	.. Nos.	28,617	34,010	29,003	43,504
Machine Tools	.. Value in Thousand Rs.	5,000	6,788	5,458	8,187
Razor Blades	.. Mill Nos.	131.38	174,565	142.5	213.7
Automobiles	.. Nos.	14,462	23,082	20,509	30,763
Bicycles Complete	.. Th. Nos.	372.4	491.2	400.41	600.61
Sewing Machines	.. Th. Nos.	80.2	101.5	84.15	126.2
Electric Motors	.. Th. H. P.	187.2	252.0	220.8	331.2
Electric Fans	.. Th. Nos.	238.8	282.0	221.9	332.8
Radio Receivers	.. Th. Nos.	56.6	81.2	93	139.0
<i>Textiles :</i>					
Cotton Cloth	.. Mill. Yds.	4,998	5,094	3,488.3	5,232.4
Cotton Yarn	.. Mill. Lbs.	1,561	1,570	1,087.7	1,631.5
Jute Manufactures	.. Th. Tons.	927.6	1,027.2	759.2	1,138.8
<i>Woolen Manufactures :</i>					
Woolen Worsted Fabrics	.. Th. Yds.	13,752	13,956	10,358	15,537
Woolen Worsted Yarn	.. Th. lbs.	19,356	20,700	16,259	14,388

New Items

New items developed in India in 1954 included fuel injection equipment, roller bearings, geared head lathes of 10-inch and 12½-inch centres, motorised bench grinders, steel tubes, sheet glass of 10 to 12 oz. gauge, chloromycetin, clacial acetic acid and acetic anhydride.

Among the new items developed in 1955 were alternators, cycle dynamo lighting sets, complete typewriters, self-doffing jute sliver spinning frames, tea dryers, clincker coolers and clincker breakers, delivery valves and pump elements for fuel injection equipment, vertical multi-cylinder diesel engines, certain sizes of drilling machines, all geared-head bench lathes, hypodermic needles, penicillin, ammonium chloride, bismuth salts and plastic emulsion paints for building and aircraft finishes.

New items developed in 1956 include drum closures; crushing, tearing and curling machines, capstan lathes of 1½-inch capacity, portable electric drills, shock absorbers, radiators, brake linings, clutch discs, injection nozzles, tractamound road roller chassis, cadmium sheets and strips, deoxidised copper sheets, silicon brass sheets and strips and leaded brass for clocks, D. D. T., salicylic acid, sulphadimidine, naphthols, vat jade greens, vat dark blue (BO), vat black (BB), and optical bleaching agents.

Labour Ministers Meet

The Labour Ministers' conference held a two-day session in New Delhi last week. It accepted the proposal to set up wage boards for seven industries—plantations, cotton textiles, jute, electrical, mechanical and general engineering, cement, sugar and steel. These boards will be set up by an executive order of the Central Government. They will include one independent chairman (a retired High Court judge), three members each representing employers and workers, and three independent members. The three independent members, it is explained, "will balance the sectional interests, keep in view the general public interest, and in particular the recommendations made in the second five year plan."

The plan outlines the following principles:

1. A wage policy which aims at a structure with rising real wages requires to be evolved. The financial position of average units in a centre should be made the basis of wage fixation.
2. Steps such as better lay-out of plants, improvement in working conditions and training of workers should be taken to increase productivity. The principle of payment by results should be followed, subject to prior consultation with, and adequate safeguards for, workers, the main guarantees being a minimum (fall-back) wage and protection against fatigue and undue speed-up.
3. Workers should be assured of their adequate share in increased productivity.
4. Studies should be undertaken to see whether there is any scope for a wage increase even at the present level of productivity.

5. The principle of equal pay for equal work needs to be more vigorously implemented.

Balancing Sectional Interests

Why three persons are needed to balance the sectional interests is not explained. And how will this balancing of interests operate if the so-called independent members are pledged to implement the plan objective of raising wages even at the present level of productivity. The domestic consumer can be compelled to pay higher prices for his essential requirements. But the foreigner is under no such compulsion. Jute goods, tea and cotton textiles are commodities which earn foreign exchange and thus help the implementation of the second plan. The device of wage boards may help win the elections, but any tilting of the competitive advantage against India by alterations in the prices of export commodities could affect the plan itself.

The Union Labour Minister made a special reference to wage boards in his inaugural speech which is worth quoting. He said: "It is no use

going in for industrial disturbances or agitations or playing into the hands of those interests which are out to jeopardise our plan. It is with that end in view that wage boards have been suggested." It was for precisely these reasons that the Bank Award was modified in favour of bank employees. This raises a fundamental issue: who would implement the decisions of the wage boards if they do not satisfy the workers, or if the interests "out to jeopardise our plan" prevailed upon labour to reject those decisions? Will those decisions be implemented on the model of the Bank Award?

Provident Fund Contributions

A Press communiqué adds that "the opinion of the conference was that provident fund contributions should be increased from 6½ percent to 8-1.3 percent." According to the latest information, the average annual collections of provident fund contributions from the six industries at the existing rate of 6½ percent are: cement Rs. 26 lakhs; cigarettes Rs. 22 lakhs; engineering industries Rs. 1.98 crores; iron and steel Rs. 1.44 crores; paper Rs. 25 lakhs; and textiles Rs. 13.95 crores. The total is thus Rs. 18.10 crores. By September, 1956, the scheme was extended to 17 more factory industries.

The Union Labour Ministry is considering proposals to extend the scheme to employees of still more industries—tea, coffee, rubber, cardamom, pepper, mica, manganese, gold, limestone and iron ore, and to commercial establishments such as banks, insurance, transport, etcetera. The total annual collections of provident fund contributions at the rate of 6½ percent in all these industries are placed at Rs. 14.2 crores. If the rates are increased from 6½ percent to 8½ percent, the total provident fund collections from six industries at present covered by the Act would be about Rs. 120 crores during the whole of the second plan period. The extension of the Act to additional industries would at the higher rate of contribution bring in about Rs. 94.65 crores. There would thus be an increase in the provident fund collections of about Rs. 53.65 crores annually during the current plan period.

New Import Policy

Against the advice of Indian and foreign financial experts, deficit financing was launched. Meanwhile, foreign exchange resources have been depleted, and the Indian consumer has now been called upon either to forgo some things he needs or to pay higher prices for them. The new import policy announced last week reflected the foreign exchange crisis. The sterling balances stood at Rs. 742 crores in January, 1956. They were reduced to Rs. 539 crores in November, 1956—a fall of Rs. 203 crores. It is claimed that the worst is over, as the balances have steadied around Rs. 536 crores, and stood at that figure on 21st December. It is also claimed that exports have been as good as a year before. They totalled Rs. 600 crores in 1955-56, and Rs. 648 crores for the eight months ended November 1956. But imports for the eight months ended November amounted to Rs. 736 crores, as against Rs. 648 crores for the 12 months of 1955. For six months ended September, 1956, the

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balance of payments was Rs. 119 crores. During January to October, 1956, imports of machinery and equipment were Rs. 40 crores more than in 1955, the actual figure being Rs. 124 crores. Imports of metals during January to October, 1956, were Rs. 131 crores, as against Rs. 58 crores in 1955.

The new import policy aims at reducing the drain on the sterling balances. In six months, the cut in imports should save Rs. 30 crores of foreign exchange. The full impact of this policy, however, will be felt during the July-December, 1957, period, because licences already issued and commitments made will have to be provided for during the next six months. Quotas have been reduced for 509 items, the more important of which are fruits, certain spices, betelnuts, tallow, liquor, cigars and cigarettes, toilet requisites, lead pencils, paper items, woollen, cotton and art silk fabrics, cutlery, sheet and plate glass, cycles, patent and proprietary medicines, coal-tar dyes and certain machinery items. The discrimination between hard currency and soft currency areas has been further reduced by giving importers the facility to utilise at least 50 percent of their licences on hard currency, if they so desire. To foster exports, additional items have been included in the export promotion scheme list and an attempt has been made to link the export of indigenous art silk fabrics to the licensing of art silk yarn and fabrics. The quotas for a few essential items like ball bearings, certain small tools and certain chemicals have been slightly liberalised.

Double Taxation Avoidance

A draft of a double taxation avoidance agreement has been sent by the West German Govern-

ment to the Government of India, it is learned. The traditional double taxation avoidance agreement is based on the principle that the country whose residents make the profits keeps the tax on those profits. This suits commercially advanced countries. India has been working on the principle that the country where profits are earned should keep the tax on those profits. Meanwhile, the principle of unilateral relief has been adopted by more than one country, including the U.K. Under this, a country gives relief to its own nationals trading in another country by refunding tax to them, subject to a fixed ceiling.

Project for Optical Glass Factory

A Russian mission is here at present preparing a project report for an optical glass factory in India. Enquiries show that the Germans have not taken much interest in the project, while the British quotations were regarded as on the high side.

Manufacture of Coal-Mining Machinery

Indications are not wanting here that there will be a separate unit for the manufacture of coal-mining machinery. A decision, however, will only be taken after the reports from the British and Russian missions on heavy industry have been received.

Steel Imports

A million tons of steel imports are expected in 1957. At least 500,000 tons are expected to arrive in India out of the 1956 purchases. India has entered into an agreement with Russia for the supply of 350,000 tons of steel, which may arrive in 1957. In addition, 80,000 tons of steel from Germany and

50,000 tons from Japan are expected in 1957. Not more than 500,000 tons can be subsidised from the Steel Equalisation Fund, the remainder being paid for at the imported prices.

EMPLOYMENT OF INDIANS IN FOREIGN COMPANIES

On 4th November, 1955, the Government issued a Press Note reviewing the position of employment of Indians and non-Indians in foreign owned or controlled industrial and commercial concerns in India since 1947. The analysis of the position as on 1st January, 1954, and 1st January, 1955, showed that employment in the two lower pay groups of Rs. 300-499 and Rs. 500-999 had been almost entirely Indianised, and it was, therefore, decided to call for information in future about Indians and non-Indians drawing salaries of Rs. 1,000 and above only. In order to bring the information up-to-date, a public notice was issued requesting all industrial and commercial concerns in the country to furnish particulars of employment as on 1st January, 1956. An analysis of these returns shows that the level of total employment in these concerns on salaries of Rs. 1,000 and above has further increased. The position of Indians and non-Indians in these pay groups is shown below:

Year	Number of Indians	Number of foreigners	Total
1947	504	5,844	6,348
1948	742	6,360	7,102
1949	1,085	6,709	7,794
1950	1,406	6,871	8,277
1951	1,784	6,953	8,737
1952	2,290	7,104	9,394
1954	3,346	7,008	10,354
1955	3,995	6,810	10,805
1956	4,685	6,566	11,251

The analysis of returns as on 1st January, 1956, shows that the proportion of foreigners has registered a decline over 1955 in almost all categories of companies. The break-up of the salary groups of Rs. 1,000 and above shows that in the salary group of Rs. 1,000-1,500 Indians occupy slightly more than two-thirds of the posts, as against 54.9 percent in 1954 and 61.5 percent in 1955. In the next salary group of Rs. 1,501-3,000, one-third of the posts are filled by Indians, as against only 23.0 percent in 1954 and 27.4 percent in 1955. In the highest salary group, about one-tenth of the posts are held by Indians, as against about 6.5 percent in 1954 and 7.9 percent in 1955. Of the total of 6,566 foreigners employed in foreign companies on salaries of Rs. 1,000 or more, 87.6 percent are British. Americans constitute 3.9 percent, their number having increased from 227 in both 1954 and 1955 to 259 in 1956. One hundred and eight Swiss nationals were employed in 1956, as compared with 121 in the preceding year. Americans, Norwegians, Canadians, Afghans, Australians and Ceylonese have recorded small increases in their numbers. The decline in the total number of foreigners from 6,810 in 1955 to 6,566 in 1956 was due mainly to a decrease of 216 in managerial posts. There was a decline of 28 on the technical side.

BOOKS RECEIVED

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Monthly Circular, June 1956. (Edited and published by K. Hattori, Mitsubishi Economic Research Institute, Marunouchi, 3, Chiyoda-ku, Tokyo.)

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London

NEW END-OF-YEAR PRICE RISE IN STEEL

U.S. EXPORT-IMPORT BANK LOAN TO U.K.

(FROM OUR LONDON CORRESPONDENT)

THE last despatch of the year is always a difficult one to compile for it covers a fortnight that usually produces little news on the economic front, with Parliament in recess (until 22nd January) and all markets either closed for the holiday period or virtually dormant as a result of the holiday feeling. It would be wrong, however, to state that the past fortnight has been uneventful, for it started off with the announcement of a rise in steel prices by an average of 6 percent, with plated and heavy sections carrying the bulk of the burden and most products in general use for consumer goods products an almost insignificant increase. This should not affect the cost of living, though the trade unions have not been slow to contend it will.

Another important announcement has been the conclusion of the negotiations for a \$500 million line of credit with the U.S. Export-Import Bank against the British Government's holdings of dollar securities. With the \$1,300 million already made available to this country by the International Monetary Fund, this new line of credit raises the new reserves now mobilised behind the pound to \$1,800 million. This almost doubles Britain's gold and other reserves from the level of \$1,960 million to which they had been reduced by the end of November. Speculators who have sold sterling short now get a warning that Britain is determined to defend the present parity with the U.S. dollar, and has ample resources at her disposal. Confidence in sterling has continued to grow, but it is a slow process. Inflationary trends are still prominent, the full effects of the Middle East situation have yet to show, and labour seems very disinclined to accept the 3 percent wage increase justified by the figures and is in a militant mood, which may result in strike action in the New Year. In the circumstances, Mr. Harold Macmillan's rebuttal of rumours that he intended resigning the Chancellorship of the Exchequer can be taken as an encouraging factor so far as the future outlook is concerned. His confidence in his policies apparently remains unshaken.

Trade Pattern Distorted

Meantime, it is instructive to examine the latest economic statistics over as wide a field as possible to form some idea of what is in store, and there is ample scope for this in a spate of releases from official sources. For instance, from the full figures of overseas trade in November, it is clear that the sharp fall in imports, which was the biggest factor in the narrowing of the visible gap by nearly £34 million to £12.9 million, was largely caused by the Middle East emergency. Oil imports from the Persian Gulf (including Iraq and Iran) dropped from £21½ million in October to £10½ million in November. Although imports from the U.S. and Venezuela rose by £2 million, arrivals from the West Indies fell by the same amount. Total imports of petroleum were £11 million, or nearly one-third, lower than in October. On the export side, the closure of the Suez Canal, which severely distorted the area pattern of imports, had little or no effect. Shipments to Egypt were again very small, as they have been since September, but exports to other Middle East markets were well maintained. Record re-exports at £14.8 million were strongly effected by heavy shipments of rubber (nearly £3½ million), most of which were to the Soviet Union. The latest upsurge of exports this autumn is shown to have been largely attributed to substantial increases in shipments of steel and non-ferrous metals, a wide range of miscellaneous non-engineering manufactured goods, coal and petroleum products, food and beverages, with the demand from West Germany, France, Italy and Sweden particularly high.

Adverse Terms of Trade

The full effects of the distortion will not become apparent awhile and the December and January returns will serve as better indicators. It is unfortunate to find, therefore, that for the second month in succession the terms of trade, reflecting the ratio of import to export prices, moved against Britain in November. With the export price index again unchanged at 107 and import prices up another point to 107, the terms of trade (1954=100) rose a point to 100. Higher wool prices contributed to a 2 point rise to 109 in the index for imported basic materials. The index for import prices of food, beverages and tobacco rose one point to 104. On the other hand, the index for manufactured goods import prices, mainly influenced by lower quotations for unwrought copper, dropped 2 points to 106.

Equally important is that we should hold our position in total world trade, and that we have not been doing lately. Provisional figures issued by the Board of Trade show that Britain's share of world exports of manufactures in the first nine months of the year was 19.3 percent compared with 20 percent in the corresponding period of 1955. The value of world exports for the period is estimated at \$28.118 billion, a rise of 15 percent on the previous year. Britain's exports of manufactures, which were adversely affected by shipping difficulties in the third quarter, increased by 11 percent. There is not yet any clear sign, says the Board of Trade, of a substantial change in the rate at which our share of world trade in manufactures has been

falling since 1953. Then it was 21.2 percent. When allowances are made for the effects of dock strikes in the 1954 and 1955 figures, the decline in 1956 has been a little less than in 1955. West Germany's share has risen in the nine-month period from 15.2 percent to 16.1 percent and the U.S.'s share from 24.8 to 25.4 percent.

Bank Loans Going Down

After their unexpected rise to just over £2,000 million in August, the new quarterly figures relating to bank overdrafts, prepared by the British Bankers' Association, are again down to £1,930,490,000—the lowest since May, 1954, when they stood at £1,890,420,000. This makes overdrafts £285 million below their peak of £2,215 million in August, 1955. Detailed figures suggest that the banks are guiding their money into the best National-interest channels and that the main brunt of the credit squeeze is being borne by personal overdrafts. Engineering loans are again up. So are wool, and chemicals, all of which are doing a good export trade. Hire-purchase finance companies have had another cut to £23.3 million, a decline of £13 million since a year earlier. The peak was just over £45 million. There was a drop of nearly £14 million in the "personal and professional" group, which now stands at £315.3 million. In November, 1955, personal and professional loans amounted to £363.8 million. Over the past year, loans in this category have dropped by £48.4 million, which accounts for nearly all of the £50.2 million reduction in total bank advances during this period. The banks have also clipped their loans to builders and contractors. These advances are down by £3.2 million to £64.7 million in the latest quarter. A year ago they stood at £70.7 million.

Capital Programmes

Neither the credit squeeze nor other restricting influences have had the effect of restraining capital expenditure in British industry, the latest figures of which are published in the *Board of Trade Journal*. Manufacturers expect to spend 1 percent more on building, plant and equipment in 1957, according to a September survey. An earlier survey in July indicated that 1957 expenditure plans were 1 percent down on 1956. Spending on building is expected to be 7 percent less, but shipping companies now plan to spend 13 percent more this year against a 5 percent rise at first indicated. It is hard to resist the conclusion that the increase in shipbuilding programmes now foreshadowed is due mainly to the stimulus provided by the Suez crisis. Owners have evidently become more and more convinced that the future pattern of trade routes will lay increasing emphasis on the long haul round the Cape.

Manufacturing industry's 1957 capital budget is almost the same as it was three months ago, a remarkable reflection of the general situation. Its total expenditure is put at 1 percent above the 1956 level. In September it was 1 percent lower. The industries which expect to spend more in 1957 than in 1956 are chemicals (plus 23 percent), iron and steel (plus 15 percent) and "treatment of non-metal mining products" (plus 9 percent). On the other hand, a drop in capital expenditure is expected next year by the metal-using industries other than vehicles (minus 8 percent), motor vehicles (minus 5 percent), textiles and clothing (minus 12 percent), paper and printing (minus 4 percent) and miscellaneous industries (minus 8 percent).

Indian Sterling Balances

Although there is no concern evident among London officials, India's steady withdrawal of her sterling balances at a rate of almost £4 million a week is adding to the problems which are facing the Treasury at present. Since April nearly £150 million has been used and the balance is now down to only £100 million above the minimum currency reserve of £300 million. Unless the drain can be halted, or at least slowed down, the decision of the Government of India to pay cash for the Rourkela steel plant, being constructed by a German group headed by Krupp—a decision believed to be due to the inability of the group to grant a credit on anything but prohibitive terms—will require a large withdrawal of anything up to £50 million in the near future as it is intended that the plant should be in production by 1959, and that would unbalance the whole programme of sterling withdrawals to cover the second five year plan. The Treasury's problem is that if the total amount is paid in sterling and cleared through E.P.U., we will have to pay out 75 percent of it in gold or dollars. At a time when other strains are being met the prospect of an additional one is hardly welcome, but the official reaction so far is that the deposits are meant to be used and that a rapid withdrawal is "one of the hazards of life in running an international currency."

H. P. Progress Report

The Industrial Bankers' Association, formed in April to regulate the activities of hire-purchase finance houses, has issued its first report. The Association has been having talks with the Inland Revenue about the vexed question whether income tax should be deducted from the deposit interest at source. It has also protested to the banks against their decision to charge 1s. for every credit received over their counters from hirers paying their instalments. These are useful activities, but the main interest of the report lies in its remarks on the questions of membership and legislation. When the Association was set up, it was hoped to attract many more companies than actually joined. It would seem that the rules were too strict to be attractive, especially the "liquidity ratio" of 10 percent (in cash and bills). But now it appears that the Government is to introduce legislation, which will make such standards mandatory anyway and the report comments, "it may well be that if the

Association had received greater support at the outset... the Government would not have found it necessary to introduce legislation." It seems that a chance was missed.

Export Credits

The Export Credits Guarantee Department has converted a £610,976 deficit on its cumulative account for commercial business into a credit balance of £4,781,371. This is revealed in the accounts for 1955-56 and it was this improvement that made possible the cut in premiums announced last April. Guarantees issued on commercial account in the year to 31st March last amounted to about £486 million, against £544 million the previous year. The total for the first half of the current year amounted to about £305 million, a rise of 50 percent on the previous year's corresponding figure. Premium income last year was £3,614,494, against £2,895,576 the year before, and operating expenses £882,532, against £763,153. Claims paid amounted to £2,300,003—less than half the previous year's total. It is expected that about three-quarters of the claims paid will eventually be recovered. Recoveries during the year amounted to £4,655,940, compared with £5,355,361 on the year before.

Brevities

A team of London Transport advisers, headed by Mr. L. C. Hawkins, leave London on 6th January for Ceylon, where they will help reorganise the bus services. Mr. Hawkins goes on to Singapore on 22nd January to advise the Government on reorganising transport services there.

The P. & O. and Orient lines have decided to continue using the Cape route for at least five or six months. After the sailing of the *Chusan* on 29th December, there are no further outward calls at Bombay by the P. & O. Company at present scheduled. The *Chusan* will call there on 21st January. Three homeward calls at Bombay will be made in March and April. Passengers for India are still being catered for by P. & O. passenger ships calling at Colombo on the Far East service.

I. C. I. is to increase production of "Terylene" polyester fibre to 30,000,000 lbs. a year by extending sections of the "Terylene" plant at Wilson in North Yorkshire, whose present capacity is 22,000,000 lbs. a year. Work will begin in the spring of 1957, and additional quantities of "Terylene" will become available early in 1959.

For the first time, synthetic rubber of a general-purpose type is being produced in this country on a reasonable scale. This is being done by the Dunlop Rubber Co. Ltd., at Fort Dunlop, near Birmingham, and a plant has just been set in operation which is capable of producing 1,500 tons a year.

A number of Tory and Labour M.P.s have decided to form an Anglo-Pakistan Parliamentary group "to ensure that the just interests of Pakistan should receive due recognition and support." The committee of the new group consists of five Tories, Mr. Frederick Bennett, Mr. Beresford Craddock, Mr. Bernard Braine, Mr. J. D. R. T. Tilney and Mr. William Aitken, and five Labour members, Mr. Charles Hobson, Mr. Frank Tomney, Mr. Fred Peart, Mr. Denis Howell and Mr. William Clayton. In a statement, the committee says that other members with similar interests will be invited to join the group in the New Year and that the response so far has been most encouraging.

TEA BOARD

EXPORT QUOTA 1957-1958.

TEA PRODUCERS IN INDIA ARE HEREBY reminded that in terms of Rule 23(1) of the Tea Rules 1954, Tea Estates desiring to be allotted an export quota for the year 1st April, 1957 to 31st March, 1958 are required to submit an application therefor, which must be filed with the Tea Board not later than the 1st February, 1957. No export quota will be allotted unless an application under this rule is duly filed. Application forms have already been issued to all registered estates, but the Tea Board will not hold themselves responsible for any omission in this respect, and Proprietors, Agents, Managing Agents or Secretaries who have not received the application forms are requested to apply for these, in the case of estates situated in North India, to the Controller of Licensing, Tea Board, 27 & 29, Brabourne Road, Calcutta-1, and, in the case of estates situated in South India, to the Joint Controller of Licensing, Tea Board, Church Road, Fort Cochin, Cochin-1, South India.

Sd/- P. V. Govindan,
Controller of Licensing.

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Bombay

A SATISFACTORY YEAR FOR T.E.L.C.O. EXPANDING LOCOMOTIVE AND TRUCK OUTPUT

(FROM OUR BOMBAY CORRESPONDENT)

THE Tata Locomotive and Engineering Co. Ltd. has had a very satisfactory year. Speaking at the annual general meeting held recently, Mr. J. R. D. Tata, chairman, said: "One of the most encouraging elements in the situation from the shareholders' point of view is the fact that the company has been able throughout to make full provision for depreciation, so that there is no burden of arrears of depreciation to come in the way of a fair and a steady return on the shareholders' investment." This is indeed a major achievement for an industry which has had to overcome several difficulties not normally met by other large-scale enterprises. Apart from the peculiar nature of its products and the high degree of specialised skill and equipment required to manufacture them, the company has had to face a number of uncertainties, not least among them being the question of prices for locomotives and boilers. Despite the present healthy outlook, Mr. Tata warned that it would be "necessary to be realistic in any assessment of dividend potentialities in the immediate future." He pointed out that the report and accounts for the last financial year include the entire profits and a measure of overheads of the Locomotive Division of the company over a period of two years.

Expansion Programme

The other factor affecting dividends is the company's expansion programme. The capacity of the Locomotive Division is to be expanded to 100 complete units a year. Work on this has been in progress for some time and is likely to be completed a few months ahead of schedule. In addition to increasing output, this development will result in economies which will automatically reduce production costs and increase the earning capacity of the unit. Closely allied to this is the setting up of a steel foundry which is a major project in its own right. The melting furnaces have already started producing steel ingots and the entire scheme, it is expected, will be completed by the middle of 1957; it will reduce the company's dependence on imported steel castings. The foundry will turn out large and intricate castings. The Automobile Division, which has made satisfactory progress, is to be expanded. The production of Tata-Mercedes trucks has steadily risen and the target of 6,000 units a year has already been exceeded. But demand continues to increase and it is now planned to increase output. These activities require an exceptionally heavy

capital outlay and the company will require considerable additional funds over the next five years. Mr. Tata said: "While a major portion of the requirements will be found from allocations to depreciation and other reserves and, in respect of working capital, from borrowings, some addition to the company's share capital seems inevitable in due course."

Speaking of future technical developments, he said: "India today is one of the few countries left in the world still dependent mainly on steam traction. In most parts of the world, steam locomotives have given way to diesel locomotives with either electric or hydraulic transmission. It seems inevitable that a similar changeover will in due course take place in India, although the process may be spread over many years. With the versatility built into our plant and the human skills and experience we have developed over the years, our company will be specially well fitted to play an important rôle in the 'dieselisation' of the country's railroad system and I hope, when the time comes, we shall be given an opportunity to do so."

Relations with Government

Relations between the company and the Government have been satisfactory. A dispute had arisen on the question of locomotive and boiler costs and prices. The dispute was ultimately referred to the Tariff Commission which gave its award. Mr. Tata said: "With the assistance of an expert adviser, the Commission made a thorough and detailed investigation. We are grateful to them for their impartial and constructive approach to the problem placed before them and for the sound and practical recommendations they have made. The enquiry has served a valuable purpose not merely in bringing about a settlement between the Railway Board and the company in the matter of prices for locomotives and boilers, but also in clarifying a number of points about which considerable misunderstanding had prevailed in the past in some quarters and in setting at rest, once and for all, doubts about the company's progress and efficiency. In these days, when the Government has almost unlimited powers with which to enforce its will, it is gratifying and reassuring to note that in an industry in which the Government is itself a competitor as well as the sole customer, it decided to refer a dispute about costs and prices to an impartial statutory enquiry and abided fully by the resulting recommendations even though they went, to some extent, against its views."

In the present case, on the Tariff Commission's recommendation the Government has accepted certain prices for locomotives and boilers not only in relation to the previous two periods on which the Railway Board and the company failed to reach agreement, but also for the subsequent two years ending 31st March, 1958. These prices have been fixed after making allowance for a rise in output and productivity, as well as for the advantage of longer orders for locomotives to be placed on the company.

Madras

CONGRESS ELECTIONEERING AND TAXATION

FALL IN STOCK EXCHANGE PRICES CONTINUES

(FROM OUR MADRAS CORRESPONDENT)

THE Finance Minister, during his recent visit to the city, made it plain that the private sector would have to conform to directions under planned development. Chambers of Commerce, complaining about restraints and handicaps, were given little comfort about taxes, credit facilities or the controls they fear under the plan. It is clear that the Government is now interested only in getting the maximum revenue for its own programmes, and the promise to set up new financial institutions to help industrial expansion is of less significance than the hint that public expenditure will continue to rise and concessions to the vast body of under-privileged will increase steadily at the expense of the well-to-do. Electioneering of a subtle kind is associated with the pledge to promote equality. The Congress leaders are concentrating on telling the public that the forthcoming Indore session will be a signpost to socialism and the direction of the economy is now entirely the concern of the State.

The Madras Legislature, in its final session, passed the Budget quickly. The vote on account was soon available, as no new taxes had been proposed. The adjustment of sales tax on bullion is considered of little consequence compared with the single-point sales tax on eight articles, including coffee and tea. Following the example of Andhra, Madras has decided to levy a higher sales tax on certain articles to get more revenue and secure easier administration. The higher rates applicable to jaggery, kerosene, etcetera, suggest that the levy on mill cloth and sugar will be followed by a higher tax on tea and coffee. The idea of an excise duty to supplement other union duties will be put into effect and the levy on the basis of the decimal coinage is likely to increase the revenue. The Taxation Enquiry Commission has suggested a single-point levy on selected articles.

Stock Exchange Decline

On the stock exchange, the year ended disappointingly. Selling pressure in plantings was not arrested by the stay order. Textiles were affected by the shake-out in Bombay, and the fear that higher dividends for 1956 will be ruled out by the new tax on profits. B. and C. fell to Rs. 176-3 and Madura was on offer at Rs. 46-10. Travancore Rayon fell below Rs. 14 and heavy mill shares were marked down. Calcutta's recent form has unnerved investors here and during December, all industrials were lower. Only Aluminium Industries recovered to Rs. 19-4 and Textol to Rs. 27-2. The New Year may not produce surprises, but the withdrawal of buyers foreshadows greater gloom among investors who feel that even a revision of the Plantation Award will not help much. It is noted that preference shares and bank shares, too, have come down in December and the chances of recovery even in selected shares are dim as the elections will soon be held.

Railway Users Meet

The conference of railway users in Rameswaram led to a promise for a road-bridge across the Pamban Channel. Mr. Alagesan said little about accidents on the railways and pointed to the improvement in services. One point made on behalf of the public was that tracks should be strengthened and safety ensured before extra amenities are added. In view of the hearings before the inquiry committee on the Aryalur disaster, this is timely and logical.

Growth of Madras City

The Madras City Corporation Engineer announced the preparation of a plan that deals with the civic problems in relation to urban growth. He indicated three problems the city has to get over. One is the Cooum which has to be flushed regularly; another is the creation of a green belt outside which industries must in future be located so that the residential area does not suffer; and the third is the solution of traffic problems. The engineers feel that motor traffic on the main roads in the city is often held up as thoroughfares are not wide enough. Madras city has grown even after 1953 and its lay-out is now a more pressing issue than its slums. Water supply is still difficult. The full reservoirs do not provide ample or regular supply to some parts of the city. The Corporation needs money for improvements and a revision of property tax seems to hold the key to civic progress, especially as the addition to the area in the last decade has strained services considerably.

Co-operative Reorganisation

The remodelling of the Co-operative Department to extend credit facilities and improve administrative control has been undertaken after the report of the committee which looked into the question. The committee has referred to the high rate of interest on loans to cultivators. The burden of rural debt has been put at Rs. 71 crores.

Reaction to Import Policy

Comments here on the new import restrictions point to the scarcity and the rise in prices which they are likely to cause. It is, however, realised that saving of foreign exchange can be effected only by cutting non-essential imports. A revival of hoarding and profiteering is apprehended by those who feel that inflationary pressures will increase. A stimulus to the export trade may come through a rise in production and lower costs in the future, while local substitutes for foreign imports are likely to find favour, especially when their prices have been raised by the Suez crisis and higher import duties.

Jute

EAST PAKISTAN PROPOSALS FOR OFFICIAL JUTE MARKETING BODIES

KARACHI MAY URGE NEED FOR CAUTION

SOME interesting items of news affecting the jute trade have come from Pakistan recently. The first of these concerns the marketing of raw jute. The Government of East Bengal proposes to set up two new organisations, one of which will deal with the purchase and sale of jute in the internal market while the other will control the export trade. The former is to be called the Jute Marketing Corporation and will have an authorised capital of Rs. 8 crores. Rs. 4 crores of which it is proposed to raise now. Half this amount will be provided by the Government while the remainder is to come from the public. Individual subscriptions are to be limited to Rs. 500 each and those of firms, companies and co-operative societies, to Rs. 1,000 each. It is intended to set up about 200 buying agencies in the principal jute markets. The Corporation will also operate through growers' co-operative societies which will collect jute from the cultivator and sell it to the Corporation. The Corporation itself will be given the monopoly of buying jute in the border areas so as to prevent the smuggling of jute across the border into India. Growers in these areas will have to account to the Corporation for the disposal of their crop.

The other body will be a Jute Marketing Board to control the export trade. It will replace the present Jute Board and is to act as a clearing house. One report states that exporters will have to make all their offers through it. It is also stated that the Board will appoint agents in all the principal consuming centres and that exporters will not be allowed to act in liaison with their agents overseas. The Board's agents abroad will receive offers for the purchase of jute and refer them to the Board. The whole scheme seems to be in a somewhat nebulous state at present and some of the statements about it by officials and ministers have been contradictory. One of the objects of the Board is said to be to prevent foreign buyers from purchasing at minimum prices and holding their purchases until they can sell at a profit. This would seem to be an interference with legitimate trade, for surely it is the object of every merchant to buy with a view to earning a profit. Moreover, it must be an advantage to Pakistan to have people willing to buy at minimum prices, so supporting the market and providing holding power. Another object of the scheme is, it is said, to prevent the evasion of exchange control. The question of foreign trade is, of course, a matter for the Government at the Centre. This proposal of the East Bengal Government will have to get Central approval. And matters concerning foreign trade and exchange are probably better understood in Karachi than they are in East Bengal.

The Faraka Barrage

Although it has not been possible to obtain information in India about the present state of the project to build a barrage across the Ganga at Faraka, and so divert water into the Bhagirathi, Pakistan seems to be better informed than we are. A report from East Bengal states that Pakistan has decided to protest to India against the project on the ground that the diversion of water will endanger the jute and rice-growing areas irrigated by the Ganga after the river enters Pakistani territory and that Pakistan will invoke the aid of the international authority concerned with these matters.

Crop Statistics

According to the State Bank of Pakistan, the supply of raw jute available in that country during 1955-56 was 6,895,000 bales, which, presumably, includes the carry-over at the end of the season 1954-55. Exports in 1955-56 are put at 5,682,000 bales and internal consumption at one million bales. These figures are much nearer the trade estimates than those put out from time to time by the East Bengal Government, which, on one occasion, put its crop forecast for 1955 at as low as 2,800,000 bales. Nobody, of course, believed that figure, but it shows how incorrect estimates can be when those making them are influenced by political considerations.

THE JUTE MARKETS

Apart from steady buying by mills throughout the period, the dominant feature of the markets in the past two weeks has been the firmness of hessian for near delivery. A shortage of goods for December shipment and bear covering brought about a rise in prices similar to that at the end of November. Before the market closed for the New Year holidays, hessians for December delivery were standing at a premium of Rs. 2 a 100 yards above the prices for January-March. During the holidays, prices eased off on the completion of end-of-the-month covering. It is not possible to say how long this position at the end of each month will continue. That depends on overseas demand and how much has been sold bear for the coming months. We are now approaching a period when foreign demand is normally below the monthly average, but it is reported that there is a considerable bear account because speculators sold when they knew mills were switching machinery from sacking to hessian. Their forecasts imported,

this respect were, however, upset by the American demand stimulated by the Suez crisis and increased consumption in the U. S. A.

The strength of the raw jute market lies in the current shortage of supplies. Normally this is a period when imports into upcountry centres are small but, in former times, mills were usually able to keep out of the market, having built up stocks in July-October. Stocks are now rather attenuated and most of the mills cannot remain long out of the market, so there is sufficient business almost daily to maintain steadiness. On the other hand, most sellers are now long in jute and, as their holding power has been much reduced in recent years, any drop in the gunny fatka quotation creates nervousness. The supply position is, however, abnormally tight because, apart from the fact that growers in many districts are still busy with paddy harvesting, it is believed that jute is being held back in expectation of higher prices later in the season. In fact it is reported that growers, *beparis*, *farius* and dealers are all holding stocks for this reason.

Manufactured Goods: There was a sharp drop in the prices of heavy goods last week-end, attributed chiefly to large-scale bear selling in the B Twill fatka. From Rs. 124-4 prices fell, with minor intermediate recoveries, to Rs. 119-14. Hessians were a steadier feature due to bear-covering for December. Mills took advantage of the steadiness in the hessian market to sell fair quantities for deliveries up to June, but had to accept prices which showed considerable discounts from those quoted for early deliveries. Demand from abroad has not been active, but there has been a good deal of covering by shippers.

The market opened quiet after the New Year holidays. B Twills in the fatka were quoted at Rs. 119-12, after having been down to Rs. 118-12 during the holidays. Quotations on Wednesday morning were as follows:

	Ready Rs.	Jan. Rs.	Jan-Mar. Rs.	Apr.-June. Rs.
40in. 5oz.	37	36-8	36	35-8
40in. 10oz.	46-6	45-8	45	44-4
B Twill	119-12	120-19	120-14	120-12
Heavy Coes (Plain)	120-4	120-3	120-9	120-3
A Twills	144	144-8	144-12	144
Liverpools	134-8	135-8	136	135
Cornacks	121-4	121-8	122	121-8

Raw Jute: There has been steady buying by mills throughout the past fortnight. No large transactions have been reported. That has been partly due to smallness of offerings by sellers on account of scarcity of imports into upcountry markets and partly because mills have been reluctant to pay the prices asked. Business was done in Murshidabad tossa at Rs. 32-8 to Rs. 32-12 basis Bottoms. Northern Bengal, Assam and Agartala jute at Rs. 31-8 to Rs. 32-8 basis Bottoms. Daissee Mesta at Rs. 28-8 to Rs. 29 and Bimli FAQ at Rs. 28. Mesta Tops sold at Rs. 33 and free from samla tossa Middles at Rs. 37-8. Jungli jute has been in better supply than most other kinds and good business was done in Middles alone at Rs. 30-8 to Rs. 31-8. There has been good demand for Daissee, but sellers are reserved and the quantities on offer have been small. Even at mill jetties, offerings have been below normal. Pakistani N.C.'s were bought at Rs. 137 for January-February shipment, but were done later at Rs. 133, at which price there are buyers at the time of writing.

Quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md basis	Bottoms.	Shipment.
Upper Assam	32		Jan.-Feb.
Lower Assam	32		"
Northern	32		"
Murshidabad Tossa	32-8		January
Daissee	33-8		"
Daissee Mesta	28-8		Jan. Feb.
Purnea Mesta	28		January
Jungli Mesta	27-8		Jan.-Feb.
Northern ex Calcutta	31-8		Shipment.
Bimli	28		Jan.-Feb.
Pakistani Jute:	Rs. a md.		
Jat	37-8		Shipment.
District	37		Jan.-Feb.
Northern	36-8		"
Pucca:	Rs. a bale.		Shipment.
Export Firsts	255		Jan.-Feb.
Export Lightnings	235		"
Cuttings	135		"

Arrivals in Cossipore for the ten days ended 18th December were 717 wagons, which is well below the recent daily average. Most of the imports were jungli jute and mesta and met with good demand at prices higher than the parity of jute bought by mills on contract in the same period.

Mofussil: Imports are very small in North Bengal and are reported to be negligible in Assam. Even in Purnea and western Bihar, where they have been plentiful up to now, a decrease is reported.

TRENDS IN PAKISTANI JUTE MARKETS

POOR SEASON FOR BALERS

(FROM A CORRESPONDENT)

THE calendar year does not coincide with the jute year but the pause created by the holidays is often an important turning point in the season's operations in Pakistan. The current season has not been a very happy one for the Pakistani jute baler, and although buyers have bought their jute at low prices, for various reasons they have not done as well as the growers and *beparis*.

With reports of a bumper crop, many shippers expected a rush of early arrivals at low prices and sold short. The crop, as expected, began to come in early, but unfortunately, before even the lowland crop was harvested, early floods caused a good deal of damage and restricted imports considerably. Added to this was the fact that, contrary to most people's expectations, prices showed no signs of falling. Balers continued with their bearish views, thus increasing from day to day their short positions. The market continued to rise and it became more and more apparent that it was a sellers' market, but it was not until too late that the balers realised that there was no chance of a drop in prices. When dealing in a commodity like raw jute without any fatka hedge, it is difficult to change from a bear to a bull position. Rising prices and heavy sales in a short position together with congestion at the ports and shortage of inland water transport caused a very tight position in the money market.

Eventually this brought about a pause in buying and a temporary reduction in prices. Heavy shipments, however, gave balers more money to play with and once again the market rose to alarming heights, until by the end of November prices as high as £118 a ton c.i.f. Continent were being quoted for Export Firsts. A strike in the greater part of Narayanganj caused a temporary lull and a reduction of prices as most presses were out of action. The end of the strike brought increased imports and heavy buying, which only eased off over the Christmas holidays. The present position is that most shippers are now square or long. Pucca bale prices and kutcha bale prices have come down and there are few buyers, but efforts to reduce loose jute prices are not meeting with the success one would expect.

Holding Power of Cultivators

A salient feature of the past half-year has been the remarkable holding power of the cultivators. This is probably due to the good prices which they obtained a year ago and probably also to the fact that they made more money this season by selling their rice crops at greatly inflated prices during the near famine conditions which prevailed. With few exceptions, until the Suez crisis practically every shipper was showing serious losses through having expected the market to come down and having sold short. Within a very short period, most shippers had reached the limit of their overdrafts, and although the nominal value of their stocks increased, the money which they obtained through sales brought them smaller and smaller quantities of new purchases.

Normally the banks would have helped out by temporarily increasing limits, but this was not possible, firstly, because the limits were reached before money from the cotton and tea crops came in, and secondly, because the banks no longer had the "float" of unremitted tea profits which they are reported to have been using for some years. Until recently, these had been lying with the banks, but this year the State Bank granted permission for the remittance of tea profits and even sanctioned remittances of recent tea profits. The position is reported to have been so serious that some of the foreign banks in Pakistan were obliged to borrow in London and lend locally at a nominal loss.

Large Moisture Content

Another unfortunate feature this season has been the moisture in jute. As prices went up, growers became more and more greedy and deliberately watered their jute before bringing it to the main baling centres. This practice even spread to upcountry centres. Among the early arrivals were large quantities of hard-centred jute, with the result that Export Firsts and Mill Firsts became scarce. The scarcity of Mill Firsts remains, but with the highland jute coming in the position has changed and the majority of the jute available now is suitable for Export Firsts. The Tossa crop suffered no damage and has been remarkably good, with the possible exception of Jat Tossa. Low qualities such as Outport assortment, have been, very scarce, so high premiums have been paid for these standards. The hard district marks have been exceptionally good. On the whole, however, Tossa, and to a greater degree White standards packed by balers, have been lower this season than a year ago. As Tossa has been of such good quality and light rooted, there has been a scarcity of Tossa Cuttings, which are now at a premium over N.C., quite the opposite of what is usual.

Congestion at Ports

There have been serious complaints from both balers and buyers about congestion at the ports. While this is true, it should be noted that shipments during the past two or three months have been much higher than last year. It is interesting to note that the gap between E.P.C. registrations and shipments is smaller than it has been the same time. On the other hand, there is no denying that, particularly in Chittagong, the congestion

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and confusion in the port has been serious. It has been suggested that pooling would be the answer, but the real solution would be more efficient control of the railways, which not only supply this port to a great extent but which also control the port facilities. Goods despatched to Chittagong by barge have enjoyed a fairly healthy turn-around. This cannot be said of Chalna, where all despatches are made by barge, and where the congestion has been so severe that at times there have been 150,000 bales afloat for shipment. This represents more than half a month's shipments from Chalna and is responsible for complaints from steamer agents, shippers and I.W.T. companies.

The big question about this season which is still hotly contested is the size of the crop. Early estimates varied from 7 to 8 million bales, and accounted for the bearishness at the beginning of this season. Slow arrivals and reports of damage have made people change their minds and now we have estimates of a crop as small as 5 million bales. There are also reports that large-scale smuggling to India has taken place and the reason given for this assumption is that India has only bought 500,000 bales so far. It is probable, however, that India has a much larger crop than usual and that she has kept herself going in the early days by smuggling on a small scale.

On the whole, the present season has been a bad one for most balers but some of them managed to recoup their losses when the market rose after the Suez crisis. Balers who had jute afloat at the time obtained very good premia but even these are disappearing. We are now at a point where there is a healthy contest of views as to the future. The question is whether the present lull and easing in prices is merely due to the holidays, or whether it is the beginning of a drop. Hopes of a fall in prices are to be found in the shortage of shipping, which will show in January and February 1957 and which normally would bring prices down. It is also likely that there will be heavy sowings in March and such reports invariably bring prices down even when jute is scarce. However, the Chinese have only bought 40,000 bales, and if they come into the market openly there is likely to be an improvement.



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GUNNY SHIPMENTS DURING NOVEMBER

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of November, 1956, after providing for short shipments. These figures include shipments to coastal ports.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross Short Shipped November, 1956 (Net)	5,591.5	44,360.0	49,951.5
October, 1956 (Net)	161.1	2,397.5	2,558.6
September, 1956 (Net)	5,430.4	41,962.5	47,392.9
Gross Short Shipped November, 1956 (Net)	4,697.4	30,420.9	35,118.3
October, 1956 (Net)	2,219.2	29,109.3	31,328.5
September, 1956 (Net)	45,041.4	1,718.2	46,759.6
Gross Short Shipped November, 1956 (Net)	3,224.2	Nil	3,224.2
October, 1956 (Net)	41,817.2	1,718.2	43,535.4
September, 1956 (Net)	38,848.6	1,265.6	40,114.2
Gross Short Shipped November, 1956 (Net)	26,388.8	1,500.6	27,889.4

GUNNY SHIPMENT STATISTICS

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

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 20th December, 1956	3,212.2	22,654.5	25,566.7
1st to 20th November, 1956	3,767.5	22,973.6	26,741.1
1st to 20th October, 1956	3,463.4	19,605.0	23,071.4
1st to 20th December, 1956	17,964.3	1,474.0	19,438.3
1st to 20th November, 1956	26,297.7	1,116.3	27,414.0
1st to 20th October, 1956	24,947.8	958.9	25,906.7

THE FOREIGN JUTE MARKETS

DOWNWARD TREND IN PRICES

(FROM OUR DUNDEE CORRESPONDENT)

HOLIDAYS interrupted business last week, but this does not appear to be the real reason for the weakness in prices for raw jute. When prices for jute yarns and cloth were altered here from 11th December, values of the fibre were very firm and showing signs of further strength. Indeed, they advanced another £2 to £4 a ton, according to grade. During the past week, however, most of this has been lost and in some cases even lower terms are now quoted. Offers are more freely made now than for some time past, with Mill Firsts quoted at from £126 to £130 and Mill Lightnings from £113, Mill Hearts from £108 and grade Hearts from £103, business having been done at these rates for the Hearts, for January-February shipment, c.i.f. U.K. Dark jute has also gone softer, but not to the same extent. Good marks of Daisies-3 are offered at from £113 and grade at £109, with grade Tossa-3 at from £120 and fours from £113, and fairly decent quality available at these limits. Spinners have bought a good few thousand bales since last report. Mr. H. B. Pirie, chairman of the Jute Importers Association, stated at the A.G.M. the other day that Pakistan planning of the jute crop should not only be made on estimates of demand, but also take into account risks of damage by weather. Formerly, it was always considered reasonable to have a carry-over from one crop to another, but there was no longer such a reserve. Mr. Pirie stressed that it is as much in their interests as it is in the interests of Pakistan that she should earn as much foreign exchange as possible from her jute crop. If, through shortages, Pakistan earns in any one year an increase at a high uneconomic level, then he feared for her future as well as that of the whole world jute trade.

Demand for jute yarns has died down considerably with the easy tendency in raw jute, but there is no change in prices. Common 8lb. cops are very firm at 17.08d a lb. and 8lb. spools at 17.66d, with 3ply 8lb. twist at 19.35d a lb. The cloth end of the trade is slow but manufacturers are well sold to the end of March, and the trade is entering the New Year with confidence. Prices are firm at 14.36d for 40in. 10oz. hessians and 11.73d for 8oz. Calcutta goods have declined lately hessians falling to 69s 6d for 40in. 10oz. and 51s 6d for 71oz., January. 68s 9d and 51s February and 68s 6d and 50s 9d March, with B Twills down to 181s 9d for January-February-March, all f.o.b. Calcutta.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption continued relatively high in November 1956. Although it was 5 million yards lower than the good performance in October, it was 11 million yards more than for November 1955. As consumption in November 1956, would reflect very little, if any, of the stepped-up buying which occurred as a result of the Middle East situation, it would seem reasonable

to expect that consumption last month will continue at a relatively high level. If so, total U.S. consumption in 1956 could be about 8 percent better than during 1955. U.S. burlap stocks continue to increase. At an estimated 263 million yards at the end of November 1956, 123 million yards were spots and 145 million yards were afloats. Appearing below are two tables which include the November figures (1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (As reported to T.B.M.A.) (Million Yds.)			U.S. Burlap Consumption (estimated industry total) (Million Yds.)		
	1956	1955		1956	1955
Jan.	68	58	Jan.	72	62
Feb.	64	61	Feb.	68	65
Mar.	67	68	Mar.	71	71
Apr.	65	60	Apr.	69	63
May	69	69	May	73	73
June	59	71	June	62	75
July	59	53	July	61	56
Aug.	79	69	Aug.	83	73
Sept.	77	68	Sept.	80	70
Oct.	79	70	Oct.	86	74
Nov.	75	67	Nov.	81	70
Total	761	714	Total	806	752
Mo. Av.	69	65	Mo. Av.	73	68
Dec.	70		Dec.		74
Total	784		Total		826
Mo. Av.	65		Mo. Av.		69

U.S. Burlap Stocks (As reported to T.B.M.A.) (Million Yds.)			U.S. Burlap Stocks (estimated industry total) (Million Yds.)		
	1956	1955		1956	1955
Jan.	213	217	Jan.	243	245
Feb.	214	227	Feb.	245	256
Mar.	224	224	Mar.	253	254
Apr.	224	232	Apr.	255	258
May	216	230	May	217	261
June	216	221	June	240	245
July	219	223	July	244	237
Aug.	228	209	Aug.	259	237
Sept.	229	211	Sept.	258	235
Oct.	225	210	Oct.	262	240
Nov.	233	211	Nov.	268	239
Dec.		215	Dec.		247

MORE BUYING IN U.S. BURLAP MARKET

Activity in the U.S. burlap market was at a high level during November, reports the *Jute Bulletin* of the Indian Central Jute Committee. The month brought brisk demand from all users of burlap, undoubtedly induced by the flare-up in west Asia and the prospect of a lengthy closure of the Suez Canal. Prices ruled very firm in sympathy with the rising primary market in Calcutta. Although U.S. burlap stocks, spot and afloat, were adequate for more than three months' consumption, importers made a number of large purchases in India to be able to maintain a steady flow of supplies during the months that would be taken for the clearance of blockships in the Suez Canal. The returnable burlap bag programme continued to gain popularity. The programme seems to have been the most effective means of emphasising the ultimate savings made in the use of burlap. The pick-up in the industrial use of burlap also gained new momentum. Observers were, however, perturbed over the possibility of the burlap promotion campaign receiving a setback as a result of the higher prices that would follow from the long haul round the Cape.

EGYPTIAN PURCHASES OF JUTE FABRICS FROM INDIA

India was the sole supplier of jute fabrics to Egypt during the first half of 1956 and also the chief source for the supply of sacks, according to the *Jute Bulletin* of the Indian Central Jute Committee. Of the total Egyptian imports of jute sacks and bags estimated at 10.5 million kilograms of the value of £E 1.2 million during the first half of 1956, 8 million kilograms were of Indian origin and 1.5 million kilograms were French. During the same period of 1955, total imports were 9.8 million kilograms (£E 1.1 million) of which 8.3 million kilograms came from India and 6 million kilograms from France. Jute fabric imports totalled 2.2 million kilograms (£E 2 million) during the first six months of 1956. The entire quantity was imported from India, compared with the total of 3.1 million kilograms (£E 3 million) during the comparable 1955 period, when 2.9 million kilograms were imported from India.

FINNISH IMPORTS OF INDIAN JUTE CLOTH

Finland imported 79,056 kilos of jute cloth of the value of Fmk 7.9 million in 1955, compared with 54,000 kilos of the value of Fmk 5.2 million in 1954. The main difficulty in the field of promoting increased Indian exports to Finland is the apparent ignorance among Finnish importers about Indian products. Another feature of Indian trade is the absence of large-scale direct trade between the two countries. A substantial quantity of India's products is being exported through neighbouring countries.

Plantation Topics

PEPPER EXPORTS INCREASE

PROSPECTS FOR TEA CROP IN SOUTH INDIA

(FROM A SOUTH INDIAN CORRESPONDENT)

INDIA exported 13,223 tons of pepper during the season ended October, 1956, which was 2,037 tons more than in the previous season. The increase was largely on account of a bigger offtake by communist countries which imported 4,227 tons, or roughly 32 percent of the total. The United States is still the largest consumer, taking more than 50 percent of the exports during the period under review. Russia bought 22.31 percent and Italy 7.12 percent. As usual, Cochin handled the largest share of exports, the actual figure being 10,692 tons, compared with Bombay's 332 tons.

With new arrivals increasing, pepper prices are falling, the latest quotation from Cochin being Rs. 550 a candy of 6 cwts. Foreign demand is too low for this time of year. New York, it is reported, is hanging back, expecting further concessions from the growers. Buyers remain selective; in recent weeks, they have bought only near shipments, and that, too, at the reduced rate of 26 cents a lb. If New York sticks to its present conservative buying policy, it is feared in trade circles that Malabar pepper will have to be sold for still lower prices due to an increasing accumulation of stocks.

Picking is in progress in central Travancore, where the largest proportion of Malabar's pepper is grown. Judging from the rate of harvest there and from the reports received from other centres, it appears that the current season's crop will be higher than last season's. But the growers are depressed over the low prices now ruling, and they do not seem to entertain the hope that their produce can be sold for an attractive price this season. Pepper output has gone up considerably in recent years, especially in Sarawak and Indonesia, but consumption has not increased correspondingly. This over-supply is responsible for bringing prices down to their present level. It is considered in trade circles that in order to compete with Sarawak in the world market, India may have to reduce her prices substantially. However, as Mr. W. E. Northey, chairman of the Cochin Chamber of Commerce, has pointed out, lower prices, combined with the higher standard of living, have led to a substantial increase in the consumption of pepper within India itself. According to one estimate, 9,500 tons were sold for internal consumption last season, and a further increase is considered possible.

Second Plan Target

The Mussoorie conference of Central and State Agricultural Ministers has recommended that the production of pepper be stepped up to 36,000 tons by the end of the second plan period. If production is increased to that extent, growers in India will have to face the risk of over-production unless the home market is expanded by that time to absorb a substantial share of the increased output. Mr. H. S. Pollack, an American spice dealer, who visited Cochin during the last part of November, pleaded that the Indian pepper trade participate in a joint publicity campaign in the U.S. market.

South Indian Tea Output

South India produced 12,600,000 lbs. of tea in October, against 9,600,000 lbs. in September and 14,100,000 lbs. in October, 1955. With this, the total for the first ten months of 1956 amounts to 103,800,000 lbs., which fell short of the 1955 figure by 6,500,000 lbs. The November, 1956, crop is unofficially estimated at 12 million lbs., or roughly 2 million lbs. in excess of the output in the same month of 1955. Most of the estates report a bumper crop for December. Trade sources estimate the 1956 production at over 130 million lbs., compared with 129 million lbs. in 1955.

Problems of Coir Industry

Mr. Duncan Ridler of the F.A.O. had a discussion with Coir Board officials on the problems confronting the coir industry, with special reference to exports. Mr. Ridler advised the Coir Board to approach the F.A.O. through the Government of India for including coir in its programme for a marketing study of hard fibres. The working party of the F.A.O. on coconut and coconut products is meeting in Colombo from 8th to 18th January, 1957, and Mr. Ridler suggested that the Coir Board try to get coir included in the agenda of this meeting.

For the last two or three months, coir factories along the west coast have been busy with seasonal orders. The demand for coir and coir goods remains steady. A significant development is that there has been a steady flow of orders from abroad instead of the usual bulk purchases by foreign buyers. This should be considered a healthy development because a steady flow of orders will avoid wide fluctuations in prices. It may be taken as a sign of the foreign buyer's growing confidence in India's ability to supply the goods all through the year. With the formation of the Coir Board and the growing interest the Government is showing in the affairs of the coir industry, much of the irregularities in coir trade is disappearing and stability appears to be getting established in the coir market.

Cashew Dispute Deadlock

The cashew agitation has been in the lime-light again with the starting of satyagraha in front of the Secretariat in Trivandrum by a

section of Quilen cashew workers. The new Governor, Dr. B. Ramakrishna Rao, received the delegations, one sponsored by the Communists and the Revolutionary Socialist Party, and the other by the Congress. The Administrator's regime had failed to settle the cashew dispute in spite of its intervention and its declaring the cashew industry as non-seasonal, the setting up of the Cashew Board and the threat to the management that the industry will be handed over to workers' co-operatives. Instead of resolving the crisis, Government interference has aggravated it. The processors did not yield to the Government's threat. The Co-operative Department of the State Government, after a thorough investigation, has reported to the Government that it is impossible under the present circumstances to bring the workers under a co-operative and entrust the management of the industry to them. On account of the delay in the arrival of raw nuts from Africa, factories could not resume work at the usual time and the reopening of the factories will be delayed at least up to the end of January, if not till the beginning of February. So the situation remains essentially the same as it was four months ago when the crisis started. A complete reversal of the decision taken by the previous Administration will be inevitable if a solution to the present deadlock is to be found.

Sales Tax on Coffee

Coffee dealers in south India, who met in Coimbatore, passed a resolution requesting the Governments of Madras and Kerala to levy sales tax on coffee at a single point as is being done by the Mysore Government. The Madras Government is in favour of a single-point levy, but the rate it wants to introduce is higher at 9.6 pies (5 Naye paise) a rupee. The introduction of single-point sales tax will be advantageous to buyers if the sales are confined to one State, but coffee is a commodity which is sold by the Board in Madras, Mysore and Kerala; often merchants from other States participate in the sales conducted in one State. The tendency will be there for the Government to raise the tax if it is levied only at one point and in case of inter-State trade, the merchants stand to lose. The solution for the problem is for both the Coffee Board and the merchants to move the Central Government for collecting the sales tax at the Board-point in the shape of a surcharge and distribute the proceeds among the State Governments on a mutually agreed basis. The Plantation Enquiry Commission, in its report on coffee, has recommended this.

INDIAN RUBBER PRODUCTION AND CONSUMPTION IN NOVEMBER

Indian rubber output in November was 2,800 tons, according to the Rubber Board of India. Imports totalled 61 tons and exports were 15 tons and 1,020 lbs. Consumption by manufacturers was 2,547 tons, including 607 tons imported. Stocks with manufacturers at the end of the month were 3,257 tons. Stocks with estates and dealers on the last day of the month amounted to 4,576 tons including 369 tons in transit. Manufacturers used 318 tons of reclaimed rubber, the month-end stock

being 596 tons, and consumed 232 tons of synthetic rubber of which they held a total stock of 982 tons on 30th November.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market review published by the Colombo Brokers' Association:

	Closing prices on 21-12-56 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Sheet cuttings 1. do 2.	1.08 1.03	
Crepe:		
Water white	—	1.41
R.M.A. No. 1X	1.35/36	1.37
R.M.A. No. 1	1.30/34	1.33
Crepe No. 2 do. No. 3	.84/94 .76/80	1.28 1.22
Scrap Crepes:		
Sc. Crepe No. 1	1.03 Nom.	1.05 1/2
Sc. Crepe No. 2	.98/1.02	1.02
Sc. Crepe No. 3	.84/94	.91 1/2
Flat Bark	.76/80	.80
	Sc. Crepe 3X	.96 1/2

To arrive at f.o.b. Colombo prices, add 53.45 cents a lb. for crepe other than scrap crepe and 31.45 cents for scrap crepe to the above market prices.

NO CHANGE IN TEA EXPORT DUTY

The Government of India has decided that the export duty on tea during the month of January, 1957 should remain at the same level as in force in December, 1956, namely, 8 annas a lb.

TEA EXPORT QUOTA FOR CURRENT SEASON

The Government of India has declared the export allotment of tea for the year 1956-57 at 443.3 million lbs. This represents 62 percent of the crop basis for the year.

INCREASED PRODUCTION OF SUGAR

Production and despatches of sugar from indigenous factories amounted to 265,000 and 218,000 tons up to 15th December, 1956, in the current season, as against 191,000 and 187,000 tons respectively in the corresponding period of last season. The stocks with factories on 15th December, 1956, stood at 574,000 tons, compared with 415,000 tons.

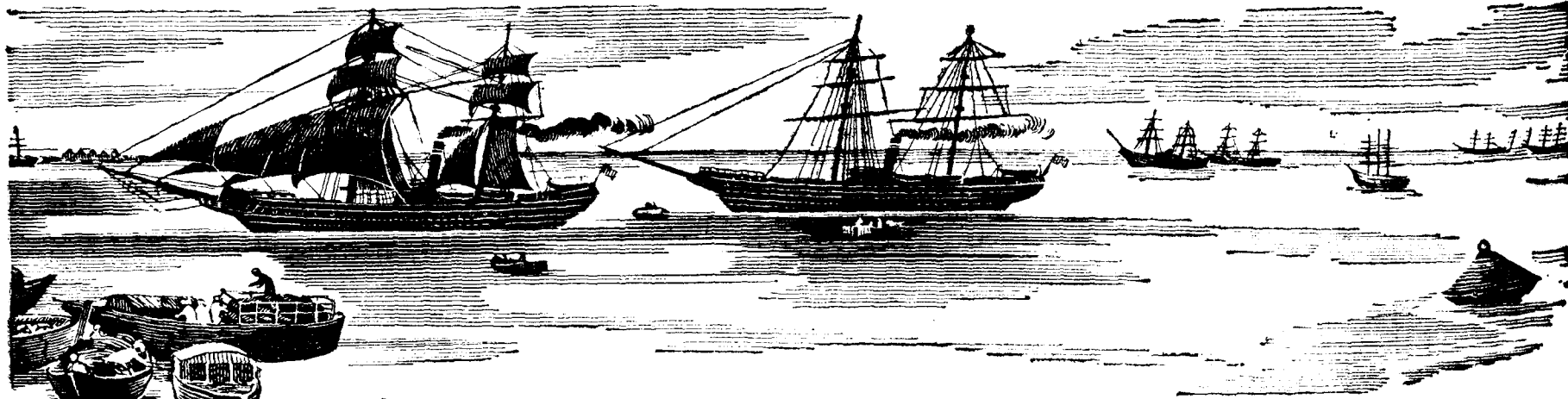
RECORD OF ACHIEVEMENT

Sound underwriting and outstanding service to Policyholders are reflected in the rapid progress made by the ORIENTAL FIRE. Transacting Fire, Marine, Motor, Accident and all other classes of non-life business in the best ORIENTAL tradition, ORIENTAL FIRE also offers specialized cover against Machinery Erection and Breakdown and Boiler Explosion risks.



ORIENTAL FIRE AND GENERAL INSURANCE CO., LTD.

Head Office: Oriental Building, BOMBAY-1.



This story begins in 1888...



The world still awaits the adventure of Wireless... it's the age of the horse-drawn carriage. And people who talk of flying aren't airmen as yet; they're poets.

Calcutta is India's capital, and at one of its busy wharves, there's a picturesque mailboat from England, self-conscious in its new power of Steam. Look away for a moment to something else that is new. There! In those crates... the first few cakes of a new soap: *Sunlight*. The crates say: 'Made in England by Lever Brothers.'



Bobbing away on porters' heads, the cakes go off to some obscure bazaar of old Calcutta and from there... on to journey's end: the homes for which Levers have made the soap.

That's how it was one summer day of 1888. Lever Brothers (then, a three-year old British enterprise) thought the world of *Sunlight*. Soon, thousands of bazaars were stocking 'the tablet that foamed'—and families became converts for good.



Little by little, the motor car arrived (the model with the turkey-croak hooter); then the telephone began to jangle in Indian homes. And in those homes, time wasn't standing still either. People were asking for new and varied products to meet their changing needs. So, Levers—developing in step with them—produced for the home such things as *Lifebuoy*... *Vim*... and *Lux Toilet Soap*. This is becoming a story of familiar names, isn't it?



In 1922, Levers started making soaps in Calcutta—encouraged as they were by the increasing demand for their products. In 1934, a second factory went up in Bombay.



In 1926 came Dalda Vanaspati from Holland. And, with it, there started a revolution in India's nutrition—the use of a hardened vegetable oil for cooking. To manufacture *Dalda* in India, a new Lever Company was born in 1932: 'HVM'—the Hindustan Vanaspati Manufacturing Company Limited.

And still the Indian home called for newer and 'different' products. And so there came to India *Pears Soap*, *Erasmic* and *Gibbs* products, *Himalaya Bouquet* toiletries, *Rexona Soap*—familiar members of the Lever family. Marketing of these products led to the formation of yet another Lever Company in 1935: 'UTL'—United Traders Limited.



Now, you can't separate the tale of these products from the tale unfolding within Levers. The people in their factories and offices were changing, for one thing. Foreign experts were joined by the young men of India and today over four-fifths of Levers' executives are Indians.

Meanwhile, Levers were buying all the raw materials that India could offer. These purchases grew as manufacture expanded—till, in 1955, about 88 percent of the oils and fats that Levers needed was supplied by India's fields and coconut groves.



An international partnership—that's what soon grew up in Levers. Foreign technical and marketing experience linked up with the talents and resources of India. Result? The Indian housewife today is supplied with products that are among the world's best.

Today, we are sixty-nine years from the crate of soap that, almost unnoticed, started Levers in India. Today, a new chapter in our story has opened with the association of Indian and foreign capital in Levers. Indian and British Directors work together on the Board, too. Here's a joint venture that serves the nation and advances with it.

Yes, the future arrives with each tick of the clock. And Levers face that future with a new name: 'HINDUSTAN LEVER LIMITED.' So the stories of HVM and UTL end, in a sense—because they've merged with 'Lever Brothers' to form Hindustan Lever.



But the Lever story goes on. For India's story goes on, and Levers have grown with India's needs and progress. As it has done for sixty-nine years, Hindustan Lever will continue to serve the Indian home.

HINDUSTAN LEVER



SERVES THE HOME

ALL RIGHTS RESERVED

BRITISH TEXTILE REVIEW

THE COMMONWEALTH AND EUROPE

IT is said that Australia's insistence on whittling down imperial preference, as revealed in the Anglo-Australian trade agreement, was a major cause of the British Government's change of policy towards trade with Europe. The agreement was a hard blow to British exporters. In textiles, Australia is easily first on the list of Britain's overseas markets for cotton yarns and still a major, though not an easy, market for her woollen and worsted fabrics. It must be assumed that other suppliers, especially European, will take an appreciable slice of the market hitherto enjoyed by the British. But if the British textile industries aspire to compete freely with their continental rivals in Europe they ought to be able to trade in Australia on more level terms than in the past. When the textile industries, with others, were invited to express their views on the plan to remove most of western Europe's internal tariffs their reaction—before they knew that a major customer in the Commonwealth was surprisingly favourable. The Federation of British Industries sent a questionnaire to 128 trade associations of all kinds, and of that total only 18 were unconditionally opposed to the plan. None of those 18 represented a major textile group (though it did include the jute industry). On the other hand, of 10 regional councils, the only one opposed, the North Midlands, is one extensively interested in hosiery and laces, among other consumer goods.

Informal intimations indicate that in the opinion of the Board of Trade the European plan, if implemented, would have seriously adverse effects on the cotton industry and decidedly beneficial effects on the wool industry. Private discussions show that, broadly, these opinions prevail within the industries themselves. Lancashire—but the rayon even more than the cotton interests—is insisting on all manner of safeguards, while Yorkshire is more liberal-minded. Lancashire, struggling against cheap Asian goods, is reluctant to fight on the European front as well—and the Continent, incidentally, is not convinced that those Asian goods can be prevented from spreading over its area, though Britain. At present, rather more than one-quarter of imports of cotton yarns and fabrics come from the European countries of the plan, as much as two-thirds from the Commonwealth and Japan; but the European countries supply more than two-thirds of the U.K.'s imports of man-made fibre yarns and fabrics. About four-fifths of woollen and man-made fibre and fabrics, come from those sources; whereas less than one-eighth of Yorkshire's exports of fabrics are sold there. In this line, the dollar markets are, at present, of supreme importance; but the European group takes fully one-third of Yorkshire's exports of yarns. If the European plan materialises—and the more so if Scandinavia, Switzerland and Austria (not included in the proportions mentioned) are associated with it—both the dependence and the pressure of Yorkshire on the dollar markets will certainly diminish.

Dearer Materials

Most textile firms in Lancashire and Yorkshire are content to observe their lengthening order books, but there is an undercurrent of apprehension. Raw materials of suitable quality are not readily available, and the consequent increases in price are not altogether healthy. The rise in merino wools to a level about one-third higher than a year ago is outstanding. Crossbreds are affected less, because consignments from New Zealand use the Panama rather than the Suez Canal, but even their recent increases are appreciable. Egyptian-type cottons reflect the stoppage of supplies from Egypt, American-type cottons the interruption of deliveries caused by the long-shoremen's strike. The increases reflect a strong demand as well as a shortage of supply. Some of the buying, admittedly, has been precautionary, but there is also a genuine increase in consumption. But it is not forgotten that the easing of the prices of wool and, later, cotton was an important factor in the increase in trade, after confidence in values had been restored. None of the textile industries can any longer rely on a continuing strong demand with little regard to price, and cautious observers see the recent movements as a weakening factor in the trade. Not everyone, of course, takes the long view. When new orders are flowing freely it is easy to forget the pessimism that prevailed in Lancashire until not many weeks ago. But the latest figures of stocks of finished textiles, though not recent enough to give a clear picture of the trend, give reason to pause and consider. The Wholesale Textile Association's index of stocks, which until March was considerably lower than the figure of a year earlier, rose in September (when wholesale trade is reaching its seasonal peak) to the highest September level since 1951. Production cannot be maintained indefinitely if this tendency persists.

Man-made Textiles Steady

An increase in the output of man-made fibres from 35.5 million lbs in September to 40.2 million lbs. in October is attributable mainly to staple fibre. Offtake of rayon staple is still on an upward trend, as British prices have resisted the upward trend of natural fibres. Indeed, the recent developments are strengthening the position of the man-made fibres, and of firms using them extensively, for the basic materials concerned are either

produced at home or imported mostly from near countries. Some observers believe that the chairman of the British Man-Made Fibres Federation, Sir William Palmer, was too pessimistic when he suggested at the Federation's annual meeting that no marked change in the trade was to be expected in the near future. He contrasted the mild recession of 1954-55 with the severe recession of 1951-52 and pointed to a reasonable level of stocks, which would enable a moderate increase in demand to be satisfied without disturbance or a moderate decrease in demand to be suffered without near-panic. Sir William had to acknowledge, however, that it was the home market that sustained the trade in a relatively healthy state. Exports in 1955 were about 10 percent less in value than those of 1954, and Sir William expected a further decline of some 12 percent in 1956. "We must adapt ourselves to our public" was the conclusion of Sir William's address. At an exhibition in Bradford the Federation has demonstrated the quality, as well as the variety, of materials that can be produced with man-made fibres, either in blends or alone, on the machinery of the traditional wool textile firms. Yet the "cotton" industry is by far the largest outlet for man-made staple fibres. The existence of these fibres, at relatively steady prices, must exercise a restraining influence on the prices of cotton and wool.

WOOL PRODUCTION AND TRADE

REMARKABLE INCREASE SINCE THE WAR

FOR the eighth successive season, world wool production showed an increase during 1955-56, according to estimates given in a report issued by the Commonwealth Economic Committee. It points out that production in the free world reached 4,000 million lbs, greasy basis, which was 3 percent higher than in the previous season and exceeded the postwar low point recorded in 1947-48 by about one-fifth. In the latest season, Commonwealth production totalled 2,400 million lbs, or 60 percent of the free world total; output in Commonwealth countries has risen by over a third since before the war, due mainly to the remarkable expansion which has occurred in Australia, New Zealand and, to a lesser extent, South Africa. World trade in raw wool has also been rising in recent years, and in 1955 it was about 18 percent higher than the prewar average. The chief countries to record increased imports were the U.K., the United States, Western Germany and Japan—the two last-named showing a particularly sharp rise. Wool prices were on balance lower in 1955-56 than in the two previous seasons; a marked fall occurred at the opening sales, but thereafter the tendency was upward. Demand for merinos became particularly strong during the final quarter of the season and quotations rose by nearly 25 percent compared with the opening levels; crossbred prices, in contrast, moved more narrowly though the season closed on a firm note.

Sheep Numbers

Sheep numbers in the free world achieved an all-time record in 1954-55, when they amounted to over 690 million. This was 17 percent more than the 1946-47 low point of 590 million, and nearly 10 percent above the prewar average. The rise in numbers has been particularly marked in Australasia, with smaller increases in South America, Asia and Africa; by contrast, flocks in Europe and North America are still below their prewar level. The rise in wool prices at the time of the Korean war greatly increased the interest in sheep production and brought about a marked expansion in numbers. But recently there appears to have been some slowing down in the rate of increase, the gain during the latest season being only about 10 million head compared with 20 million in 1952-53.

World wool production set up a new record in the 1955-56 season, with Australia accounting for the major part of the increase. That country, New Zealand and Uruguay have been responsible for the greater part of the rise which has occurred in free world production during the past 20 years, while in the United States production has declined sharply. Compared with the immediate prewar years there has been an improvement of at least one-fifth in wool production, although the total sheep population has grown by only about 10 percent. The marked rise in yield per sheep over the past 20 years is ascribed to heavier fleece weights resulting from improved conditions of breeding, pasture and general sheep husbandry.

Trade Trends

In 1955, world exports of raw wool amounted to some 2,500 million lbs, actual weight, or one-eighth more than in 1954. Nearly 90 percent of world exports came from the five chief producing countries of the southern hemisphere: Australia, New Zealand, South Africa, Argentina and Uruguay. The increase was due partly to the rise in wool production in the three Dominions and partly to the release of stocks previously held up in South America. Among Commonwealth producers, exports from Australia increased by 17 percent in 1955 compared with 1954, and amounted to nearly 1,150 million lbs, while New Zealand and South African shipments rose by 6 percent and 11 percent, respectively.

On the importing side, some 88 percent of the world total went in 1955 to seven leading consuming countries: the U.K., United States, France, Western Germany, Japan, Belgium and Italy. For

the fourth year running, the U.K. remained the world's largest net importer, taking 650 million lbs, or 8 percent more than in 1954. U.S. imports, at 355 million lbs, were nearly one-fifth higher than the previous year's exceptionally low total, although with that exception they were still well below the figures for any other postwar year. There was a 22 percent rise in net imports into Western Germany, while for Japan the increase was as much as 35 percent and that country replaced Italy as the world's fifth largest importer. French and Belgian imports were only moderately higher than in 1954, while Italy showed a reduction for the second successive year.

Consumption Rises

Activity in the wool textile industries of the free world was rather greater in 1955 than in the previous year. Their aggregate consumption of raw wool rose to about 2,125 million lbs, clean basis, which was 3 percent more than in 1954, though still some 7 percent below the record set up in 1950. Consumption moved up sharply in the fourth quarter of the year, following the fall in wool prices at the opening sales of the new season's auctions. The most marked improvements took place in Western Germany, Japan and the United States, where usage in each case rose by about 10 percent. In 1955, for the second year in succession, the U.K. remained the world's largest individual consumer of wool, a position which had been held by the United States in every postwar year up to 1953; total United Kingdom usage in 1955 amounted to over 475 million lbs, or a 3 percent improvement on 1954. In France and Italy, in contrast, there were reductions.

Prices Improve

The 1955-56 wool selling season opened at the end of August, 1955, with merino prices at their lowest level for six years. At the Australian auctions in that month, quotations averaged about 15 percent cheaper than at the close of the previous season, but once established on their new basis any tendency to move was in an upward direction. After the Easter recess, the continued improvement in world wool consumption and the intensification of Japanese demand brought about a sharp rise in prices, so that the season ended with merino quotations nearly 25 percent higher than at the opening.

Crossbred prices at first moved in rather similar fashion. When the main New Zealand selling season opened in October, prices showed a 12½ percent fall on the 1954-55 close, but thereafter a slight hardening occurred and crossbreds 50s, for example, reached their peak for the season in January, 1956, when quotations were nearly 10 percent higher than at the opening. From then on a divergence appeared between the crossbred and merino price patterns and in the second half of the selling season crossbreds tended to weaken slightly. Accordingly, when the season closed, quotations for crossbreds 50s were only about 5 percent above the opening levels.

On a longer term basis the report shows that over the postwar period a greater proportionate increase has occurred in crossbred wool prices than in those of merino wools. During the 1955-56 season, for example, average prices of merino 64s were only about 25 percent above the 1947-48 level, while crossbred 50s showed an increase of nearly 120 percent. Ever since the 1952-53 season, the price relationship between merino and crossbred wools narrowed steadily until January, 1956, when they were probably closer than at any time in the present century. The reason for this trend is ascribed in part to a greater proportionate increase in merino wool production when compared with that of other qualities, and in part to changes on the demand side which have favoured the use of less expensive raw materials. A reversal in trend, however, occurred during the latter part of last season, as already mentioned, since when merino quotations have risen sharply and an appreciable widening of the price differential has taken place.

SUBSTANTIAL INCREASE IN PRODUCTION AND ACREAGE OF SUGARCANE

According to the Directorate of Economics and Statistics, Union Ministry of Agriculture, the all-India second estimate of sugarcane, 1956-57, puts the current year's area and production at 4,532,000 acres and 58,914,000 tons of cane, as against 3,945,000 acres and 50,455,000 tons of cane for 1955-56. This shows an increase of 587,000 acres or 14.9 percent in area and 8,459,000 tons or 16.8 percent in production over last year. The area under sugarcane at the second estimate stage during the current year is the highest on record. The overall increase in acreage and production during the current year has been reported by almost all the sugarcane growing States, specially U.P., Bihar, Mysore, Hyderabad, Madhya Bharat and Bombay and has been attributed to timely rain, better irrigation facilities and favourable weather conditions both at the sowing and growing period of the crop. This estimate covers the period generally up to the middle of October, 1956. Till then, the condition of the crop was reported to be, on the whole, satisfactory, except in parts of U.P., Bombay and Bihar. In U.P., the crop was slightly affected by water logging in the flood-affected areas. Attack of rot, top-borers and pyrrilla was also reported in certain parts of eastern U.P. districts. In parts of Bombay the crop was slightly affected by heavy rains and sporadic attack of smut, stem and top-shoot-borer. This estimate does not include the entire area sown to sugarcane crop 1956-57. Past experience has shown that

at the second estimate stage forms roughly 95 percent of the area of the crop finally reported. The information given in this estimate relates to the period before 1st November, 1956.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.2 percent to 430.2 during the week ended 15th December, 1956, compared with 429.2 (revised) for the previous week. The index was lower by 0.1 percent when compared with the corresponding week of the last month, but was higher by 17.2 percent than that of a year ago. The index for Food Articles declined by 0.2 percent to 417.7 compared with 418.4 (revised) for the previous week due to lower prices of gur (-7%), wheat in Jabalpur, bajra and tea for exports (-3% each), dal arhar (-2%) and rice in Calcutta (-1%) in spite of an advance in the prices of tea for internal consumption (+19%), salt (+7%) and wheat in Amritsar (+4%) and in Hapur (+2%). Higher prices of gingellyseed (+8%), groundnuts (+6%), manganese ore (average export price) (+4%), raw jute (+2%), raw silk in Bangalore, castorseed in Madras and copra (+2% each) and raw cotton and linseed (+1% each) raised the index for Industrial Raw Materials by 1.3 percent to 519.3; the prices of iron ore (-5%), castorseed in Bombay and lac (-2% each) exhibited declines. The index for Semi-Manufactures moved down by 0.3 percent to 417.4 (estimated) as a result of a fall in the prices of gingellycake (-5%), copra cake (-4%), zinc (-3%), mustard oil in Kanpur (-2%), and coconut oil in Calcutta, cotton yarn and copper (-1% each) in spite of an advance in the prices of gingelly oil (+8%), castor oil in Calcutta and groundnut oil (+4% each), mustard oil in Calcutta and coconut oil in Cochin (+2% each) and linseed oil and coir yarn (+1% each). A rise of 0.1 percent to 366.6 in the index for Manufactures was caused by an increase in the price of jute manufactures (+1%);

the price of glass (1%) was, however, marked down. Lower prices of betelnuts in Calcutta (-4%), black pepper (3%) and cashewnuts (-2%) brought down the index for the Miscellaneous group by 0.4 percent to 589.2, although the price of chillies in Patna (+1%) showed an advance.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August 1939=100)

Groups and Sub-Groups	15-12-56	8-12-56	17-11-56	17-12-55
I Food Articles:	417.7	418.4(R)	418.3	329.4
Cereals	542*	543	535	389
Pulses	429(R)	432(R)	429	348
Others	261	261	271	232
II Industrial Raw Materials:	519.3	519.1	519.2(R)	438.7
Fibres	590	493	594	443
Oilseeds	573*	556*	571	430
Minerals	553	552	521	427
Others	451	432	432(R)	463*
III Semi-Manufactures:	417.4*	418.6	418.6(R)	345.9
Leather	—	448	443	398
Mineral oils	207	207	210	202
Vegetable oils	639	627	627	417
Cotton yarn	498	504	502(R)	422
Metals	327	328	327	279
Oilcakes	477	491	492	349
Others	364	364	362	336
IV Manufactures:	366.6	366.1	366.1	372.8
Textiles	417	417	417	405
Jute	457	452	448	415
Cotton	415*	415*	417*	399*
Rayon and silk	429*	429*	421*	486*
Woollen	266	266	266	278
Metal products	390	390	399	371
Others	297	298	296	284
V Miscellaneous:	589.2	591.7	591.7(R)	542.3
All Commodities	430.2	429.2(R)	430.5(R)	367.9

R=Revised. * Estimated.

Calcutta Markets

FAIR GENERAL DEMAND AT TEA EXPORT SALE

SUPPORT FOR QUALITY GRADES

AT Sale No. 27, held on 2nd January, offerings at the Export auction, consisted of 63,500 packages for which there was a fair general demand, but at easier rates. Tea for price and clean black Fannings and bright liquoring teas from the Doars and Assam, however, were very well supported and were fully firm and occasionally dearer, while non-wither Doars were also a strong feature of the Sale. There were more C.T.C. teas on offer and these were often up to 3 annas easier and a number of lines were withdrawn. Darjeelings were generally 4 annas easier and the remaining common and medium offerings sold at about 2 annas below last rates.

Quotations	1957	1956
Clean Black Pekoe	2 5 6	2 1 0 to 2 2 0
Plain B.P.	2 4 0	1 8 0
Medium Assam B.P.	2 5 6	1 10 0 to 1 11 0
Best C.T.C. Assam B.P.	2 13 0	2 14 0 to 2 1 0

FREIGHT MARKETS QUIET

THE holidays have kept the markets quiet. The latest news of the prospects of the clearing of the Suez Canal will prompt operators to restrict business to their minimum requirements for the first quarter of the year because of an anticipated reduction in freight rates. This reduction, however, is only likely to be to the high levels prevailing before the Suez incident, and as the markets were then rising, the full extent of any reduction is difficult to assess at present. Various ore fixtures from India show slight declines from the previous fixtures. Calcutta, completing one East Coast Port-Hamburg, paid 215s; East Coast-Poland 219s; Vizagapatam-U.S.N.H. \$(U.S.) 27.50 for January and \$(U.S.) 26 for April and Koilthottam-U.S.N.H. \$(U.S.) 24.50. A number of grain cargoes were arranged from Australia to India on the basis of 172s 6d West Australian loading, and later, this rate was cut by 10s for a February loader. The *Shahzada*, it is reported has been fixed for six to nine months' time charter at the good rate of 52s 6d on 8,323 d.w. and a *Liberty* took the lower rate of \$(U.S.) 5.75 for two years' trading.

HIDES AND SKINS FIRM

The market in skins was firm and prices showed an upward tendency. Stocks were less than in the previous fortnight.

Bazaar Sales

(Between 18th December and 31st December, 1956)
Cowhides: Wet salted (Ord) 26,000 pcs. on the basis of Rs. 6-12 to Rs. 9; Wet salted (Slaughtered) 27,600 pcs. on the basis of Rs. 12-8 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 11,59,000 pcs. on the basis of Rs. 270 to 290 and Rs. 290 to Rs. 315; Assam-Dinajpur 83,200 pcs. on the basis of Rs. 255 to Rs. 325; Purneah-Kissenganj 78,000 pcs. on the basis of Rs. 275 to Rs. 300; Pakur-Patna (Ord) 29,600 pcs. on the basis of Rs. 250 to Rs. 270; Muzafferpore-Patna 1,99,300 pcs. on the basis of Rs. 285 to Rs. 325.

Bazaar Stocks

(31st December, 1956)

Cowhides: Wet salted 1,94,600 pcs.

Goatskins: Wet salted (Daissee, Killed) 31,000 pcs.; Assam-Dinajpur-Jalpaiguri-Murshidabad 63,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 1,33,500 pcs.

SHELLAC MARKET STEADY

During the period between 19th December and 28th December, the market was dull at the beginning, and steady at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 125, 120 value; 120 buyers.
Lemon No. 1 Shellac	Rs. 125, 123 buyers, 122 value, 125 done and buyers.
Lemon No. 2 Shellac	Rs. 119, 116 done, 115 to 118 buyers.
F.O. Std. 1 Shellac	Rs. 115-8, 110, 112-8 buyers.
Pure TN Shellac	Rs. 111, 106, 108 basis done and buyers.
4% I.T.N. Shellac	Rs. 103, 98, 101-8 buyers.
No. 1 Kusmi Seedlac	Rs. 113-8 to 109 value, 108 to 112 buyers.
No. 2 Kusmi Seedlac	Rs. 109-8 to 105 value, 103 to 106 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 100, 96, 101-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 98 value, 92-8 to 98-8 buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 88 value, 86 to 85 buyers, 83-8 value, 85 to 87 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 83, 78 value, 78 to 81-8 buyers.
Kireelac	Rs. 36 to 35 buyers.

Shipments during December until the 26th were 29,247 packages comprising shellac 21,149 packages, seedlac 4,097 packages, buttonlac 876 packages and others 3,125 packages.

COMPANY AND PUBLIC NOTICES

THE BENGAL FLOUR MILLS CO., LTD.

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the above-named Company will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday, the 14th day of January, 1957, at 11-30 o'clock in the forenoon to consider and, if thought fit, to pass, with or without modification, the following resolutions, namely:—

1 (a) (As an Ordinary Resolution)—“That as from the first day of April One thousand nine hundred and fifty-six Balmer Lawrie & Company Limited, the Managing Agents of the Company, shall hold such office upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof, the terms of which said draft Agreement have been approved by the Central Government in conformity with the provisions of Section 329 of the Companies Act, 1956.”

1 (b) (As an Ordinary Resolution)—“That as on and from the fifteenth day of January One thousand nine hundred and fifty-seven, subject to the approval of the Central Government under the provisions of Section 326 of the Companies Act, 1956, Balmer Lawrie & Company Limited be and are hereby re-appointed the Managing Agents of the Company for a fresh term of ten years upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof; and that the Directors be and are hereby authorised to alter or vary the said terms to such extent and for such purposes only as may be necessary to embody or give effect to the requirements of the Central Government as a condition of granting its approval as aforesaid.”

1 (c) (As an Ordinary Resolution)—“That the Directors be and are hereby authorised to enter into an Agreement in writing between the Company of the one part and Balmer Lawrie & Company Limited of the other part in the terms of the draft Agreement referred to in resolutions numbers 1(a) and 1(b) in the Notice convening this Meeting such Agreement to incorporate the alterations and variations (if any) referred to in the said resolution number 1(b).”

2. (As a Special Resolution)—“That Articles 3, 4 and 5 of the Articles of Association of the Company be deleted and the following new Article 3 substituted therefor:—

“Balmer Lawrie & Company Limited are the Managing Agents of the Company and they shall continue to be the Managing Agents of the Company up to and including the fourteenth day of January One thousand nine hundred and sixty-seven upon the terms and subject to the conditions as to remuneration and otherwise as are embodied in an Agreement a draft whereof has, for the purpose of identification, been subscribed by Mr. A. T. Montgomery, Chairman of the Company, to be executed with all convenient despatch and the Board of Directors shall carry the said Agreement into effect. Subject to the provisions of Sections 198 and 348 of the Companies Act, 1956, the Managing Agents shall be entitled to receive from the Company by way of remuneration for their services in relation to such management, in respect of each financial year of the Company (as defined in Section 2 (17) of the Companies Act, 1956) commencing on or after the 1st day of April, 1956, or in respect of any part of such a financial year:—

(a) A sum of, or, in respect of any period of less than a year, calculated at the rate of Rs. 50,000/- per annum, and

(b) Such further sum, if any, as together with the said sum of Rs. 50,000/- shall make up an amount equal to 10 per cent. of the net profits of the Company for such financial year or part thereof determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956.

The said sum of Rs. 50,000/- payable under (a) above shall be paid by the Company by eleven monthly instalments of Rs. 4,000/- each and a final monthly instalment of Rs. 6,000/- payable on the last day of each month. In the event of the Company having no profits or its profits being inadequate in any financial year then to the extent that the amount paid to the Managing Agents under (a) above together with the remuneration paid to the Directors of the Company (other than fees for meetings of the Board attended by them) in respect of such year exceed Rs. 50,000/- the remuneration payable under (a) above shall abate and be repayable to the Company.

The further sum, if any, payable under (b) above shall be paid by the Company im-

mediately after the accounts of the Company for the respective financial year shall have been audited and laid before the Company in General Meeting.

In respect of the Company's financial year ending on the 31st day of December, 1956, the Managing Agents shall, subject to the provisions of Sections 198 and 354 of the Companies Act, 1956, if applicable, receive remuneration calculated in the manner provided in the Agreement dated the 8th day of January One thousand nine hundred and thirty-seven and made between the Company of the one part and the Managing Agents of the other part save that the Managing Agents shall only be entitled to receive the office allowance payable to them thereunder up to and including the 31st March, 1956.

The remuneration payable under this Article shall not be regarded as in any manner or to any extent intended to reimburse the Managing Agents in respect of any expenses incurred or to be incurred by them on behalf of the Company and the Managing Agents, in addition to receiving such remuneration, shall be entitled to be reimbursed by the Company in respect of any expenses incurred by them on behalf of the Company and such proportion of expenses that may be incurred by them partly on behalf of the Company and partly on behalf of themselves and/or some other Company, concern or person as the Directors of the Company shall determine to be or to have been incurred on behalf of the Company. Without prejudice to the generality of the foregoing, the Managing Agents shall be entitled to recover from the Company the remuneration (whether by way of salary, commission, bonus, gratuity, compensation, allowance or otherwise) provident and superannuation fund contributions and expenses payable to or in respect of all persons employed by them solely in connection with the Company's business and such proportion of the remuneration, contributions and expenses, if any, of any persons employed by the Managing Agents partly in connection with the Company's business and partly in connection with any other business as the Directors of the Company may from time to time likewise determine. Provided always that neither the Company nor the Managing Agents shall without the previous sanction of the Central Government (and then only subject to the provisions of Sections 198, 387 and 388 of the Companies Act, 1956) be entitled to appoint or employ any individual as a Manager of the Company within the meaning of the Companies Act, 1956.”

3. (As an Ordinary Resolution)—“That pursuant to Clause 9 of the said draft Agreement referred to in Article 3 of the Articles of Association of the Company, Balmer Lawrie & Company Limited and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them respectively as the Managing Agents, Secretaries and Treasurers, Manager, Agent, Secretary or Selling or Buying Agent of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services, including insurance, for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable.”

4. (As a Special Resolution)—“That pursuant to Clause 12 of the said draft Agreement referred to in Article 3 of the Articles of Association of the Company, Balmer Lawrie & Company Limited be and they are hereby authorised to provide the Company with suitable furnished office accommodation at the registered or principal office for the time being of Balmer Lawrie & Company Limited in Calcutta and also, if so required by the Company, at any other place or places in which Balmer Lawrie & Company Limited may be able to provide such accommodation and the Company shall pay to Balmer Lawrie & Company Limited such rent and portion of the outgoings payable by Balmer Lawrie & Company Limited as the Directors of the Company shall from time to time determine to be fairly and reasonably attributable to the accommodation so provided.”

5. (As a Special Resolution)—“That Article 42 of the Articles of Association of the Company be deleted and the following new Article 42 be substituted therefor:—“Each Director shall be paid out of the funds of the Company by way of remuneration for his services in attending meetings of the Board of Directors the sum of Rs. 250/- for each meeting attended by him.”

By Order of the Board.

PALMER LAWRIE & CO., LTD.,

D. MANSON,

Secretary,

Managing Agents.

Calcutta, 21st December, 1956.

Notes:—(1) A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

(2) A copy of the draft Agreement referred to in the proposed Resolution and an explanatory statement are annexed to this Notice.

BRIDGE & ROOF COMPANY (INDIA) LTD.

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the above-named Company will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday, the 14th day of January, 1957, at 11-50 o'clock in the forenoon to consider and, if thought fit, to pass, with or without modification, the following resolutions, namely:—

1 (a) (As an Ordinary Resolution)—“That as from the first day of April One thousand nine hundred and fifty-six Balmer Lawrie & Company Limited, the Managing Agents of the Company, shall hold such office upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof, the terms of which said draft Agreement have been approved by the Central Government in conformity with the provisions of Section 329 of the Companies Act, 1956.”

1 (b) (As an Ordinary Resolution)—“That as on and from the fifteenth day of January One thousand nine hundred and fifty-seven, subject to the approval of the Central Government under the provisions of Section 326 of the Companies Act, 1956, Balmer Lawrie & Company Limited be and are hereby re-appointed the Managing Agents of the Company for a fresh term of ten years upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof; and that the Directors be and are hereby authorised to alter or vary the said terms to such extent and for such purposes only as may be necessary to embody or give effect to the requirements of the Central Government as a condition of granting its approval as aforesaid.”

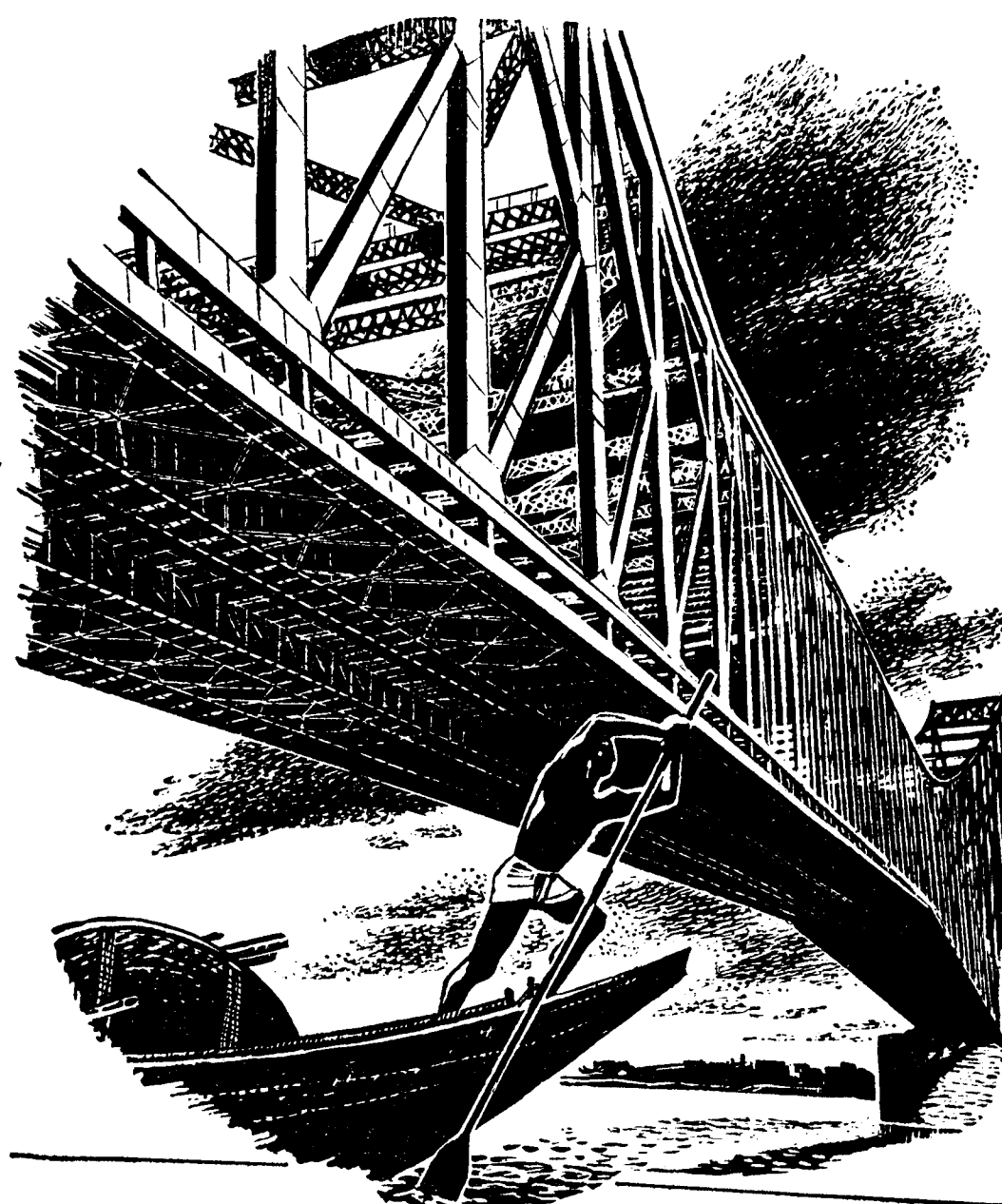
1 (c) (As an Ordinary Resolution)—“That the Directors be and are hereby authorised to enter into an Agreement in writing between the Company of the one part and Balmer Lawrie & Company Limited of the other part in the terms of the draft Agreement referred to in resolutions numbers 1(a) and 1(b) in the Notice convening this Meeting such Agreement to incorporate the alterations and variations (if any) referred to in the said resolution number 1(b).”

2. (As a Special Resolution)—“That Articles 106, 107, 108, 109, 110 and 111 of the Articles of Association of the Company be deleted and the following new Article 106 substituted therefor:—“Balmer Lawrie & Company Limited are the Managing Agents of the Company, and they shall continue to be the Managing Agents of the Company up to and including the fourteenth day of January One thousand nine hundred and sixty-seven upon the terms and subject to the conditions as to remuneration and otherwise as are embodied in an Agreement a draft whereof has, for the purpose of identification, been subscribed by Mr. O. T. Jenkins, Chairman of the Company, to be executed with all convenient despatch and the Board of Directors shall carry the said Agreement into effect. Subject to the provisions of Sections 198 and 348 of the Companies Act, 1956, the Managing Agents shall be entitled to receive from the Company by way of remuneration for their services in relation to such management, in respect of each financial year of the Company (as defined in Section 2 (17) of the Companies Act, 1956) commencing on or after the 1st day of April, 1956, or in respect of any part of such a financial year:—

(a) A sum of, or, in respect of any period of less than a year, calculated at the rate of Rs. 50,000/- per annum, and

(b) Such further sum, if any, as together with the said sum of Rs. 50,000/- shall make up an amount equal to 10 per cent. of the net profits of the Company for such financial year or part thereof determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956.

The said sum of Rs. 50,000/- payable under (a) above shall be paid by the Company by eleven monthly instalments of



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(MPC-36)

Rs. 4,000/- each and a final monthly instalment of Rs. 6,000/- payable on the last day of each month. In the event of the Company having no profits or its profits being inadequate in any financial year then to the extent that the amount paid to the Managing Agents under (a) above together with the remuneration paid to the Directors of the Company (other than fees for meetings of the Board attended by them) in respect of such year exceed Rs. 50,000/- the remuneration payable under (a) above shall abate and be repayable to the Company.

The further sum, if any, payable under (b) above shall be paid by the Company immediately after the accounts of the Company for the respective financial year shall have been audited and laid before the Company in General Meeting.

In respect of the Company's financial year ending on the 31st day of December, 1956, the Managing Agents shall, subject to the provisions of Sections 198 and 354 of the Companies Act, 1956, if applicable, receive remuneration calculated in the manner provided in the Agreement dated the 14th day of April One thousand nine hundred and twenty-five and made between the Company of the one part and the Managing Agents of the other part save that the Managing Agents shall only be entitled to receive the office allowance payable to them thereunder up to and including the 31st March, 1956.

The remuneration payable under this Article shall not be regarded as in any manner or to any extent intended to reimburse the Managing Agents in respect of any expenses incurred or to be incurred by them on behalf of the Company and the Managing Agents, in addition to receiving such remuneration, shall be entitled to be reimbursed by the Company in respect of any expenses incurred by them on behalf of the Company and such proportion of expenses that may be incurred by them partly on behalf of the Company and partly on behalf of themselves and/or some other Company, concern or person as the Directors of the Company shall determine to be or to have been incurred on behalf of the Company. Without prejudice to the generality of the foregoing, the Managing Agents shall be entitled to recover from the Company the remuneration (whether by way of salary, commission, bonus, gratuity, compensation, allowance or otherwise) provident and superannuation fund contributions and expenses payable to or in respect of all persons employed by them solely in connection with the Company's business and such proportion of the remuneration, contributions and expenses, if any, of any persons employed by the Managing Agents partly in connection with the Company's business and partly in connection with any other business as the Directors of the Company may from time to time likewise determine. Provided always that neither the Company nor the Managing Agents shall without the previous sanction of the Central Government (and then only subject to the provisions of Sections 198, 387 and 388 of the Companies Act, 1956) be entitled to appoint or employ any individual as a Manager of the Company within the meaning of the Companies Act, 1956."

3. (As an Ordinary Resolution)—"That pursuant to Clause 9 of the said draft Agreement referred to in Article 106 of the Articles of Association of the Company, Balmer Lawrie & Company Limited and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them respectively as the Managing Agents, Secretaries and Treasurers, Manager, Agent, Secretary or Selling or Buying Agent of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services, including insurance, for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

4. (As a Special Resolution)—"That pursuant to Clause 12 of the said draft Agreement referred to in Article 106 of the Articles of Association of the Company, Balmer Lawrie & Company Limited be and they are hereby authorised to provide the Company with suitable furnished office accommodation at the registered or principal office for the time being of Balmer Lawrie & Company Limited in Calcutta and also, if so required by the Company, at any other place or places in which Balmer Lawrie & Company Limited may be able to provide such accommodation and the Company shall pay to Balmer Lawrie & Company Limited such rent and portion

of the outgoings payable by Balmer Lawrie & Company Limited as the Directors of the Company shall from time to time determine to be fairly and reasonably attributable to the accommodation so provided."

5. (As a Special Resolution)—"That Article 85 of the Articles of Association of the Company be deleted and the following new Article 85 be substituted therefor:

"Each Director shall be paid out of the funds of the Company by way of remuneration for his services in attending meetings of the Board of Directors the sum of Rs. 250/- for each meeting attended by him."

By Order of the Board,

BALMER LAWRIE & CO., LTD.,

D. MANSON,

Secretary,

Managing Agents.

Calcutta, 21st December, 1956.

Notes.—(1) A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

(2) A copy of the draft Agreement referred to in the proposed Resolution and an explanatory statement are annexed to this Notice.

BRITISH INDIA ELECTRIC CONSTRUCTION COMPANY LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the above-named Company will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday, the 14th day of January, 1957, at 12-30 o'clock in the afternoon to consider and, if thought fit, to pass, with or without modification the following resolutions, namely:—

1 (a) (As an Ordinary Resolution)—"That as from the first day of April One thousand nine hundred and fifty-six Balmer Lawrie & Company Limited, the Managing Agents of the Company, shall hold such office upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof, the terms of which said draft Agreement have been approved by the Central Government in conformity with the provisions of Section 329 of the Companies Act, 1956."

1 (b) (As an Ordinary Resolution)—"That as on and from the fifteenth day of January One thousand nine hundred and fifty-seven, subject to the approval of the Central Government under the provisions of Section 326 of the Companies Act, 1956, Balmer Lawrie & Company Limited be and are hereby re-appointed the Managing Agents of the Company for a fresh term of ten years upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof: and that the Directors be and are hereby authorised to alter or vary the said terms to such extent and for such purposes only as may be necessary to embody or give effect to the requirements of the Central Government as a condition of granting its approval as aforesaid."

1 (c) (As an Ordinary Resolution)—"That the Directors be and are hereby authorised to enter into an Agreement in writing between the Company of the one part and Balmer Lawrie & Company Limited of the other part in the terms of the draft Agreement referred to in resolutions numbers 1(a) and 1(b) in the Notice convening this Meeting such Agreement to incorporate the alterations and variations (if any) referred to in the said resolution number 1(b)."

2. (As a Special Resolution)—"That Articles 106, 107, 108, 109, 110 and 111 of the Articles of Association of the Company be deleted and the following new Article 106 substituted therefor:

"Balmer Lawrie & Company Limited are the Managing Agents of the Company and they shall continue and be the Managing Agents of the Company up to and including the fourteenth day of January One thousand nine hundred and sixty-seven upon the terms and subject to the conditions as to remuneration and otherwise as are embodied in an Agreement a draft whereof has, for the purpose of identification, been subscribed by Mr. H. G. Sinclair, Chairman of the Company, to be executed with all convenient despatch and the Board of Directors shall carry the said Agreement into effect. Subject to the provisions of Sections 198 and 348 of the Companies Act, 1956, the Managing Agents shall be entitled to receive from the Company by way of remuneration for their services in relation to such management, in respect of each financial year of the Company (as defined in Section 2 (17) of the Companies Act, 1956) commencing on or after the 1st day of April, 1956, or in respect of any part of such a financial year:

(a) A sum of, or, in respect of any period of less than a year, calculated at the rate of Rs. 50,000/- per annum, and

(b) Such further sum, if any, as together with the said sum of Rs. 50,000/- shall make up an amount equal to 10 per cent. of the net profits of the Company for such financial year or part thereof determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956.

The said sum of Rs. 50,000/- payable under (a) above shall be paid by the Company by eleven monthly instalments of Rs. 4,000/- each and a final monthly instalment of Rs. 6,000/- payable on the last day of each month. In the event of the Company having no profits or its profits being inadequate in any financial year then to the extent that the amount paid to the Managing Agents under (a) above together with the remuneration paid to the Directors of the Company (other than fees for meetings of the Board attended by them) in respect of such year exceed Rs. 50,000/- the remuneration payable under (a) above shall abate and be repayable to the Company.

The further sum, if any, payable under (b) above shall be paid by the Company immediately after the accounts of the Company for the respective financial year shall have been audited and laid before the Company in General Meeting.

In respect of the Company's financial year ending on the 31st day of December, 1956, the Managing Agents shall, subject to the provisions of Sections 198 and 354 of the Companies Act, 1956, if applicable, receive remuneration calculated in the manner provided in the Agreement dated the 27th day of January One thousand nine hundred and twenty-five and made between the Company of the one part and the Managing Agents of the other part save that the Managing Agents shall only be entitled to receive the office allowance payable to them thereunder up to and including the 31st March, 1956.

The remuneration payable under this Article shall not be regarded as in any manner or to any extent intended to reimburse the Managing Agents in respect of any expenses incurred or to be incurred by them on behalf of the Company and the Managing Agents, in addition to receiving such remuneration, shall be entitled to be reimbursed by the Company in respect of any expenses incurred by them on behalf of the Company and such proportion of expenses that may be incurred by them partly on behalf of the Company and partly on behalf of themselves and/or some other Company, concern or person as the Directors of the Company shall determine to be or to have been incurred on behalf of the Company. Without prejudice to the generality of the foregoing, the Managing Agents shall be entitled to recover from the Company the remuneration (whether by way of salary, commission, bonus, gratuity, compensation, allowance or otherwise) provident and superannuation fund contributions and expenses payable to or in respect of all persons employed by them solely in connection with the Company's business and such proportion of the remuneration, contributions and expenses, if any, of any persons employed by the Managing Agents partly in connection with the Company's business and partly in connection with any other business as the Directors of the Company may from time to time likewise determine. Provided always that neither the Company nor the Managing Agents shall without the previous sanction of the Central Government (and then only subject to the provisions of Sections 198, 387 and 388 of the Companies Act, 1956) be entitled to appoint or employ any individual as a Manager of the Company within the meaning of the Companies Act, 1956."

3. (As an Ordinary Resolution)—"That pursuant to Clause 9 of the said draft Agreement referred to in Article 106 of the Articles of Association of the Company, Balmer Lawrie & Company Limited and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them respectively as the Managing Agents, Secretaries and Treasurers, Manager, Agent, Secretary or Selling or Buying Agent of any firm, body corporate or other concern in respect of any goods, power, freight, repairs or other services, including insurance, for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

4. (As a Special Resolution)—"That pursuant to Clause 12 of the said draft Agreement referred to in Article 106 of the Articles of Association of the Company, Balmer Lawrie & Company Limited be and they are hereby authorised to provide the Company with suitable furnished office accommodation at the registered or principal office for the time being of Balmer Lawrie & Company Limited in Calcutta and also, if so required by the Company, at any other place or places in which Balmer Lawrie & Company Limited may be able to provide such accommodation and the Company shall pay to Balmer Lawrie & Company Limited such rent and portion

referred to in Article 106 of the Articles of Association of the Company, Balmer Lawrie & Company Limited be and they are hereby authorised to provide the Company with suitable furnished office accommodation at the registered or principal office for the time being of Balmer Lawrie & Company Limited in Calcutta and also, if so required by the Company, at any other place or places in which Balmer Lawrie & Company Limited may be able to provide such accommodation and the Company shall pay to Balmer Lawrie & Company Limited such rent and portion of the outgoings payable by Balmer Lawrie & Company Limited as the Directors of the Company shall from time to time determine to be fairly and reasonably attributable to the accommodation so provided."

5. (As a Special Resolution)—"That Article 85 of the Articles of Association of the Company be deleted and the following new Article 85 be substituted therefor:

"Each Director shall be paid out of the funds of the Company by way of remuneration for his services in attending meetings of the Board of Directors the sum of Rs. 150/- for each meeting attended by him."

By Order of the Board,

BALMER LAWRIE & CO., LTD.,

D. MANSON,

Secretary,

Managing Agents.

Calcutta, 21st December, 1956.

Notes.—(1) A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

(2) A copy of the draft Agreement referred to in the proposed Resolutions and an explanatory statement are annexed to this Notice.

THE INDIAN GALVANIZING CO. (1926) LTD.

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the above-named Company will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday, the 14th day of January, 1957, at 12-10 o'clock in the afternoon to consider and, if thought fit, to pass, with or without modification the following resolutions, namely:—

1 (a) (As an Ordinary Resolution)—"That as from the first day of April One thousand nine hundred and fifty-six Balmer Lawrie & Company Limited, the Managing Agents of the Company, shall hold such office upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof, the terms of which said draft Agreement have been approved by the Central Government in conformity with the provisions of Section 329 of the Companies Act, 1956."

1 (b) (As an Ordinary Resolution)—"That as on and from the fifteenth day of January One thousand nine hundred and fifty-seven, subject to the approval of the Central Government under the provisions of Section 326 of the Companies Act, 1956, Balmer Lawrie & Company Limited be and are hereby re-appointed the Managing Agents of the Company for a fresh term of ten years upon the terms and subject to the conditions contained in the draft Agreement submitted to this Meeting and for the purposes of identification signed by the Chairman thereof: and that the Directors be and are hereby authorised to alter or vary the said terms to such extent and for such purposes only as may be necessary to embody or give effect to the requirements of the Central Government as a condition of granting its approval as aforesaid."

1 (c) (As an Ordinary Resolution)—"That the Directors be and are hereby authorised to enter into an Agreement in writing between the Company of the one part and Balmer Lawrie & Company Limited of the other part in the terms of the draft Agreement referred to in resolutions numbers 1(a) and 1(b) in the Notice convening this Meeting such Agreement to incorporate the alterations and variations (if any) referred to in the said resolution number 1(b)."

2. (As a Special Resolution)—"That Articles 85, 86, 87, 88, 89, 90 and 91 of the Articles of Association of the Company be deleted and the following new Article 85 substituted therefor:

"Balmer Lawrie & Company Limited are the Managing Agents of the Company and they shall continue and be the Managing Agents of the Company up to and including the fourteenth day of January One thousand nine hundred and sixty-seven upon the terms and subject to the conditions as to remuneration and otherwise as are embodied in an Agreement a draft whereof has, for the purpose of identification, been subscribed by Mr. H. G. Sinclair, Chairman of the Company, to be executed with all convenient despatch and the Board of Directors shall

carry the said Agreement into effect. Subject to the provisions of Sections 198 and 348 of the Companies Act, 1956, the Managing Agents shall be entitled to receive from the Company by way of remuneration for their services in relation to such management, in respect of each financial year of the Company (as defined in Section 2 (17) of the Companies Act, 1956) commencing on or after the 1st day of April, 1956, or in respect of any part of such a financial year:

(a) A sum of, or, in respect of any period of less than a year, calculated at the rate of Rs. 50,000/- per annum, and

(b) Such further sum, if any, as together with the said sum of Rs. 50,000/- shall make up an amount equal to 10 per cent. of the net profits of the Company for such financial year or part thereof determined in accordance with the provisions of Sections 349 and 350 of the Companies Act, 1956.

The said sum of Rs. 50,000/- payable under (a) above shall be paid by the Company by eleven monthly instalments of Rs. 4,000/- each and a final monthly instalment of Rs. 6,000/- payable on the last day of each month. In the event of the Company having no profits or its profits being inadequate in any financial year then to the extent that the amount paid to the Managing Agents under (a) above together with the remuneration paid to the Directors of the Company (other than fees for meetings of the Board attended by them) in respect of such year exceed Rs. 50,000/- the remuneration payable under (a) above shall abate and be repayable to the Company.

The further sum, if any, payable under (b) above shall be paid by the Company immediately after the accounts of the Company for the respective financial year shall have been audited and laid before the Company in General Meeting.

In respect of the Company's financial year ending on the 31st day of December, 1956, the Managing Agents shall, subject to the provisions of Sections 198 and 354 of the Companies Act, 1956, if applicable, receive remuneration calculated in the manner provided in the Agreement dated the 8th day of December One thousand nine hundred and twenty-six and made between the Company of the one part and the Managing Agents of the other part save that the Managing Agents shall only be entitled to receive the office allowance payable to them thereunder up to and including the 31st March, 1956.

The remuneration payable under this Article shall not be regarded as in any manner or to any extent intended to reimburse the Managing Agents in respect of any expenses incurred or to be incurred by them on behalf of the Company and the Managing Agents, in addition to receiving such remuneration, shall be entitled to be reimbursed by the Company in respect of any expenses incurred by them on behalf of the Company and such proportion of expenses that may be incurred by them partly on behalf of the Company and partly on behalf of themselves and/or some other Company, concern or person as the Directors of the Company shall determine to be or to have been incurred on behalf of the Company. Without prejudice to the generality of the foregoing, the Managing Agents shall be entitled to recover from the Company the remuneration (whether by way of salary, commission, bonus, gratuity, compensation, allowance or otherwise) provident and superannuation fund contributions and expenses payable to or in respect of all persons employed by them solely in connection with the Company's business and such proportion of the remuneration, contributions and expenses, if any, of any persons employed by the Managing Agents partly in connection with the Company's business and partly in connection with any other business as the Directors of the Company may from time to time likewise determine. Provided always that neither the Company nor the Managing Agents shall without the previous sanction of the Central Government (and then only subject to the provisions of Sections 198, 387 and 388 of the Companies Act, 1956) be entitled to appoint or employ any individual as a Manager of the Company within the meaning of the Companies Act, 1956."

3. (As an Ordinary Resolution)—"That pursuant to Clause 9 of the said draft Agreement referred to in Article 85 of the Articles of Association of the Company, Balmer Lawrie & Company Limited and any associate or associates of theirs (as defined in sub-section (3) of Section 2 of the Companies Act, 1956) be and are hereby authorised to retain any commission or other remuneration earned or to be earned by them respectively as the Managing Agents, Secretaries and Treasurers, Manager, Agent, Secretary or Selling or Buying Agent of any firm, body corporate or other concern in respect of any goods, power,

freight, repairs or other services, including insurance, for the sale, purchase, supply or rendering of which a contract has been or is to be entered into by such firm, body corporate or concern with the Company, provided that the prices or amounts charged to or received by the Company are at rates which are not less favourable to the Company than the market rates or which are otherwise reasonable."

4. (As a Special Resolution)—"That pursuant to Clause 12 of the said draft Agreement referred to in Article 85 of the Articles of Association of the Company, Balmer Lawrie & Company Limited be and they are hereby authorised to provide the Company with suitable furnished office accommodation at the registered or principal office for the time being of Balmer Lawrie & Company Limited in Calcutta and also, if so required by the Company, at any other place or places in which Balmer Lawrie & Company Limited may be able to provide such accommodation and the Company shall pay to Balmer Lawrie & Company Limited such rent and portion of the outgoings payable by Balmer Lawrie & Company Limited as the Directors of the Company shall from time to time determine to be fairly and reasonably attributable to the accommodation so provided."

5. (As a Special Resolution)—"That Article 96 of the Articles of Association of the Company be deleted and the following new Article 96 be substituted therefor:

"Each Director shall be paid out of the funds of the Company by way of remuneration for his services in attending meetings of the Board of Directors the sum of Rs. 250/- for each meeting attended by him."

By Order of the Board,

BALMER LAWRIE & CO., LTD.,

D. MANSON,

Secretary,

Managing Agents.

Calcutta, 21st December, 1956.

Notes.—(1) A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

(2) A copy of the draft Agreement referred to in the proposed Resolutions and an explanatory statement are annexed to this Notice.

MCLEOD & COMPANY, LIMITED.

Notice of Interim Dividend.

THE Board of Directors of the above Company has sanctioned payment of the following Second Interim Dividends in respect of the year ending 31st December, 1956:—

on 5% (Taxable) First Preference Shares at the rate of 2½%, less income-tax; and
on 5% Second Preference Shares at the rate of 2½%, without deduction of income-tax, payable on or after 15th January, 1957 to those persons (or their mandatories) whose names appear in the Company's Register of Members on 2nd January, 1957 as the registered holders of the above shares.

The Preference Share Transfer Registers will be closed from 2nd January, 1957 to 15th January, 1957, both days inclusive.

By Order of the Board,

C. HOCKLEY,

Secretary.

"McLeod House"
3, Netaji Subhas Road,

Calcutta-1.

19th December, 1956.

THE BRITANNIA BISCUIT CO. LTD.

NOTICE is hereby given that an Interim Dividend of 3% on Ordinary Shares and 4% on Preference Shares has been declared by the Directors for the year ending 31st March, 1957. The Dividend Warrants will be issued to those shareholders whose names appear in the Company's Register on the 11th January, 1957.

The Share Transfer Books of the Company will be closed from 4th January, 1957 to 11th January, 1957, both days inclusive.

By Order of the Board,

A. P. CHANDA,

Secretary.

15, Taratola Road,
Calcutta-27.

20th December, 1956.

TEZPORE TEA COMPANY, LIMITED.

NOTICE is hereby given that the period for submission to the Company of Fractional Certificates for allotment of fully paid Ordinary Shares in lieu thereof in regard to the issue of Bonus Shares on 12th December, 1955 has been further extended to 11th February, 1957.

By Order of the Board,

SHAW WALLACE & COMPANY LTD.,

Managing Agents.

Calcutta, 20th December, 1956.

THE MYSORE SPG. & MFG. CO., LTD.**NOTICE OF 88TH DIVIDEND.**

NOTICE is hereby given that the Directors by virtue of the power vested in them under the Articles of Association have determined to pay an Interim Dividend of Rs. 3/- per ordinary share of Rs. 50/- and a dividend of Rs. 1-2-0 per 41% Cumulative Preference Share of Rs. 50/- for the half-year ended 31st August, 1956.

The Dividend will be payable at the State Bank of India, Bombay, on and from Monday the 4th February, 1957 to those shareholders whose names stand on the Register of Members on the 25th January, 1957.

The Transfer Books of the Company will remain closed from the 25th January, 1957 to the 2nd February, 1957 (both days inclusive).

By Order of the Board,

N. SIRUR & CO. PRIVATE LTD.,
Managing Agents.

V. N. CHANDAVARKAR,
Managing Director.

Registered Office:—

Temple Bar Building,
70, Forbes Street, Fort,
Bombay.

26th December, 1956.

THE BURRAKUR COAL COMPANY LIMITED

AT a meeting of the Board of Directors held on 21st December, 1956, the following Dividends were recommended to be paid for the half-year ended 30th June, 1956:—

On 1st Preference Shares	— 7% per annum
On Ordinary Shares	— 6½% " "
(without any deduction for Income-tax payable by the Company in each case)	
On 2nd Preference Shares	— 6% " "
(after deduction of Income-tax payable by the Company)	

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta.

THE GROB TEA CO. LTD.

A Dividend at the rate of 25% for Season 1955, without any deduction for Income Tax paid by the Company, has been declared payable to the Shareholders.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta, 21st December, 1956.

SHREE GOPAL PAPER MILLS LIMITED**NOTICE**

NOTICE is hereby given that the next Ordinary General Meeting of the Shareholders of the Company will be held at its registered office at 5, India Exchange Place, Calcutta, on 19th January, 1957, at 12-30 P.M. Your presence at the Meeting is requested. The following business will be transacted:—

AGENDA:

- (1) To receive the Directors' Report and pass the audited Accounts of the Company for the half-year ending 30th June, 1956.
- (2) To declare dividends.
- (3) Special business:

- (a) To pass the following Resolution with or without modification as a Special Resolution:

"RESOLVED—That pursuant to section 360 of the Companies Act, 1956, the Company hereby consents as from 1st April, 1956, to the continuance of the existing arrangements with M/s. Modern Agencies Ltd., for purchase and supply of stores, chemicals, etc. to the Company on a remuneration of 5% on all purchases and supplies made through and received from them, subject, of course, to section 361 of the Companies Act, 1956."

- (b) To pass the following Resolution with or without modification as an Ordinary Resolution as required under section 293 (1) (e) of the Companies Act, 1956:—

"RESOLVED—That with effect from the date of commencement of the Companies Act, 1956, consent of the Company be and is hereby accorded to the Board of Directors of the Company to contribute and/or subscribe to any national, political, charitable, benevolent, public or general funds or trusts (not directly relating to the business of the Company or the welfare of its employees) from time to time such amounts as may be considered proper by them, in excess of the limits laid down in section 293 (1) (e) of the Companies Act, 1956."

- (c) To pass the following Resolution with or without modification as an ordinary Resolution as required under section 293 (1) (d) of the Companies Act, 1956:—

"RESOLVED—That sanction be and is hereby accorded to the Board of Directors of the Company borrowing (excluding temporary loans from time to time obtained by the Company from its Bankers in ordinary course of business) in excess of the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes, as the Board may from time to time deem necessary for the purposes of the Company."

- (4) To consider any other business that may be brought forward with the permission of the Chairman.

NOTE: The Share Transfer Books of the Company will be closed from 10th January, 1957 to 19th January, 1957, both days inclusive.

NOTICE:—

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

By Order of the Board,

KARAM CHAND THAPAR & BROS. PRIVATE LTD.,

Managing Agents.

Dated, 8th December, 1956.

FOR SALE

MONOCABLE ROPEWAY designed and supplied by British Ropeway Engineering Co., Ltd., for transport of tea and estate requirements consisting of four separate sections. Length between stations 3.6, 2.29, 0.93, 2.2 miles with terminal and four intermediate stations transporting 18 tons per hour between sea level and 4000 ft. elevation. Maximum load per carrier 600 lbs. Electrically operated and in daily use.

Anamallais Ropeway Co., Private Ltd.,
Attakatti P.O., Via Pollachi, S. India.

THE CALCUTTA STEAM NAVIGATION CO., LTD.,

A dividend of Rs. 6/4- per share for the half-year ended 30th June, 1956, has been declared payable at once in the Indian Union.

HOARE MILLER & CO., LTD.,
Managing Agents.

5, Fairlie Place,
Calcutta, the 27th December, 1956.

THE BURRAKUR COAL COMPANY LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the one hundred and eleventh Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 1st February, 1957 at 10 A.M. for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the half-year ended 30th June, 1956, and to receive the Directors' and Auditors' Reports thereon.
2. To declare Dividends recommended by the Directors.
3. To appoint a Director in place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 18th January to 1st February, 1957, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 21st December, 1956.

Note:

- (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
- (b) The Dividends if declared, will be paid on or after 8th February, 1957, to those shareholders so entitled whose names appear in the Company's books on the 1st February, 1957, or to their mandatories. No application for Dividend Warrants will be necessary.

LOWER VAGAVURRAI TEA ESTATE.

(including Upper Vagavurrai Division)

Upon instructions of The Kanan Devan Hills Produce Co., Ltd.

FIGGIS PRIVATE LIMITED

will offer for sale by public auction (unless previously disposed of by private treaty) at the Joint Sale Room 4/147, Ballard Road, Cochin, on the 11th JANUARY, 1957 at 11 o'clock in the forenoon, the abovenamed Tea Estate forming part of the area known as Kanan Devan Concession in the Kanan Devan Hills Pakuthy, Kerala State, with all buildings, plant and machinery.

The area of the land to be sold is 2,437.90 acres, approximately, to which will be added further land, mainly grass but including some jungle sholas, lying outside the estate boundary and containing 24,562.10 acres, approximately, provided such further land should be declared to be available at the time of auction.

The Tea Estate will be sold as a going concern as on and from the 1st December, 1956. Certain assets will be excluded from the sale, either absolutely or subject to payment therefor at valuation or by agreement, as prescribed by the printed Notification, Particulars and Conditions of Sale whose terms will govern the transaction in all respects, notwithstanding anything in this notice inconsistent therewith.

Prints of the Notification, Particulars and Conditions of Sale may be obtained from Figgis Private Ltd., or Forbes, Ewart & Figgis Private Ltd., at Cochin or D6, Clive Buildings, Calcutta or Messrs. James Finlay & Co., Ltd., 2, Netaji Subhas Road, Calcutta 1, or the General Manager, Kanan Devan Hills Produce Co., Ltd., Munnar, Kerala State.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Burrakur Coal Co. Ltd.	1-2-57	10 a.m.
United Provinces Electric Supply Co. Ltd.	10-1-57	11 a.m.
Dejoo Valley Co. Ltd. (Tea)	10-1-57	4 p.m.
Rajahbhat Tea Co. Ltd.	10-1-57	4-10 p.m.
Bengal Flour Mills Co. Ltd. (E)	14-1-57	11-30 a.m.
Bridge & Roof Co. (India), Ltd. (E)	14-1-57	11-50 a.m.
Indian Galvanizing Co. (1926), Ltd. (E)	14-1-57	12-10 p.m.
British India Electric Construction Co. Ltd. (E)	14-1-57	12-30 p.m.
Bhagwati Pressing Co. Ltd.	17-1-57	4-30 p.m.
Shree Gopal Paper Mills, Ltd.	19-1-57	12-30 p.m.
Roopacherra Tea Co., Ltd.	31-1-57	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Katras Jheriah Coal Co. Ltd.—Rs. 3 per share (o); Budge Budge Jute Mills Co. Ltd.—Nil (o); National Co. Ltd.—3½ p.c. (o); Britannia Building & Iron Co. Ltd.—Annas 8 per share (o); Ranegunge Coal Association Ltd.—Annas 6 per share; Agarpara Co. Ltd.—2½ p.c. (o); Burrakur Coal Co. Ltd.—3½ p.c. (o); Calcutta Steam Navigation Co. Ltd.—6½ p.c.—Grob Tea Co. Ltd.—25 p.c.; Britannia Biscuit Co. Ltd.—3 p.c. (o) (Int.).

(E)—Extraordinary General Meeting.

O.—Ordinary Dividend. M.—Interim Dividend.
P.—Preference Dividend. L.—Less Income Tax.
P.O.—Preferential Ordinary Dividend. F.—Final Dividend.
D.—Deferred Dividend. C.—Cumulative.
1—Less Tax at 54 6d in the £.

ROOPACHERRA TEA COMPANY, LIMITED.

NOTICE is hereby given that the 48th Annual General Meeting of the Shareholders of Roopacherra Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 31st January, 1957, at 4 P.M., for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1956, and the Balance Sheet as at that date, and the Reports of the Directors and Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of Mr. G. T. Routledge, the retiring Director.

And, in this connection to consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. G. T. Routledge be and is hereby re-appointed a Director of the Company."

Special Notice dated 10th December, 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261(1)(f), (2) and (3) of the Companies Act, 1956, for the reason that Mr. G. T. Routledge is a Director of Amulckie Tea Co., Ltd., and Tyroon Tea Co. Ltd., subsidiaries of McLeod & Co. Ltd., the Managing Agents to the Companies and he is, therefore, an associate of the Managing Agents within the definition in Section 2(3) (c) (1) of the Companies Act, 1956.

4. To appoint Auditors for the year ending 31st December, 1956, and to fix their remuneration.

AS SPECIAL BUSINESS:

5. To consider and if thought fit, to pass the following resolution:—

"That the Board of Directors be and is hereby permitted with effect from the

Commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 17th January, 1957 to 31st January, 1957 both days inclusive.

By Order of the Board,

McLEOD & CO., LTD.,

A. T. DOIG,

Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 24th December, 1956.

NOTE:—

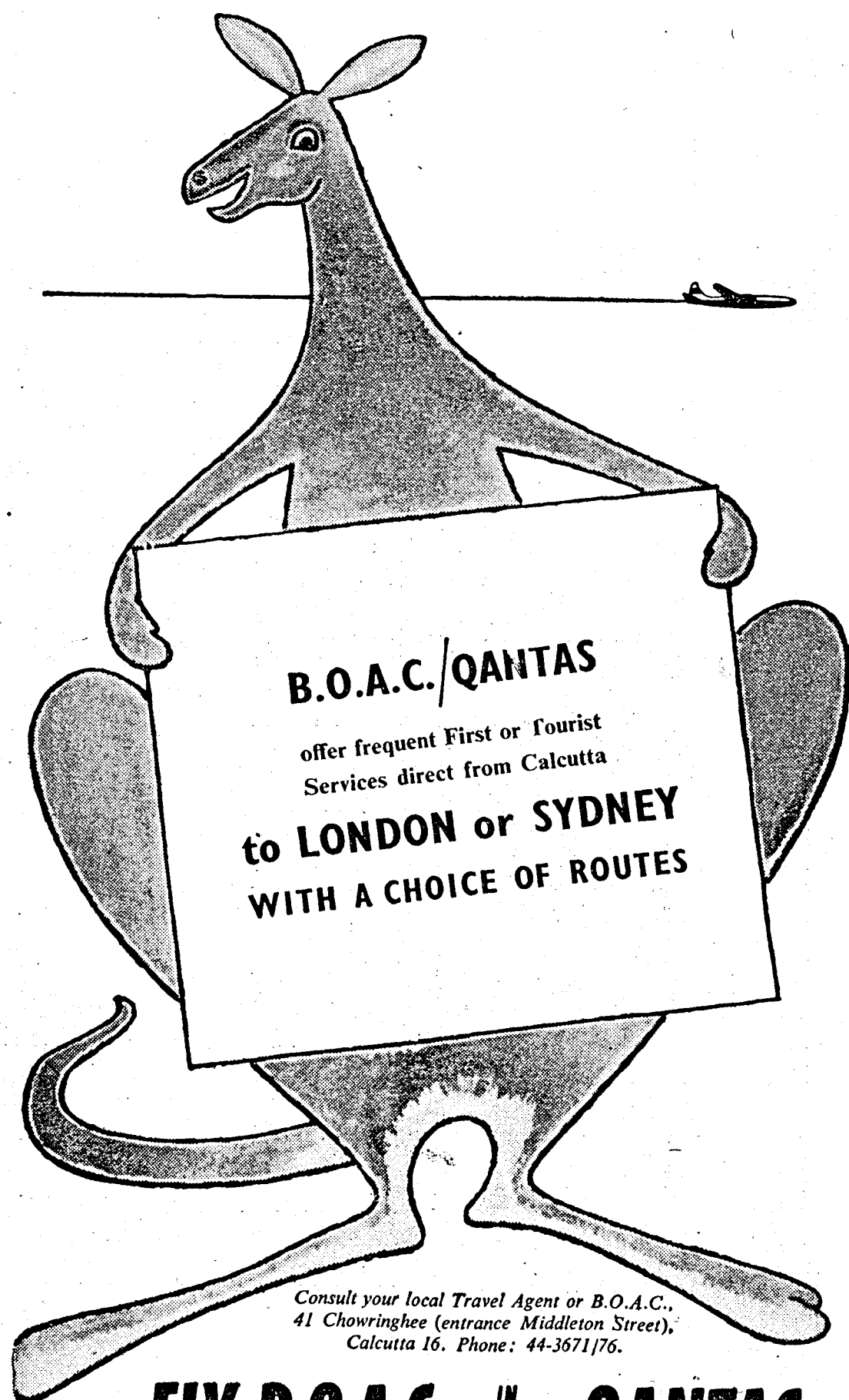
1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividend, if declared, will be made on or after 7th February, 1957, only to those members whose names are registered in the Books of the Company on the 31st January, 1957, or to their Mandatories.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT.

The Resolution being Item No. 5 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves, pursuant to Section 293 (1) (d) of the Companies Act, 1956.



FLY B.O.A.C. IN PARTNERSHIP WITH QANTAS

BRITISH OVERSEAS AIRWAYS CORPORATION WITH QANTAS EMPIRE AIRWAYS LIMITED

ALIPORE ESTATES—CALCUTTA

WELDED STEEL FRAMED BUILDINGS

BRAITHWAITE & CO., (INDIA) LIMITED
HIDE ROAD, KIDDERPORE, CALCUTTA.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

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Wednesday 2nd January, 1957.

GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS					
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repay- able	Market quotations Rs.	
GOVERNMENT OF INDIA															
2,48,91,47,000	3	1946	1986 or later	72½	90.24.300	4	1914	1974	99	36,50,000	4	1904	1964	99½	
8,93,35,000	3	1896-97	At the option of the Govern- ment of India after 3 months notice.	73	76,90,100	4	1915	1975	99½	35,00,000	4	1905	1965	99½	
57,00,69,000	2½	1946		1961	93½	68.02.300	3	1921 1st	1981	82	15,00,000	4	1906	1967	99½
45,63,07,000	2½	1946		1960	96½	1,50,00,000	6	1921 2nd	1981	144N	44,00,000	4	1907	1968	99½
50,35,63,000	3	1951	1958	99½	2,892,600	5	1923	1953 83	279	75,00,000	4	1908	1969	99½	
1,18,17,46,000	3	1938	1963-65	94½	2,901,000	5	1924	1954 84	279	40,00,000	4	1909	1970	99½	
1,10,11,78,000	3	1943	1966 68	92½						56,00,000	4	1910	1971	99½	
75,86,72,000	2½	1947	1962	93½						75,00,000	4	1911	1972	99½	
	2½	1948	1962	93½											
		2nd issue			1,49,49,500	5	1927	1957-87	102						
30,33,10,000	3	1950	1964	94½	1,49,30,000	5	1928	1958 88	103						
14,77,48,000	2½	1946	1976	93½											
63,30,26,000	4	1926	1960-70	100½											
1,15,35,83,000	4	1945	1970-75	96½	30,00,000	4	1931	1961	95						
1,14,06,89,000	3	1944	1957	99½	2,83,100	3	1932	1962	97½						
3,85,73,000	4	1928	1958-68	99½	50,00,000	3	1935	1965	95						
75,29,00,000	3	1953	1961	99½	50,00,000	3	1946	1976	94						
1,13,65,64,000	3	1945	1959-61	97½						2,892,600	5	1923	1953 83	287½	
1,58,17,07,000	3	1954	1964	98½						2,901,000	5	1924	1954 84	287½	
1,03,67,92,000	3	1955	1965	98½	50,00,000	3	1945	1-2-2005	74						
33,82,00,000	3	1956	1967	98½	60,00,000	3	1945	1-2-1975	95						
66,64,00,000	3	1956	1974	98½	2,31,07,100	3	1936-37	1956-66	95						
57,27,00,000	3	1956	1962	98½	25,30,000	3	1938	1963-68	96						
					50,00,000	3	1946	2006	97						
					50,00,000	23	1947	1977	70½						
					50,00,000	3	1948	1978	83½						
					1,00,00,000	3	1949	1959	97						
					50,00,000	3	1949	1959	97						
					50,00,000	3	1950	1960	97						
					1,00,00,000	3	1950	1960	95½						
					50,00,000	3	1951	1961	91½						
					1,50,00,000	3	1951	1961	94						
					50,00,000	4	1953	1963	100						
					50,00,000	4	1953	1963	98½						
					90,00,000	4	1955	1965	98						
					77,00,000	4	1956	1966	97½						
										31,47,169	3	1947	1977	A	
										9,88,000	3	1947	1977	A	
										3,00,000	3	1949	1979	A	

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 100's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 2-1-57 A year ago Rs.	Year of Issue	NAMES	Amount Issued in 100's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 2-1-57 A year ago Rs.
1901	BANK.					1920	Birds' Investments (Dec.)	24.00	5 1/2	100	70 1/2
	Allahabad Bank (May Nov.)	15.00	6	100	113	1918	Bombay Steam Navigation (July)	15.00	5 1/2	250	153
	COAL.					1920	Britannia Biscuit (Feb. Aug.)	15	5	10	153
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	1911	British Ceylon Corporation (Apr. Mar.)	7.50	8	10	91
1899	Borra (Jan. Dec.)	4.00	6 1/2	100	103	1903-99	British India Corporation (Feb.)	81.00	8	100	119
1911	Burrakut (June Dec.)	22.98	7	100	114	1909-11	Burns Ltd. (1st & 2nd) (Feb. Aug.)	13.00	7	100	123
1906	Burrakut (June Dec.)	4.50	5 1/2	10	83	1911	Burns Engineering (Feb. Aug.)	15.00	6	100	112
1895	Equitable (May Nov.)	4.00	6	100	104	1911	Calcutta Electric Supply (Mar. Sept.)	11.900	5	10	102
1911	Khas Kaira (Mar. Sept.)	1.33	5	10	5	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55
1920	New Beerhoom (Jan. July)	2.00	7	10	12	1905-24	Calcutta Tramways (Jan. July)	4.250	5 1/2	10	82
1899	Ondal (Jan. Dec.)	2.00	6 1/2	100	110	1916	Cawnpore Sugar Works (Feb. Aug.)	8.00	6 1/2	100	101
	COTTON MILLS.					1910	Chreston Mica Industries Ltd.	10.00	8	100	127
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	1937	Dacca Electric Supply (July)	30.00	5 1/2	100	57 1/2
1894	Bangalore (Jan. July)	5.00	6	100	125	1910	Dalmia Cement (Bharat)	3.500	6	100	91
1938	Basant (Oct.)	5.00	6 1/2	10	8	1915	Dalmia Cement (Bharat)	2.372	6	40	71
1901	Bengal Nagpur (Apr. Oct.)	3.00	7	100	99	1915	Delhi Flour Mills (Oct.)	90	7 1/2	100	133
1906	Bowrah "A" (Apr. Oct.)	6.00	8	100	140	1935	Deshmukh Power Supply "A" (Jan.)	16.00	5	100	102
1911	Bowrah "B" (1) (Apr. Oct.)	6.00	7	100	140	1935	Deshmukh Power Supply "B" (Jan.)	12.00	4 1/2	100	93
1919	Bowrah "B" (2) (Jan. Dec.)	14.75	7	100	144	1948	Dewan Brothers & Co. Ltd.	45.00	4	100	60 1/2
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	324 1/2	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	124
1928	Cambodia (July)	1.00	7	100	122 1/2	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	60
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	1928-29	East India Distilleries (Jan. July)	4.200	7	10	17 1/2
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	10
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75
1943	Elgin "B"	4.20	5	10	92	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65
1919	Elphinstone (May Nov.)	20.00	7 1/2	100	87 1/2	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	60 1/2
1919	Kesoram (June Dec.)	20.00	7	100	130	1938	Gladstone Lyle & Co. Ltd.	15.00	6 1/2	100	66
1925	Khatu Mankaji (Nov.)	10.00	6	100	88	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2
1937	Kothari (Nov.)	12.00	6	100	103	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68
1913	Muir (Feb. Aug.)	30.00	6	100	185	1940	Humayun Sugar (Dec.)	5.00	7	100	68
1920	New Great Eastern (Mar.)	3.00	5 1/2	200	185	1940	Humayun Properties Ltd. (Nov.)	12.00	6	10	9 1/2
1933	Palani Andam (Apr. Oct.)	26.05	6	5	42	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	78
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	1945	Indo Burma Petroleum (Jan. July)	9.00	7 1/2	100	104
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90 1/2	1927	Indian General Navy & Railways	4.244	6	100	85
1911	Vasanta (Apr. Oct.)	3.20	6 1/2	100	113	1923	Indian Cable Co. (Nov.)	12.88	6	10	33 1/2
1908	Vishnu (Apr.)	16.00	7	500	550	1936	Indian Standard Wagon (Aug. or Sept.)	1.96	7	100	123 1/2
	JUTE MILLS.					1946	Investment and Finance (Feb. Aug.)	2.69 1/2	5	100	101
1927	Azarpura (Jan. July)	10.00	7	100	104	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65
1915	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	1945	James Wright (Jan. July)	1.30	6	50	41
1896	Alliance (Mar. Sept.)	15.00	6	100	97	1907	Jardine Henderson Ltd.	50.00	5 1/2	100	61
1917	Anglo India (May Nov.)	40.00	7	100	102	1946	Jessop & Co.	10.00	5	100	101
1908	Auckland (July Jan.)	10.00	5 1/2	100	80 1/2	1945	Juniper General Insurance (Sept.)	4.99	6 1/2	10	10
1919	Auckland (July Jan.)	15.00	5 1/2	100	80 1/2						
1896	Bally (Jan. July)	20.00	4 1/2	100	62	1916	Kumardhul Engineering (June)	12.00	5	100	101
1906	Barnagore (Oct. Dec.)	4.200	5 1/2	100	101 1/2	1915	Marin Burn Ltd.	2.00	7	100	116
1941	Belvedere (Jan. July)	7.00	5 1/2	100	111	1915	Marin Burn Ltd.	30.00	5	100	101
1914	Birla (June Dec.)	10.00	5 1/2	100	70 1/2	1925	McLeod & Co.	10.00	5 1/2	100	69
1896	Budze Bude (May Nov.)	23.64	7 1/2	100	90	1936	McLeod & Co.	40.00	5	100	75
1914	Calcutta (Jan. July)	9.00	7	100	111	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	98
1919	Caledonia (June Dec.)	5.00	6 1/2	100	78	1919	Metals Box Co. of India Ltd.	30.00	6 1/2	100	96
1919	Cheviot (June Dec.)	10.00	7	100	109	1938	Midnapore Zemindary (Feb.)	8.76	5	100	92
1928	Chitavalah (Mar. Dec.)	10.00	7	100	111	1936	Midnapore Zemindary (Feb.)	8.76	5	100	92
1900	Clive (First) (Mar. Dec.)	8.00	6	100	108	1916	National Insulated Cable	10.00	5 1/2	100	100
1915	Clive "A" (Second) (May Dec.)	8.00	6	100	89 1/2	1942	National Tobacco (June Dec.)	25.00	5	100	65
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	1946	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	60
1897	Delta (June Dec.)	5.00	5	100	105	1946	Northern India Oil (Jan. July)	2.00	6	100	48
1912	Empire (Jan. July)	14.00	7	100	108	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2
1899	Fort Gloster (Jan. July)	14.00	7	100	76 1/2	1936	Premier Construction "First" (Apr.)	15.00	6 1/2	100	104
1911	Fort Gloster (2nd)	7.00	7	100	74 1/2	1926	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	93
1915	Fort William (May Nov.)	10.00	5	100	115	1936	Purnanore (Sugar) (Oct.)	6.00	10	10	16 1/2
1895-96	Ganges (June Dec.)	6.00	7	100	115	1933-36	Purnanore Cane & Sugar (Aug.)	11.2	6	100	100 1/2
1935	Gouernore (June Dec.)	26.50	8	100	134	1936	Rohas Industries (April)	20.00	7	100	127
1913	Hastings (Aug. Feb.)	25.00	6	100	82	1936	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	65 1/2
1907	Hawthorn (July)	11.00	10	10	134	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	70 1/2
1903-16	Hawthorn "A" (Jan. July)	8.75	7	100	107	1937	Shree Gopal Paper	7.50	6	100	119 1/2
1919	Hukamchand (June Dec.)	17.50	7	100	102 1/2	1936-38	Shree Krishna Ganapathy Sugar "A" (Oct.)	6.00	6	100	100
1893-14	Kamarhatti (Apr. Oct.)	40.00	7	100	102	1906	Shree Krishna Ganapathy Sugar "B" (Nov.)	12.00	5	100	75
1900	Kankannarab (Apr. Oct.)	18.00	6	100	80	1933	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	64
1925	Kedarnath (Mar. Sept.)	10.00	6	100	87 1/2	1936	South Behar Sugar (Oct.)	5.00	7	100	101 1/2
1907	Kelvin (Mar. Sept.)	2.00	7	100	95	1923	Spencer & Co. "A" (Provisions) (Jan. July)	22.20	6 1/2	100	81
1895-99	Khardah (May Nov.)	10.00	7	100	108	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	6 1/2	100	101
1900	Kinnison (July Jan.)	15.00	6	100	91 1/2	1937	Star Paper (Apr. Oct.)	10.00	5	100	82
1910	Landsdowne (July Jan.)	15.00	7	100	118	1931	Surat Electricity (Apr.)	5.00	6 1/2	100	131
1912	Lawrence "A" (July Jan.)	5.00	7	100	109	1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2
1905	Naihati "B" (July Jan.)	10.00	5 1/2	100	76	1910	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	121 1/2
1945	Naihati (July Jan.)	7.50	7	100	110	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	160
1917	National (May Nov.)	10.00	4 1/2	100	73	1924	Tata Iron & Steel (Second) (May)	69.82	7 1/2	100	116 1/2
1939	Nellimarla (Apr. Oct.)	5.00	7	100	112	1918	Tata Power (May Nov.)	86.97	7 1/2	100	127 1/2
1915	New Central (Jan. July)	33.00	6	100	97 1/2	1919	Tezpur Balipara Fram (I) (June Dec.)	2.25	6	100	140
1909-12	Northbrook (July Jan.)	15.00	7	100	105 1/2	1937	Titagarh Paper Mills (I) (June Dec.)	11.50	8	100	140
1915	Rameshwara (Jan. July)	7.00	5 1/2	100	79 1/2	1928	Titagarh Paper Mills "2nd" (Mar. Sept.)	15.00	4 1/2	100	89
1901	Reliance (Jan. July)	20.00	6	10	86	1936	Vellore Electric (Sept. Mar.)	1.25	8	10	8
1928	Sammugger (Feb. Aug.)	12.50	7	100	112	1934	Vizagapatam Electric Supply (July)	1.00	6 1/2	100	82 1/2
1929	Shree Ambika (Mar. Sept.)	11.70	7 1/2	100	95						
1895-14	Standard (Feb. Aug.)	10.00	7	100	104						
1897	Titashur (Feb. Aug.)	9.00	6	100	86						
1901-12	Union (July Jan.)	12.50	6	100	101						
1893	Victoria (Feb. Aug.)	6.00	7	100	101 1/2						
1919	Waverley (Mar. Sept.)	12.50	6	100	101 1/2						
	MISCELLANEOUS.										
1938	Alkali & Chemical (Mar. Sept.)	31.00	5	100	101 1/2	1903	Amulkie (May Nov.)	75	7	100	465
1944	Aluminium Corp. (Oct.)	20.00	6	100	114	1901	Banarhat (Jan.)	4.00	6 1/2	100	124
1935	Aluminium Corp. (Oct.)	20.00	6	100	98	1906	Birpara (Jan.)	1.00	8	100	120
1949	Amalgam Elze (Belgaum) (Oct.)	6.25	5 1/2	100	106	1947	Brooke Bond Estate India Ltd.	35.00	8 1/2	100	83 1/2
1817	Andhra Valley (Dec.)	20.00	4 1/2	100	106	1914	Choonabhatti (Jan.)	2.00	6 1/2	100	125
1919	Arthur Butler (May Nov.)	49.34	7 1/2	100	1200	1901	Dimakuri (June Dec.)	70	8	10	125
1916	Ashtu Bottles of India (Mar. Sept.)	1.30	7	10	10	1901	Dhuner	119	8	10	84
1895	Bengal Assam Steamship (Nov.)	21.67	7 1/2	100	65	1894	Glelie (Sept.)	16.78	6	100	87 1/2
1926	Bengal Chemical (Aug.)	3.00	5	100	63	1901	Hantapara (Jan.)	2.00	6	100	140
1928	Bengal Paper Mill (Mar. Sept.)	2.00	7 1/2	10	131	1901	Hasimara (Mar.)	24.91	6	100	138
1897	Bengal Paper Mill "A" (Mar. Sept.)	4.00	4	50	83	1897-99	Kingsley Golaghat (Dec.)	2.40	6	100	108
1936	Bengal Timber Trading (Oct.)	3.50	8	100	135 1/2	1926	Koheema (May Nov.)	3.20	6	10	9 1/2
	Bharat Sugar Mill (Dec.)	5.00	8 1/2	100	321	1926	New Dooms (Jan.)	2.00	6 1/2	100	107
						1903	New Samanbhat (Nov.)	1.00	8	100	120
						1927	Nizari Meerugundi (Jan. July)	1.50	7	75	95
						1888	Okayti (Dec.)	50	6	100	100
						1934	Patrakola (Mar. Nov.)	75	6	10	101

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	2-1-57 2-1-56 A year ago	
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5 61-71	10	21 21 24	
1,00,00,000	1,96,15,288	1,40,49,223	18,65,659	Bengal P	4-10	2	26,18,996	7,31,563	71-71 81-81	200	441 440 555	
4,48,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11 11-11	10	62 62 7	
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,508	1,07,984	Nil-11 Nil-11	10	16 16 61	
15,37,000	14,16,865	8,91,475	13,32,071	Bhalorah	9	152	8,13,899	39,978	Nil-11 Nil-11	10	6 6 6	
40,00,000	68,01,474	20,23,235	32,65,326	Bharat Collieries P	6	335	2,32,221	27,433	61 61 61	10	6 6 6	
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	1,21,936	70,196	Nil-11 Nil-11	10	142 142 14	
16,00,000	38,87,275	16,18,636	7,185	Bokare & Rangur	6-12	315	214,682	84,207	10-10 10-10	10	242 242 151	
7,50,000	18,56,889	24,29,026	11,60,066	Boree P	6-12	106	214,682	84,207	10-10 10-10	10	242 242 151	
90,92,480	2,38,29,868	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	24-24 34-34	10	211 211 7	
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	24 24 5	10	61 61 11	
8,00,000	16,67,573	13,30,519	15,752	Central Kurkand P	6-12	323	34,743	82,768	Nil-11 Nil-11	10	4 4 24	
6,00,000	2,00,428	1,43,676	7,32,596	Chaurulia	6-12	106	6,374	82,768	Nil-11 Nil-11	10	124 124 31	
16,90,000	24,00,428	11,35,350	50,309	Dharm Main	6-12	19	59,039	1,83,318	Nil-11 Nil-11	10	24 24 3	
2,240,000	4,239,116	1,10,246	1,140,246	East Indian	4	128	59,039	1,83,318	Nil-11 Nil-11	10	74 74 9	
29,83,760	1,15,25,712	83,55,049	24,17,690	Equitable P	6-12	19	59,039	1,83,318	Nil-11 Nil-11	10	294 294 294	
10,00,000	6,74,708	2,07,486	3,32,972	Ghusick & Muslia	6-12	19	59,039	1,83,318	Nil-11 Nil-11	10	24 24 3	
6,50,000	5,06,856	33,155	4,95,544	Juzdar Kajora	6-12	20	12,979	24,844	Nil-11 Nil-11	10	15 15 164	
8,00,000	3,17,780	7,25,900	7,92,425	Kuriladhi	6-12	19	24,150	2,401	71-10 124-124	10	13 13 4	
3,50,000	6,31,200	5,66,816	1,407	Kuriladhi	2-8	2	2,70,524	45,965	Nil-11 Nil-11	10	232 232 20	
15,00,000	31,71,836	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-11 Nil-11	100	171 171 61	
5,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil-11 Nil-11	100	119 119 164	
5,00,000	10,29,548	16,00,000	11,25,332	Katras Jherria	1-7	2	5,92,347	1,33,475	28-28 25-25	100	571 571 112	
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	Nil-11 Nil-11	10	9 9 9	
5,65,750	10,84,377	85,000	9,599	Mundulpur	6-12	326	49,776	1,918	Nil-11 Nil-11	10	9 9 9	
7,48,240	3,46,839	2,90,000	10,14,803	Nazira	6-12	326	49,776	1,918	Nil-11 Nil-11	10	21 21 2	
7,00,000	5,13,418	2,90,000	61,641	New Bansderpur	3-9	6	59,011	6,071	31-31 71-71	10	61 61 7	
17,76,230	31,15,787	20,01,763	3,78,533	New Beersom P	4-10	2	2,64,716	94,383	31-31 71-71	10	16 16 104	
6,00,000	11,71,307	75,000	40,447	New Manhood P	3-9	202	25,330	2,233	Nil-11 Nil-11	10	111 111 19	
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	Nil-11 Nil-11	10	21 21 2	
1,15,000	4,42,488	2,65,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-11 Nil-11	10	19 19 28	
1,57,500					6-12	106			61 71-11	10	171 171 18	
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5 5-5	10	154 154 14	
8,34,000	9,21,342	10,862	4,36,015	Parasce P	6-12	106	22,197	56,646	5-5 5-5	10	154 154 14	
15,75,000	12,40,000	18,00,000	12,21,654	Pench Valley	3-9	236	4,18,550	32,343	31-31 71-71	10	142 142 24	
2,50,000	2,62,405	7,500	11,530	Pure Shilpur	6-12	5	2,008	18,581	71-71 71-71	10	183 183 8	
23,49,500	37,59,038	1,97,105	39,198	Ranungee	3-9	79	1,83,814	16,846	24-24 24-24	10	6 6 6	
23,50,000	7,98,001	9,28,385	14,29,642	Rewa	6-12	236	4,96,775	26,029	71-71 71-71	10	101 101 12	
20,00,000	23,74,261	7,52,027	1,01,427	Samia	12	48	1,80,660	31,543	71 71	10	14 14 15	
2,50,000	1,34,374	1,34,374	1,34,374	Sarsole	1	353	88,009	11,078	Nil-11 Nil-11	10	24 24 27	
2,80,000	10,92,193	8,36,598	7,87,726	Seemore P	6-12	2	2,42,112	49,299	14-14 17-17	10	24 24 204	
8,00,000	23,624	5,29,306	6,32,572	Sendra	6-12	106	4,098	7,503	Nil-11 Nil-11	10	9 9 11	
17,50,000	22,81,985	10,75,016	63,554	South Karanpura	2-8	21	59,078	51,533	Nil-11 Nil-11	10	9 9 11	
8,00,000	1,43,000	13,69,395	21,89,899	Standard	6-12	106	47,444	17,347	71-71 71-71	10	201 201 204	
10,00,000	15,58,085	15,575	1,919	Talcher	9	277	22,689	3,85,056	Nil-11 Nil-11	10	24 24 27	
2,50,000	4,62,099	3,47,000	12,897	Western Bengal	6-12	279	54,089	9,659	Nil-11 Nil-11	10	142 142 164	
49,98,000	33,66,550	50,000	2,17,164	West Jamuria	6-12	19	4,09,468	7,262	Nil-11 Nil-11	10	54 54 7	
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	4,09,468	7,262	Nil-11 Nil-11	10	11 11 15	

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Share if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	Spindles	Looms									1953	1954	1955		2-1-57	2-12-56	A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227			10	61	61	5	
32,72,340	22,197	505	21,89,576	23,18,839	24,551	Benares P	3-9	120	-1,27,187	-4,79,347	21		10	61	61	5	
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,65,176	47,818			10	11	11	1	
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	21-Nil		40	40	40	38	
15,00,000	38,164	992	31,35,509	1,09,84,251	21,32,542	Birsa Cotton	3	237	5,28,332	4,25,221			30	30	30	103	
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowen P	6-12	138	84,028	-23,47,372	Nil-Nil	Nil-Nil	100	139	304	95	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,707	111		5	81	382	38	
2,27,32,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl P	6	238	1,81,41,278	82,759			5	304	812	91	
19,00,000	42,944	518	31,12,181	25,71,925	1,53,894	Dunbar	6-12	138			0	0	25				
63,00,000	54,000	1,200	22,44,751	56,33,360	43,06,383	Elkin P	9	25	9,92,376	1,37,951	Nil-Nil	Nil-Nil	100	210	210	315	
1,20,00,000	99,250	1,872	23,89,975	1,60,33,952	47,29,268	Kesoram P	3	22	32,80,464	93,386	15	10	10	271	271	252	
33,96,288	33,864	864	17,48,143	9,75,679	74,08,555	Mohini P	9	25	37,41,719	2,45,433	114	83	30	142	154	171	
30,00,000	88,000	1,825	47,44,540	52,19,601	92,65,057	Muir P	12	45	9,53,316	5,158			25				
22,89,882.0	18,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	208	18,77,941	-7,77,290			10				
3,07,094.0	23,196	795	22,57,946	18,38,739	2,02,179	Rampoora Cotton	12	237	-18,83,371	-13,76,473			100	85	85	118	
19,47,750.0	1,14,836	2,077	2,83,77,888	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	6	4	6,16,936	1,094			10	151	151	115	
3,00,000.0													10	23	23		
17,50,000													100	121	121	104	
1,57,50,000													100	112	112	104	
Po													100	112	112	104	
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,74,938	2,38,649	25	30	30	5424	5424	5774	
1,79,47,800	1,20,012	2,770	3,20,71,800	1,87,39,278	23,80,514	Bukinaganam Carnatic F	12	26	1,01,56,075	2,38,649	25	30	30	1764	1764	1754	
20,00,000	23,864	603	20,49,883	20,32,074	11,26,239	Cambodia P	12	110	1,96,274	27,363	74	Nil	5	10	144	177	
20,76,900	12,832	407	5,41,058	9,00,000	36,53,502	Combatore Cotton	12	188	5,53,750	61,404			10	378	378	351	
6,50,000	50,640	295	12,25,505	17,90,300	22,227	Combatore Spg & Wvg	6	139	-7,32,447	-10,23,340	Nil		50	90	89	844	
24,00,000	30,512	200	32,38,868	16,25,000	17,90,300	Kaleswarar	6	141	2,05,780	7,877			335	100	335	290	
23,84,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Kothari Textile P	6	141	3,29,924	29,382	5	5	10	164	164	174	
23,84,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Lakshmi	12	186	31,41,248	2,209			50	253	253	185	
1,75,02,486	4,65,324	2,15,02,401	21,70,200	78,500		Madura	12	108	-85,193	-84,039			10	464	464	51	
12,00,000	21,856	603	8,43,189	4,13,818	31,04,081	Malabar Spg & Wvg	12	240	85,193	84,039	30	20	20	109	108	111	
60,00,000	24,252	603	20,49,883	20,32,074	11,26,239	Mettur Industries	3	29	18,44,863	45,835	224	25	423	423	423	384	
13,61,780	6,000	1,415,992	8,90,279	19,91,755	19,91,755	Mysore Spun Silk	3	142	1,753	3,866			50	172	172	170	
4,00,000	20,137	Nil	3,68,008	3,00,000	1,34,963	Palani Andavar P	12	30	7,39,437	3,866			50	172	172	170	
17,79,700	15,540	416	5,42,118	2,55,911	2,55,911	Sitaram Spg & Wvg	3	164	87,724	3,083			50	172	172	170	
7,00,000	28,104	270	12,99,563	18,23,501	17,12,924	Vasanta P	12	47	18,37,459				100	330	330	260	

1 Liquid Assets.

1 Liquid Assets

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve and other Funds	Acreage under Tea	Outturn and Average Price realised for crop				Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Capital Share	Latest Market Quotations as available until			
				1954		1955							1953	1954	1955		2-1-57	21-12-56	A year ago	
				Lbs.	As P.	Lbs.	As P.													Rs.
CACHAR																				
3,00,000	3,40,887	1,75,600	862	2,89,040	39-11	..	..	..	Arcuttipore	12	38	1,72,877	Nil	Nil	..	10	12	12	121	
4,00,000	3,26,259	49,878	465	..	..	..	..	..	Baitakhal	12	45	43,907	..	..	..	10	104	104	104	
10,00,000	17,11,849	3,13,800	1,480	3,90,263	40-10	..	..	..	Central Cachar	12	128	5,98,304	Nil	7 1/2	..	100	64	64	110	
2,50,000	37,753	Nil	794	1,00,456	4-2-2	..	..	..	Chandypore	12	128	56,344	Nil	Nil	..	100	68	68	9	
12,00,000	17,92,487	11,50,000	1,152	17,59,926	35-0	..	..	..	Eastern Cachar	12	202	33,600	Nil	Nil	..	100	91	91	250	
4,50,000	2,97,000	1,65,222	586	..	..	..	..	..	Hatikuhira	12	202	2,46,355	25	40	7 1/2	10	151	173	250	
3,00,000	2,40,000	2,31,784	599	3,40,307	16-8	..	..	..	Kallinugara Khoreal	12	313	31,071	Nil	15	..	100	102	102	130	
7,00,000	7,25,000	5,50,000	1,368	1,33,267	38-0	..	..	..	Kunchunpore	12	2	3,31,397	Nil	27 1/2	..	100	101	101	184	
2,50,000	3,18,608	Nil	500	3,63,960	38-0	..	..	..	North Western Cachar	12	63	3,68,196	Nil	20	15	100	264	264	264	
2,00,000	1,90,357	1,16,392	518	3,04,200	36-4	..	..	..	Pathemara K.	12	202	2,434	Nil	Nil	..	10	111	111	24	
5,25,000	8,87,291	10,42,956	688	6,76,800	41-11	..	..	..	Roonchamatra	12	165	4,33,794	Nil	10	..	10	22	22	138	
4,00,000	6,88,316	5,52,313	662	4,49,336	36-7 1/2	..	..	..	Rungamattae	12	33	3,73,677	20	15	20	50	114	114	234	
3,75,000	5,02,307	4,31,250	1,050	4,63,326	..	..	..	..	Sonai River. P.	12	14	5,22,670	Nil	12 1/2	..	10	15 1/2	15 1/2	104	
						..	..	..	Tilakah	12	95	..	Nil	20	..	10	12	12	10	
DARJEELING																				
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	Bloomfield	12	101	-99,904	Nil	Nil	Nil	10	21	21	45	
2,79,900	4,72,061	1,25,000	407	1,41,174	62-0	..	..	..	Chamong	12	279	1,34,244	Nil	20	..	10	151	151	173	
3,75,900	3,75,900	4,11,928	991	..	..	..	..	..	Darj. Tea Chinchona	12	139	1,15,898	7 1/2	40	..	100	175	175	250	
2,00,000	5,08,900	3,45,549	590	2,35,761	33-9 1/2	2,64,000	..	..	Ditaram	12	106	-27,805	Nil	21	Nil	100	190	190	250	
7,00,000	6,23,000	3,10,770	1,049	6,53,740	38-3 1/2	..	..	..	Guelle P.	12	14	-62,814	Nil	21	Nil	100	250	250	301	
3,00,000	1,57,576	1,11	761	5,28,515	48-8 1/2	..	..	..	Lingia P.	12	279	8,25,171	25	Nil	..	100	190	190	250	
4,00,000	3,12,081	4,00,225	816	3,39,040	57-11	3,53,520	36-7	3,68,000	Longview	12	65	8,04,822	10	30	..	100	301	301	301	
1,39,300	2,06,770	3,50,239	463	1,82,800	52-4	1,65,440	50-6	1,84,000	Margaret's Hope	12	165	-36,658	7 1/2	20	Nil	10	111	111	13	
2,99,900	3,40,000	3,00,000	689	4,35,016	53-4 1/2	..	..	..	Mim	12	7	65,269	40	15	..	100	164	164	164	
3,00,000	4,02,668	2,81,131	305	1,81,153	55-3	1,68,126	38-4	1,80,000	Nagri Farm	12	279	5,44,268	20	50	..	100	255	255	300	
3,00,000	3,83,067	4,09,567	500	1,68,697	50-8	1,64,824	37-11	1,76,900	Okarty P.	12	63	-55,938	Nil	37 1/2	Nil	100	600	600	600	
2,05,000	4,30,000	2,07,813	570	1,58,140	59-8	1,27,541	35-11	1,60,000	Pashok	12	139	-852	10	30	..	100	141	141	241	
1,40,000	1,69,062	4,65,653	341	1,89,720	59-6	1,67,840	41-4	1,76,000	Pooabong	12	65	-69,682	2 1/2	15	Nil	10	10	10	15	
3,00,000	3,33,822	1,86,462	389	1,77,704	53-3	1,59,385	35-0	1,68,000	Pusimpong P.	12	14	-15,353	Nil	10	Nil	10	101	101	350	
6,25,000	3,98,413	1,479	747	2,05,935	47-1	..	..	..	Runglee Runglitt	12	63	3,37,455	17 1/2	50	20	100	408	408	20	
9,00,000	9,08,557	1,54,418	683	2,64,900	30-4	..	..	..	Seevok	12	63	-1,07,366	2 1/2	15	Nil	10	173	173	494	
3,00,000	2,89,667	4,90,000	354	2,89,738	60-3 1/2	..	..	..	Singtam P.	12	113	45,341	Nil	5	11	100	384	384	7	
6,25,000	12,36,873	5,74,583	332	4,80,000	54-5	3,74,800	39-3 1/2	3,84,000	Soom	12	101	39,380	Nil	..	..	100	384	384	7	
3,20,000	4,70,000	10,86,284	718	4,40,947	48-8 1/2	3,70,473	41 11 3/5	4,00,000	Sunama	12	279	4,43,354	30	50	..	10	30	30	30	
									Teesta Valley	12	165	-57,883	Nil	7 1/2	Nil	10	105	105	104	
									Tukur	12	14	99,088	15	40	15	10	388	388	444	
										12	279	3,99,393	Nil	10	..	10	14 1/2	14 1/2	14	
DUARS																				
27,00,000	19,11,197	24,25,000	2,540	30,61,880	51-2	30,69,360	31-9	33,20,000	Banarhat P.	12	2	11,23,882	45	120	25	100	327	327	320	
6,00,000	20,53,853	3,70,000	1,108	13,91,320	43-0	..	..	..	Baradihi	12	128	18,94,614	30	85	..	100	493	493	30	
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	Bhatkawa	12	128	3,78,003	65	25	10	304	304	205		
6,00,000	8,48,764	7,74,645	602	6,04,104	35-10	6,10,033	29-7	5,60,000	Birpara P.	12	63	12,07,481	Nil	65	25	10	160	160	196	
6,00,000	6,91,678	10,50,000	903	10,68,480	49-1	10,82,890	31-11	11,60,000	Carron	12	63	12,36,962	22 1/2	20	..	100	175	175	249	
1,20,000	4,47,806	3,00,102	500	4,01,204	43-6	3,64,267	30-7	4,48,000	Choonabhatti P.	12	12	3,98,498	25	30	..	100	301	301	301	
3,50,000	1,95,171	2,64,000	265	2,24,800	49-1	2,12,720	26-9	2,40,000	Ellenbarrie	12	63	-51,689	Nil	15	Nil	100	272	272	272	
3,00,000	5,70,483	3,00,000	447	4,75,840	39-9	4,65,428	30-3	5,40,000	Enge	12	6	-48,262	..	..	..	100	272	272	272	
10,00,000	1,38,424	3,50,000	1,253	1,62,720	47-4	..	..	..	Ethebari	12	354	-59,765	..	110	Nil	100	407	407	577	
24,00,000	17,49,550	25,55,502	1,022	12,26,090	47-11	12,20,160	27-11	..	Gairkhata	12	38	1,93,197	16	24	..	25	231	231	305	
32,00,000	20,00,000	14,48,782	4,420	30,88,842	44-1	..	..	..	Gopabur	12	49	10,21,901	20	70	12	268	268	305		
8,25,000	53,65,929	64,68,285	2,335	63,71,277	41-11	60,72,776	36-2 3/5	62,56,000	Hanabara P.	12	38	39,77,808	16	24	..	25	231	231	305	
7,00,000	10,98,000	17,14,718	1,452	16,07,358	42-5	17,67,246	26-11	17,20,000	Hasimara P.	12	14	3,91,808	25	60	..	100	180	180	33	
9,00,000	5,18,809	5,15,000	607	4,86,400	34-3	4,62,400	28-7	5,60,000	Hulidibari	12	14	5,25,271	25	60	10	100	301	301	301	
9,00,000	6,75,000	12,23,930	937	11,46,814	39-7	..	..	..	Jaybirpara	12	14	2,77,456	22 1/2	30	12 1/2	10	274	274	274	
14,00,000	15,71,067	18,15,032	1,125	1,69,538	45-7	4,73,816	..	..	Killoot	12	63	-21,307	25	30	..	100	274	274	274	
3,20,000	6,26,920	18,45,000	1,163	15,52,400	49-3	16,35,320	31-2	16,00,000	Manabbarrie	12	217	10,39,752	10	41 1/2	..	100	274	274	274	
2,50,000	3,14,964	3,59,080	348	6,29,200	44-2	..	..	..	Nagaisurree	12	63	5,69,182	25	65	..	100	793	793	793	
6,00,000	5,29,498	4,31,034	764	2,56,097	42-0	2,38,935	28-5	2,56,000	New Doonars, P.	12	63	2,05,071	25	65	..	100	174	174	174	
7,48,100	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	Phaskobhat	12	202	6,83,263	45	100	25	100	302	302	302	
3,46,400	22,28,247	29,20,000	1,766	19,10,000	48-6 1/2	..	..	..	Rajabhat	12	63	1,29,376	20	75	12 1/2	10	30	254		

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	2-1-57	21-12-56	A year ago
SUGAR BREWERIES ETC.																
11.00.000	6,45,722	3,75,000	10,90,564	New Saven Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	6 1/2	6 1/2
9,00,000	7,28,559	17,64,369	58,734	Purbabpur Sugar P	10	25	5,38,340	6,871	15	20	..	10	17 1/2	17 1/2	17 1/2	17 1/2
16,59,820	25,52,127	35,00,000	4,84,359	Ramnugger Cane & Sugar P.	5	1	18,11,504	20,350	..	..	..	10	24 1/2	24 1/2	24 1/2	25 1/2
19,39,600	25,62,563	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..	..
8,00,000	4,42,169	6,54,762	1,85,115	Ryam Sugar P.	5	25	1,43,788	24,340	..	..	..	10	20 1/2	20 1/2	20 1/2	20 1/2
11,39,000	15,94,531	18,37,529	98,312	Samastipur Central Sugar	6	25	79,022	8,477	5	Nil	..	10	13 1/2	13 1/2	14 1/2	14 1/2
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	34,046	15	17 1/2	..	10	10 1/2	10 1/2	13 1/2	13 1/2
7,94,500	13,34,838	11,65,175	11,63,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	..	..	..	10	13 1/2	13 1/2	14 1/2	14 1/2
9,99,950	14,54,274	1,54,304	1,42,695	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	..	10	4 1/2	4 1/2	4 1/2	4 1/2
16,00,000	6,07,894	7,99,778	4,22,572	United Provinces	3	341	4,23,980	39,061	12 1/2	..	..	10	18 1/2	18 1/2	23	23
6,00,000	38,92,308	21,57,556	3,60,238	Upper Ganges Sugar P.	6	227	10,24,525	82,931	25	25	..	10	94 1/2	94 1/2	94 1/2	94 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20	..	100AC 12BC	280	280	127 1/2	127 1/2
7,00,000B																
MISCELLANEOUS																
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurants)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	7 1/2	7 1/2
1,50,00,000	1,40,80,594	6,21,715	51,361	Air India Ltd	12	269	6,02,785	14,30,401	..	..	..	100	..	..	..	..
2,50,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	..	..	100	..	..	..	..
47,50,000C	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	..	100	10 1/2	10 1/2	8 1/2	8 1/2
20,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright, Ltd P.	12	1	89,042	18,284	7 1/2	Nil	..	10	6 1/2	6 1/2	2 1/2	2 1/2
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	12	1	11,84,131	3,43,961	12 1/2	12 1/2	..	10	11 1/2	11 1/2	11 1/2	11 1/2
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	7 1/2	12 1/2	..	10	20 1/2	20 1/2	20 1/2	19 1/2
83,99,998	21,25,615	23,80,285	64,182	Assam Saw Mills & Timber	3	21	97,045	5,14,537	Nil	Nil	..	3	3 1/2	3 1/2	6 1/2	6 1/2
20,00,000	61,61,507	23,00,000	61,84,697	Associated Hotels of India P.	3	204	8,82,993	32,683	2	4	..	10	10 1/2	10 1/2	13 1/2	13 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	152	152	197	197
12,00,000	2,65,000	8,24,890	1,80,023	Bararee Coke	3-9	128	2,16,123	22,708	7 1/2	7 1/2	..	10	17 1/2	17 1/2	21 1/2	21 1/2
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	6	128	6,43,164	1,19,103	..	..	..	100	41	41	41	41
80,00,000	19,33,822	Nil	19,39,359	Bharat Airways Ltd.	6	22	3,19,589	3,19,229	..	..	..	10	5 1/2	5 1/2	4 1/2	4 1/2
20,00,000		7,95,435	62,81,006	Birds Investments P.	9	160	5,89,372	1,15,707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	19 1/2	19 1/2
45,97,000	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	..	10	14 1/2	14 1/2	15 1/2	15 1/2
22,50,000	13,38,706	43,18,775	3,38,975	British Ceylon Corporation P.	12	6	27,15,295	1,85,955	..	..	..	7 1/2	8 1/2	8 1/2	11 1/2	11 1/2
5,25,00,000	59,89,738	1,18,60,524	2,50,83,630	British India Corporation P.	12	33	30,23,938	27,35,584	1 1/2	Nil	..	5	8 1/2	8 1/2	9 1/2	9 1/2
52,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A 10B	7 1/2	7 1/2	8 1/2	8 1/2
2,50,000B	9,92,780	2,40,894	1,02,976	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10	4 1/2	4 1/2	5	5
80,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	121	121	134	134
1,50,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co (India) P.	12	96	96,72,154	11,71,685	15	15	..	100	129 1/2	129 1/2	154	154
51,26,000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	..	100	129 1/2	129 1/2	154	154
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C. Oster (India) Ltd. P.	3	84	4,26,249	5,26,954	..	..	..	10	8 1/2	8 1/2	15 1/2	15 1/2
80,00,000	12,88,300	21,97,641	86,55,301	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	20 1/2	20 1/2	20 1/2	20 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	..	100	186	186	196	196
2,25,000	55,893	5,26,782	General Investments Trust P.	2-8	21	26,644	8,637	21-23	31-31	7 1/2	43	43	43	43	43	43
65,00,000	34,18,813	42,00,000	1,09,15,626	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7 1/2	14	..	10	13 1/2	13 1/2	14 1/2	14 1/2
20,00,000	27,68,049	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	..	..	..	..
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	25 1/2	25 1/2	20 1/2	20 1/2
30,00,000	32,90,010	17,22,033	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250	240	240
10,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	24	43,377	24,274	..	..	..	5	11 1/2	11 1/2	1 1/2	1 1/2
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	7 1/2	7 1/2	7 1/2	7 1/2
15,16,00,000	7,42,66,399	1,88,86,788	5,30,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	..	..	..	10	13 1/2	13 1/2	14 1/2	14 1/2
1,00,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,18,074	Nil	9	..	10	14 1/2	15 1/2	15 1/2	15 1/2
1,52,39,220	1,27,87,878	1,37,00,000	11,89,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	31 1/2	32 1/2	33 1/2	33 1/2
5,00,00,000	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100	84	84	6 1/2	6 1/2
1,25,00,000	6,27,970	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	10	19 1/2	19 1/2	19 1/2	19 1/2
2,27,970	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30	..	10	44 1/2	44 1/2	43 1/2	43 1/2
20,00,000	2,78,254	12,78,254	2,55,728	Investments and Finance P.	2-8	21	27,880	51,001	21-23	31-23	31-23	100	65	65	65	65
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	38,496	..	..	..	2	3 1/2	3 1/2	3 1/2	3 1/2
5,87,500D	2,16,659	3,24,161	64,85,89	James Wright P.	12	281	60,996	1,550	..	5	..	50	4 1/2	4 1/2	4 1/2	4 1/2
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	7 1/2	7 1/2	7 1/2	100	85	85	108	108
2,00,00,000	3,17,363	6,02,938	3,21,017	Macfarlane & Co.	3	133	14,078	4,440	..	..	..	50	3 1/2	3 1/2	3 1/2	3 1/2
6,34,000D	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	62,06,340	6,31,124	7 1/2	7 1/2	11	100	..	..	..	..
68,00,000D	56,41,510	54,56,086	1,85,74,341	Martin Burn Ltd. P.	9	309	11,18,708	2,03,456	13 1/2	18 1/2	..	10	22 1/2	22 1/2	28 1/2	28 1/2
1,37,53,000	37,49,252	80,86,990	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	12	17 1/2	..	100	240	240	240	240
40,00,000D																

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & Other Funds	Cash & Securities	NAMES	Accounts Closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations available up to
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	21-12-56
CEMENT											
12,67,59,333	16,16,27,689	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8 1/2	10	154 1/2
ELECTRIC LTG POWER											
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	93 1/2
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	1210
1,74,99,700	2,14,85,122	39,32,487	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	107 1/2
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	21,171	7 1/2	7 1/2	146
1,34,45,225	3,37,65,256	63,62,945	58,39,875	Tata Hydro Elec Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	123
5,02,78,750	3,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	1237 1/2
ENGINEERING & METAL											
53,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12 1/2	5	270
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	96
40,00,000	11,26,513	16,00,000	9,74,864	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	19
40,00,000	31,25,753	49,35,753	49,35,753	Machinery Mfgs Corp Ltd F	3	330	2,02,006	64,676	Nil	Nil	100A
1,10,00,000	15,00,978	18,66,194	7,06,280	McKenzie's	7	283	1,49,085	64,938	Nil	Nil	96 1/2
2,50,000	5,834	1,00,53,052	1,79,32,047	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	30C
1,31,250	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng P.	3	69	3,303	50,350	Nil	Nil	31F
1,18,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,20,44,872	4,04,945	14	14	173 1/2
INSURANCE COMPANIES											
20,00,000	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	Nil	Nil	Nil	13 1/2
5,15,000	11,04,84,687	1,95,48,481	Empire of India Life	12	253	Nil	Nil	Nil	Nil	Nil	675
8,48,120	16,33,999	16,33,999	Indian Mercantile	12	75	1,13,109	Nil	Nil	Nil	Nil	45 1/2
18,74,940	25,01,134	2,88,61,155	Jupiter General P.	12	58	38,351	4,65,316	Nil	Nil	Nil	9 1/2
1,06,81,590	1,06,81,590	1,06,81,590	New India	12	179	13,58,653	71,250	16 2/3	Nil	Nil	43 1/2
6,00,000	67,81,74,480	67,81,74,480	Oriental Life	12	298	Nil	Nil	Nil	Nil	Nil	2640
15,99,270	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	Nil	Nil	15 1/2
MISCELLANEOUS											
90,79,085	31,95,468	3,97,409	12,51,996	Air Service of India	6	336	-15,61,405	-37,22,790	Nil	Nil	Nil
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	Nil	Nil	241
50,00,000	2,20,64,302	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	10	21	677 1/2
42,00,000	1,21,04,053	31,74,431	31,74,431	Bombay Steam Navigation P.	6	256	4,34,215	30,135	Nil	Nil	243 1/2
99,99,250	3,083	19,47,386	1,23,49,392	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 1/2	4 1/2	25
1,19,99,900	13,82,957	7,34,142	14,35,234	Kemur (Chemists)	3	87	68,232	16,942	Nil	Nil	72
1,57,71,400	5,74,05,779	1,81,13,445	2,94,042	National Rayon Corpn.	12	352	63,19,604	3,70,076	10	Nil	215
8,39,96,069	18,36,63,413	12,46,31,677	7,10,16,357	Scindia Steam Navigation	12	198	32,72,555	22,72,555	2 1/2	2 1/2	213 1/2
1,00,000	27,45,065	37,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	15,49,059	21,661	Nil	Nil	18 1/2
1,39,95,990	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	88
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	16 1/2
2,75,00,000	1,46,45,993	2,43,20,936	1,50,49,201	Western India Match	3	274	74,35,281	5,61,984	11	11	44 1/2

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & Other Funds	NAMES	Accounts Closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations available up to
Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	21-12-56
CALCUTTA										
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	33,735	2 1/2	2 1/2	60
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	Nil	3-3	3-3	71 1/2
34,00,000	61,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,607	Nil	2 1/2	2 1/2	58 1/2
19,00,000	29,09,643	1,91,171	Bardhaman D.B.G.	3-9	331	18,844	1,18,863	Nil	2 1/2	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	Nil	2 1/2	2 1/2	59
31,00,000	35,46,011	1,75,300	Chaparmukh Sighat S.S.G.	3-9	32	62,834	10,849	129-129	1 1/2-1 1/2	52 1/2
4,75,000	3,20,040	4,75,300	Cherra Chhatrakopeway	3	88	7,071	9,917	1 1/2	1 1/2	7 1/2
2,47,650	2,75,015	65,028	Jarailing Ropeway	3	101	18,097	4,540	1 1/2	2 1/2	7 1/2
22,50,000	62,20,813	13,32,600	Jenri-Rohtas	3	335	6,42,311	37,814	6 1/2	7 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Putwab Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	63 1/2
46,00,000	60,82,168	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	62 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhale D.B.G.	3-9	32	28,627	20,122	3-3	3-3	65
19,50,000	27,95,689	2,47,135	Kalighat Falte S.S.G.	3	165	-1,99,473	Nil	2 1/2	2 1/2	60 1/2
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	Nil	2 1/2	2 1/2	72
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	129 1/2
1,75,000	3,41,779	2,04,341	Tesopore Balipara Tramway F	3-9	165	-43,574	5,944	Nil	Nil	Nil

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Bhakur Lane Calcutta.	338. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort, Bombay.	347. Associated Commercial Co. Ltd.—161/1, Harrison Road, Calcutta.
321. S. O. Williams—14, Old Court House Messrs Pata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort Bombay-1.	330. Manindra & Mahindra Ltd.—Gateway Building, Apollo Bunder Bombay.	340. K. O. Cheriyan—Travancore.	
322. Anderson Wright & Co.—4, Wellesley Place Calcutta.	331. N. C. Roy & Sons—Canning St. Calcutta.	341. James Finlay & Co. Ltd.—2 Netaji Subhas Road Calcutta.	
323. Indo Corporation Private Ltd.—5, Swinhoe St. Calcutta-19.	332. M. Pasupati—21, Ravelin Street Fort, Bombay.	342. G. N. Chatterjee—2, Royal Exchange Place Calcutta.	
324. John Rutherford Blackie—Virginia House 17 Chowringhee Calcutta.	333. Jaspuria Bros. Ltd.—33 Netaji Subhas Road Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10 Clive Row Calcutta.	
325. Beriwala Bros.—53 Netaji Subhas Rd., Calcutta.	334. S. Jatin—2 Fairlie Place Calcutta.	344. V. J. Pillai—Victoria Bunder Colaba.	
326. Marwar Textiles (Agency) Ltd.—Waudby Road Fort Bombay-1.	335. Sahu Jain Ltd.—Dalmanagar, Putabid, Chhatrakopeway House, Calcutta.	345. The National Tea Corporation—130, Cotton Street Calcutta.	
327. John Taylor & Sons (India) Ltd.—Mysore, Oorgram South India.	336. Douglall Road Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory Alwaya.	
		347. Associated Commercial Co. Ltd.—161/1, Harrison Road, Calcutta.	

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CAPITAL

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WITH WHICH IS INCORPORATED

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CALCUTTA, JANUARY 19, 1957.

Vol. CXXVIII
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UNCERTAINTIES IN THE INVESTMENT OUTLOOK

YEAR OF DIMINISHED INCENTIVES FOR THE PRIVATE SAVER

THE Government of India has done more damage to the confidence of the stock markets during the past year than in any other twelve-monthly period since independence. The economy is on the threshold of a vast new expansion: production, demand and profits have been rising; the benefits of the increased prosperity have spread to agriculture and industry alike; ambitious new plans are being framed to increase capacity and output; and the inflationary possibilities of a hopeful five year plan have been evident. Yet the equity market today languishes in a state of uncertainty, which is only incompletely reflected by the decline of 15 points in the variable dividend industrial securities index (base year 1949-50 equals 100) to 115.2 during the past year. As the barometer of the investment outlook, its condition gives serious cause for concern to private entrepreneurs who are expected to raise no less than Rs. 2,400 crores by 1961 to fulfil the targets they have been set under the second plan. That the first year of the plan should be nearing its close with an actual tendency towards disinvestment, is a matter which neither the planners nor the Government should regard with equanimity. It is important that its causes be carefully analysed and official policies reorientated so as not to hamper what still remain the mainspring of economic progress.

The most important source of the assault on investment confidence during the past year has been the increasingly arbitrary and unpredictable nature of the Government's actions. The fair success of the first five year plan has fostered the conceit of infallibility—the idea that New Delhi is the fount of economic knowledge, of social justice and of electoral sensibilities. From this feeling arises the tendency to assume far-reaching powers to subdue the stresses and strains of an over-ambitious second five year plan. The chief of the domestic strains centres on the need to mobilise resources for development. It was with this in mind that the Government nationalised life insurance, and it is with this in mind that it has recently imposed taxes not necessarily where they would fall most equitably but where they would win the greatest demagogic approval. The Finance Minister's assumption of powers to experiment with excise duties, and to frame a multiplicity of supplementary budgets when convenient, reflects the same nervous urgency which has earlier fostered omnibus measures of company law reform, stock exchange regulation, and control over industrial working. In almost implicit admission of its arbitrariness, the Government has frequently pleaded that these far-reaching powers will not be used except when necessary—forgetting that the assurance is meaningless when the sole judge of necessity is no one but itself. It is this parallel development, where the growth of official power has been matched only by the growth of official unpredictability, that has done most harm to stock market confidence and to entrepreneurial leadership in recent years. Nearly as harmful has been the "socialist" variety of thinking, which is often nothing more than a jealousy directed against the rich—or those who are supposed to be rich. In this suspect category are included those who own ten shares as well as those who own ten thousand; those who have had the boldness to invest in industry rather than in gold, who have patronised business rather than the safe deposit vaults, and who have saved for economic progress rather than spent for passing pleasure. This class of people is now being penalised in the interests of demagogues who have never stopped to understand the importance of security and incentives to industrial expansion.

The Government's policies on investment, as exemplified by the taxation and other measures of the past year, seem to be based on a number of fundamentally weak assumptions. One of these is the idea that when people invest in concerns, they do so only for the pleasure of seeing them grow

bigger and bigger, without themselves expecting returns commensurate with expansion. The dividend supertaxes and bonus share levies in general, and the clogging down of steel company distributions in particular, are symptoms of this thinking. So is the capital gains tax, whose first effect has been to present shareholders with capital losses that are large enough to ensure that the yield from the impost will be quite negligible for the time being. The whole new scheme of fiscal levies, and of control over company reserves, misses the point that the country's main need today is not for a reshuffling of the old investment, but for the mobilisation of the new. The curious idea prevails that when money is paid out in dividends, it is frittered away in conspicuous consumption or devoted to other undesirable pursuits. The idea is mistaken, for few types of income have a surer chance of encouraging investment than dividend income. Evidence in favour of this assertion is to be found in the fact that savings, whether through rights issues or otherwise, are given most readily to companies which have been liberal in their distribution policies. By putting a restraint upon dividends, the Government may ensure that companies retain a few lakhs of rupees extra to spend on expansion. But it forgets that many more lakhs of rupees would be offered those companies if the dividends were as full and fair as their working justified. Auto-financing might have some merit if there was little hope of bringing life into the new issues market; that it should have come to be advertised just when this market seemed set for a vigorous recovery is likely to prove one of the major errors of India's economic policy. Its encouragement at a time when it is proposed to set up a host of new enterprises makes it the more inadvisable. In an economy which is diversifying and expanding, there is a vital need for greater mobility of investment between enterprises and industries, to which auto-financing is hardly conducive.

Not a few of the stock markets' difficulties in recent months have been due to the acute monetary stringency. The primary reason for this stringency has been the superimposition of "busy season" demands on the already inflated credit needs of an economy which has been expanding and industrialising. The stringency might not have arisen, or at any rate would have been much less acute, had popular patronage of the banking system kept pace with the rise in money supply. It has not kept pace, and the result is that the level of deposits is nowhere near enough to support the level of advances needed for the genuine needs of trade and industry. Mr. T. T. Krishnamachari, who says that he has been eagerly looking for solutions to the problem of stringency but has found bankers devoid of ideas, has perhaps missed the point that this is a problem where simple expedients are limited in their usefulness. The solution lies deeper—in encouraging people to make greater use of

banks. That is intimately connected with the Government's own policies, of which the most helpful aspect has certainly not been the recent move giving the Reserve Bank powers to scrutinise the appointment of banks' managerial personnel. It is the reflection in the banking world of exactly the same malady as now affects the stock markets—a lack of confidence in anything over which the Government can exert its influence.

Another important reason for depression in the share markets is that the Government is planning to assume extensive new powers to control and regulate their working. The Securities Contracts (Regulation) Act, under which these powers are being taken, opens scope for dictatorial and arbitrary actions of the sort that have often been seen in other spheres of economic life. Its main aim seems to be to restrict severely the possibilities of speculation. Although few would deny that manipulation and overtrading sometimes feature the Indian stock markets, it is necessary to ensure that speculative activity is not too stringently curbed. If it is, the marketability of shares will suffer, and the main value of the stock markets as the indicators of investor thinking will to that extent be undermined. A point to bear in mind here is that much of the speculation in the stock markets springs from ministerial verbosity. Often the same worthies who one day say that free enterprise is no good are reported a few days later as saying that it is a fine institution. Blame for the results of the contradiction and irresponsibility implicit in such statements cannot be laid wholly upon the bulls and the bears who operate on Lyons Range or Dalal Street.

Only the future can show to what extent investors will accept the psychological adjustments demanded of them by the Government's new economic policies. For the time being, there is little evidence of such adjustments having been made. This may be partly because the general elections are approaching, and with them the time when it is customary for the river of verbosity to overflow into a deluge of demagoguery. The electoral complications seem unlikely to allow an early change in official policies, but once they are out of the way the time will come for fresh thinking on measures intended to soak the supposedly rich. It may then be realised that the huge burden of public investment in the second plan cannot be laid upon those who are already supporting private industry. The net of Government revenues will have to be cast far wider, to encompass those who have so far returned nothing of their new prosperity for reinvestment in economic expansion. That may also be the time when the real savers qualify for relief, and are thereby enabled to give private enterprise the support which has recently been noticeably lacking. If the Government feels that there is need for a measure of compulsion in saving, its attention has so far largely been directed to the wrong section of the people—to the voluntary savers. In following this policy, all it has achieved is to divert into its own coffers money which was likely in any case to have been conserved and given to private business. The administrative difficulties of taxing the classes who now consume all they earn are not nearly as great as is sometimes assumed. The true aim of fiscal policy in a developing economy should be to oblige those who do not save, to save something; and to encourage those who do, to save still more.

New Delhi is hardly fair when it claims that since share offers by first-class concerns have met with a good response in the recent past, the equity market is still healthy. The fact is that in some cases the issue prices of these shares have been well below their intrinsic value, so investors have switched into them. A number of other first-rate companies which were proposing to make capital issues are now having second thoughts, seeing the general condition of the markets. These capital issues are intended to finance expansion in vital sectors of the economy, and if they cannot attract an adequate response, the country will be so much the poorer for it. The gap cannot be filled by Governmental agencies; the Life Insurance Corporation, as among the most affluent of them, appears from Calcutta to have passed into a slumber which becomes the deeper when the question of investing on Lyons Range is raised. If India is to combine freedom with economic progress, the mainstay of her industries will still be the private investor. The way to encourage him in the New Year is not to make up in kicks what he has made to lose in money.

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BOMBAY MISCELLANEOUS COMPANIES

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Paid-up Capital Ordinaries	Net Block Account	Reserve & other Funds Premiums & Forfeited Share if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	22-12-56	23-12-56	24th Dec 1956
12.07,59,333	16,16,21,689	6,15,51,096	3,90,26,918	CEMENT	7	53	4,71,77,960	5,62,770	8 1/2	10	..	100	154 1/2	154 1/2	212 1/2
				Associated Cement											
				ELECTRIC LTG POWER											
6.99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	..	100	93 1/2	93 1/2	105 1/2
2.92,83,500	4,18,62,358	52,34,507	65,30,589	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1210	1210	1,326 1/2
1,74,99,700	2,14,85,132	39,32,485	5,79,634	Bombay Suburban Elec Sup	3	146	19,21,739	43	7	7	..	100	107 1/2	107 1/2	120 1/2
38.08,200	17,49,053	4,75,323	14,87,597	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146	148
1,34,45,225	3,37,65,386	53,82,045	58,39,875	Tata Hydro Elec Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	123	123	138
5,02,78,750	3,98,37,405	1,41,56,518	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1237 1/2	1237 1/2	1,397 1/2
				ENGINEERING & METAL											
53.42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12 1/2	..	..	100	270	270	327 1/2
8,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,596	15	..	5	50	96	96	96
40,00,000	11,26,513	16,00,000	9,74,964	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	10	19	19	13
40,95,100	81,25,755	2,02,500	49,333	Machinery Mfgs Corp'n Ltd F	3	330	2,02,006	64,676	NH	NH	..	100A	..	..	..
1,10,00,000	15,00,974	16,66,194	7,06,296	McKenzie's	7	283	1,49,085	64,938	..	..	..	100	96 1/2	96 1/2	96 1/2
2,50,00,000	5,834	1,00,53,052	1,79,32,047	Premier Constructor P	12	284	3,35,178	59,102	28 1/3	..	..	30C	190	190	186
4,31,250 F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	99	3,303	50,350	NH	NH	..	31F	163	163	149
4,18,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	75C	173 1/2	173 1/2	244
9,63,75,000				INSURANCE COMPANIES											
20,00,000	..	23,84,913	95,98,333	British India General	12	297	4,24,622	1,18,606	..	..	..	10	13 1/2	13 1/2	13 1/2
5,15,000	..	11,04,94,687	1,95,48,481	Empire of India Life	12	293	..	..	..	..	..	100	675	675	675
8,46,120	..	36,33,999	16,38,303	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2	45 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	NH	..	..	15	9 1/2	9 1/2	9 1/2
1,06,81,590	..	1,09,81,793	17,25,18,452	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	43 1/2	43 1/2	44
6,00,000	..	67,83,74,430	59,86,789	Oriental Life	12	298	..	..	..	..	..	200	3640	3640	5,000
15,99,270	..	29,41,860	..	Vulcan	12	255	0,05,803	2,81,242	10	..	..	10	15 1/2	15 1/2	15
				MISCELLANEOUS											
90,79,085	31,95,468	3,97,409	12,91,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	..	..	..	..
50,30,000	2,20,64,302	4,12,86,155	2,67,21,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	..	..	50	241	241	340
42,00,000	1,21,04,053	31,14,431	1,28,40,992	Bombay Steam Navigation P.	6	256	4,54,215	30,135	18	21	..	..	677 1/2	677 1/2	573
45,00,000	3,085	19,47,386	1,25,40,992	Kemuri Investment Trust	12	399	5,81,900	16,942	..	..	..	50	243 1/2	243 1/2	200
99,99,250	13,82,957	7,34,142	14,35,224	National Chemists	3	87	68,232	2,63,136	4 1/2	4 1/2	..	25	..	..	..
11,99,900	5,74,05,779	1,81,13,445	3,98,442	Scindia Steam Navigation	12	352	63,19,604	3,72,076	6	..	..	100	72	72	72
1,37,71,400	16,36,63,413	12,63,81,877	7,10,15,357	Shivrajpur Synd (Manganese)	6	198	32,72,555	22,75,561	10	..	..	100	213 1/2	213 1/2	213
9,39,96,069	27,45,165	37,30,000	11,27,080	Tata Chemicals P.	11	146	35,49,059	21,661	2 1/2	2 1/2	..	20	18 1/2	18 1/2	18 1/2
1,00,000	2,25,39,547	34,06,586	22,83,813	Tata Oil P.	6	269	16,84,488	34,425	NH	NH	..	10	88	88	106
1,39,95,990	70,07,475	73,25,791	1,50,49,201	Western India Match	12	274	74,39,281	5,61,984	8	12	..	10	161 1/2	161 1/2	171
2,75,00,000	1,46,45,903	2,43,20,936	..						11	11	..	100	165	165	188
*1956		Liquid Assets													

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary		Gross block account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent			Paid-up Shares	Latest Market Quotations as available until		
Rs	Rs	Rs					Rs	Rs	1950	1951	1952	Rs.	2-1-57	21-12-56	A year ago
17,24,000	20,62,356	2,00,894		Calcutta											
21,69,300	33,40,889	6,00,702		Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2½	2½	2½	100	60	60	61½
34,00,000	41,39,202	3,11,043		Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71½	71½	75
				Bankura Damodar River S.S.G.	3	165	46,601	..	2½	2½	2½	100	58½	58½	60
19,00,000	29,09,843	4,91,171		Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	2½	100	10	10	108
17,80,000	21,78,786	2,20,877		Burdwan Cutwa S.S.G.	3-9	165	78,839	..	2½	2½	2½	100	59	59	60½
31,00,00	35,46,011	..		Chaparmukh Sighat S.S.G.	3-9	32	62,834	10,849	129-129	13-13	13-1	100	52½	52½	56½
4,75,000	3,20,040	4,75,306		Cherra Chhatrak Roweaway	3-9	38	7,071	9,917	12½	13-1	Nil	100	7½	7½	7½
2,47,650	2,75,015	63,326		Jorjelling Roweaway	3	101	18,099	4,549	12	24-..	2½	10	7½	7½	6½
22,50,000	62,20,813	13,52,600		Jenri-Rohtas	3	335	6,42,311	37,814	68	7½	10-12½	10	13½	13½	14
11,49,700	20,10,843	1,68,143		Futwab Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63½	63½	56½
46,00,000	56,52,188	17,81,954		Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62½	62½	72½
6,00,000	13,87,138	4,43,410		Howrah Sheakhale D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65	51½
19,50,000	27,95,689	2,47,135		Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	60½	60½	61½
8,91,100	15,16,175	10,551		Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	6	..	100	72	72	69½
15,00,000	62,56,929	28,77,941		Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	5-6	100	129½	129½	146½
1,75,000	3,41,778	2,04,241		Tepzore Balipara Framway F	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

Managing Agents, Managing Directors and ..

120. F. W. J. Penn-United ..

Managing Agents. Managing Directors and Secretaries with their respective address—(Contd.)	
320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane Calcutta.
321. F. O. Williams—14, Old Court House St. Calcutta.	330. Mahindra & Mahindra. Ltd.—Gateway Building, Apollo Bunder Bombay
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatmas Gandhi Rd. Fort Bombay-1.	331. N. C. Roy & Sons—Canning St. Calcutta
323. Anderson Wright & Co.—1, Wellesley Place Calcutta	332. M. Paspati—21, Ravelin Street Fort, Bombay
324. Indco Corporation Private Ltd.—5, Swinhoe St. Calcutta-19.	333. Jajpuria Bros. Ltd.—33 Netaji Subhas Road Calcutta
325. John Rutherford & Co.—Blakie—Virginia House 19 Chowringhee Calcutta	334. B. Jattimer—2, Fairlie Place Calcutta.
326. Beriwalla Bros.—53 Netaji Subhas Rd., Calcutta	335. Sahu Jain Ltd.—Bhimnagar, Pusaids, Clachand Scindia House, Douglal Road Bombay
327. Marwar Textiles (Agency) Ltd.—Waudby Road Fort Bombay-1.	336. Beriwalla & Co.—63 Netaji Subhas Road Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram South India.	337. B. R. Sons, Ltd.—Hornby Road, Fort, Bombay.
	338. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort, Bombay.
	339. K. O. Chetryan—Travancore.
	340. James Finlay & Co. Ltd.—2, Netaji Subhas Road Calcutta.
	341. U. N. Chatterjee—2, Royal Exchange Place Calcutta.
	342. Eastern Smelting & Refining Co. Ltd.—10, Clive Row Calcutta.
	343. V. J. Pillai—Victoria Bunder Colaba.
	344. The National Tea Corporation—130, Cotton Street Calcutta.
	345. Seshasayee Brothers (Travancore), Ltd.—Elloor Factory Alwaya.
	346. Associated Commercial Co. Ltd.—161/1, Harrison Road, Calcutta.
	347. Sahu Jain. Ltd.—11, Clive Row. Calcutta.
	348. Chandmull Batia—7, Canning Street, Calcutta.
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	350. L. & T. (Management) Private Ltd.—J. K. Building Douglal Road, Ballard Estate Bombay.
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OF ISSUE**

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UNCERTAINTIES IN THE INVESTMENT OUTLOOK

YEAR OF DIMINISHED INCENTIVES FOR THE PRIVATE SAVER

THE Government of India has done more damage to the confidence of the stock markets during the past year than in any other twelve-monthly period since independence. The economy is on the threshold of a vast new expansion; production, demand and profits have been rising; the benefits of the increased prosperity have spread to agriculture and industry alike; ambitious new plans are being framed to increase capacity and output; and the inflationary possibilities of a hopeful five year plan have been evident. Yet the equity market today languishes in a state of uncertainty, which is only incompletely reflected by the decline of 15 points in the variable dividend industrial securities index (base year 1949-50 equals 100) to 115.2 during the past year. As the barometer of the investment outlook, its condition gives serious cause for concern to private entrepreneurs who are expected to raise no less than Rs. 2,400 crores by 1961 to fulfil the targets they have been set under the second plan. That the first year of the plan should be nearing its close with an actual tendency towards disinvestment, is a matter which neither the planners nor the Government should regard with equanimity. It is important that its causes be carefully analysed and official policies reoriented so as not to hamper what still remain the mainspring of economic progress.

The most important source of the assault on investment confidence during the past year has been the increasingly arbitrary and unpredictable nature of the Government's actions. The fair success of the first five year plan has fathered the conceit of infallibility—the idea that New Delhi is the fount of economic knowledge, of social justice and of electoral sensibilities. From this feeling arises the tendency to assume far-reaching powers to subdue the stresses and strains of an over-ambitious second five year plan. The chief of the domestic strains centres on the need to mobilise resources for development. It was with this in mind that the Government nationalised life insurance, and it is with this in mind that it has recently imposed taxes not necessarily where they would fall most equitably but where they would win the greatest demagogic approval. The Finance Minister's assumption of powers to experiment with excise duties, and to frame a multiplicity of supplementary budgets when convenient, reflects the same nervous urgency which has earlier fathered omnibus measures of company law reform, stock exchange regulation, and control over industrial working. In almost implicit admission of its arbitrariness, the Government has frequently pleaded that these far-reaching powers will not be used except when necessary—forgetting that the assurance is meaningless when the sole judge of necessity is no one but itself. It is this parallel development, where the growth of official power has been matched only by the growth of official unpredictability, that has done most harm to stock market confidence and to entrepreneurial leadership in recent years. Nearly as harmful has been the “socialist” variety of thinking, which is often nothing more than a jealousy directed against the rich—or those who are supposed to be rich. In this suspect category are included those who own ten shares as well as those who own ten thousand; those who have had the boldness to invest in industry rather than in gold, who have patronised business rather than the safe deposit vaults, and who have saved for economic progress rather than spent for passing pleasures. This class of people is now being penalised in the interests of demagogues who have never stopped to understand the importance of security and incentives to industrial expansion.

The Government's policies on investment, as exemplified by the taxation and other measures of the past year, seem to be based on a number of fundamentally weak assumptions. One of these is the idea that when people invest in concerns, they do so only for the pleasure of seeing them grow

bigger and bigger, without themselves expecting returns commensurate with expansion. The dividend supertaxes and bonus share levies in general, and the corking down of steel company distributions in particular, are symptoms of this thinking. So is the capital gains tax, whose first effect has been to present shareholders with capital losses that are large enough to ensure that the yield from the impost will be quite negligible for the time being. The whole new scheme of fiscal levies, and of control over company reserves, misses the point that the country's main need today is not for a reshuffling of the old investment, but for the mobilisation of the new. The curious idea prevails that when money is paid out in dividends, it is frittered away in conspicuous consumption or devoted to other undesirable pursuits. The idea is mistaken. For many types of income have a surer chance of encouraging investment than dividend income. Evidence in favour of this assertion is to be found in the fact that savings, whether through rights issues or otherwise, are given most readily to companies which have been liberal in their distribution policies. By putting a restraint upon dividends, the Government may ensure that companies retain a few lakhs of rupees extra to spend on expansion. But it forgets that many more lakhs of rupees would be offered those companies if the dividends were as full and fair as their working justified. Auto-financing might have some merit if there was little hope of bringing life into the new issues market : that it should have come to be advertised just when this market seemed set for a vigorous recovery is likely to prove one of the major errors of India's economic policy. Its encouragement at a time when it is proposed to set up a host of new enterprises makes it the more inadvisable. In an economy which is diversifying and expanding, there is a vital need for greater mobility of investment between enterprises and industries, to which auto-financing is hardly conducive.

Not a few of the stock markets' difficulties in recent months have been due to the acute monetary stringency. The primary reason for this stringency has been the superimposition of "busy season" demands on the already inflated credit needs of an economy which has been expanding and industrialising. The stringency might not have arisen, or at any rate would have been much less acute, had popular patronage of the banking system kept pace with the rise in money supply. It has not kept pace, and the result is that the level of deposits is nowhere near enough to support the level of advances needed for the genuine needs of trade and industry. Mr. T. T. Krishnamachari, who says that he has been eagerly looking for solutions to the problem of stringency but has found bankers devoid of ideas, has perhaps missed the point that this is a problem where simple expedients are limited in their usefulness. The solution lies deeper—in encouraging people to make greater use of

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banks. That is intimately connected with the Government's own policies, of which the most helpful aspect has certainly not been the recent move giving the Reserve Bank powers to scrutinise the appointment of banks' managerial personnel. It is the reflection in the banking world of exactly the same malady as now affects the stock markets—a lack of confidence in anything over which the Government can exert its influence.

Another important reason for depression in the share markets is that the Government is planning to assume extensive new powers to control and regulate their working. The Securities Contracts (Regulation) Act, under which these powers are being taken, opens scope for dictatorial and arbitrary actions of the sort that have often been seen in other spheres of economic life. Its main aim seems to be to restrict severely the possibilities of speculation. Although few would deny that manipulation and overtrading sometimes feature the Indian stock markets, it is necessary to ensure that speculative activity is not too stringently curbed. If it is, the marketability of shares will suffer, and the main value of the stock markets as the indicators of investor thinking will to that extent be undermined. A point to bear in mind here is that much of the speculation in the stock markets springs from ministerial verbosity. Often the same worthies who one day say that free enterprise is no good are reported a few days later as saying that it is a fine institution. Blame for the results of the contradiction and irresponsibility implicit in such statements cannot be laid wholly upon the bu's and the bears who operate on Lyons Range or Dalal Street.

Only the future can show to what extent investors will accept the psychological adjustments demanded of them by the Government's new economic policies. For the time being, there is little evidence of such adjustments having been made. This may be partly because the general elections are approaching, and with them the time when it is customary for the river of verbosity to overflow into a deluge of demagoguery. The electoral complications seem unlikely to allow an early change in official policies, but once they are out of the way the time will come for fresh thinking on measures intended to soak the supposedly rich. It may then be realised that the huge burden of public investment in the second plan cannot be laid upon those who are already supporting private industry. The net of Government revenues will have to be cast far wider, to encompass those who have so far returned nothing of their new prosperity for re-investment in economic expansion. That may also be the time when the real savers qualify for relief, and are thereby enabled to give private enterprise the support which has recently been noticeably lacking. If the Government feels that there is need for a measure of compulsion in saving, its attention has so far largely been directed to the wrong section of the people—to the voluntary savers. In following this policy, all it has achieved is to divert into its own coffers money which was likely in any case to have been conserved and given to private business. The administrative difficulties of taxing the classes who now consume all they earn are not nearly as great as is sometimes assumed. The true aim of fiscal policy in a developing economy should be to oblige those who do not save, to save something; **and to encourage those who do, to save still more.**

New Delhi is hardly fair when it claims that since share offers by first-class concerns have met with a good response in the recent past, the equity market is still healthy. The fact is that in some cases the issue prices of these shares have been well below their intrinsic value, so investors have switched into them. A number of other first-rate companies which were proposing to make capital issues are now having second thoughts, seeing the general condition of the markets. These capital issues are intended to finance expansion in vital sectors of the economy, and if they cannot attract an adequate response, the country will be so much the poorer for it. The gap cannot be filled by Governmental agencies; the Life Insurance Corporation, as among the most affluent of them, appears from Calcutta to have passed into a slump, a number which becomes the deeper when the question of investing on Lyons Range is raised. If India is to combine freedom with economic progress, the mainstay of her industries will still be the private investor. The way to encourage him in the New Year is not to make up in kicks what he has made to lose in money.

SAVING FOREIGN EXCHANGE THE HARD WAY

INDIA'S NEED FOR TWO-WAY TOURISM

NOT all the measures taken to conserve foreign exchange have been well advised. The decision to withdraw completely the £750-a-year travel allowance gives every sign of having been made before the consequences for the individual tourist and for the country have been carefully thought out. It will save foreign exchange, but the amount involved, and the losses in both cash and kind which will have to be taken into consideration before any gain is calculated, combine to make this a step of dubious value. There is no doubt the former allowance has been abused. By the standards at present prevailing in the sterling area, the figure was perhaps unnecessarily high. But to halve it, or even to substitute one of £500 over two years, as suggested by some members of the Travel Agents Association, would seem a better alternative than abolishing it altogether. India is still a democracy, and her people are entitled to reasonable freedom of movement. But the complete banning of all foreign exchange for private travellers is, so far as can be gathered, a measure without parallel outside the communist world. Britain resorted to it for a short time, off-season, during one of that country's periodic crises, but had to reverse the decision within a short time due to public pressure. Such influence might not be as readily forthcoming in India, and it is therefore unsafe to argue that this is a temporary expedient. Under socialism, freedoms are easier to lose than to gain or preserve.

If there is any doubt that it is in the national interest that Indian nationals should be able to travel overseas unencumbered by an official purpose or failing health, a few moments' consideration will be enough to dispel it. One of the ways a country is understood abroad is the contact its tourists can make with other races and creeds. Its own people are frequently a nation's best ambassadors and certainly its cheapest and most effective commercial advertisement. At a time when India is beginning to play a rôle in world affairs commensurate with her size and the firmness of her views, it is disappointing that her representation should be reserved to preoccupied business men, querulous invalids or suspect officials. There is a case for permitting Indians to travel abroad if only so that this country be understood the better, and the democracy of her socialism be appreciated in practice. There is no reason either why Indian life should not be allowed to benefit from its contact with other cultures and ways of thinking. Much of the dangerous self-satisfaction which exists in public affairs in this country at the moment is due to insularity. Only communist nations have so far found it expedient to keep all their citizens at home lest they like what they see elsewhere. There are great dangers in restricting completely all private journeys abroad, dangers which are not to be measured by the paltry saving gained. In our New Delhi letter a few weeks ago, the number of people leaving India in 1955 was put at 1,000. If each of these took his entire allowance of £750, the drain would only amount to the ridiculously low figure of Rs. 97.5 lakhs. This is a small price to pay for the benefits this country has gained from the traffic. It must, in fact, represent one of the best investments India has ever made.

It is important to realise that tourism is an industry which cannot thrive on one-way traffic alone. People visit a country because they have friends there; or they have heard personal reports about it; or they have seen and liked its nationals abroad and are interested in meeting them at home. It is seldom a question of paying a visit because there is nowhere left to go anyway; or it is necessary to impress not-so-well-travelled friends; or because of the seductive powers of modern poster advertising. When a country has as little to offer the visitor in amenities and amusement as India has, the personal contact can be all-important. There is little doubt that if the outgoing stream of tourists dries up completely, the incoming one will dwindle too. This will have its repercussions on India's hotel industry, the tourist agencies, those darlings of the public sector, Air India International and Indian Airlines and, of course, all the other travel facilities which touch this country. Not only will the growth of these services be impeded, but their existing facilities may have to be curtailed also, and with serious damage to the nation's interest and influence. Last year, tourism earned this country about Rs. 10 crores. If only one-tenth of this is lost, it will more than wipe out the saving from abolishing the allowance. When the losses in national prestige, in employment and in future sales of Indian goods are added to the total, it is easy to see that this might turn out to be an expensive way indeed of saving foreign exchange.

The imposition of the ban has caused a good deal of unnecessary inconvenience to both Indians

and foreign residents in this country. Many Indian nationals had already planned trips abroad and made their arrangements accordingly. Apart from the disappointment, there is also the trouble of cancelling booked passages and rejecting accommodation which may have been paid for. All this does not amount to distress, but when it is so obviously avoidable, such considerations as, for instance, that these people may be numbered among what are these days called the "rich", should not stand in the way of justice being done. For the foreign national, the new regulations have many complications. Not only were they announced before the authorities concerned had been properly briefed on procedure—thus causing much unnecessary anxiety and pestering of banks and travel agencies—but they do not yet appear to have been finally decided upon. In this week's New Delhi letter, it is pointed out that the matter is still under consideration. This is to be welcomed if it means that the Government remains open to suggestions, but certainly not if it involves officials in further prolonged prevarication, and in references to higher authority, or the foreign nationals concerned in delays and expense. One point which certainly cries out for rectification is the position of a foreigner resident in India who wishes to spend part of his leave in a country other than his own. Stop-over facilities in Europe appear to be ruled out by the new regulations. For a British national, that means waiting until arrival in the United Kingdom before being able to claim any foreign exchange at all. If an allowance is given, presumably it will amount to the same as that permitted any other outgoing British tourist. But the average British resident in India is able to go home only once in three years, or once in two at the most, whereas, if he had remained in his own country, he would have been able to get this same foreign exchange allowance every year. This is quite plainly unjust, although not necessarily entirely India's fault. It stands in need of urgent rectification; it would be unfortunate if it were to be added to the many other reasons why a British national is often well advised these days to stay at home and not take a job in India.

MOVEMENT OF THE STERLING BALANCES

"BLOCKING" TO END SOON

THE sterling balances in London have been under scrutiny again. India's withdrawals, at a rate of some £4 million a week over three-quarters of a year, were a constant reminder of the balances in 1956. Then in the last days of the year, representatives of the Malayan Government discussed their country's balances during their discussions in London on the broader problem of financial assistance from the United Kingdom. The contrast between the attitudes of the two countries is interesting. Whereas the Indian authorities decided to pay cash for one of their biggest projects, the German steelworks at Rourkela, involving substantial additional drafts on the sterling balances, the Malayan authorities insisted that to finance their country's development a loan from Britain would be preferable to using the sterling balances. Neither India nor Malaya likes to be committed to sterling loans at rates of interest around 6 percent, but at least it could be argued that the London rate was only about half that proposed by the Germans when they had withdrawn their offer to take up shares in the steelworks. The Malaysians did not like the idea of a loan because they did not wish to approach independence (beginning in August 1957) with depleted reserves. The Malayan reserves are of the order of £300 million, but the young country's prospective expenditure is large.

It is unfortunate that India's surprisingly rapid withdrawals have coincided with other pressures on sterling, but the British authorities have not been seriously perturbed by this development. It is clearly recognised in London that sterling balances in excess of basic currency reserves are intended to be used sooner or later—and it is India's rather than Britain's problem if India approaches her minimum reserve of £310 million in the early stages of the five year plan. To withdraw money that is earning, say, 5 percent in order to avoid borrowing at, say, 12½ percent (the difference is a measure of the gap between British and German industrial interest-rates) is obviously sound business. It must be recognised, however, that if the payment for the German steelworks (assumed to be of the order of £50 million) is cleared through the European Payments Union, it will involve a considerable loss of gold from the sterling area's reserve, since 75 percent of any deficit in accounts with the Union is payable in gold. These are practical considerations. The Malayan problem involves more matters of principle, equally relevant to other colonies that are gaining independence. A colony such as Malaya is a major contributor to the sterling area's reserve of gold and dollars, and it is vitally important to the area that such countries remain firmly linked in the sterling system. It is arguable that the rapid depletion of India's balances has weakened

this country's links, and that a corresponding depletion of Malaya's balances would be contrary to the British Government's interests.

However, like India, the colonies will eventually want to use their surplus balances, and when they begin to use them on a substantial scale the composition and the total of the sterling balances will change rapidly. For it is the growth of the colonies' balances that has concealed, in the totals, the extent of the withdrawals by other countries. The latest half-year figure, for mid-1956, showed the total of sterling balances at £4,022 million. The highest end-period figure was reached 18 months earlier: £4,175 million at end-1954. For normal purposes one can deduct from these totals the non-territorial holdings, which are mainly those of the International Monetary Fund and Bank. They were, anyway, little changed: £476 million at end-1954, £472 million at mid-1956. Thus the total territorial holdings declined from £669 million at the earlier date to £3,550 million at the later. The biggest changes within the totals were in the colonial and other sterling-area holdings. An increase of £80 million in the colonies' balances, to £1,301 million, substantially offset a decrease of £103 million in the other sterling countries' balances, to £1,600 million. But non-sterling countries' balances also generally declined; particularly those of countries outside of the western hemisphere—by £62 million to £364 million. Proportionally, however, the biggest decline was in the sterling reserves of the dollar countries, by £59 million to £38 million.

The balances attributable to countries outside the sterling area are thus mainly the reserves of the transferable-account area. So far as western Europe is concerned they seem to have been stabilised rather above £220 million. However, the balances of the countries of the Middle East and of the Soviet bloc (included in the important "other non-sterling" category) have evidently been drawn down in the past half-year, and these drawings, together with India's, may reduce considerably the next-published total, for end-1956. The British authorities view these movements with mixed feelings. In so far as the figures represent the working balances of countries that use sterling to transact their international business a large total reflects extensive use of sterling, present or prospective. But in so far as the balances can be rapidly spent they represent a threat to the stability for sterling, actual (as in the Middle East crisis of 1956) or potential. After the war, when the balances were not very much less in monetary terms and appreciably more in real terms than they are now, a series of agreements effectively controlled their use, so that the huge debts had not in fact the threatening implications (for a weak economy) that they appeared to have on paper. Now (when the economy is stronger) this support is being withdrawn. Apart from basic currency reserves of specified amounts, not to be used without prior consultation with the British authorities, the system of blocked balances will cease to operate for the sterling countries in mid-1957, when the only substantial blocked balance on non-sterling account will be Egypt's £110 million. Faith must, therefore, be firm.

CURRENT COIN

Family Planning in India.—Population control is a recognised economic necessity in this country, but official efforts so far have unfortunately been tardy and half-hearted. Some non-official organisations, such as the Family Planning Association of India, have been doing excellent work. But the social and economic conditions are such that they cannot do much by themselves without active Government backing, although the problem is one which, in principle, is better tackled by popular organisations. As Lady Dhanvanthi Rama Rau pointed out in her presidential address to the third All-India Conference on Family Planning in Calcutta, the basic institutions for conducting such work are lacking, with the result that less than half the Rs 65 lakhs sanctioned during the first five year plan could be utilised during that period. No central institute for clinical work, training of personnel, research with contraceptives and on the questions of fertility and sub-fertility, she said, had materialised under Government auspices. No special course in family planning had been made compulsory in medical colleges, nursing institutes or social work schools. Few facilities had been given to voluntary bodies for carrying out, in however small a measure, the educational training programmes they had endeavoured to undertake. The programme had limped along at an uneven pace so far. The second plan has given greater importance to the question and a sum of Rs. 5 crores has been allocated for the purpose. Dr. J. C. Ghosh, Member of the Planning Commission, who inaugurated the Conference, struck a more hopeful note. With the inauguration of the Central Family Planning Board, of which the Union Health Minister is president, and the bigger financial grant, work can be conducted on more systematic lines. The Board has already approved the setting up of

300 urban and 2,000 rural clinics for family planning and several measures are being taken to enlist public support. One of these is the employment of part-time doctors in family-planning clinics in co-operation with the Indian Medical Association. Dr. Ghosh said that a favourable factor was the general attitude of the country's womenfolk towards family planning. Even rural women, as sample surveys in various areas showed, wanted to limit the number of their children, and an expert had proved that "the birth-control movement in India is less hampered by misplaced prudery." The real agencies for promoting better health and better life in the countryside would be the community projects and the N.E.S. blocks which, it is planned, will cover the entire country by 1961.

Industrial Development in Andhra.—The Andhra Pradesh Government is making some notable efforts to promote industrial expansion. Its Minister for Industries, Mr. V. B. Raju, has announced that it will take full advantage of a proposal put forward by the Central Government to establish a newsprint factory and a sugar factory in Bhodan, in the Nizamabad district of Telengana. Bhodan, which is also called Shakarnagar, is situated in a cane-growing area, and already has two sugar factories. The expansion of the cane-growing area served by the Nizamsagar irrigation dam has greatly increased production and justifies the setting up of a new sugar factory. This factory will be run on a co-operative basis, and the State Government has asked the Deputy Registrar of Co-operative Societies to collect from cane-growers their share of capital for the factory. The rest of the capital is to be provided by the Centre and the State Government. The proposed newsprint factory will be the second of its kind in the State. The Sirpur Paper Factory, in Adilabad district, has been operating for some years under the managing agency of Birla Brothers. The new newsprint factory in Bhodan will use bagasse as raw material. A further economy will be effected in sugar production by substituting coal for bagasse, which is now being used as fuel. The factory is to be set up under the aegis of the National Industrial Development Corporation and is estimated to cost roughly Rs. 6 crores. Experts are now examining the possibilities for organising a steady supply of bagasse. Andhra Pradesh has also ratified the decision of the former Hyderabad Government by accepting the Central Government's proposal to participate in the working capital of the Praga Tools Corporation, which is situated in the suburbs of Hyderabad city. This Corporation has for some years been manufacturing precision machine tools. The Andhra Pradesh Government intends to retain its share-holding rights in the Corporation, as well as rights of managing agency vested in the State's Industrial Trust Fund. It is understood that the Centre proposes to improve the productive capacity of the Corporation, and also to equip it to manufacture heavy machine tools. According to the Chief Minister of Andhra Pradesh, Mr. N. Sanjiva Reddy, the State Government has decided to constitute shortly a State Electricity Board as contemplated under the Central Electricity Supply Act.

Outlook for Tin Supplies.—The commodity markets are always more sensitive than others to international events, as has been demonstrated throughout the recent developments in the Middle East. Price fluctuations on the London exchanges ever since the closing of the Suez Canal have reflected hopes and fears of the outcome even more accurately, perhaps, than the announcements of events themselves. This has been the case more especially with tin, and in view of the important rôle this metal plays in industry, it is useful at this stage to have a detailed analysis from A. Strauss and Co. showing the actual effects of recent events so far as European consumption is concerned. Excluding Russia and China, about 14,000 tons of tin-ore are mined monthly throughout the world. Of this, about 9,500 tons originate east of Suez. The voyage from Malaya to London normally took 4½ weeks, but the additional distance round the Cape has added about ten days. When the Canal was closed there occurred a gap in the pipeline equivalent to about the average amount previously shipped through the Canal every ten days—or around 1,500 tons. As the metal is now beginning to arrive in London regularly again, it makes relatively little difference how long the Canal is blocked. Fears that tin shipments may be held up not only by the closure of the Canal but also by a shortage of ships should be dispelled by the fact that, because of its weight-for-bulk, tin is such a good ballast that it is keenly sought by shipping lines. A. Strauss and Co. recalls that tin has frequently been carried from the East to Europe for nothing. Ignoring the consequences of the Canal closure, it has been estimated that over the whole of 1957 a surplus of 8,000 tons should arise. If there is no significant change in mine output and if commercial consumption rises at the same rate as in the past four years,

supply and demand should be running in balance by the end of 1957. Against this must be set any possible effect of the oil shortage on industrial activity in Europe. This is likely to check the growth of tin consumption or may even cause a fall. If so, the actual surplus in 1957 may be above 8,000 tons. It would seem that in the absence of any serious deterioration in the Middle East, European tin consumers should be able to get supplies with increasing ease for some time ahead.

Basic Difficulties of Lancashire.—With textile production in the U.K. showing a slight improvement lately, it was refreshing to find imports of cheap cloth not being held solely responsible for the troubles which afflict Lancashire's cotton industry. Instead, Mr. John Lindley, in his speech as retiring president at the annual meeting of the Manchester Cotton Association, referred to two other recurrent difficulties, which are probably even more serious in their long-term effects. The first of these is the violent short-term fluctuations which the industry has experienced in recent years, with slump and boom conditions alternating. The industry, he pointed out, needed large-scale capital investment, long-term planning and a highly trained labour force; these could only be secured by stabilisation at a level which would permit continuous operation. If this was achieved, it would be reasonable to hope that re-equipment would proceed confidently, that workers would be attracted to the mills, and that trade unions would co-operate in approaching problems free from the persisting fear of a return to widespread unemployment. The second difficulty with which Mr. Lindley dealt was the frequent surplus of raw cotton supplies. With the great American cotton crop under Government control, there could never be a real "world cotton price." Confidence might be restored for a time, but it did not long remain firmly established, and there was continual uncertainty about the next step which would be taken to bolster up prices or to dispose of accumulated stocks. This situation was detrimental to the steady, planned development of cotton growing in the Commonwealth and elsewhere in the world. If American policy thwarted the economic development of the colonies in Africa, the Lancashire industry would suffer, both as an importer and as an exporter. The biggest trouble is that the second of these difficulties frequently causes the first. There have been many recent periods when lack of confidence in raw cotton prices has brought a reduction in the demand for cotton textiles, with a consequent fall in mill activity and profits. Similarly, there have been occasions when uncertainty about the raw material has subsided and buying of yarn and cloth has increased to a volume which the industry could not readily produce after losses of machinery and workers incurred when trade was slack. It seems doubtful whether Lancashire can avoid sharp vicissitudes in its fortunes unless the production and prices of raw cotton are left to find their own levels.

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ELECTRICITY IN CALCUTTA

A DAILY contemporary announces that the Lieutenant-Governor of Bengal has granted to Messrs. Kilburn and Co., acting on behalf of the Indian Electric Co., a licence to supply electricity within the area of Calcutta and adds that this means, of course, that Messrs. Kilburn and Co. are now entitled to proceed with their scheme whether the Corporation agrees to it or not, and that from this point of view the earnestness with which the Commissioners seem to be still debating the question is infinitely amusing. There is a considerable confusion of ideas here, which seems to us much more amusing than to our contemporary. No one objects to electricity being introduced into Calcutta; indeed, section 7 of the Calcutta Tramways Act of 1880 enacts that the cars and carriages on the lines of the Tramways shall be worked with such power, animal or mechanical, as the grantees may think suitable; provided that no steam carriages shall be used without the consent of the Corporation. It follows from this that the Tramways Company or anybody who may be working the Tramways are entitled to propel their carriages by electricity if they think fit.

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THE WORKING OF SMALL-SCALE INDUSTRIES

NEED FOR GREATER EMPHASIS ON ECONOMY AND EFFICIENCY

(BY A CORRESPONDENT)

EXPENDITURE incurred on the development of small-scale industries during the first five year plan has been about Rs. 5.2 crores. In the second plan, a provision of Rs. 55 crores has been made. This sum is in addition to working capital requirements. The Village and Small-scale Industries Committee (commonly known as the Karve Committee) had suggested Rs. 65 crores for the development of small-scale industries. In making its proposals, the committee had three principal objects in view. These objects were: (1) to avoid further technological unemployment; (2) to provide increased employment; and (3) to provide the basis for the structure of an essentially decentralised economy. The central idea seems to be the evolution of a pattern of industrial activity in which a group of villages converging on their natural, industrial and urban centre form a unit or, to use the Committee's expression, "a pyramid of industry broad-based on a progressive rural economy."

Small-scale industries, their characteristics, and their contribution in relation to large-scale industries are questions of vital interest to the trade, the consumer and the State. The Small-scale Industries Board brings within the scope of the term "small-scale industries" all units or establishments having a capital investment of less than Rs. 5 lakhs and employing less than 50 persons

In the remaining 18 industries covered by the Census, the small-scale units are less than 50 percent of the total number of registered factories. The data relating to the above industries, in relation to other industries, are summarised in Table II below.

The data presented in the table indicate certain striking features of small-scale industries, both in themselves and in relation to large-scale industries. These may be summarised as follows:

1. Within the same industry small-scale units in gur, followed by those in rice milling, contribute the highest percentage share of capital, employment and value added.

2. As between different industries, the largest share of capital employment and value added is contributed by small-scale units in the general engineering and electrical engineering industry, followed by those in rice milling and vegetable oils. In these industries, small-scale units show a measure of development and profitability.

3. As we go to the mechanised and capital-intensive industries, like bicycles and iron and steel, we find a decline in the small-scale units' relative share of capital, employment and value added by manufacture.

4. The small-scale units in the selected industries represent 80.2 percent of the capital employed by such units in all industries, 88.5 percent of employment and 88.4 percent of the value added.

5. In the remaining 18 industries, however, such units (numbering 423) represent 19.8 percent of the capital, 11.5 percent of employment and 15.2 percent of the value added.

TABLE II: CAPITAL, EMPLOYMENT AND VALUE ADDED BY MANUFACTURE IN SELECTED INDUSTRIES, 1953.

Industry	Capital (Rs. in '000)			Employment (Number)			Value added (Rs. in '000)		
	Small-scale units*	Large-scale units	Total	Small-scale units*	Large-scale units	Total	Small-scale units*	Large-scale units	Total
1. Gur	67.26	28.30	95.56	50.97	1,466	6,563	19.77	7.04	26.81
2. Rice milling	7,93.84	6,20.31	14,14.15	23,732	25,340	49,072	1,54.44	1,40.72	2,95.16
3. Biscuit making	67.73	3,27.77	3,95.50	1,711	3,905	5,616	20.05	1,07.70	1,27.75
4. Vegetable Oils	10,47.3	12,37.37	22,84.72	15,358	25,111	40,469	15.31	2,40.19	3,53.50
5. Gen. Eng. and Elec. Eng.	12,64.57	51,54.98	64,19.55	29,841	107,794	137,635	35.15	20,26.96	25,61.04
6. Soap	50.88	6,68.88	7,19.76	737	4,893	5,630	12.62	3,74.86	3,87.48
7. Aluminium, Copper, and Brass	1,44.10	17,50.34	18,94.44	1,311	17,488	21,132	36.33	3,62.68	3,99.01
8. Fruit and Vegetable Processing	32.11	1,02.17	1,34.28	424	1,155	1,579	15.72	2,23.58	3,17.4
9. Bicycles	21.09	3,80.49	4,02.48	521	4,643	5,164	7.95	1,34.13	1,42.08
10. Iron and Steel	1,08.18	61,43.69	62,51.87	1,820	75,234	77,054	13.41	34,59.96	34,73.37
11. Paints and Varnishes	62.43	3,55.26	4,17.69	672	4,308	4,980	15.72	2,23.58	2,39.30
Selected Industries Total	36,50.44	167,69.56	204,30.00	83,557	271,337	354,894	79.51	72,42.73	80,37.24
Other Industries Total	9,01.15	515,34.29	524,35.44	10,809	1,262,154	1,272,963	1,42.34	252,45.73	253,88.07
All Industries Grand Total	45,51.59	683,03.85	728,55.44	94,366	1,533,491	1,627,857	93.85	324,88.46	334,25.31
Selected Industries as percentage of all industries	80.2	24.6	28.0	88.5	17.7	21.8	84.8	22.3	24.0

* Figures within brackets in this column denote the percentage of small-scale units to the total for the industry.

when using power. On this definition, we can separate from the huge mass of industrial data contained in the report on the Census of Indian Manufactures, certain essential factual information pertaining to the small-scale industries and study their characteristics. The Census, on the present basis, it should be noted, covers (1) only 29 of the 63 groups into which the entire field of manufacturing industry has been classified for the purpose; and (2) only those factories, in these 29 industries, which use power and employ 20 or more workers. Of the 6,399 factories submitting returns under the Census of Manufacturing Industries Rules, 1945, for the year 1953, as many as 3,831 (i.e., 60 percent) occur in the group of small-scale units as denoted by the size of their employment.

Percentage of Small Units

It is useful to analyse certain small-scale industries in further detail. The industries in which the number of small-scale units is more than 50 percent of the total number of factories are shown below. They are arranged in order of the predominance of small-scale units.

Industry	Number of Small-Scale Units	As Percentage of Total Number of Registered Factories
1. Gur	208	92
2. Rice milling	1,032	75
3. Biscuit making	63	72
4. Vegetable Oils	633	71
5. General Engineering and Electrical Engineering	1,184	69
6. Soap	29	64
7. Aluminium, Copper and Brass	132	61
8. Fruit and Vegetable Processing	15	60
9. Bicycles	25	60
10. Iron and Steel	63	56
11. Paints and Varnishes	24	52
Selected Industries Total	3,408	71.2
Other Industries Total	423	26.2
All Industries Total	3,831	60

Value added by manufacture is regarded as the most satisfactory measure of the importance of a given industry. Expressed as percentage of capital employed or value of gross-output or per person employed, it can be used to compare the level and/or as between the industries themselves. The employment, the higher the productivity; and a higher ratio of value added to the value of gross output implies a proportionately lower value of unit cost of production, the greater is the profitability. In Table III below, value added has accordingly been shown (1) as percentage of (a) capital employed and (b) gross output and (2) per person employed. It will be seen from this table that the

ratio of value added is generally lower in small-scale industries. But there are a few instances where it is higher. More precisely, value added as a percentage of capital employed is higher in the small-scale units of the aluminium, copper and brass and bicycle industries. Again, value added as percentage of gross output is higher in small-scale units of the gur, rice milling and bicycle industries. Finally, value added a person employed is slightly higher in the small-scale units of the rice milling industry.

Paints and Varnishes

In another table below are shown capital, employment and value added by manufacture a factory in each of the selected small-scale industries. It will be seen that the highest capital employed a factory (Rs. 2,600,000) and the highest value added by manufacture (Rs. 65,000) occur in the paints and varnishes industry, the highest employment a factory (29) occurring in the iron and steel industry. Capital as well as value added a factory is lowest in gur. Employment a factory ranges from 23 in rice milling to 29 in iron and steel. The value added a factory, in proportion to the capital employed a factory, is highest in the bicycle industry followed by general engineering and electrical engineering and biscuit making. In the selected small-scale industries, a factory, on an average, employs 24 persons; has capital worth Rs. 1,07,000; and contributes Rs. 27,000 to the value added. The small-scale units in the "Other Industries" group has twice the capital employed a factory in the "Selected Industries" group, but employs practically the same number and contributes only slightly more to the value added. Taking all small-scale industries together, a factory shows, on an average, slightly more capital and value added than its counterpart in the "Selected Industries" group, but substantially lower than its compeer in the "Other Industries" group. It shows no change in employment. The proportion of value added to capital employed is lowest in iron and steel and vegetable oils. This may be due to the presence of certain uneconomic units in those industries.

TABLE IV: SELECTED SMALL-SCALE INDUSTRIES: CAPITAL EMPLOYMENT AND VALUE ADDED BY MANUFACTURE A FACTORY.

Industry	Capital (Rs. in '000)	Employment (Number)	Value added (Rs. in '000)
1. Gur	32	25	9
2. Rice milling	77	23	15
3. Biscuit making	107	27	42
4. Vegetable Oils	165	24	18
5. General Engineering and Electrical Engineering	107	25	33
6. Soap	175	25	43
7. Aluminium, Copper and Brass	109	27	27
8. Fruit and Vegetable Processing	214	25	38
9. Bicycles	88	21	32
10. Iron and Steel	171	29	21
11. Paints and Varnishes	260	28	65
Selected Industries	107	24	23
Other Industries	213	25	33
All Industries	119	25	24

If we can locate the imbalance in small-scale units and eliminate or reorganise uneconomic ones, such industries would be useful to the economy. Even in the U.S.A., a highly developed country, there are a large number of industries of various sizes where smaller establishments have lower unit costs than bigger ones. This is partly because the results of organisational and technical research are constantly being sought by them. In Japan, it has been estimated that 60 to 70 percent of her total exports between the two world wars came from small industries. Over the same period, they provided more than 50 percent of the employment to her industrial workers. The State in both countries has in various ways helped the development of small-scale industries. In India, it could do the same, provided the primary emphasis is on economy and efficiency.

TABLE III: VALUE ADDED, 1953

Industry	Value added as percentage of capital employed			Value added as percentage of gross output			Value added a person employed		
	Small-scale units	Large-scale units	Total	Small-scale units	Large-scale units	Total	Small-scale units	Large-scale units	Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
1. Gur	29.4	24.0	28.1	18.5	18.4	18.5	0.4	0.5	0.4
2. Rice milling	19.5	22.7	20.9	5.4	5.0	5.2	0.7	0.6	0.6
3. Biscuit making	29.6	32.9	32.3	16.1	26.1	23.8	1.2	2.8	2.3
4. Vegetable Oils	10.8	19.4	15.5	3.9	4.3	4.2	0.7	1.0	0.9
5. General Engineering and Electrical Engineering	31.2	42.0	39.9	32.4	40.9	39.3	1.3	1.9	1.9
6. Soap	24.8	56.0	53.8	17.4	26.6	26.1	1.7	7.7	6.9
7. Aluminium, Copper and Brass	25.2	20.7	21.1	15.4	17.1	16.9	1.0	2.1	1.9
8. Fruit and Vegetable Processing	17.9	25.4	23.6	26.5	30.7	29.8	1.4	2.2	2.0
9. Bicycles	36.1	35.3	35.3	39.9	32.0	32.3	1.5	2.9	2.7
10. Iron and Steel	12.4	56.3	55.6	9.9	48.7	47.9	0.7	4.6	4.5
11. Paints and Varnishes	25.2	62.9	57.3	23.8	36.2	35.0	2.3	5.2	4.8
Selected Industries	21.7	43.2	39.3	10.2	28.0	23.9	0.9	2.7	2.3
Other Industries	15.8	49.0	48.4	16.0	32.5	32.3	1.3	2.0	2.0
All Industries	20.5	47.6	45.9	10.8	31.4	29.8	1.0	2.1	2.1

A DITCHER'S DIARY

It too, to all those who are interested in publicising private enterprise here in India.

My copy of the 1955-56 *Bedside Guardian* (Collins) arrived just before Christmas, in time to contribute to the pleasures of the season. I have already thumbed it well and have no hesitation in saying that it shows the same characteristics that made its predecessors so welcome. The chief attraction of the *Manchester Guardian*, which this tabloid seeks to epitomise, is not merely that in its columns the serious and the amusing are to be found side by side. Nor is it, indeed, the well-known "*Guardian temper*" which frowns on excesses—except, I regret to say, over matters affecting the Suez Canal—and fosters coolness and detachment, virtues which, apparently, come more easily to newspapers functioning outside the din and excitement of the world's great capitals. It is rather, as Mr. Ivor Brown points out in his excellent foreword, the shaping power of this great provincial newspaper, which mysteriously succeeds in evoking in all of its varied team of talents, a kind of "family" outlook. Every writer, of course, has his individuality and independence, but these have to subserve the recognised character of the paper. There is a good deal in the volume to interest readers in this country, but I think the article entitled "Causing to Read", may well make the ears of many Calcutta educationists burn with shame. Mr. Michael Lane, the writer, was, it appears, attached as a lecturer to a Calcutta college and he provides a gloomy picture indeed of the city's "college educational system, so tangled in the problems of poverty and over-population". I do not know whether to be sorry or surprised, that, as a recent Press report told us, despite the scarcity of well-paid jobs, West Bengal cannot find enough man-power to run certain departments of its educational factories. The utility of "causing to read" is probably beginning to break some hearts.

Back in 1947, I remember, one of the British Labour Party's main propaganda points for the kind of socialism it had in mind was the case of Sweden. That country, with a dissimilar background and facing different problems, was extolled as an example of what could be done under a controlled economy. I have not heard the claim lately, and that might be because, in the last few years, as with Britain, it has been Sweden's difficulties rather than her achievements which can be traced to socialism. In fact, if one accepts the theme of an excellently-produced pamphlet which has recently arrived on my desk, by far the greater part of this progress, and the increase in the country's standard of living, is due to private enterprise. Private industry in Sweden has made great strides since 1945. Although the country was not devastated by war, as were so many in western Europe, an increase in industrial output of 87 percent compares more than favourably with the average for the region of only 60 percent. Industrial productivity in Sweden has increased by 20 percent, and thanks to mechanisation, that of agriculture by 30 percent. Perhaps the main point to grasp is that this has been done by private enterprise in a country which is avowedly socialist. There is a parallel here with conditions in India; and there is no reason why the results should not be similar too. Sweden has permitted her private sector to develop on its own lines and is now reaping the benefits of her wisdom. I recommend this pamphlet—it is called *Product of Private Enterprise*, and is published by the Stockholm Chamber of Commerce in the interest, as it puts it, "of private enterprise in Sweden and elsewhere"—to all who think the only way to progress under socialism is to strangle the private sector. And I can recommend

It would not be altogether fair to denounce President Nasser as an enemy of modern art; he has enough to answer for without that. But he must take a large share of the blame for displacing the French post-impressionist paintings from their position as the year's best currency hedge. According to the January issue of *Pick's World Currency Report*, in 1956 the honour passed to tankers. Thanks to Egypt's ruler, anybody who bought a tanker at the beginning of that year was able to sell it at the end for three times as much—or even more. That is, if he cared to sell it at all, because there seems to be every promise of good profits for a few months yet. It might be interesting to ponder at what rate Mr. Onassis's fortune has been multiplying lately. Not that works of art lost their value, far from it. After tankers, they were still the best buy of the year—if you knew enough about art to be sure of what you were getting. Their value increased by round about one and one-third. That is not so bad considering they more than doubled in price the year before. They were still better investments than diamonds, gold, or government bonds. And they were certainly not to be compared with even the best blue-chips on the Calcutta stock exchange. One of the features of the world's currency markets last year was that even experts got their fingers burned. It turned out to be an even trickier game than usual, and many of the old favourites—steel products for instance—actually fell in value. But as usual, those who lost on the largest scale were the ordinary people of this world who know little or nothing about money except that it buys their food and clothing. The Hungarians were the worst hit.

Their currency lost two-thirds of its value. That sort of thing does not hit the headlines. But it can be far more effective in bringing a brave people to its knees than all the tanks Russia can muster.

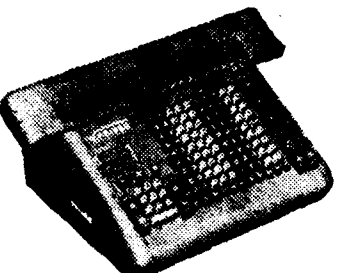
The Finance Minister, Mr. T. T. Krishnamachari, is fast gaining the reputation in India which Sir Stafford Cripps had in the United Kingdom—of being the man who looks for luxuries, then taxes them. It is not my intention to cry with Oscar Wilde "Oh, give me the luxuries of life and I shall do without the necessities." So let me at once concede that the classification of commodities under two heads is a reasonable one, bearing in mind differences in custom, climate, conventional standards and many other points beside. Nevertheless, this has not stopped me from having doubts about, among other things, the wisdom of the recent increased excise duty on watches. Their import too has been halved, so I suppose we must consider Mr. Morarji Desai also as a thief of time although never, of course, a procrastinator. I wonder whether it is safe to regard a watch as a luxury these days, especially in India, any more than it is to put medicines and bicycles in that category. So far as I am aware, large numbers of factory workers in this country like to sport a watch, and although the chief reason may be "conspicuous consumption", the incidental effects have been almost wholly good. If, as a result of these latest moves, the habit of punctuality, such as it is in India, is damaged, the production lost is likely far to outweigh the foreign exchange saved. While India has no watch industry of her own, or any sign of getting one, anything which will discourage "time consciousness" among workers is certainly a blow to progress. And I do not think it will be at all convincing for either Minister to argue that people often waste time just trying to be punctual, or that if workers have no time-pieces to consult, it will help reduce "clock-watching".

It is not only would-be tourists who will be dismayed at the prospect of no foreign exchange allowance. There are other people too whose aims are every bit as much in the national interest as, say, the business man, but whose reasons are unlikely to carry as much weight with officialdom. Among them are those who want to travel abroad simply to extend their professional or intellectual horizons. Obliging as the Reserve Bank can sometimes be, it is not likely to swallow that one. That is why I foresee a rush for this year's Harvard International Seminar to be held from 1st July to 21st August. Of all the opportunities for foreign travel with full expenses paid, it is one of the few which does not involve a detailed and specialised course of instruction, or indoctrination either for that matter. It is designed for, to quote its own words "... individuals who are achieving eminence in some field of endeavour ...". (I hope I shall not be accused of linguistic imperialism for changing the spelling of that last word) and who wish "to broaden themselves through contact with colleagues from other countries". The qualifications are, as usual, that an applicant should be between twenty-six and forty years of age and should have a good command of the English language. There is a formal academic programme, so no candidate need feel he is wasting his professional time. But the emphasis is on discussion, and against the background of current affairs and the American way of life. The main trouble with the scheme so far as Asian countries are concerned is that it is limited to about twenty participants from the whole of this vast continent. The last date for application is 15th March.

THE DITCHER.

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INCREASED TURNOVER IN STOCK MARKETS

PRICES IMPROVE ON HOPES OF CHEAPER MONEY

London, 9th January.

THE New Year got off to a good start in the stock markets. Business recorded a marked expansion and prices went ahead on a broad front to score widespread and often appreciable gains. The pace of the advance was not maintained as the demand became more selective and a certain amount of irregularity developed, but by and large the tone remained very satisfactory. The fall in the Treasury Bill rate for the fourth successive week encouraged hopes of cheaper money, while the strength of sterling in foreign exchange markets also helped sentiment. The outstanding feature was the strength of gilt-edged, which continued their advance on growing hopes of a general fall in interest rates. Industrials advanced on a broad front and recorded extensive gains, although a reaction brought prices back from their best levels. Textiles, particularly woollens and stores, provided the best features. Foreign bonds and rails were higher, with Japanese and Baltic issues supported.

Dollar stocks moved erratically in sympathy with Wall Street. Gold shares generally lost ground, but diamonds, coppers and other base metals tended upwards. Oils reacted sharply after moving to higher levels. Tea shares advanced on favourable comment, with a shortage of stocks contributing to the rise. Rubbers were subdued, but the undertone was satisfactory.

The Money Market

With the year-end intervening in the early part of the past week, short loan conditions were rather uncertain and showed no definite trend in the money market. The last day of the old year brought the unusual experience of very easy monetary conditions, there being a flood of money which the market was unable to use in view of the previous week's preparations. The first day of the New Year was again very easy, but subsequently the supply of money contracted. With the market indebted to the Bank of England for a large amount in the main tax season, starting conditions were less comfortable. Considering the talk of cheaper money, it was not surprising to see a further drop in the Treasury bill rate. The Bank of England return for the week ended 2nd January showed that notes in circulation were £29 million lower at £1,968 million, while bankers' deposits were £9 million higher at £212 million. Applications for £270 million worth of 91-day Treasury bills totalled £406,685,000. Only £260 million were allotted at the average rate of 95s 9.11d, compared with 97s 1.81d in the previous week. This

week £260 million worth of 91-day bills are offered. Fine trade bills remained unchanged.

Stock Market Prospects

The *Investor's Chronicle* market newsletter writes: London gilts are moving towards their end-August and mid-October resistance levels. A further moderate advance in industrials would indicate a continuance of the rally. Oils could continue to strengthen. Wall Street's immediate outlook is unpredictable as the sharp rally in industrials is unconfirmed by rails and domestic bonds. At least the early months of 1957 are likely to be difficult for British investors. The Middle East situation remains unfavourable. The Government is determined to protect sterling but the bears still doubt whether the rising costs will enable its strength to be maintained. When the currency reserve agreements with India, Ceylon and Pakistan end next June, there will be no blocked balances remaining within the sterling area. Bear positions are being renewed for shorter periods, implying that foreigners are not sure that Britain's economy will weather the storm, but that the outlook will become clearer shortly. Sterling should improve over the next few months, but the stock exchange will then have Budget uncertainties. One must hope for a new dynamic approach to encourage production and capital investment. The Treasury Bill rate has already fallen and the credit squeeze should ease later in the year. Gilt-edged should improve, subject to sterling being maintained. Industrials are more obscure. From their peak in July 1955 to their low at the end of November, they fell by 28 percent, compared with 26.5 percent and 29 percent in the two previous bear markets (which were at end of June 1952 and in autumn 1949 respectively). Some industries, such as shipbuilding and shipping, will continue to do well, but others will have a trying year. The cost structure of British industry will hardly improve in relation to foreign competitors. Probably towards the end of the year, prices will really go ahead, but meanwhile many stocks may be temporarily overvalued.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 2nd January, show that gold stocks were unchanged at \$21,949 million. Foreign deposits fell by \$91 million to \$291 million, while foreign investments fell by \$92 million to \$3,854 million. The Federal Reserve sold \$121 million worth of Government securities formerly held under repurchase agreements. Total discounts and advances fell by \$28 million to \$370 million, while the aggregate of excess reserves of member banks rose by \$155 million to \$239 million. The daily average excess reserves of member banks rose by \$98 million to \$761 million, while their daily average borrowings rose by \$259 million to \$900 million. Business loans of New York City banks fell by \$211 million to \$11,261 million, compared with a fall of \$115 million to \$9,092 million in the same week a year ago.

Gold in Retrospect

Messrs. Mocatta and Goldsmids annual bullion circular writes: The first half of 1956 marked the nadir of public interest in the gold market. Central banks with E.P.U. deficits were substantial buyers at below \$35. Suez developments galvanised the market, but the dollar price fell sharply during November when European central banks were selling gold to pay for dollar oil. If Europe's demand for dollars gets out of hand in coming months, gold shipments to the United States will be necessary as no other market can absorb the large amounts which central banks might have to sell. Such arbitrage to the United States would require a lower world price. London's prewar shipping parity to Washington was about \$34.76. Silver supplies from Australia, Burma, Singapore, South Africa and, early last year, from Saudi Arabia met British industrial needs of about 124 million ounces. It is doubtful whether the amounts shown as exported from Britain to Kuwait and some other parts of the sterling area ever arrived at those destinations. There has been virtually no silver coinage in Europe, except in Sweden, which took 320,000 ounces from Britain in December.

Firm Tone in Quicksilver

The recent firmer tone in the quicksilver market persists, traders say. They now generally indicate a price of £84 a flask, ex-warehouse London, compared with £84 previously. Spot supplies are reported to be by no means plentiful. It is understood that not much metal will be arriving in Britain, because of good sales in the international market by both Spain and Italy, especially on Far Eastern account. These are believed to have been transacted on the basis of £236 a flask, f.o.b. It is pointed out that the London spot price is not quite in line with the Spanish and Italian origin price, in that £236 is equivalent to about £84 5s 3d a flask and should make the London price about £85.

Sugar Terminal Market

The London sugar terminal market reopened for business on 2nd January after a lapse of 17 years. Operators began business in a rather uncertain manner, but towards the final stages of the first call sellers emerged and turnover totalled 500 tons with ten lots traded. There was an order from America, which was regarded as an encouraging sign. One of the major objectives of the market is to attract international trade. The Bank of England has announced that no objection will be raised to non-residents operating in it, and participants' bankers will be authorised to approve the payment of differences due from their customers to such non-residents. The differences due to and from non-residents must be paid to and from the appropriate type of non-resident sterling account.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

DULL WEEK FOR BILLS

Wednesday, 9th January.

THE upward trend in both advances and deposits continued last week. All the chief sources of demand increased their offtake. The requirements of the cotton and sugar industries are both running at a high level. An increasing quantity of funds is being required against grain and seeds storage in upcountry areas. The jute industry has also increased its offtake. The interbank market continues fairly tight, although the call rate is now quoted slightly lower at 4 percent. There are borrowers over at this level.

It has been a very quiet week for export bills. Few documents of any kind have been offered. Remittance has been moderate. Sterling continues to improve against all currencies. The reason is still reported to be short-covering after the psychological improvement which followed the negotiation of the dollar loan from the I.M.F. Bear operators must also have been impressed by the fact that the U.K.'s overall balance of trade showed a small surplus during 1956 and that this means devaluation is highly unlikely.

Bullion was quiet in the absence of interest. Silver moved within narrow limits and advanced from the previous week's level of Rs. 173 to Rs. 173.4, quoted for forward. The rate for ready was quoted at Rs. 173.8. The London and New York prices were unchanged.

Gold has been quiet in sympathy with silver and the price has declined from Rs. 105.12 to Rs. 105.8. The sovereign at Rs. 69 showed a loss of 4 annas.

During the week ended 4th January, Government of India Treasury Bills for Rs. 75,40,75,000 were sold in favour of the Reserve Bank of India.

Increases of Rs. 15.45 crores and Rs. 13.87 crores in active notes and the total note issue to Rs. 1,481.52 crores and Rs. 1,489.08 crores were outstanding features of the return of the Reserve Bank of India for the week ended 4th January 1957. The currency expansion was covered by raising rupee securities by Rs. 14.90 crores to Rs. 800.25 crores. Deposits of the Government of India declined by Rs. 2.90 crores to Rs. 54.34 crores but other Government accounts were Rs. 5.93 crores higher at Rs. 13.93 crores. Balances of commercial banks decreased by Rs. 9.75 crores to Rs. 48.34 crores. Balances held abroad dropped by Rs. 1.54 crores to Rs. 81.07 crores, while investments rose by Rs. 71 lakhs to Rs. 61.82 crores. Other loans and advances declined from Rs. 106.04 crores to Rs. 99.96 crores, of which advances to scheduled banks against usance bills amounted to Rs. 52.82 crores against Rs. 57.20 crores. These advances totalled Rs. 3.58 crores since 1st January 1957. Ways and means advances stood at Rs. 7.75 crores (Rs. 7.27 crores).

The return of the State Bank of India for the week ended 28th December, shows a rise of Rs. 2.99 lakhs in total deposits to Rs. 242.02 crores. Investments in Government securities and other authorised investments are up by Rs. 1 lakh and Rs. 18 lakhs to Rs. 95.50 crores and Rs. 11.39 crores, respectively. Advances, including cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 3.03 crores to Rs. 140.12 crores. Cash and balances are, in consequence, shown at Rs. 19.67 crores, or Rs. 3.21 crores higher.

The statement of the position of scheduled banks for the week ended 28th December, 1956, discloses Demand and Time Liabilities at Rs. 654.19 crores (Rs. 9.45 crores on account of borrowings from banks) and Rs. 459.50 crores (Rs. 2.49 crores), compared with Rs. 646.72 crores (Rs. 9.43 crores) and Rs. 459.86 crores (Rs. 2.86 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 3.04 crores and Rs. 1.88 crores to Rs. 38.33 crores and Rs. 52.66 crores, respectively. There is a drop of Rs. 8 lakhs in investments to Rs. 364.75 crores. Advances and bills discounted, at Rs. 788.46 crores, show a rise of Rs. 4.65 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.2 percent and 70.8 percent, against 7.8 percent and 70.8 percent.

The profit of the BANK OF INDIA LTD. has amounted to Rs. 1,05,29,924-7-2 for the year ended 31st December, 1956, including Rs. 13,26,630-3-5 brought in. Taxation absorbs Rs. 28,00,000, and interim dividend at 6 percent absorbed Rs. 15,00,000. The directors propose to pay a final dividend at 10 percent to absorb Rs. 25,00,000. Reserve fund gets Rs. 8,00,000, leaving a carry-forward (subject to the payment of a bonus to the staff) of Rs. 29,29,925.

The following is a statement of the cash balances of the Central Government on the last day of September, 1956:

(1) At the Reserve Bank of India	Rs.
in India	70,39,55,000
(2) At treasuries in India	2,01,07,000
(3) In England (Sterling converted at 18d the rupee)	1,47,19,000
Total	73,87,81,000

RESERVE BANK

(In 100's of Rupees)

	4-1-57	28-12-56	6-1-56
Liabilities—			
Notes in Banking Dept.	7,55.18	9,14.06	11,59.58
Notes in Circulation	14,81,52.37	14,66,06.70	13,65,70.91
Total Notes issued	14,89,07.55	14,75,20.76	13,97,30.49

Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,47,30.03	4,47,30.03	6,91,90.97
Total A	5,65,06.06	5,65,06.06	7,31,92.68
B Rupee Coin	1,23,76.17	1,24,90.01	1,06,82.99
Rupee Securities	8,00,25.32	7,85,34.69	5,58,54.82
Total	14,89,07.55	14,75,20.76	13,97,30.49

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	—
National Agricultural Fund (Stabilisation)	1,00.00	1,00.00	—

Deposits—			
(a) Central Govt.	64,34.22	57,23.96	54,10.85
(b) Other Govts.	13,92.38	8,90.15	9,72.23
(c) Banks	48,23.53	53,09.16	51,78.91
(d) Others	13,42.12	13,87.05	15,61.57
Bills Payable	12,15.22	14,34.00	10,09.65
Other Liabilities	1,08,56.77	1,07,10.71	27,89.61
Total	2,76,44.64	2,84,65.64	1,79,33.22

Assets—			
Notes	7,55.18	9,14.06	11,59.58
Rupee Coin	10.39	9.27	6.32
Subsidiary Coin	9.95	9.29	5.23
Bills Discounted Int.	—	—	45.50
Govt. of India Treasury Bills	2,99.03	3,29.69	11,77.08
Balances held abroad	81,07.03	82,90.74	43,39.72
Loans to Govt.	7,74.70	7,26.70	4,11.90
Other Loans etc.	99,96.44	1,06,03.95	44,63.30
Investments	62,82.98	61,81.62	50,51.24
Other Assets	14,38.92	14,30.32	13,09.25
Total	2,76,44.64	2,84,65.64	1,79,33.22

SCHEDULED BANKS

(In 100's of Rupees)

	28-12-56	21-12-56	30-12-56
Demand Liabilities—			
(a) Borrowings from Banks	9,45.25	9,42.71	5,22.24
(b) Others	6,44,73.85	6,37,29.07	6,09,25.93
Time Liabilities—			
(a) Borrowings from Banks	2,49.00	2,86.00	5,33.50
(b) Others	4,57,01.29	4,57,00.32	4,13,06.30
Borrowings from State Bank Demand Liabilities	8,10.81	9,67.71	7,23.49
Time Liabilities	—	—	—
Borrowings from Reserve Bank	79,05.84	67,63.62	30,02.40
Cash	38,22.96	35,29.45	38,05.64
Balances with the Reserve Bank	52,66.38	50,77.96	60,16.73
Balances with other banks in current account	12,83.50	10,75.01	14,35.45
Money at call and short notice	10,78.39	13,03.21	10,49.66
Investments in Central and State Govt. Securities	3,64,74.05	3,64,82.92	3,85,05.26
Advances	6,22,91.09	6,18,76.06	5,10,72.89
Unpaid bills purchased and discounted	1,11,73.81	1,10,02.02	66,25.49
Foreign bills purchased and discounted	53,81.19	55,02.82	48,46.69

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Calcutta	Bombay
4-1-57	57,60.12	56,03.33	1,11.90
28-12-56	61,25.34	61,25.34	—
21-12-56	79,46.90	79,96.90	—
14-12-56	67,18.32	67,30.26	—

STATE BANK OF PAKISTAN

(In 100's of Rupees)

	week ended	week ended
Liabilities—	21-12-56	14-12-56
Notes in Banking Department	8,51.55	11,09.03
Notes in Circulation	3,21,34.05	3,18,95.98
Total Notes issued	3,29,85.60	3,29,75.96

Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	82,02.81	82,02.81
Government of India Securities	21,63.47	21,63.47
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28
B Rupee Coin	5,32.04	5,36.00
Govt. of Pakistan Securities	1,60,30.93	1,60,30.93
Held with Reserve Bank of India pending transfer to Pakistan	—	—
Gold Coin and Bullion	15.02	19.02
Sterling Securities	4,40.52	4,40.52
Govt. of India Securities	1,00.90	1,00.90
Rupee Coin	29.51	29.51
Total	3,29,85.60	3,29,75.96

BANKING DEPARTMENT

Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Deposits—		
(a) Central Government	42,21.95	37,61.93
(b) Provincial Government	39.87	1,02.56
(c) Banks	13,21.27	13,42.13
(d) Others	3,54.70	3,35.64
(e) Jithers	24.27	26.11
Bills Payable	11,48.92	10,98.63
Other Liabilities	77,86.98	72,87.02

Assets—		
Notes	8,51.55	11,09.03
Rupee Coin	—	—
(a) Pakistan	13	12
Subsidiary Coin	—	—
(a) Pakistan	16	13
(b) India	—	—

Bills Purchased and Discounted—		
(a) Internal	—	—
(b) Govt. Treasury bills	96.97	1,56.99
Loans and Advances to Govt.	26.00	26.00
Provincial Govt. Debtor Balances	1,27.12	1,05.34
Other Loans and Advances	15,96.00	13,93.20
Investments	40,33.68	37,74.27
Other Assets	10,55.37	11,06.04
Total	77,86.98	72,87.02



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LONDON INSURANCE LETTER

EXPANSION RATE SLACKENS

By Air Mail.

It is much too soon to get a clear impression of British insurance in 1956; although preliminary figures are issued promptly, detailed analyses appear months later. It must be said, however, that the first impressions are not quite as good as earlier expectations. It appears that the gradual deflationary trend of the economy, though not actually reflected in new life assurance business, is reflected in the rate of increase in that business—that the rate of expansion has slackened. It appears that in the particular field of "self-employed annuities", which should have been very actively negotiated after the Chancellor of the Exchequer granted tax concessions, the development of business has been somewhat disappointing. If the full results for the year confirm these first impressions there will still be no semblance of gloom in the profession. Although insurance is an accepted part of the national life, the nation is still underinsured by North American standards, and the long-term trend is still, undoubtedly, expansive. The essential characteristic of life policies, as of other forms of insurance, is their adaptability to changing conditions and needs. But the public does not immediately become aware of the facilities available, and it would not be surprising if the new facilities for retirement affected results much more in 1957 than in 1956. For the longer term, the provision of with-profit policies seems to ensure further expansion; for the public is not yet convinced that the value of money is stable and is now accustomed to the idea that a flexible arrangement is desirable.

U.K. and U.S.A. Compared

The above remark concerning the U.K.'s relative underinsurance requires some qualification. Some weeks ago two statistical investigators, Mr. J. Johnston and Mr. G. W. Murphy, presented before the Manchester Statistical Society a paper comparing life assurance in the U.K. and the

U.S.A. It showed some similarities as well as some marked differences. The study showed that, taking ordinary and industrial life premiums together, life assurance premium incomes were in approximately the same relative position in the U.K. as in the U.S.A. and Canada, representing some 3 percent of total personal incomes. It showed also, however, that the sum assured a unit of premium income was approximately twice as large in the U.S.A. as in the U.K. The essential difference appears to be in the types of policy demanded. In the U.K. almost 60 percent of ordinary life assurance is in the form of endowment policies; in the U.S.A. they make up only 12 percent of the total. The authors of the paper noted a "marked aversion" to combining saving with insurance, through endowment policies, in the U.S.A., and they showed that even in non-endowment policies the great majority—more than 98 percent—represented regular term and credit policies. Between 1950 and 1954, term, credit, life and family income policies, which show very high sums assured a unit of premium, increased more than twice as fast as ordinary business.

Adjustments to the War Risk

At the beginning of 1957, the Institute of London Underwriters announced that the surcharge of 10s a £100 imposed at the end of October last on voyages insured via the Suez Canal and/or to, from, or transhipping at, ports in Egypt, Israel, Jordan, the Lebanon, and Syria, was withdrawn. But it announced that the basic rates for such cover were increased. The new rate of 5s a £100 compares with 1s 6d to 2s a £100 before the nationalisation of the Canal in July; but while the surcharge was in effect, the rates were 11s 6d to 12s a £100. To the anxieties arising from the nationalisation must be attributed the reversal of the downward trend of business reported until recently by the Export Credits Guarantee Department. The accounts of this body, published lately by the Controller and Auditor-General, show an increase of more than 50 percent, to £305 million, in the value of guarantees issued on commercial account in the six months to end-September last, compared with the same period of 1955. In the preceding financial year, to March last, the value of guarantees, at £486 million, was £58 million less than in the financial year 1954-55. There is no reason to suppose that the rate of transactions increased before the upheaval of July, and it can, therefore, be assumed that, quite suddenly, the risk of war persuaded traders of the value of export-credit insurance. A special interest in the latest accounts is the segregation of ordinary commercial business from that undertaken as a matter of policy. Though in principle the department operates on commercial lines, in practice sometimes it sets aside the commercial criterion in favour of economic or political expediency. Credits to Persia in anticipation of oil royalties are a case in point; another is the financing of export-promotion in the dollar area. As it happened, these "uneconomic" activities turned out profitably in the period covered by the accounts.

Insuring Dock Strike Risks

Against a background of renewed labour trouble in the docks, the Shipowners Mutual Strike Insurance Association has now been formed to cover shipowners' risks of loss suffered by detention, due to strike or lock-out, in the docks. The cost of this insurance will be based, eventually, on experience; at present it is estimated to average, annually, a ship, one and a half day's running costs, plus a fee of 6d in the £ of daily running costs. Insurance of this risk is certainly needed, and on the European continent it is already provided. But it has not been approved by the underwriting community in Britain, because the risk is not effectively spread: a dispute affecting a number of ports would release a flood of claims. The ordinary market will not, therefore, accept this kind of business, but a mutual association can undertake it.

Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.1 percent to 431.0 during the week ended 22nd December, 1956, compared with 430.4 (revised) for the previous week. The index was lower by 0.7 percent compared with that of a month ago, but was higher by 16.3 percent than that of the corresponding week of the previous year. Lower prices of rice in Patna (-6%), gram (-4%) and wheat in Amritsar (-2%) brought down the index for Food Articles by 0.2 percent to 417.7, compared with 318.5 (revised) for the earlier week, although the prices of tea, and gur in Muzaffarnagar (+3% each), wheat in Jabalpur (+2%), dal arhar and coffee, plantation P. B. (+1% each) exhibited advances. The index for Industrial Raw Materials moved up by 0.3 percent to 521.1 compared with 519.5 (revised) for the previous week as a result of an increase in the prices of raw silk in Bangalore (+9%), raw jute and groundnuts (+3% each), linseed in Bombay (+2%), castorseed, gingellyseed in Jhansi and pure buttonlac (+1% each); prices of manganese ore (average export price), (-12%), copra (-3%), raw cotton (-2%), linseed in Calcutta, rapeseed and pure T. N. shellac (-1% each) were marked down. The index for Semi-Manufactures remained stationary at the previous week's level of 416.4 (revised). Items which showed variations were: sheepskins (+9%), kerosene oil, coconut oil in Calcutta and zinc (+3% each), cowhides, buffalo hides, groundnut oil in Calcutta and copra cake (+2% each), coconut oil in Bombay and mustard oil in Kanpur (+1% each), groundnut cake (-6%), gingelly oil (-4%), groundnut oil in Bombay and copper (-3% each), coconut oil in Calcutta, mustard oil in Calcutta and coir yarn (-2% each) and linseed oil (-1%). The Manufacturers group index rose by 0.5 percent to 388.6 reflecting an increase in the prices of jute manufactures (+4%) and a nominal rise in the prices of cotton manufactures. A rise of 0.2 percent to 590.6, against 489.3 (revised) for the previous week in the index for the Miscellaneous group was caused by an increase in the prices of chillies in Patna (+15%) and cashewnuts in Mangalore (+12%) in spite of a decline in the prices of chillies in Calcutta (-6%) and black pepper in Cochin (-3%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year Ended August, 1939=100)

Groups and Sub-Groups	22-12-56	Week Ended 15-12-56	24-11-56	24-12-55
I Food Articles:	417.7	418.5(R)	423.5(R)	325.3
Cereals	533*	542*	546(R)	385
Pulses	419	429	425	359
Others	269*	262(R)	269	234
II Industrial Raw Materials:	521.1	519.5(R)	531.1(R)	445.0
Fibres	501	500	523(R)	441
Oilseeds	583	575*	572	454
Minerals	523	536(R)	532	431
Others	431	431	430	461*
III Semi-Manufactures:	416.4	416.4(R)	419.5(R)	350.4
Leather	445	435(R)	443	408
Mineral Oils	210	207	210	202
Vegetable Oils	634	638(R)	635(R)	425
Cotton yarn	495	498	503	431
Metals	327	327	327	279
Oilcakes	468	477	486	351
Others	363	364	364	330
IV Manufactures:	388.6	386.6	386.1	372.6
Textiles	421	417	417	404
Jute	475	457	459	411
Cotton	416*	415*	415*	399*
Rayon and silk	429*	429*	421*	486*
Woolen	266	266	266	278
Metal products	390	390	390	371
Others	298	297	296	285
V Miscellaneous:	590.6	589.3(R)	591.2(R)	546.6
All Commodities:	431.0	430.4(R)	434.2(R)	370.7

R=Revised.

* = Estimated.

BRAZILIAN MANGANESE ORE FOR U.S.A.

It is reported from New York that Bethlehem Steel will next month start taking manganese ore from its new mines in Brazil after five years of development and exploration. Using nearly \$50 million under an Export-Import Bank loan, Bethlehem Steel has built a port and 120 miles of railroad to carry manganese ore to the sea. The estimated production of the new mine will be 600,000 tons of ore annually. Of this, about 200,000 tons will be available for the American industry. The remainder will go to the U.S. Government stockpile.

INCREASED OUTPUT OF IRON ORE IN INDIA

The estimated total output of iron ore in India increased to 380,186 tons in October, 1956, from 334,605 tons in September, 1956, according to official statistics released by the Chief Inspector of Mines. Returns received from 114 mines for October, 1956, show despatches totalling 204,792 tons to the iron and steel plants and 97,226 tons to the export market. The reported stocks at the end of the month amounted to 1,363,578 tons.

Stocks and Shares

ANOTHER LISTLESS WEEK IN THE STOCK MARKET

COPPER INTERIM DISAPPOINTS OPERATORS

Wednesday Evening.

THE share market has continued in a moribund state throughout the past week. After a brief flicker of life in Indian Irons last week-end, speculative shares have drifted lower. The price of Irons at today's clearing was Rs. 27-15, compared with that at the last clearing of Rs. 29. Indian Coppers fell today after the announcement of an interim dividend on the old and the new capital combined of 6½ percent. This gives a return in terms of the old capital of 10 percent, the equivalent of that declared last year. The only scrip which has shown any sign of buoyancy has been Burrakur, which has benefited from more interest in buying. The undertone of the market is now distinctly subdued and the general feeling is that it will stay that way until after the elections in March.

Investment shares have remained quiet. Some life has appeared in the sugar and breweries section following the cut in imported liquor. Coal, jute and tea shares have all been neglected, while fractional price falls have been recorded in many engineering and miscellaneous issues. There are reports in the market that the Life Insurance Corporation has been showing some interest in selected debentures and a few preference and ordinary shares.

Details of the week's trading follow.

Government securities were quiet and the volume of business mediocre. Three percent Conversion Loan had buyers at around Rs. 73 and Non-terminable Paper was nominally quoted at the same rate. In short-dated loans, 3% 1957 was unchanged at Rs. 99-12 and 3% 1958 was traded at around Rs. 99-9; 2½% 1961 had buyers at Rs. 93-5 and 3½% 1961 was slightly better at Rs. 99-4. In the medium-dated group, 3% 1959-61 eased further to Rs. 97-11 and 3% 1963-65 continued on offer at Rs. 94-3. Among National Plan issues, 3½% 1964 continued under pressure at Rs. 98-3 and 3½% 1965 shed three annas at Rs. 98-2. However, 3½% 1967 was steady at Rs. 98-6 but the enquiry was mainly due to the approach of the interest payment date (15th instant). In long-dateds, 3% 1966-68 was unchanged at Rs. 92-4 and 3% 1970-75 had sellers at Rs. 86-14. State loans were quotably unchanged but sellers continued to predominate in the market.

Business in preference shares was on a very small scale although prices showed little variation. In the miscellaneous section, Associated Hotels were marked at Rs. 66 and Banarhat Tea were crossed at Rs. 121-8. Bharat Collieries were reported at Rs. 51 and Calcutta Electric changed hands at Rs. 10-8. Dalmia Cement Rs. 40 paid-up preference shares were dealt in at Rs. 38 and there were sellers of India General Navigation at about Rs. 66. Indian Iron & Steel were wanted at Rs. 101 and Indian Standard Wagon were bought on investment account at Rs. 124. Indian Aluminium were taken at Rs. 77-8. Indo-Burma Petroleum were crossed at Rs. 101 and a small lot of Jardine Henderson at Rs. 61. Kesoram Cotton were enquired for at Rs. 114 and Martin Burn were crossed at Rs. 100. A few transactions were reported in New Victoria Cotton at around Rs. 4-8, National Tobacco 1st were done at Rs. 68-10 and the 2nd were crossed at Rs. 62-10. Rohtas Industries "B" preference were marked at Rs. 64-8, Ryam Sugar at Rs. 9-4 and Tezpur Tea at Rs. 12-4. In jute, a solitary transaction was reported in Gourepore at Rs. 82.

In the banking section, Punjab National met with enquiry and improved from Rs. 49 to Rs. 51-4. United Commercial Bank were better at Rs. 53-3 while Hind Bank were easier at Rs. 35. United Bank of India "B" shares changed hands after a long interval at Rs. 9-15.

Among railways, Bukhtiarpur-Bihar were reported at Rs. 8-15 and a small lot of Katakhal-Lala Bazar at Rs. 73.

Textile shares were depressed with Bengal Nagpur being marked down from Rs. 8-12 to Rs. 8, Cawnpore Textiles from Rs. 8-4 to Rs. 8 and Elgin Mills from Rs. 24-8 to Rs. 24. Kesoram were easier at Rs. 14-5.

The general depression in the market during the period under review also affected coal shares and prices showed a downward trend as will be seen from the following table:

	Opening 3-1-57 Rs.	Closing 9-1-57 Rs.
Bengal Coal	455 0	443 0
East Indian Coal	27 0	26 8
Katras Jherriah Coal	56 8	53 0
New Beerbhoom Coal	16 0	14 8

Burrakur, in contrast recovered from Rs. 20-14 to Rs. 21-6.

Conditions in the jute section went from bad to worse and prices continued to move to lower levels as will be seen from the following table:

	Opening 3-1-57 Rs.	Closing 9-1-57 Rs.
Agarpara	9 12	9 4
Anglo-India	135 0	125 0
Auckland	90 0	87 0
Bally	154 0	148 0
Caledonian	139 0	125 0
Delta	128 0	125 0
Howrah	18 6	18 0
Megna	68 0	65 0
New Central	13 4	13 0
Northbrook	21 0	20 8
Orient	120 0	105 0

In the electric supply section, United Provinces met with some enquiry and improved from Rs. 114 to Rs. 148 ex-dividend. Calcutta Electric fluctuated around Rs. 13 and Patna were quoted at Rs. 11-4 ex-dividend.

In the sugar and brewery section, following the recent cut in the imports of liquors and increased excise duties, there was a good enquiry for Dyer Meakin at the higher rate of Rs. 6 and Carew & Co. at about Rs. 7-6. Belsund eased from Rs. 10-6 to Rs. 10 while Champaran were marked back from Rs. 24 to Rs. 23. Durbhanga were steady at Rs. 22 and Ramnugger were unchanged at Rs. 23-4.

In the engineering section, Indian Iron & Steel shares touched a new low of Rs. 27-8, but bear covering at the close caused a recovery to Rs. 27-15. Good business was reported in Guest, Keen, Williams at around Rs. 23-2. Jessop & Co. were marked back from Rs. 28-8 to Rs. 27-8 and Richardson & Cruddas from Rs. 22-8 to Rs. 21-10. Indian Standard Wagon eased from Rs. 195 to Rs. 190. Textile Machinery were extremely depressed at around Rs. 19. Burn & Co., were Rs. 5 lower at

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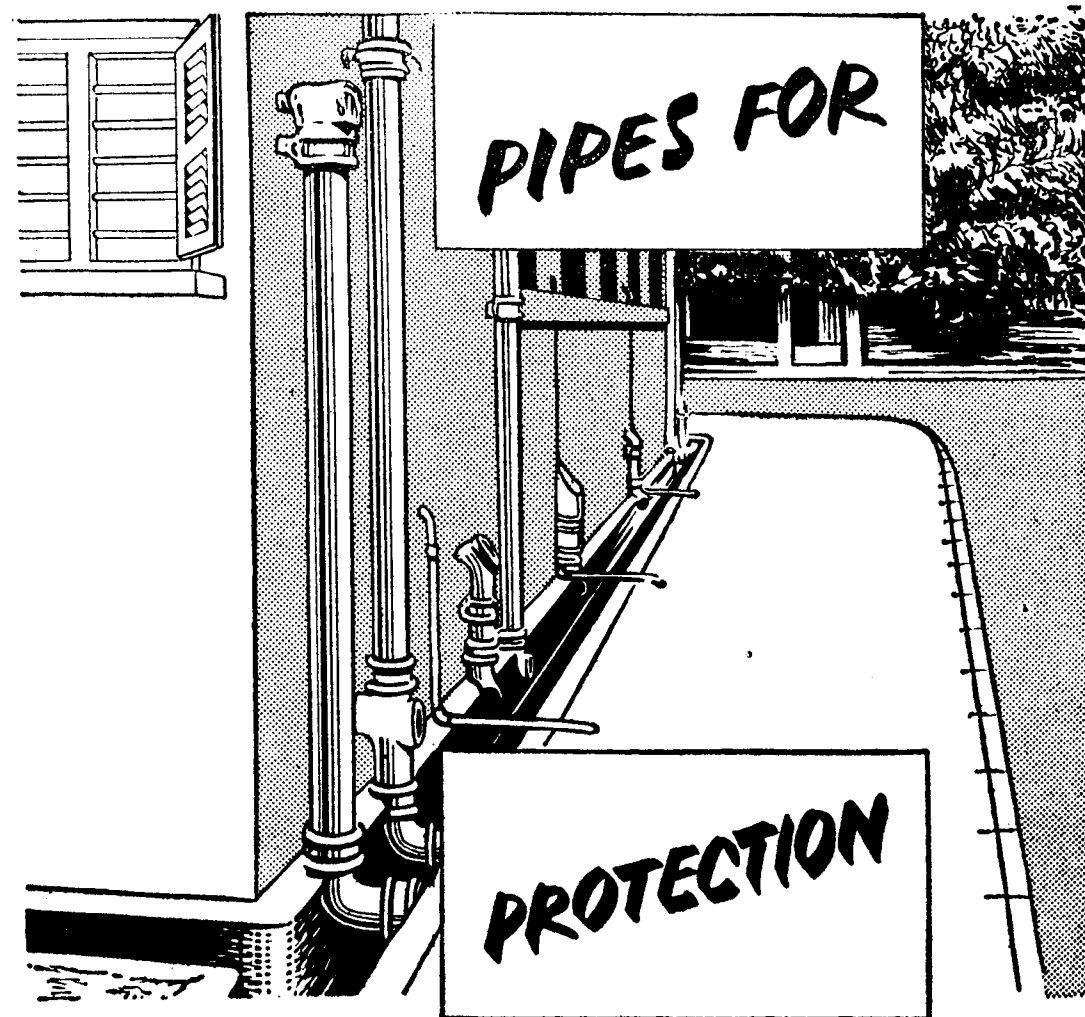
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Rs. 313 and Braithwaite reacted from Rs. 26.5 to Rs. 26. Marshall's were neglected at Rs. 5.

In paper, India Paper Pulp were easier at Rs. 22 and Orient Paper were marked back from Rs. 31.6 to Rs. 30. Shree Gopal were quoted at Rs. 16.2 ex-dividend while Titagur were steady at around Rs. 36.3.

In cement, Assam Bengal were unchanged at Rs. 6.12 as were Dalmia at Rs. 12. Sone Valley were easier at Rs. 7.13.

In insurance, Concord of India were placed at Rs. 10.12 and New Asiatic were easier at Rs. 3.14. General Assurance were crossed at Rs. 25.

In shipping, Calcutta Landing were crossed at Rs. 12.8, but were later quoted at Rs. 13.8. India General Navigation dropped Rs. 2 to Rs. 69, but India Steamship were comparatively steady at Rs. 9.4. Port Shipping were unchanged at Rs. 15.

Among miscellaneous industrials, Alkali & Chemical were unchanged at Rs. 18.12 while Anglo Brothers met with enquiry and recovered from Rs. 18.12 to Rs. 20.8. Balmer Lawrie were slightly better at Rs. 152 and Britannia Biscuits were marked at Rs. 12.12 ex-dividend. Calcutta Tramways improved to Rs. 15.14 and Dunlop Rubber were unchanged at Rs. 26. Hindustan Motors were depressed at Rs. 7.8 while Imperial Tobacco recovered from Rs. 13.14 to Rs. 14.4. Indian Aluminium were marked back from Rs. 14.12 to Rs. 14. Indian Cables were marked down to Rs. 30.4 while Indian Rubber improved further from Rs. 20.8 to Rs. 22.4. Indo Burma Petroleum eased from Rs. 36.8 to Rs. 34 and Indian Wood Products dropped Re. 1 to Rs. 42.8 ex-dividend. Jardine Henderson were marked down from Rs. 83 to Rs. 80. National Carbon were fairly steady at around Rs. 25.14 as were Rohtas Industries at Rs. 19.5. Rallis were easier at Rs. 37.8 as were National Tobacco at Rs. 9.8.

In the mining group, Indian Copper Corporation, after being taken up to Rs. 3.12, closed easier at Rs. 3.10 as operators were disappointed with the interim dividend announcement today of 6½%. Burma Mines were unchanged at Rs. 2.15 as were Karanpura Development at Rs. 14.8 and Metal Corporation at Rs. 8.4.

Tea shares were extremely dull. Bishnauth changed hands at Rs. 19, Brahmaputra at Rs. 7.8 and Brooke Bond at Rs. 19.2. Dhelakhat came to hand at Rs. 20.8 and East India, Methoni and Sapoi had sellers at Rs. 21.12, Rs. 19 and Rs. 25 respectively. Rajgarh were slightly better at Rs. 39.8 and Tezpor were marked at Rs. 20.14. Belgachi were slightly better at Rs. 60 but Jayshree were sold down to Rs. 10. Hantapara met with selective enquiry at the lower rate of Rs. 181 while Hasimara and New Doars were easier at Rs. 27.14 and Rs. 315 respectively.

We publish below the results of the ANDREW YULE GROUP OF JUTE MILLS Co. Ltd. for the half-year ended last May. After providing Rs. 50,000 for depreciation, there is a loss of Rs. 1,03,140 for the ORIENT JUTE MILLS Co. Ltd. A sum of Rs. 1,82,196 has had to be provided against the anticipated loss on raw jute stock, work-in-progress and jute contracted for, on the basis of the estimated realisable value as at 31st May, 1956. Bringing in Rs. 5,783 from the previous half-year, there is a balance of Rs. 2,79,553 at the debit of the profit and loss account, against which the directors have transferred Rs. 2,80,000 from general reserve. They have also transferred Rs. 25,000 from dividend equalisation reserve and recommended the payment of a dividend on ordinary shares of Re. 1 a share. A credit balance of Rs. 537 is carried forward.

Providing Rs. 50,000 for depreciation, the CHEVIOT JUTE MILLS Co. Ltd. has incurred a loss of Rs. 1,81,112. A sum of Rs. 2,45,116 has had to be provided against the anticipated loss on raw jute stock, work-in-progress and jute contracted for, on the basis of the estimated realisable value as at 31st May, 1956. Bringing in Rs. 2,615, there is a balance of Rs. 4,23,613 at the debit of the profit and loss account, against which the directors have transferred Rs. 4,25,000 from general reserve. They have also transferred Rs. 35,000 from dividend equalisation reserve, being the amount required to pay the dividend on the preference shares. A credit balance of Rs. 1,387 is carried forward.

Transferring Rs. 1,80,000 to depreciation, the CALEDONIAN JUTE MILLS Co. Ltd. has shown a loss of Rs. 1,93,238. An amount of Rs. 2,55,518 has had to be provided against the anticipated loss on raw jute stock, work-in-progress and jute contracted for, on the basis of estimated realisable value as at 31st May, 1956. A similar provision for raw jute stock and work-in-progress, amounting to Rs. 78,836, made during the previous half-year has been written back to the credit of the profit and loss account. Bringing in Rs. 6,248, there is a balance of Rs. 3,63,672 at the debit of the profit and loss account. The directors have transferred Rs. 4,00,000 from general reserve and recommended the payment of the dividend on the preference shares. A credit of Rs. 1,323 is carried forward.

Providing Rs. 30,000 for depreciation, there is a loss of Rs. 1,38,873 of the DELTA JUTE MILLS Co. Ltd. A sum of Rs. 3,68,225 has had to be provided against the anticipated loss on raw jute stock, work-in-progress and jute contracted for, on the basis of estimated realisable value as at 31st May, 1956. A similar provision for jute contracted for, amounting to Rs. 5,750, made during the previous half-year and excess provision for taxation of Rs. 38,000 have been written back to the credit of the profit and loss account. Bringing in Rs. 15,912, there is a balance of Rs. 3,87,436 at the debit of the profit and loss account, against which the directors have transferred Rs. 3,90,000 from general reserve. They have also transferred Rs. 12,500 from dividend

lisation reserve, being the amount required to pay the dividend on the preference shares. A credit of Rs. 2,564 is carried forward.

Providing Rs. 77,000 for depreciation, the BELVEDERE JUTE MILLS Co. Ltd. has made a loss of Rs. 2,18,867. An amount of Rs. 2,62,170 has had to be provided against the anticipated loss on raw jute stock, work-in-progress and jute contracted for, on the basis of the estimated realisable value as at 30th June, 1956. A similar provision for raw jute stock and work-in-progress, amounting to Rs. 77,558, made during the previous half-year has been written back to the credit of the profit and loss account. Bringing in Rs. 1,004, there is a balance of Rs. 4,02,475 at the debit of the profit and loss account, against which the directors have transferred Rs. 4,05,000 from general reserve. They have also transferred Rs. 24,500 from dividend equalisation reserve, being the amount required to pay the dividend on the preference shares. A credit balance of Rs. 2,525 is carried forward.

The gross profit of the ALUMINIUM CORPORATION OF INDIA increased from Rs. 12.82 lakhs to Rs. 25.21 lakhs for the year ended last March. The company has declared a maiden ordinary dividend of 5 percent. General reserve is allocated Rs. 2 lakhs against nil. The carry-forward is Rs. 1,16,199, against Rs. 32,583 brought in.

Bombay Market

SPECULATIVES TOUCH NEW LOWS

GOOD CORPORATE NEWS LEAVES GLOOM UNDISPELLED

Wednesday Evening.

TRADING on the Bombay stock market during the past week has been disappointing, and equity values were brought down to new lows on bull liquidation induced by reports of payments difficulties. There was a general inclination to lighten commitments as a large number of uncertainties have adversely affected the economic outlook. The final outcome of the Congress economic policy, which has been discussed at the Indore session, is anxiously awaited. Considering that the Government will require increased revenue from taxes, it is unlikely that any worthwhile change in sentiment will take place until the general elections are over. Meanwhile, good corporate news seems to have had little effect on activity.

Tata Steel declined to Rs. 170.12, as did Indian Iron to Rs. 27.14 without much buying support in evidence, although closing levels were fractionally higher on short-covering. Alcock Ashdown were offered at Rs. 257.8, as were Premier Construction at Rs. 176. There was no interest in automobile shares, with Hindustan Motors declining to Rs. 7.9 and sellers predominating. Tata Locomotive fell to Rs. 153 x.r.

The mill group was dotted with substantial losses all round. In spite of a bonus issue, Dawn Mills were quoted around Rs. 162.8. Bombay Dyeing were transacted at Rs. 548.12 and Century came to hand at Rs. 485.8. Simplex were done at Rs. 180 and Svadeshi realised Rs. 220.8. India United Ordinary declined to Rs. 11.4, with sellers over.

Miscellaneous shares were depressed in line with the general trend. Associated Cement were available at Rs. 181.4 and Digvijay Cement declined to Rs. 151. Belapur Sugar were relatively steady around Rs. 244 on the better outlook for the industry. Walchandnagar Industries were done at Rs. 253.12. Bombay-Burmah slumped to Rs. 645, as did Tata Chemicals to Rs. 16.4. National Rayon were lowered to Rs. 234.8. Steamship shares were depressed, with Scindia coming down to Rs. 18.3 and India Steamship quoted lower at Rs. 9.4.

Interest was subdued in banking shares despite reports of increased profits for the past year. Bank of India were quoted lower at Rs. 137.8 and Central Bank were available at Rs. 51.8. Insurance shares were freely offered without attracting support. New India were sold at Rs. 43.12 and Oriental were placed around Rs. 3,655.

Turnover in electricity supply undertakings was restricted and prices were notably unchanged. Ahmedabad Electricity were done at Rs. 93.12 and Tata Hydro realised Rs. 123.

THE WEEK'S TRANSACTIONS

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

GOVERNMENT SECURITIES

2½% Loan (1902)—Rs. 93.15—93.15—93.15—93.15.
3% Govt. Paper—Rs. 72.12—72.14—72.9—72.14.
3% Loan (1906)—Rs. 73.2—73.6—72.14—73.1.
3% " (1958)—Rs. 99.8—99.8—99.8—99.8.
3% " (1963-65)—Rs. 94.3—94.4—94.3—94.4.
3% " (1970-75)—Rs. 86.13—83.13—83.13—83.13.
3% " (1964)—Rs. 98—98—98—98.
3% " (1974)—Rs. 99.2—98.2—98.2—98.2.
3% " (1965)—Rs. 98—98—98—98.
4% West Bengal (1967)—Rs. 98.2—98.2—98.2—98.2.
4% West Bengal (1968)—Rs. 99.1—99.1—99.1—99.1.
4% Loan (1967-70)—Rs. 100.8—100.8—100.8—100.8.
4% U.P. (1968)—Rs. 97.14—97.14—97.14—97.14.

BANKS

Hind—Rs. 35—35—35—35—(36).

Punjab National—Rs. 51—51.4—51—51.4.
United Commercial—Rs. 53—54.4—53—54.4—(52.8).
United Bk. of India ("B" Shares)—Rs. 9.15—9.15—9.15—9.15.

RAILWAYS

Bukhtiarpur Bihar—Rs. 8.14—8.15—8.14—8.15.
Dehri Rohtas—Rs. 13.3—13.3—13.3—13.3.

COTTONS

Boxvraah—Rs. 145—145—145—(385).
Dunbar—Rs. 190—203—190—199—(305).
Elgin—Rs. 23.12—24.4—23.11—24.4—(26-10).
Jayshree—Rs. 5.14—5.15—5.13—5.14.
Jyajeeraj (Pref.)—Rs. 97—97—97—97.
Kesoram—Rs. 14.8—14.11—14.4—14.8—(18.3).
Do. (Pref.)—Rs. 113.8—114.8—113.8—114.8—(133).
New Victoria—Rs. 1.12—1.13—1.12—1.13—(Rs. 2.1).
Do. (Pref.)—Rs. 4.9—4.10—4.8—4.8—(3.12).
Swadeshi (P.O.)—Rs. 11.3—11.5—11.3—11.5.
Sree Radheshyam—As. 6—6—6—6.

COALS

Bharat—Rs. 6.6—6.10—6.4—6.10—(8.1).
Do. (Pref.)—Rs. 51—51—51—51.
Burrakur—Rs. 21.6—21.8—20.15—21.6—(16.14).
Bengal—Rs. 442—442—442—442.
Central India—Rs. 6.2—6.2—5.15—6.2—(8.5).
Dhemo Main—Rs. 6.1—6.1—5.13—6—(9.10).
Equitable—Rs. 25.8—25.8—24.6—24.12—(35.12).
East Indian—Rs. 27—27—27—27—(35.10).
Jogta—Rs. 1.2—1.2—1.2—1.2—(3.10).
Kuardi—Rs. 2.7—2.7—2.7—2.7.
Katras Jheriah—Rs. 53.8—53.8—53.8—53.8.
New Beerbhoom—Rs. 14.7—14.7—14.7—14.7.
Raneegunge—Rs. 9.12—9.12—9.5—9.6 x.d.—(12.5).
Shree Mahakali—Rs. 3.12 S.T.—3.12—3.12—3.12.
Singaran ("B" Shares)—As. 6—6—6—6.
South Karanpura—Rs. 8.14—8.14—8.14—8.14.
Western Bengal—Rs. 6—6—5.13—5.15—(7.10).

JUTES

Anglo-India—Rs. 136—136—124—124.
Do. (Pref.)—Rs. 101—101—101—101.
Auckland—Rs. 87—87—87—87.
Bally—Rs. 154—156—154—156—(185).
Birla—Rs. 14.9—14.9—14.9—14.9—(18.7).
Bengal—Rs. 16.8—16.8—13.8—13.8—(19.12).
Budge Budge—Rs. 105—105—105—105—(186).
Cheviot—Rs. 142—144—142—144—(236).
Chandpady—Rs. 127.8—127.8—126.8—127.8—(182).
Chitavalsah—Rs. 11.9—11.15—11.9—11.15—(15.4).
Clive—Rs. 12.6—12.6—12.6—12.6—(253).
Delta—Rs. 126—129—126—127—(19.8).
Fort William—Rs. 19.3—19.3—19.3—19.3—(19.8).
Gouropore—Rs. 190—192—190—190—(319).
Do. (Pref.)—Rs. 82—82—80—80—(105).
Ganges—Rs. 53—54—52.8—52.8—(87).
Howrah—Rs. 18.2—18.3—17.15—18.1.
Hooghly—Rs. 19.13—19.13—19.13—19.13—(42).
Hukumchand (Pref.)—Rs. 102—102—102—102.
India—Rs. 122—123—122—123—(166).
Kamarhatti—Rs. 96—96—96—96—(189).
Khardah (Pref.)—Rs. 89.8—89.8—89.8—89.8.
Megha—Rs. 65—65—65—65.
Naihati—Rs. 71—71—71—71—(115.8).
National—Rs. 18.8—18.14—17.13—18—(31.14).
Naskarpara—Rs. 14.11—14.11—14.11—14.11—(20).
New Central—Rs. 13.6—13.6—12.14—13.4—(18.6).
Nudea—Rs. 30—30.4—30—30.4.
Orient—Rs. 105—105—105—105.
Reliance—Rs. 8—8—8—8—8.5.
Shree Luchminarayan (Conty.)—Rs. 3.15—5.4—3.15—5.4.

MININGS

Burma Mines—Rs. 2.15—3—2.14—2.15—(2.6).
Consolidated Tin—Rs. 1.14—1.14—1.12—1.14—(2.10).
Christian Mica—Rs. 14.14—14.14—13.12—13.14—(18.3).
Do. (Defd.)—Rs. 7.7—7.7—7.7—7.7—(11).
Indian Copper—Rs. 2.12—2.13—3—3.10—(6.15).
Metal Corp.—Rs. 8.1—8.1—8.1—8.1—(8.3).
Orissa Mineral—Rs. 19.12—19.12—19.12—19.12.
Tavoy Tin—As. 10—11—9—11—(As. 10).

CEMENTS

Assam Bengal—Rs. 6.12—6.14—6.12—6.14—(7.14).
Ashoka—Rs. 10.13—10.13—10.13—10.13.
Dalmia (Bharat)—Rs. 11.14—12—11.14—12.
Do. (2nd Pref.)—Rs. 38—38—38—38—(36.8).
Sone Valley—Rs. 8—8—7.13—7.13—(8.4).

CHEMICALS

Alkali & Chemical (Ord.)—Rs. 18.12—18.13—18.12—18.12—(22.6).
Bathgate & Co.—Rs. 1.7—1.7—1.7—1.7—(2.5).

ELECTRICS

Calcutta—Rs. 12.15—13.3—12.15—13.0—(14.6).
Do. (Pref.)—Rs. 10.8—10.10—10.7—10.8—(12.4).
Cutback—Rs. 8.8—8.9—8.3—8.9—(8.12).
Patna—Rs. 10.14 x.d.—11—10.14 x.d.—11—(12).
U.P.—Rs. 148.8 x.d.—148.8 x.d.—148.8 x.d.—148.8 x.d.

ENGINEERING

Braithwaite & Co.—Rs. 26.3—26.4—26—26.4—(28).
Bharatia Elec. Steel—Rs. 16—16—16—16—(15.8).
Burn & Co.—Rs. 312—313—312—315—(329).
Guest, Keen, Williams—Rs. 23—23.6—22.14—23.1.
Indian Galvanizing—Rs. 18.8—18.8—18.8—18.8.
Indian Iron—Rs. 28.8—28.9—27.9—21.15—(38.4).
Do. (Pref.)—Rs. 101—102—100.8—101—(109.8).
Indian Malleable Casting—Rs. 7.4—7.4—7.4—7.4.
Indian Standard Wagon (Pref.)—Rs. 124—127.8—124—127.8.
Jessop & Co.—Rs. 28.12—28.14—27.10—28—(62.12).
Kumardhul—Rs. 8.14—8.14—8.11—8.14—(12.10).
Kumardhul—Rs. 5.1—5.4—4.15—4.15—(7.7).
National Iron & Steel—Rs. 7.3—7.3—7.1—7.1—(8.2).
Richardson & Cruddas—Rs. 22.11—22.11—21.8—21.8.
Textile Machinery—Rs. 19.13—19.13—18.10—19.2—(21.4).
Do. (Pref.)—Rs. 94—94—94—94.

INSURANCES

Concord of India—Rs. 10.11—10.12—10.11—10.12.
New Asiatic—Rs. 4—4—3.12—3.14—(5.12).
Standard General—Rs. 4—4—4—4.
General—Rs. 25.6—25.8—25.8—25.8.

MISCELLANEOUS

Aluminium Corp.—Rs. 10.7—10.10—10.7—10.9—(9.8).
Angelo Brothers—Rs. 18.13—20—18.11—20—(26.6).
Associated Hotels (Pref.)—Rs. 65.8—66—65.8—66—(64.4).
Airways India—Rs. 4.14—4.15—4.14—4.15.
Bharatia Co.—Rs. 52—52.4—52—52.4.
B. I. Corp.—Rs. 8.6—8.9—8.4—8.4—(13.2).
Balmer Lawrie—Rs. 150—152—150—152.
Behar Rice—Rs. 1.12—1.12—1.12—1.12.
Calcutta Tramways—Rs. 15.10—16.4—15.10—15.13—(17.13).
Clive Row Investment—Rs. 10—10.2—9.12—9.12.
Calcutta Gas—Rs. 7.8—7.8—5.14—5.15—(8.6).

Dunlop Rubber—Rs. 25.13—26.4—25.11—25.11—(34.8).
Electric Construction Equipment—Rs. 11.8 S.T.—11.8—10—10.2.
Gillanders Arbuthnot—Rs. 11.6—11.8—11.3—11.3—(14.12).

Greaves Cotton—Rs. 124—124—124—124.
Hoare Muller—Rs. 6.12—6.13—6.12—6.13.
Indian Aluminium—Rs. 14.13—15.2—14—14.8.
Do. (Pref.)—Rs. 77.8—77.8—77.8—77.8.
Imperial Tobacco—Rs. 13.14—14.6—13.14—14.1—(14.7).
Indian Rubber Manfg.—Rs. 21.8—21.8—21.8—21.8—(13.2).
Jardine Henderson—Rs. 82—83—80.8—81—(109).
Martin Burn—Rs. 22.7—22.9—21.12—22.7—(28.13).
Do. (Pref.)—Rs. 100—100—100—100—(124).
Metal Box (Pref.)—Rs. 92—92—92—92.
National Insulated Cable—Rs. 24.10—25.1—24.8—25.1—(22.4).
National Tobacco—Rs. 9.10—9.12—9.10—9.12—(11.3).
Do. (Pref.)—Rs. 63.10—68.10—66—66—(80).
Do. (2nd Pref.)—Rs. 62.10—62.10—62.10—62.10—(70).

National Carbon—Rs. 26—26.2—25.12—26.2.
National Rolling—Rs. 9—9—9—9.
Rallis India—Rs. 37.8—37.8—37.8—37.8.
Rohtas Industries—Rs. 19.5—19.6—19—19—(24.2).
Do. (2nd Pref.)—Rs. 64.8—64.8—64.8—64.8—(66.8).
Do. (Pref.)—Rs. 124.4—124.4—124.4—124.4.
Shaw Wallace—Rs. 11.15—12—11—11.14—(15.12).
Sodepur Glass Works—Rs. 2.10—2.12—2.9—2.9.
Western Stockholders Investment—As. 12—13—12—12.

OILS

British Burma Petroleum—Rs. 2.14—2.14—2.12—2.12—(4.6).
Indo-Burma Petroleum (Pref.)—Rs. 101—101—101—101—(108.4).

PAPER MILLS

Orient—Rs. 31.9—31.9—29.14—30—(34.9).
Shree Gopal—Rs. 16.7—16.7—15.11 x.d.—16.1 x.d.—(19.2).
Star—Rs. 10.1—10.2—10.1—10.2—(12.12).
Titagur—Rs. 36.1—36.2—36.1—36.2—(46.14).
Do. (Pref.)—Rs. 139—139—139—139.

SAW MILL

Assam Saws—Rs. 3.9—3.9—3.7—3.9—(5.15).

SHIPPING

India Steamship—Rs. 9.6—9.7—9.3—9.4—(8.5).
India General Navign.—Rs. 72—72—69—69—(133).
Do. (Pref.)—Rs. 70—70—70—70—(80).
Port Shipping—Rs. 15—15.2—14.14—14.14—(16.15).

SUGARS

Belsund—Rs. 9.15—10.1—9.15—10.1—(11.11).
Carew & Co.—Rs. 7.1—7.1—7.1—7.1—(11.12).
Champaran—Rs. 22—22.14—22—22.14.
Darbhanga—Rs. 22.1—22.2—21.12—22—(24.9).
Dyer Meakin Breweries—Rs. 5.10—5.10—5.10—5.10—(6.7).
Reyam (Pref.)—Rs. 9—9.5—9—9.5.
Shree Krishna Gyanoday—Rs. 11—11.1—11.1—11.1—(13.9).

TEAS

Bishnauth—Rs. 19.4—20—18.7—18.7—(37.4).
Bateli—Rs. 27.4—2

Engineering and Transport

RISE IN U.K. AIRCRAFT EXPORTS

RESULTS OF RESEARCH AND
SALES PROMOTION

THE British aircraft industry's policy and technical excellence in recent years have been vindicated by its achievements during 1956. The record export trade—the final figure will be published within the next three weeks—is the result of orders placed during the last year or two while contracts signed during 1956 give cause for quiet optimism for the future. Nor, as the president of the Society said, "can we disassociate the S.B.A.C. flying display and exhibition from the notable expansion of our export trade."

Viscount orders during the year numbered more than 100—or two a week. Some 23 Britannias—five to the United States—were sold and 14 Comet IVs ordered by an American operator. Sea Hawks were ordered by Holland, Gnats by India and Finland, Pembroke by Denmark, Herons by a number of countries, Hunter Trainers by Holland and more than 200 aircraft of varying types by Western Germany. These and many other orders for aircraft, engines and components placed during the year lead to lucrative business and profits, the major part of which, as Sir Thomas Sopwith, chairman of the Hawker Siddeley Group, emphasised last January, must be ploughed back for development and research. This has been done to a large extent. For example, Hawker Siddeley formed a nuclear power company, Short Brothers invested more than £1 million in additional productive capacity and a new wind tunnel, Avro allotted £100,000 for a supersonic wind tunnel, Rolls-Royce spent millions of pounds on an engine testing plant and atomic power plant research and equipment, and the industry's £1½ millions co-operative wind tunnel was opened by the Duke of Edinburgh in Bedford in May.

New Inventions

In January, the N. 113 made its first flight and an aircraft to Cyprus spotlighted the R.A.F.'s shortage of modern transport aircraft. This, and the need to build up a sizable home market for large airliners, was again emphasised during the year by Lord Brabazon, Sir Geoffrey de Havilland, Sir Frederick Handley Page, Wilfred Nixon, and others. Harwell announced that the U.K.'s first atomic reactor was small enough to be carried in an aeroplane. In February, this country's first guided missile that can carry an atomic warhead was announced, the Eland-Convair first flew, and the Minister of Supply announced that aircraft production in this country had more than doubled during the past five years. In March, the FD. 2 at 1,132 m.p.h. (1,822 k.m.p.h.) became the first aircraft to achieve more than 1,000 m.p.h. (1,609 k.m.p.h.) under record conditions and Fairley also announced the Fireflash guided weapon. "A new concept of flight" was how the president of Capital Airlines described the Viscount in April. A Seaweed went on a sales tour of Europe and the March export figure, at more than £14 million, an all-time monthly record, was made known. The first contract was signed in May for American jet airliners fitted with Rolls-Royce Cougars. The Minister of Supply affirmed that "Britain was getting very good value for money and manpower invested" in the aircraft industry. In June, it was announced that yet more Hunters were to be built in Belgium under licence, while in July the Napier Scorpion rocket motor was revealed to the public, the Rolls-Royce Tyne first flew, the Twin Pioneer completed an European sales tour, and exports for the first six months of the year were 82 percent up on the 1955 half-yearly figure. Figures showed that more than half the gas-turbine airliners on order in the free world were British. The highlight of August was the Britannia's spectacular sales tour of the United States and Canada. September started with the Society's flying display and exhibition, the Aeroplans described it. The 16,000 lb. (7,256 kg.) Olympus, the most powerful engine to be announced in the world, was made public and August's export total brought the 1957 figure so far to a record £73 million. In October, the Minister of Supply said the aircraft industry's record was "magnificent" and that it exported more in a fortnight than any continental country does in a year. It was announced that there are two and a half times as many British turboprop airliners on order in the free world as there are foreign and that half the number of these aircraft on order in the United States are British. It became known that Hawker were working on a private venture supersonic fighter. That more than half the world's orders for civil jet engines are held by Rolls-Royce was announced in November and the first series 800 Northeast Airlines of the U.S. ordered Britannias, the Short SC-1 vertical take-off aircraft was revealed, and a new record employment figure for the industry—257,600 in October—attained. The year ended with an announcement that the aircraft industry's exports had increased 91 percent in the past two years.

November Exports

Britain's aircraft industry export figures for November highlight the fact that the industry's annual rate is running at over £100 million. The November figure is £7,961,692, and the total for the first 11 months of 1956 is £97,314,399. A breakdown of the figures for the 11 months shows that the United States bought aircraft and parts worth £15,400,000, and was the U. K.'s best customer in this field.

EXPANDING MACHINE TOOL
MANUFACTUREMAIN RECOMMENDATIONS OF
COMMITTEE ACCEPTED

IN January 1956, the Government of India appointed a Committee with Professor M. S. Thacker, Director of Scientific and Industrial Research, as chairman, to make recommendations on the future development of the machine tool industry. The Committee consisted of representatives of the Union Ministries concerned and the Association of Machine Tool Manufacturers. It submitted its report in September. It has recommended a programme of manufacture for the existing machine tool manufacturing units in both the public and the private sectors. It has also drawn attention to the need for the creation of additional capacity, particularly for the manufacture of heavy machine tools as well as special purpose machine tools, sheet metal machinery and wood-working machinery. Finally, it has emphasised the importance of setting up a body to keep a constant watch on the development of this industry and has recommended the creation of a machine tool Board for the purpose.

The Government has decided to accept the main recommendations of the Committee. Machine tools are the basic instruments of production for the engineering industry as a whole. Although domestic production has been increasing imports have been rising at a much faster pace. Recent trends in licensing indicate that the demand might well exceed the estimates framed by the Committee. However, the Government considers that for the purposes of immediate working, the programme of production and the estimate of demand recommended by the Committee should be adopted. The programme has been discussed with the main manufacturers of machine tools, and they are already preparing to carry out the programme recommended by the Committee. The programme of the National Industrial Development Corporation for the development of heavy machinery manufacture in the country includes heavy machine tools. Final decisions on this subject will be taken after the report of the Heavy Engineering Mission from the U.K. has been received.

As for the creation of a Standing Body, the Government feels that a Development Council should be set up for the machine tool industry on the lines of similar Councils for other industries which have been set up under the Industries (Development and Regulation) Act. It will be one of its functions to review from time to time the programme of production recommended by the Committee and also the estimates of demand framed by it.

VERTICAL TAKE-OFF AIRCRAFT

The Short SC-1, a jet-powered research aircraft designed for "VTOL" (vertical take-off and landing) and able to change from hovering to forward flight, made its first taxiing trials in Belfast just before Christmas. "VTOL" and "STOL" (slow take-off and landing) aircraft are receiving increased attention from many designers nowadays, since runway lengths are reaching fantastic—even ridiculous—proportions. The prospect of the next generation of transatlantic pure-jet aircraft speeding down 10,000 feet (3,048 metres) runways at 150 m.p.h. (241 k.m.p.h.) with, perhaps, 150 passengers on board is not viewed with equanimity by everyone. Two years ago Rolls-Royce revealed their engine test-rig—promptly named the "Flying Bedstead". This was a device designed to test not only the engines in a new role, but the system of stability and control. Air bled from the two engine's compressors was ducted outboard and used, in ad hoc squirts, to maintain equilibrium. Mr. T. Brooke-Smith, Short's test pilot who will be in charge of testing the new SC-1, underwent a brief course on the "Bedstead." He said it was like learning to ride a bicycle—a knack.

Autogiros—wingless aircraft with a conventional engine and airscrew and a "windmilling" rotor—have been superseded by the helicopter, the most usual example of "VTOL" aircraft. Recently, flying platforms have been evolved, notably in the United States, powered either by a jet or ducted fan motor. "Tail-sitters," aircraft which rest on their tails when on the ground but which gradually assume horizontal flight after take-off, have also made their appearance. Other projected designs, some of which have been realised in research aircraft, include comparatively conventional-looking aircraft with swivelling powerplants to give downward thrust on take-off and landing, but forward thrust for normal flight; a variation of this in which the whole wing moves with the engines thus providing, in effect, a horizontal-fuse-lage version of the "tail-sitter"; helicopters with small fixed wing and horizontal propellers (the Fairley Rotodyne for example); finally an aircraft fitted with advanced boundary-layer control and jet-flap which, strictly speaking, comes under the category of "STOL." The new Short aircraft does not conform precisely to any of these categories.

High Thrust for Low Weight

In November last year, the U.K. Minister of Supply announced that a contract had been placed for an aircraft designated PD. 11. It is this aeroplane which, bearing its company's designation SC-1, is now engaged in its taxiing trials. The one photograph and sparse details that have been published reveal that it has a delta wing, a tri-cycle undercarriage and five new Rolls-Royce

RB-108 engines housed in the fuselage—powerplants which give a high thrust for low weight. This rather unusual number of engines indicates that perhaps four of them are used to provide vertical lift and the fifth forward propulsion. Stability air jets for use at slow speeds—similar in principle to the Bedstead's—appear to be installed at the nose, tail and wingtips. As flight speed is increased, control is transferred to more conventional controls—rudder and elevons. Initially, tethered hovering flights will be made followed by forward flight tests using normal take-off technique. Then, step-by-step, the two will be combined until the aircraft takes off and lands vertically and transition from hovering to forward flight is effected.

INDIAN PRODUCTION OF BICYCLES
INCREASES

The production of bicycles in India in 1956 is estimated at over 615,000 as against 491,000 in 1955, and 372,000 in 1954. These figures do not include the production of the small-scale sector. Considerable progress has been made in the last six years in the bicycle industry which is one of the youngest industries in the country. In 1951, there were only two units engaged in the manufacture of bicycles with a rated capacity of 120,000 and an actual production of 101,000 bicycles a year. There are now 63 large and small factories producing bicycles in the country. Of these 16 are in the Punjab, 13 in Delhi, nine in Bombay, seven in U.P., six in West Bengal, five in Madhya Pradesh, four in Rajasthan, two in Madras and one in Bihar. The average daily employment in the large-scale sector of the industry was 8,158 in 1956, against 6,493 in 1955 and 3,077 in 1954. It is estimated that about 6,500 persons are employed in the small-scale sector. A number of steps have been taken by the Government to encourage production of cycle parts by small-scale units. The more important among them are the establishment of a finishing and testing centre in Ludhiana, the heart of the component manufacturing industry, provision for expert technical advice, introduction of a quality certificate scheme, financial assistance and help in the import of raw materials.

With the increase in home production, there has been a progressive decline in imports. Protection has been granted to the bicycle industry. Imports are allowed on a restricted basis. All types of bicycle components are being produced in the country. Some of the raw materials used in the manufacture of bicycles in India are obtained indigenously while some others are imported.

Export of Bicycles

A scheme for the grant of drawbacks of import duties paid on imported raw materials and components used in the manufacture of bicycles exported has been finalised. In order to make the prices of bicycles competitive in the foreign markets, the Government has decided that the tube manufacturing industry should be developed in India as early as possible. Two additional licences have been given for the manufacture of tubes in India. The Engineering Export Promotion Council has carried out extensive market surveys in Burma, Ceylon, Thailand, Egypt, and East Africa. Bicycles have also been exhibited at many international exhibitions in which India has participated since 1954-55. Bicycles are also displayed in India's showrooms in Colombo, Teheran, Karachi and Manila.

B.O.A.C. TO INTRODUCE BRITANNIAS

Propeller-jet Britannia aircraft will replace the present Constellations on B.O.A.C. routes through India to Australia at the beginning of March. The first Britannia service will leave London for Calcutta and Sydney on 2nd March. In the reverse direction, the first Britannia will leave Sydney on 5th March. The service will be thrice-weekly in each direction. The introduction of the Britannias will have the effect of reducing the time of transit between London and Sydney by about 28 hours. This reduction will be effected not only by the higher speed of the aircraft compared with the Constellations; it will be also due to the fact that the higher speed combined with the vibrationless comfort of the Britannia makes it feasible to cut out the present night stop in Singapore without inconveniencing passengers. These changes will mean that the Britannia will bring Sydney within a day's flight from Calcutta, a considerable improvement on the fastest schedules of today. Of the three services a week, one flight will be a luxury service fitted with 39 "slumberette" chairs of the greatest comfort. The other two Britannia services will be two-class services with 19 slumberette seats and 42 tourist seats. Later in the year, Britannia are expected to replace the B.O.A.C. Constellations on services calling at Delhi and Bombay. The Britannia is a large aircraft with a wing span of 142 feet, a length of 114 feet and an all-up weight of 80 tons. Its four Proteus propeller turbine engines, each producing 3,900 equivalent horse-power, give it a cruising speed of 375 miles an hour.

B.I. LINER TO HAVE GAS-TURBINE ENGINE

The British India (B.I.) line is to have one of its ships fitted with a gas-turbine engine, it is announced in Glasgow. The noted Clyde-side shipbuilders, Alexander Stephen and Sons, report that they have been commissioned to re-engine the B.I. vessel Ormara, of 5,417 tons gross. The Ormara is to be fitted with a free-piston gas generator turbine of 4,000 h.p., in place of the orthodox 3,600-h.p. triple expansion engine at present supplying the vessel's motive power.

New Delhi

FOREIGN EXCHANGE FOR NON-INDIANS GOING
ON HOME LEAVE

NO INTENTION OF STOPPING BUSINESS

VISITS ABROAD

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government is inviting suggestions on meeting the reasonable foreign exchange requirements of non-Indians working in India and going home on leave during the year. It recently cancelled the basic two-year quota of £750 which had been allowed unconditionally to persons going abroad. This step was taken to conserve foreign exchange. Instead of every person automatically getting the basic quota of £750, each case will be decided on its merits, and people will have to explain the reasons for their intended foreign tour. There is, however, no intention of preventing, say, business men going abroad in the course of their business, or non-Indians going home on leave, for which purpose special exemption from tax has been given by the Government. For non-Indians going home on leave, one suggestion received here is that their employers could remit their salaries every month through the Reserve Bank, subject to the ceiling that the total remittances do not exceed the foreign exchange which was permissible before the ban was imposed. It is further suggested that initially such an employee may be given one month's salary in advance, to be taken by him in foreign exchange when leaving India. The Government's decision will be announced shortly.

Exemption from Tax

Indicating the conditions for exemption from tax of the value of free or concessional passages to employees of foreign nationality proceeding on home leave, the Government says in a circular: "Though these conditions are not by themselves unreasonable and relaxations in cases of hardship have been generally liberal, it has been represented to the Government that they operate somewhat harshly in some instances and the formalities for getting relaxation from the Government on each occasion create a certain amount of inconvenience and uncertainty in the minds of the employees concerned. To obviate this hardship, the Government has decided to adopt a new procedure under which references to it in individual cases can be minimised."

"Under the new scheme, exemption under Section 4(3)(vi) (a) will be available to the employee concerned if the home leave and passage concessions granted to him by the employer are in accordance with the specific rules made by the employer and if those rules are approved by the Government. Once the rules are approved by the Government, all that the employee will have to do to secure exemption from tax is to furnish to the Income-tax Officer concerned, at any time before the assessment of the relevant year is completed, a certificate from his employer stating: (i) that the amount for which exemption is claimed represents only the free or concessional passages for the relevant home leave and does not include any other expense or provision; (ii) that the rules made by the employer, in accordance with which free or concessional passages for home leave are provided, had the approval of the Central Government on the date the journey from India was performed by the employee and/or his wife or children; and (iii) that since the receipt of approval of the Central Government, no modification in the rules, with reference to home leave or free or concessional passages, has been made without the prior approval of the Central Government."

Details to be Given

"In order that the rules made by the employer in this regard should receive and retain the approval of the Central Government, the rules should provide specifically for the following matters, namely: (i) the names or categories of employees who are entitled to home leave and free or concessional passages; (ii) minimum period of service after which only an employee becomes entitled to home leave and passage concessions; (iii) the maximum duration of the home leave admissible on each entitlement; (iv) normal interval between two successive home leaves and the specific circumstances in which the normal interval may be lengthened or shortened in any instance; (v) the nature of the passage to be provided and how they are to be determined for each employee; (vi) the maximum number of passages allowable to an employee and his family—in particular, for children—on each occasion of home leave; (vii) the nature and extent of any concession, other than the cost of passage to and fro, admissible to the employee on his home leave; and (viii) any other matters relevant thereto."

"The Government may, before according approval, require modification of any provision contained in the rules submitted to it for approval as it may consider necessary. In approving the rules, the Government will see generally whether the provisions in the rules are reasonable, having regard to the different categories of employees, the nature and circumstances of the businesses, the practice of the employer before the existing conditions were imposed, and the normal practice in similar under-

takings, etcetera. All applications for approval should be addressed and sent direct to the Deputy Secretary to the Government, Ministry of Finance, Department of Revenue, New Delhi. The applications should be accompanied by three copies of the rules made by the employer. In most cases of old employers, the existing rules would have been in operation from before 1st April, 1955. Where, however, some changes affecting home leave or free or concessional passages have been made after that date, a copy of the rules operative on 31st March, 1955, should also be submitted along with the application."

Leave Provision in Contracts

"The approval of the Central Government to the rules will take effect from such date as the Government may decide. It is possible that, in some cases, home leave or free or concessional passages may be regulated not under the general service rules or under rules specifically made therefor, but under provisions incorporated as specific terms in the contracts of employment, or in any separate written agreements. In such cases, the persons concerned wanting to avail themselves of the new scheme will have to submit the contracts or written agreements to the Central Government for approval and the procedure outlined above in regard to rules made by the employer will apply *mutatis mutandis* to such cases also. The original conditions dated 21st November, 1955, will continue to apply in all cases to which the new scheme is not applicable."

Mr. Nehru on Socialism

New Delhi has not yet recovered from the Christmas and New Year holidays, because in their wake came the general exodus to Indore for the annual session of the Congress. Things get slack when the Prime Minister is away from the capital. Last week, almost all the Ministers were out of New Delhi. The Prime Minister's speech in Indore clarifies the Congress conception of socialism. This is what Mr. Nehru said: "Socialism should grow in India in a way suited to the Indian climate, the Indian soil and the Indian people. In establishing the firm roots of Socialism in Indian soil, one could not get away from our 10,000-year-old past. We do not believe in pulling down the few who may be better off for the moment. Socialism means that we take all the people forward and not pull anyone down. I do not like a big gap between the high and the low. But I will not take any step which might result in the pulling down of a few but which would interfere with the larger objective of taking all the people forward. At the same time, one has to guard against the bullock cart mentality, which amazingly still persists even among those people who have no wish to go about in bullock carts. This bullock cart mentality is a dangerous thing, as it could create many obstacles in the march to progress of poverty-stricken people in India."

The Prime Minister's statement may or may not do much to restore confidence, which has been badly shaken by statements such as in the second five year plan, which says: "The basic criterion for determining the lines of advance must not be private profit but social gain, and the pattern of development and the structure of socio-economic relations should be so planned that they result not only in an appreciable increase in national income and employment (or taking all the people forward) but in greater equality in income and wealth."

Describing the second plan as a "gamble", Mr. Nehru said that the gamble could only be won by hard and sustained work. "It is through perspiration and even blood that we have to achieve the great targets outlined in the plan." But Congress Governments have often undermined the basis for hard and sustained work. It may be a paradox that the men in almost all Government undertakings worked harder and more efficiently in the past than they do now. The Finance Minister recently cited a case in Parliament of a Government official working at the rate of one hour a day. In the nationalised Life Insurance Corporation, business completed in a month is generally less than one-third of the business proposed.

Obligations of Workers

In its latest book, called *Twentieth Century Socialism*, the British Union of Socialists says: "Today most socialists would agree that the day is past when workers could talk only of their rights; they know that obligations must be accepted as well. All the pressures for higher productivity, all the propaganda that a rising standard of living depends on increased production, have hammered home the point."

"Only two questions are relevant to economic life—'How much is produced?' and 'How is it distributed?' These are in fact the questions on which socialists have concentrated. But.....two further

questions immediately call for a reply—'What is produced?' and 'How is it produced?'. Their neglect accounts for the topsy-turvydom in our production priorities. It accounts, too, for bad relations in industry, for the failure of many workers to find an interest in their work, for their indifference and cynicism. Talk of freedom and fellowship is fine on Sundays, but what has it to do with the weekly chores of earning a living." As the debate in Parliament on railway disasters show, the Government has been sadly neglecting this aspect of the problem, what is produced and how is it produced? There is much talk of discipline. There is also much talk of hard and sustained work. Yet no attempt has been made to enforce discipline or to make people work."

Bertrand Russell, who can hardly be accused

of the "police State" mentality, says: "I have come to realise that freedom is a principle to which there are very important limitations, of which those in education are in a certain sense typical. What people will do in given circumstances depends enormously upon their habits, and good habits are not acquired without discipline. Most of us go through life without stealing, but many centuries of police discipline have gone into producing this abstinence which now seems natural." As long as discipline is not enforced, the slogan of hard and sustained work will remain merely a slogan.

Heavy Engineering Works near Durgapur

It was recently reported that the A.C.C.-Vickers-Babcock Private Ltd. would build a heavy engineering works in the vicinity of Durgapur to manufacture cement-making machinery, mining machinery, large pumps, heavy gears, steam generating plant of all types, pressure vessels, cranes and mechanical handling equipment. The following are some of the items the new company proposes to make. The general mining manufacture programme includes jaw, hammer and road crushers, vibrating and rotary screens, rubber belt, shaking, screw, and vibrating conveyors, rotary and stationary dryers, blowers, dust collecting fans, grinding mills, including ball mill compartment tube mills, cyclones and air separators. The large range of cement-making machinery will include the mechanical portions of windens up to a diameter of 18 feet, the capacity being eight windens a year; cags and skips of medium size, hawlers, particularly direct and endless rope hawlers, idlers and end pulleys, and drain pumps.

It is also proposed to manufacture coal-cutting machinery, boiler plant, low head, large capacity water pumps for irrigation, pressure vessels for the oil, paper, sugar, pulp and chemical industries, miscellaneous machinery, particularly that required for the sugar and chemical industries, industrial kilns of special design, and a foundry for grey iron. The new undertaking will be equipped with plant which can handle boiler plates of up to three inches thickness, with a correspondence to boiler pressure of 600/1,000 lbs. a square inch. Boilers below this pressure are already being manufactured by an Indian company in collaboration with the International Combustion Company of the U.S.A.

Dyestuffs Industry

The development of the dyestuffs industry was discussed here by representatives of the Ministry of Heavy Industries, and dyestuffs manufacturers. The manufacturing programme submitted by each firm was first discussed separately with representatives of the unit. Thereafter there was a joint meeting of all the manufacturers. They have agreed to submit their final proposals to the Government in the light of these discussions. It is expected that licences under the Industries Act will be issued to them after the next meeting of the Licensing Committee on 23rd January, 1957.

It has been agreed that special emphasis should be laid on the manufacture of the intermediates required for the production of dyestuffs. Some of the more important intermediates will be produced by a central factory which the National Industrial Development Corporation will set up, while others will be included in the manufacturing programme of the makers of dyestuffs themselves. Further discussions on technical and economic questions will take place later this month to finalise the programme of the National Industrial Development Corporation project.

In October, 1956, the Government of India decided that the National Industrial Development Corporation should undertake the manufacture of primary intermediates. It asked firms in the private sector to indicate the kind of development they would undertake for the production of late intermediates. The meeting discussed the targets for the annual consumption of dyes by 1965 on the basis of the reports submitted to the Government by the expert teams from abroad. The general consensus of opinion was that these targets should be as follows:

Azob	3,000 tons a year
Basics	750 tons a year
Naphthols	1,250 tons a year
Fast Bases	1,250 tons a year
Vats	1,200 (Absolute)
Sulphur Black	2,150 (Absolute)
Other Sulphurs	225 (Absolute)

The attention of the industry was also drawn to the importance of keeping prices reasonable in spite of the cuts in imports which had been imposed to save foreign exchange. It was also informed that firms holding import licences for finished dyestuffs would be given facilities to utilise the same foreign exchange for the import of interme-

diates so that the total supply of dyestuffs could be increased.

Agricultural Targets

The Deputy Chairman of the Planning Commission, Mr. V. T. Krishnamachari, last year suggested that the target for agricultural production should be raised without an additional allotment of funds and prices of agricultural products then brought down. A conference of Agricultural Ministers, held in Mussoorie in the summer, felt that additional allocation of finance and price incentives were essential for increased production. This course was unacceptable to the Planning Commission and to the Government of India. The Planning Commission thereafter held a series of conferences with representatives of States in order to adjust the allocation of funds so as to raise production by 15 percent above the targets originally fixed. These conferences were an improvement over the Mussoorie conference in that the participants did not demand additional funds. They did, however, keep up the Mussoorie slogan of price incentives. The fixation was demanded not of higher prices but of minimum prices. In other words, it was an attempt to reverse Mr. V. T. Krishnamachari's plan, for if minimum prices were fixed there could be no reduction below the minimum. Fixation of minimum prices at levels lower than those prevailing now would lead to a reduction in the acreage of the particular foodgrains concerned.

An important aspect of the food problem is often ignored. Large quantities of foodgrains are lost through bad storage, being eaten by rats, birds, monkeys, etcetera. An all-India campaign is likely to raise the supply by almost 15 percent.

Developing Small-scale Industries

The Central Board of Small-scale Industries will hold a three-day session in Madras from 11th January. The Commerce Secretary, Mr. S. Ranganathan, will preside. The plan to use the organisation of the community projects for developing and expanding small-scale industries is the main item on the agenda. It is proposed to start such industries in every State, and for this purpose Rs. 2 lakhs to Rs. 3 lakhs may be allocated.

Visit of American Industrialists

A high-powered team of American industrialists, headed by the President of the American Steel Corporation, Mr. Benjamin Fairless, will arrive here on a three-day visit on 22nd January. Its members are expected to meet the Finance and Commerce Ministers. The Ford Foundation is arranging for a labour group consisting of three Americans, one Briton and two Swedes to visit India this month and assist the Central Labour Ministry in its plan for educating workers.

London

DRAIN ON GOLD AND DOLLAR RESERVES STOPPED

LATEST FIGURES LOWER THAN EXPECTED

(FROM OUR LONDON CORRESPONDENT)

MR. Macmillan's "evasive action" against the drain on the sterling area's gold and dollar reserves was taken just in time, for the year-end figures just released by the Treasury, though they show that in December the reserves rose by \$168 million to stand at \$2,133 million or slightly higher than a year earlier, are rather worse than had been expected. The actual position in December was that the reserves gained \$561 million from the International Monetary Fund and \$6 million of U.S. defence aid, and against this we paid out \$189 million in respect of the U.S. and Canadian debt service, \$49 million in gold to the European Payments Union in respect of the November deficit and a further \$3 million under the bilateral settlement with E.P.U. creditors. Allowing for these adjustments, there was a net loss on current account in December of \$158 million, which compares with November's net loss of \$253 million and the total gold loss was as much as \$279 million.

Fortunately, there are some redeeming features. According to Treasury officials the bulk of the loss occurred before 11th December, when the I.M.F. drawing was approved, the "acute speculative pressure" ceased soon afterwards, and although the movement of money has not yet been reversed the outward drain has been virtually stopped. A big improvement has also taken place in our E.P.U. account and December's deficit of £8 million was only one-third that of November. Finally, the reserves in January may well gain reinforcement to the extent of \$104 million, the interest on the American loans, for which we have asked a waiver.

Balance of Payments Outlook

What about the outlook? Whitehall officials point out that the trade position remains good. The whole of the gold and dollar drain in 1956 has been due to capital movements. The balance of payments on current account has been in surplus not only in the first half-year but in the third quarter as well, and the favourable trade figures for October and November indicate that the surplus continued up to the end of the year. The true loss of \$725 million from the reserves in the year 1956 was, in fact, more than offset by repayments of both

sterling and dollar debt. By no means all this was due to a flight from the pound. For instance, India spent some £150 million (equal to \$420 million or more than half the total gold loss) on imports under her development plan. China reduced her large sterling holdings quite heavily in order to make advances to Egypt. On the other hand, Middle East sterling balances have probably been withdrawn mainly in order to get out of sterling. These were probably the largest elements in the repayment of sterling liabilities, though details will not be known until the balance of payments figures for the second half of 1956 are published. Well over \$100 million of dollar debt was also repaid in 1956. The reserves are still slightly higher than they were a year ago, and there are large reinforcements at hand. First, the "line of credit" of \$500 million which the Export-Import Bank in Washington has agreed to put at the British Government's disposal for the purchase of dollar oil and other commodities. Secondly, the International Monetary Fund has put up a stand-by credit of \$739 million which could be used to support sterling if necessary. And meantime sterling continues strong on the exchange market.

Production Index Steady

The rate of industrial output hardly changed in November, according to the latest Treasury estimates. The index of production for the month is provisionally put at 144.145, against 142 in October and 147 in November, 1955, while the seasonally adjusted figure (which allows for holidays) is 136.137, almost exactly the same as the average for the first eleven months of 1956. Although total output was little changed there were sharp differences in particular industries. The output of motor-cars was 22 percent lower than in 1955 and that of commercial vehicles was 26 percent down. Production of sulphuric acid was 9 percent up, which is in line with the high rate of output in the chemical industry as a whole in 1956. The latest index figures available for particular industries are for October and show a marked rise in utilities (gas, water and electricity).

While total output remains steady there are signs that the proportion devoted to investment may be falling. According to the Board of Trade's provisional figures, the total area of new factories approved in the last quarter of 1956 came to 15.1 million square feet. This compares with 17.2 million square feet approved in the same period of 1955. The latest figure is subject to revision as some of the schemes which have been included are only rough estimates. But the downward trend is confirmed by the annual figures which (in million square feet) are as follows: 71.1 in 1956, 91.6 in 1955, 71.0 in 1954 and 39.0 in 1953. It seems we are past the peak.

Budget Problems

This is the background against which Mr. Macmillan is now considering his budget problems. The Government's ordinary expenditure in the first three quarters of the current Budget year was £3,776 million. This exceeds by £585 million the total revenue to date. A year ago expenditure was £3,411 million, and the deficit £371 million. Higher expenditure is partly due to the Suez crisis, which Ministers said in November would cost £35-£50 million. The national debt charge is up £65 million to £570 million, reflecting the rise in interest rates. The shortfall "below the line", where the main items are loans to State boards and local authorities, is down from £434 million to £341 million. Loans to nationalised industries, other than the Coal Board, under this year's Finance Act, have reached £154 million. The estimate for the full year was £350 million.

Government departments are now in the final stages of preparing their estimates for 1957-58, on which the next Budget will be based. They are under instructions from the Treasury to exercise the most stringent economy. The departments have been advised that the Government's economic policy continues to be founded on reducing excessive claims by home demands on national resources. Ministers must, therefore, set an example by making all possible savings in the public expenditure for which they are themselves responsible. Present forecasts suggest that the Government's total expenditure for 1957-58 will rise substantially above the current year's estimate, which was £4,737,685,000. This increase will arise largely on services, particularly the social services. On these it is impracticable to avoid annual increases in cost without major changes in policy. The supplementary estimates will probably offset to a large extent the saving of £93,250,000 on the Budget figures as published, which Mr. Macmillan has so far announced towards his "target" of £100 million.

Wage Claims and Prices

The Government's biggest headache, however, continues to be the danger of inflation and the wage-prices spiral. Recent increases in the prices of food, including bread, sugar and tea, have intensified trade union feelings that wage demands must be pressed if living standards are to be maintained. And these price increases have weakened the influence of the moderates, who see the best hope of maintaining living standards in trying to fight down inflation. Most trade unionists accept that it is the purchasing value of wages rather than their nominal value that matters to the wage-earner. But, for a time at least, each group that can succeed in getting more money for itself is in fact better off. The pre-requisite of a period of wage-stabilisation is confidence in the Government's general ability to hold down prices. At the moment this confidence does not exist, and no trade union wants to be left behind in the scramble for whatever can be had before things get worse. Petrol rationing has added to feelings of insecurity by making a good many people fear for their jobs.

and the sharp increase in the price of petrol has added to fears that prices may go on rising.

In the face of this, the official effort to explain away the probable effects of the Suez crisis can hardly expect a suitable response. Examining the prospects for early 1957, the Treasury's Bulletin for Industry states that it is hard to assess what effects the Suez emergency will have on the retail price index, but estimates that there will be a total increase of up to three-quarters of a point. A number of price increases due to other causes are also foreseen, among them certain seasonal rises, the removal of the milk subsidy and the new prescription charges. The general prospect was that the index was likely to rise slightly more than seasonally early in 1957. The Bulletin states: "The main cause, however, is the purely temporary increase in the petrol and oil duty, and it is therefore of the utmost importance that any small rise in the index is not presented as justification for increases in wages and profit margins, which in themselves would tend permanently to raise the price level."

Orders for Machine Tools

The value of new orders for machine tools placed during September showed another fall. According to figures issued by the Machine Tools Trade Association, home orders were worth £4.36 million and export orders £1.88 million. The figures for both home orders and the total are the lowest for at least two years, while that for export is the average for 1956 but slightly higher than the average for 1955. On the other hand, deliveries have begun to rise so that the total order-book of the industry has fallen to £102.9 million (or a little under sixteen months' work). This is the lowest figure since January, 1956, when it stood at £101.4 million. It looks as though the peak demand is past and that the order-book will continue to decline in 1957.

Shipping Insurance Changes

Lloyd's underwriters and London marine insurance companies have agreed to reduce the scale of premium rates for passenger vessels under construction in the U.K. and abroad. The reductions vary between 20 percent and 35 percent, and are believed to arise from the feeling among insurers that higher ship values and longer building periods have led to an undue increase in the premium rates. The scale had not been revised since 1947 and underwriters decided that this type of insurance could not be covered more cheaply, and no doubt lead to additional business. At the same time, a special concession of 20 percent for passenger vessels equipped with fire sprinklers has been withdrawn because so many other methods are now being applied—such as the use of non-inflammable materials—that it seemed unfair to single out one device for a premium concession. The Institute of London Underwriters has also announced the withdrawal of a surcharge of 10s. a £100 imposed on 31st October, 1956, on all voyages via the Suez Canal, to from or transshipping at ports in Egypt, Israel, Jordan, Lebanon and Syria. At the same time, the Institute announced increases in the basic rates for these voyages. The new rate is 5s. a £100, compared with a range of 1s. 6d. to 2s. a £100 before the nationalisation of the Canal in July. It also announced amended rates for voyages to, from or between ports on the China coast.

Car H.P. Sales Drop

Petrol rationing is reflected in a sharp fall last month in the total of hire-purchase contracts for motor vehicles. According to Hire Purchase Information, the December total was 30,515, compared with 50,352 in November and 46,369 in December, 1955. Business in new cars dropped to 2,432 from 5,310 in November, and in used cars to 14,105 from 24,460. Total transactions for new commercial vehicles was 1,941, against 3,501, and for used vehicles 2,510 against 3,931.

New Capital Issues

New capital issues in 1956, as compiled by the Midland Bank, amounted to £296 million, the lowest total since 1951 and comparing with the record total in 1955 of £567 million. As a result of the decision to finance the capital expenditure of the main nationalised undertakings directly from the Exchequer, no new money was raised last year by public boards in contrast with more than £200 million raised by public boards in each of the four previous years, the figure for 1955 being £297 million. Local authorities, however, raised in the market £54 million last year against £9 million in 1955, chiefly because of the Government's decision to require local authorities to attempt to borrow on their own credit in the market before having recourse to the Local Loans Fund. The 1956 total excludes the sums being raised by Imperial Chemical Industries and London and Overseas Freighters as the first subscriptions to these are not payable until the new year. Issues for home production were maintained almost at the high level of the previous year—£158.5 million against £163.5 million.

I.C.I. Stock Offer Over-subscribed

Applications for £40 million of 51 percent convertible unsecured loan stock in Imperial Chemical Industries resulted in a subscription of six times that amount through nearly 70,000 separate applications. The loan, maturing in 1977-79, was offered at 96 percent.

Brevities

Lord Geddes has joined the Board of the Peninsular and Oriental Steam Navigation Company.

Mr. H. S. Malik, lately Indian Ambassador to France, has been appointed Special Director (India) of Simca Carves.

Bombay

RAYON YARN IMPORT CUT CRITICISED

GROWTH OF INDUSTRY LIKELY TO BE HAMPERED

(FROM OUR BOMBAY CORRESPONDENT)

THE decision to cut imports of rayon yarn has been criticised here. Apart from reducing the supply of a vital raw material for a growing industry, the local yarn market has already reacted and prices have risen by about two annas a lb. since the import policy was announced. Actually, the price level had shown signs of rising over the last few weeks in anticipation of the import policy. The poor offtake recently of rayon piecegoods has exerted a restraining influence, but it seems likely that with an improvement in cloth sales, the prices of yarn will increase still further. The decision to link the issue of import licences with the export of piecegoods is likely to remain ineffectual. The Indian industry is poorly equipped to compete in export markets, and it is highly unlikely that foreign sales will amount to much. The position will be aggravated with the restricted supplies of yarn.

The rayon piecegoods industry, which is given much importance in other countries, has been neglected here. It suffers from several disabilities, the most important of which relates to the supply of yarn. Even in normal times, imports were restricted to an overall ceiling. The position is complicated by the fact that licences have been issued to the industry as well as to the trade. This has led to speculative activity and the trade has often held the industry to ransom in times of scarcity. Price fluctuations in the Bombay market have been wide and some say that the trade is partly responsible for the slow and painful growth of the industry. No industry can flourish unless it is assured of regular raw material supplies at a reasonable cost. The solution, of course, is the development of the yarn industry within the country. A start has already been made in this direction, but a great deal more remains to be accomplished before domestic production bears any relation to the demand. The industry attempted to take the initiative and opened negotiations with an Italian firm to set up a yarn-producing plant as a joint venture, but finance proved to be a stumbling block. The main difficulty is that most of the mills are small units which find it difficult to contribute their quota of the Rs. 6 crores of investment envisaged for such a project. The biggest unit controls 600 looms and the smallest has 25 looms. Their approximate annual turnover amounts to a little over Rs. 1 crore and Rs. 6 lakhs respectively. Their difficulty in incurring a large outlay is therefore understandable.

Yarn-Producing Unit

It is said that a strong case exists for Government aid. Such aid could be made available through one of the State-sponsored financial institutions. The object would be to set up a yarn-producing unit which would be run as a co-operative venture with the mills participating through the Silk and Art Silk Mills Association. As long as the industry depends on foreign yarn, it is necessary to ease the circumstances of import. This involves a liberal licensing policy with preferential treatment for the industry. Another aspect which needs immediate attention is the import duty on yarn. At present, a duty of 36½ percent *ad valorem* is levied, which is the highest rate of duty for such a commodity in the world. The position is further complicated by the import duty in Bombay port not being calculated on the invoiced value, but on the market price prevailing in the city at the time of arrival of the consignment. This is an extraordinary procedure. It means that if the market price is particularly high because of speculative activity or temporary scarcity, the mills have to pay exorbitant duty which is far in excess of the statutory 36½ percent. It is on record that mills have had to pay duty which works out to 50 percent to 60 percent of the invoiced value. Moreover, the market value is subject to fluctuations within wide limits and it is impossible to forecast what it will be on the day a particular consignment arrives. This means that the mills are unable to compute their production costs in advance and therefore unable to enter into forward commitments with any degree of safety.

Obsolete Equipment

All these factors have impeded the growth of the industry, and it has been unable to rehabilitate its plant since it was first installed as far back as 1937. It appears that the industry is now out-of-date by approximately 20 years, perhaps more, because the plant, when installed in 1937, was even then not new. In these circumstances, it is difficult to compete in foreign markets and export targets become mere hopes. Furthermore, the uneconomic working of the industry is paid for by the domestic consumer.

The rayon industry today threatens the supremacy of cotton textiles and the demand for synthetic fabrics is steadily growing. Man-made fibres earn vast sums of foreign exchange for the main producing countries and it would be unwise to underestimate their importance. It is to be hoped that the Government will give its attention to this industry and help it to its feet.

Better Demand in Cloth Market

There seems to have been a mild revival in the cotton textile market. Bigger enquiries have been

received from upcountry centres, mainly Delhi, Kanpur and Calcutta. These refer principally to the coarse and medium varieties, while fine and superfine qualities remain neglected. Actual transactions, however, have been few. It is known that stocks in upcountry centres are low, but actual purchases have not been made so far because of the stringency in the credit market. Business for forward delivery has been placed with only a few selected mills, while other units are faced with mounting stocks as are most of Bombay's wholesale dealers. It is believed, however, that demand will broaden in the next few weeks.

Meanwhile, mills are reluctant to increase their stocks of foreign cotton pending the disposal of accumulated stocks of fine and superfine cloth. Fresh business in foreign cottons transacted over the last ten days does not exceed 1,000 bales. There is also a general tendency to await the import policy for Egyptian and sterling area cottons for the January-June, 1957, shipping period. It is reported, however, that the Government will allow an import quota of 100,000 bales of East African cotton. It is feared that supplies may not be available to this extent from East Africa, because most of the crop in that country has already been sold. The position of domestic cottons is causing concern to growers. Arrivals in consuming centres have been heavy and prices have shown a downward trend. The Saurashtra crop has still to be marketed and growers there are hoping that the Government will announce an export quota to relieve the easy supply position in this country. The qualities involved are Dhollera, Kala Gin and Wagad. But even if an export quota is announced, it is doubtful if substantial exports will materialise as foreign enquiries have been somewhat restricted of late.

United Bank of India Ltd.

Head Office:
4, CLIVE GHAT STREET, CALCUTTA

TOTAL ASSETS
OVER Rs. 43,40,00,000/-

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The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited.)
(Established—December, 1911.)
Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY—1

Authorised Capital	Rs. 6,30,00,000
Issued Capital	Rs. 5,77,50,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,01,81,217
Deposits as at 31-12-55	Rs. 1,28,96,40,383

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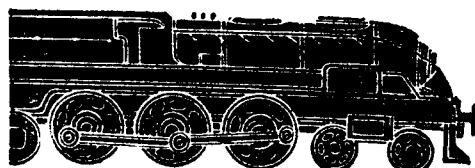
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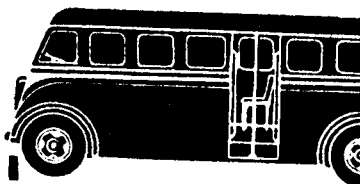
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Uttar Pradesh

PROTESTS ABOUT FOODGRAINS PROFITEERING

DECLINE IN AGRICULTURAL YIELDS

(FROM OUR LUCKNOW CORRESPONDENT)

LARGE-SCALE maldistribution of foodgrains is reported in Uttar Pradesh. The State Government has been selling on an average about 1,000 tons of foodgrains through fair price shops, which should meet 75 percent of the wheat requirements of the entire population in about 40 towns and cities. In actual fact, however, the bulk of the purchases have been made by fake consumers, and the grain re-sold in the open market at exorbitant profits. The situation has led to widespread protests, particularly since the price of coarse grains has also shot up. In the urban areas, gram, bajra and other subsidiary grains are selling at almost the same price as wheat—about 2½ seers to the rupee. The immediate reason for the rise in coarse grain prices is said to be the purchases made by certain starch mills outside the State.

Meanwhile, doubts have been expressed whether investments in agriculture have not started to yield diminishing returns. U.P., as is well known, is primarily an agricultural State and the emphasis in the first plan was wholly on agriculture. But the fact remains that it has not been possible so far to raise the yield an acre to what it was even 50 years ago. The per acre wheat yield was 10.90 maunds in 1911-12 at the end of 1954-55, the latest year for which figures are available, it was only

9.64 maunds. The fall in the rice yield has been more marked. From 9.28 maunds an acre in 1911-12, it came down to 6.12 maunds in 1954-55. Similarly, the yield of barley fell from 12.8 maunds to 9.61 maunds. The only exception is sugarcane, whose yield has increased from 216.3 maunds in 1914 to 335 maunds in 1954. Paradoxically, there has at the same time been a sharp decline in the sugar production. The question which is worrying the agriculture Ministry is why in spite of a 10 percent increase in the total acreage under cultivation and another 10 percent rise in the net irrigated area, there has been no corresponding increase in the production of cereals. Officials are inclined to explain away the failure by the existence of a large number of uneconomic and sub-economic holdings in the State whose owners do not have either the resources or the incentive to make further investments in agriculture.

Enquiry into Middle Class Expenditure

According to an enquiry conducted by the State Department of Economics and Statistics, the per capita expenditure on education in middle class families is less than on other items. The expenditure on food is about 48 percent, on clothing and footwear 16 percent, on fuel and light 4.7 percent, on housing 5 percent and on education 4 percent. The enquiry covers urban middle class families belonging to the professions of teaching, law, medicine and journalism. It was conducted among about 5,000 families, but the results relate to only 1,100 families, as the rest dropped out in the course of the inquiry. The families whose returns were ultimately utilised by the Department came to about 35 percent in the case of teachers, 32 percent journalists, 19 percent doctors and 10 percent lawyers. Fifteen towns were covered.

Narayani Irrigation Scheme

The Rs. 25-crore irrigation and hydel scheme on the Narayani, in Nepalese territory north of Deoria district, has been approved by the Government of India and the survey staff has already left for the site. Bihar had been insisting that the scheme be undertaken immediately since the canal system of the Narayani is the only source of irrigation in Saran and Chhapra districts. The canal, however, has to pass through 40 miles of U.P. territory, where the subsoil water is very near the surface. The U.P. Government has, therefore, laid down certain conditions. One of these is that the canal should be pucca in Deoria district, to avoid seepage and consequent disturbance to the subsoil water level. The barrage is also to be under the administrative control of U.P. since it is to be located in the territory of the State. The expenses, however, are to be met by Bihar so far as the canal is concerned, as Bihar stands to benefit most from it. The cost of the hydel project will be met by U.P.

Labour Disputes in State Undertakings

U.P.'s Labour Minister, Acharya Jugul Kishore, has announced that the Government will shortly set up consultative and conciliation machinery for the settlement of labour disputes in State-owned undertakings. In the undertakings, there will be bipartite machinery, consisting of labour representatives and officers of the concern. There will also be a permanent conciliation board, which will function like other conciliation boards for the settlement of disputes in the private sector.

Election Prospects

No serious electoral threat to the Congress Party is expected from the various opposition parties in the State, but in the Congress Parliamentary Board itself an open rift has developed. The minority group in the party, led by Mr. Charan Singh and Mr. Mohanlal Gautam, has had several of its candidates turned down, while the majority group led by Mr. C. B. Gupta has succeeded in getting all its candidates accepted. It is too early to say whether the disappointed group will go the extent of openly opposing the official Congress candidates as in Bihar, but even if it does, the Congress is expected to win by a comfortable majority. Efforts for a straight fight against the ruling party have not been successful because the People's Progressive United Front, which is taking the lead, has not been able to secure the support of the three leading opposition parties, namely the P.S.P., the Jan Sangh and the Socialist Party. The demoralisation of the opposition generally is reflected in the Socialist Party's concentration on satyagraha after the elections in preference to fighting the elections. Satyagraha centres have already been established by the Party in many villages and volunteers are being enrolled. The Socialist campaign is particularly directed towards the sugarcane growers who are being told that sugar, according to the Tariff Board formula, should sell at Rs. 27 a maund if cane is purchased at Rs. 1-12. The Congress Government, according to the Socialists, is helping the millowners both ways, by fixing the sugar price at Rs. 30 and lowering the cane price to Rs. 1-7.

Consolidation of holdings is another subject on which opposition propaganda continues. The villagers, attached to their small holdings, have not taken kindly to the Government's consolidation measures. When persuasion failed, compulsion was decided upon, and compulsory consolidation is being carried out in certain districts. Both the P.S.P. and the Socialist Party have alleged extensive corruption in the Consolidation Department. There are many Congressmen also who do not reject the complaint outright. About 34.8 million voters will go to the polls between 25th February and 12th March in U.P. The polling is being spread over six days. The location of 45,000 polling stations and lists of election personnel are being finalised. There are 341 constituencies, which will return 430 members to the State Legislative Assembly and 86 members to the Lok Sabha.

Jute

EASIER TREND IN GUNNY MARKETS

DOUBTS ABOUT RAW JUTE SUPPLIES

CONTINUE

AS had been expected, the market for manufactured goods eased as soon as end-of-the-month covering was completed in December and January opened on a hesitant note. The news that several mills had been promoted from the C group to the A-B groups brought about a fall in the speculative market for hessian, because there will now be a greater quantity available for delivery in the fatka. It seems unlikely, therefore, that there will be the same tightness at the end of January as has been experienced recently. The upgrading of these mills applies, of course, only to hessian, but the fatka quotation for B Twills has declined in sympathy, although not to the same extent.

Another factor which appears likely to influence the market is the news that progress is being made with the clearing of the Suez Canal. The closure of the Canal brought a spate of buying as a provision against shipping delays and shortage of shipping space, because of the longer voyages ships have to make during the period the Canal remains closed. A lot of buying has thus been done ahead of the normal time. As the opportunity for reopening the Canal approaches, there is bound to be a fall in demand until spot and float stocks are back to normal. Added to that is the fact that we are now entering a period when demand ordinarily eases, so there must be some doubt whether the present prices for manufactured goods can be maintained much longer. Thoughts along these lines may be responsible for the bull unloading which is reported to have taken place in the past few days. Normally the reduction in mills' stocks of manufactured goods at the end of December should have kept the market firm, but the fact that it did not do so seems to indicate that the speculative element is taking a longer view. That may also be the case with the mills, for some selling pressure from them has been reported.

There is, however, a factor which may tend to counteract a reduction in the demand for manufactures. That is the question of raw jute supplies. It is generally felt that supplies of fibre, including bimli and mesta, available from Indian sources are not sufficient to carry on with until the 1957 crop is available, and that the high cost of Pakistani jute is likely to prevent any serious fall in the price of Indian jute. Supplies of Indian fibre coming at present, except for mesta, are meagre even for this time of year, but even if one accepts the view generally held that this is because jute is being kept back and not because the crop is less than estimated, it is not a satisfactory position for the mills. Reports from the districts indicate that those engaged in the jute business at all stages are holding stocks in the expectation of obtaining higher prices later, but there is some doubt whether they will continue to hold if the prices of manufactures drop. Except for the growers, whose position is better than it has ever been, the holding power of those in the trade has been much reduced by losses in the past two or three seasons. Evidence of their weakness has been seen even in recent weeks, when a temporary drop in the fatka quotations for manufactures has brought out nervous holders willing to unload. Next month, if the weather is suitable, ploughing for the new crop should begin in the early districts, and if, at the same time, there is a recession in the demand for manufactured goods, lower prices for raw jute might be seen in spite of the present beliefs.

I.J.M.A. Stocks of Manufactures

Stocks of manufactured goods held by mills reporting to the I.J.M.A. declined in December by 5,100 tons. The reduction in hessian stocks was 4,700 tons, bringing them down to 20,000 tons, the lowest figure for many years and just a little above two weeks' output. This indicates a strong position for hessian, but that is offset to some extent by the fact that stocks in the U.S.A. have been increasing over the past few months and now stand at a higher figure than normal. Some expected that stocks of sacking would increase as shipping orders had not been very good; it is reported that the fall of 2,000 tons is largely due to despatches for internal consumption. Stocks of other manufactures increased by 1,600 tons and are more than double what they were at the end of December, 1955.

THE JUTE MARKETS

Manufactured Goods: Not much enquiry from overseas has been reported during the past week. In sacking, some local covering business in cornsacks and B Twills was reported. In hessian, there was some American enquiry. The announcement that a number of mills had been promoted to the A-B groups brought about a fall in the hessian fatka quotation, as it meant that more hessian will be available for delivery in that market, where 40in. 10oz. A-B group hessian is the gambling counter. The influence of this regrouping may be seen in the fact that it was sufficient to offset the bullish effects of the drop in hessian stocks.

Quotations on Wednesday morning were as follows:

	January	Jan.-March	April-June
	Rs.	Rs.	Rs.
40in. 8oz.	36-8	35-14	35-6
40in. 10oz.	45-2	44-11	44-8
B Twills	119	119-4	118-14
Heavy Ceers (Plain)	119	119	119
A Twills	143-8	143-12	143
Liverpools	136-8	135-8	134-8
Cornsacks	121-4	121-4	120

Raw Jute: Mills continued to buy more or less daily throughout the week. The principal demand was for Northern jute and Murshidabad Tossa ex agencies. A fair amount of business was done at Rs. 31-12 for Assam, Rs. 31-8 for Northern White jute and Rs. 32-8 for Murshidabad Tossa. Mesta, bimli and jungli all came in for attention and prices remained steady until Tuesday afternoon, when there was some easing in sympathy with a drop in the gunny fatka quotations. This was particularly so in the case of mesta, the price of which fell by eight annas on Tuesday, while Assam and Northern showed little change. Large quantities of mesta are being offered for sale at present, but offers of Assam, Northern and Daissee jute are rather scanty.

Quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis	Shipment.
	Bottoms.	
Upper Assam	31-12	Jan.-Feb.
Lower Assam	32	"
Northern	31-8	"
Murshidabad Tossa	32-8	"
Daissee	33-8	One month
Daissee Mesta	27-12	"
Purnea Mesta	27-4	Jan.-Feb.
Jungli Mesta	26-12	"
Northern ex Calcutta	31-8	One month
Bimli	27-12 F.A.Q.	Jan.-Feb.

Arrivals in Cossipore during the week ended 8th January were 673 wagons, mostly jute and mesta, of which the condition was not satisfactory. Buyers on behalf of mills were very active throughout.

Mofussil: It is reported from all districts that good supplies of mesta are coming forward. On the other hand, imports of jute and tossa in the Northern districts are said to be below normal for the time of year, and in Purnea they are reported to be falling off. In most districts, the condition of imports is bad and stations in Northern Murshidabad district are said to be the worst. Rain has fallen in some places in central Bengal and, though it is too early for ploughing for the jute crop, it will help keep the soil in condition for the time when ploughing is due to start.

THE PAKISTANI JUTE MARKETS

BUSINESS RESTRICTED BUT PRICES FAIRLY STEADY

(FROM A CORRESPONDENT)

THE holiday period has naturally curtailed business and as a result prices have eased. Over this period, imports of loose jute into Narayanjanj have accumulated. Although they are still small for the time of year, there is more jute for sale than has been available for some time. In spite of this, and probably because of the strong holding power of the growers, the end of the holidays saw an attempt by loose jute sellers to increase their prices. So far, this has not been successful, but there has certainly been no reduction. The prices being paid for loose jute transactions on a reduced scale are Rs. 38 for Bottoms, Rs. 34 for B Bottoms, Rs. 32 for C Bottoms and Rs. 29 for X Bottoms, with some buyers paying up to 8 annas more. Kutchha bales are available from the mofussil areas at slightly higher prices, and business is reported in pucca

I.J.M.A. STOCK FIGURES FOR DECEMBER

The Indian Jute Mills Association reports that total stocks of jute goods held by mills at the end of December, 1956 were as follows:

Description	31st December, 1956	30th November, 1956	Increase over (+) or decrease from (-) last month	31st December, 1955
	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons
Hessian Cloth and Bags	7.02	20.0	8.83	24.7
Sacking Cloth and Bags	15.51	65.1	16.98	67.1
Others		11.5	9.9	
Grand Total (000 Tons only)		96.6	101.7	
			-5.1	

N.B.—These figures are based on replies received and represent all members of the Association and Ganga with estimates for three non-member mills.

bales at slightly better rates at the end of the week. Export Firsts have been done at Rs. 215, f.o.b. Narayanjanj, and Export Lightnings at Rs. 200 to Rs. 202. Export Hearts are quoted at Rs. 190 and Cuttings at Rs. 109. The pucca bale market for white jute shows a stronger tendency, with few sellers. In Tossa there is not very much interest. Quotations are Rs. 225 to Rs. 228 for Dundee Tossa 2/3 and Rs. 210 for Dundee Tossa 4. Output 2/3s and Output 4s are scarce and remain at a premium of Rs. 205 and Rs. 195. T. Cuttings are quoted higher than N. C. at Rs. 111.

Since overseas buyers are quoting very low prices, it might at first appear that the Pakistani shippers are in a difficult position. Export Firsts in pucca bales at Rs. 215 work out to about £119 c.i.f. Continent, whereas quotations there are about £115, with no buyers. On the other hand, as most people are square or even long, it is quite possible that business will be done for export at prices below the local parities. Reports from up-country areas indicate a scarcity of jute in mofussil agencies, which, if true, will be felt in Narayanjanj in a week or so. On the other hand, it is pleasant to note that the amount of moisture in loose jute has been reduced to reasonable proportions. This is generally a sign of a weaker market. Reports on the size of the crop still vary considerably but your correspondent is inclined to believe that there will be an overall crop of 6.5 million bales, which will in itself be barely sufficient, but due to the white crop having been very heavily rooted, there will be an excess of N. C. and a squeeze in white long jute.

The I. W. T. companies have altered their scheme of freight bookings so the turn-round of their barges has improved considerably. This, together with a better shipping programme for January than was expected, should help this market. Reports from overseas indicate that the gilt has disappeared from the afloat market, which now stands at as little as £1 above shipment prices. This probably refers mainly to Dundee where a considerable amount of afloat unsold jute was shipped during November and December, 1956.

The Pakistani jute mills continue to compete on a reduced scale with India for sales abroad and most of them appear to be fairly well sold up to the end of March in sacking. Hessian sales have not been so heavy, but most mills are reluctant to offer. In the local market, of course, where they have a monopoly, good profits continue. This market depends solely on the supply and demand balance in Karachi, which itself is controlled by the rather erratic coastal shipping position. Quotations are B Twills at Rs. 130, 45in 11oz at Rs. 57, 50in 71 oz/40in at Rs. 43. These rates are ex-mill, and to them must be added the 10 percent sales tax. The prices of goods from different mills can vary by as much as Rs. 5 since the local market shows a definite preference for different constructions from different mills. Pakistan's other profitable market—South Africa—has been buying mainly hessian, but it is expected that the Controller will be in the market again shortly. Premiums in South Africa for Pakistani sacking have been reduced, but they remain above the Calcutta market. The general feeling in Pakistan in jute and jute goods is bullish.

GUNNY SHIPMENT STATISTICS

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

	Hessian	Cloth	Total
	Bags (Tons)	(Tons)	(Tons)
1st to 31st December 1956	4,373.0	35,245.8	39,618.8
1st to 30th November 1956	5,591.1	44,360.2	49,951.3
1st to 31st October 1956	4,782.7	31,516.7	36,299.4
1st to 31st December 1956	32,236.2	1,855.3	34,091.5
1st to 30th November 1956	45,041.3	1,717.9	46,759.2
1st to 31st October 1956	41,911.2	1,265.5	43,176.7

PLANS FOR INCREASING INDIAN RAW JUTE PRODUCTION

Dr. P. S. Deshmukh, Union Minister for Agriculture presiding over a meeting held recently in Delhi of the representatives of the Commerce, Community Development, Finance and Agriculture Ministries and the chairman of the India Jute Mills Association, said that in order to raise raw jute production to 5,540,000 bales, it was decided to increase the acreage under jute cultivation.

in the States of Assam and West Bengal. A concerted drive would be made to enlist the co-operation and assistance of the community projects and N.E.S. workers also in these jute-growing States. It was emphasised at the meeting that free or cheaper supply of seeds, fertilisers and agricultural equipments would also be necessary. The value of using fertilisers was stressed and it was decided to undertake top-dressing of jute with ammonium sulphate; the entire area under jute cultivation will be fertilised by end of the second plan period. The problems of the State Governments and those relating to the plan for production will be further discussed at a conference of the Secretaries of the State Agriculture Departments and Development Commissioners to be convened in Delhi soon.

THE FOREIGN JUTE MARKETS

GOOD PROSPECTS FOR NEW YEAR

(FROM OUR DUNDEE CORRESPONDENT)

THE year just commenced will be a good one for the Dundee jute industry, if present conditions continue. Seldom have both spinners and manufacturers entered a year with their order books for yarns and cloth in a more satisfactory state. The greatest difficulty with which the industry here has to contend is the labour situation. There is a definite scarcity to keep all the mills and factories employed fully. Some of the Hungarian refugees have been jute workers in their own country and there are a few of them being taken on, while others are willing to learn. Several firms in Dundee have extended their establishments and one or two extra mills and factories have been built and equipped with the latest machinery. The improvements in labour-saving devices over the past few years have virtually reorganised the industry. Weavers are now able to attend up to six or even eight looms, while at the spinning end the worker has little more to do than watch the machine doing the work in the case of most processes. The raw jute market has been a bit irregular, with Mill Firsts offered at from £126 to £130 and Mill Lightnings from £113 to £116. Mill Hearts are from £107 to £110 and grade Hearts from £102 to £104. January-February shipment, c.i.f. U.K. Dark jute is in little demand at £113 lowest for good marks of Daissee-2/3 and £103 for grade, while grade Tossa-2/3 is quoted at from £120 and grade fours from £112, all c.i.f. U.K. January-February. A quietly steady trade has been passing, spinners being mostly interested in near-at-hand afloat parcels to replace the jute that has not yet come to hand and which should have arrived weeks ago.

Calcutta goods have continued to weaken with some cheap sellers knocking prices down to 68s 3d for 40in. 10oz. hessians and 51s for 72oz. January, 68s and 50s 9d. February and 67s 6d and 50s 9d March, with B Twills lowest at 182s, 183s and 184s for the respective positions of shipment, all f.o.b. Calcutta. The general quotations are about 1s higher for hessians and 2s to 3s for heavy goods. The earliest delivery obtainable for hessian yarns is April, though some spinners say it may be June. Prices are very firm for all descriptions and the same applies to cloth and bags.

DRAFT STANDARDS FOR MUSCOVITE MICA

The Indian Standards Institution has circulated three draft standards relating to muscovite mica for eliciting comments. The standards are for definitions of mica terms, methods of grading and classification of muscovite mica blocks, thins and condenser films, and methods of grading and classification of muscovite mica splittings. These draft standards are the draft revisions of the two Indian standards published in 1949, namely IS: 13-1949, giving the tentative Indian standard methods for grading processed mica, and IS: 14-1949, giving the tentative Indian standard classification of processed muscovite mica. These have now been split up into three. The draft revisions incorporate several decisions of the International Committee on Mica of the International Organisation for Standardisation (I.S.O.). The principal mica producing and consuming countries of the world are participating in the work of this Committee. It has its secretariat in India, and aims at establishing uniform specifications for use in international trade. The I.S.I. is developing international standards of mica, which is an important dollar-earning mineral. Present exports are worth over Rs. 9 crores annually.

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Plantation Topics

RECORD EXPORTS OF DRY GINGER

INCREASED DEMAND FROM MIDDLE EAST

(FROM A SOUTH INDIAN CORRESPONDENT)

A RECORD quantity of about 5,375 tons of dry ginger was exported from India during the season ended October 1956, as against 2,316 tons in the previous season. This was largely on account of increased demand from the Middle East. A country-wise analysis shows that Aden is still the largest importer of Indian ginger. During the season under review, it took 1,903 tons, representing over 35 percent of the total. Saudi Arabia came next, with an offtake of 1,225 tons, or roughly 23 percent of the total exports. The United States was the third largest importer, having bought 520 tons. More than 50 percent of the exports went from Bombay. Exports from Cochin amounted to 1,585 tons, from Alleppey 700 tons and from Kozhikode 370 tons. Ginger has enjoyed a price boom during the past four years and has often sold at a premium over pepper. This has largely been because of continued crop failures in other ginger-growing countries. High prices have given the Indian grower the incentive to produce more, and last season's crop was considerably in excess of what was produced five years ago. The new crop has started to move in substantial quantities, and is now being absorbed at the price of Rs. 375 to Rs. 400 a candy, compared with Rs. 350 a year ago. Foreign demand is far from satisfactory.

Pepper Arrivals

There was a substantial increase in pepper arrivals in the terminal markets of Kerala during November, the actual quantity being estimated at 1,100 tons, compared with 400 tons in October. But shipments increased only slightly, by 50 tons to 750 tons. U.S. offtake was about 300 tons. Reports that Russia had bought 1,500 tons from the new crop and spot covering by local interests were the main features of the market during November.

Lemongrass Oil Steady

Lemongrass oil shipments during November amounted to 120 tons, as against 125 tons in October. Arrivals were fairly good. The season is almost closed in Kerala, and the total output is estimated at the record figure of 1,200 to 1,400 tons. Prices remain fairly steady at about Rs. 93 a dozen bottles of 16 ozs each.

LONDON TEA SALES

AT last week's London tea sales the 42,954 packages on offer realised an average price of 6s 0.73d a lb., against 6s 1.63d in the previous week and 4s 4.96d a year ago. Plain broken pekoe was quoted at 5s 4.3d a lb., against 5s 6.1d in the previous week. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated ...	714	5/10 1/2
Amgoorie ...	708	6/0 1/2
Anglo-American ...	1,572	6/4 1/2
Assam Cons. ...	618	6/
Assam Doonars ...	1,082	5/11 1/2
Assam Frontier ...	1,221	6/5 1/2
Borhat ...	629	5/10 1/2
Budla Beta ...	507	6/4 1/2
Buxa Doonars ...	772	5/10 1/2
Chubwa ...	786	6/3 1/2
Cons. Tea and Lands ...	828	6/
Dekhari ...	2,968	5/11 1/2
Doom Dooma ...	383	6/5
Eastern Assam ...	1,299	6/4
Eastern Produce ...	851	6/3 1/2
Jetinga Valley ...	708	6/8 1/2
Jhanzie ...	210	5/9
Jokai ...	1,223	5/11 1/2
Jorehaut ...	1,626	6/1
Kanan Devan ...	732	6/4 1/2
Lanka Plants ...	1,746	6/1 1/2
Lunuva ...	222	7/
Makum ...	972	6/4 1/2
Meenglas ...	960	6/
Namdang ...	377	5/11 1/2
Pabbojan ...	474	6/2 1/2
Pundaloya ...	383	6/3 1/2
Rupai ...	246	6/7 1/2
Singlo ...	275	6/3 1/2
Standard ...	254	5/10 1/2
United Planters ...	384	7/1
	206	6/6 1/2

U.K. stocks of tea on 28th December amounted to 90.3 million lbs., against 124.6 million lbs. a year ago (converted at 110 lbs. a package).

COCHIN TEA SALES

At Sale No. 1, 3 1/2 million lbs. of tea were on offer. The market opened quietly and strengthened half-way, but eased again later. There was a fair general demand, but prices were irregularly four annas lower for low medium and medium sorts, with fannings often neglected. Better liquoring sorts sometimes were eight annas below valuations. The best feature were whole leaf grades, which were irregularly two annas easier.

COAL CARBONISATION IN U.K.

FUEL FACTORIES OF THE FUTURE

THE U.K.'s production of coal last year, about 223 million tons, was slightly more than in 1955, and output in future years should reflect the big expenditure on development undertaken in recent years. However, the most interesting changes in the industry relate not to increasing production but to the utilisation of the product. These changes are potentially more significant than the effort to get more coal. When the chairman of the National Coal Board, Mr. James Bowman, attended the inauguration of the Avenue Carbonisation and Chemical Plant, in Derbyshire, last October, he said with feeling: "For not far short of 10 years now we have lived with the idea of Avenue; we have eaten with it; we have slept with it. And now it is here and working." He was expressing in homely words not only pride in the most modern plant of its kind in Europe, but also the experts' sense of the importance of carbonising coal, to make smokeless fuels without waste.

Air pollution has become so damaging to health and property in the U.K. that the Government has at last legislated against the nuisance. The coal industry itself is in the forefront of the campaign for cleaner air; but it has also another interest in smoke-abatement. It knows, better than most of its customers, the chemistry of coal, and of the smoke that comes from coal. It knows that valuable substances go up in smoke, that coal that discharges smoke is not being efficiently burned. Sulphur-free coal completely burned would yield only harmless carbon-dioxide gas. The products of incomplete combustion are, besides actual particles of solid coal, also such viscous liquids as tar and oil, with a complex of associated chemicals. These substances are volatile; when coal is heated sufficiently and for long enough they disperse. To make solid fuel smokeless the volatiles must be removed. To get full value from the coal the volatiles must be not merely made harmless but captured, treated, and used.

Volatile Matter

However, the percentage of volatile matter in coal varies considerably. A moderate proportion of output consists of anthracite and dry steam-coal, which are naturally smokeless. Of coking coal, that will agglomerate when heated, Britain has not enough, some coal-producing countries have none at all. Some carbonising coals (which are coals that go plastic and form coke when the volatile matter is driven off by heat) have the unfortunate characteristic of swelling into a useless mass when heated; others with the right characteristics are too high in ash or sulphur-content for carbonising. Moreover, coals suitable for carbonising include large coal such as is required for railways and for the inefficient open fires still preferred in British homes. To carbonise more of the varieties that are already scarce, however it might improve health and hygiene, could solve no problems of scarcity; indeed, to divert coking coal from metallurgical use to boilers and other appliances would only make these problems worse. Plans for carbonisation must be based on the fact that an increasing proportion of total output consists of non-caking, or weakly-caking, high-volatile coals (with more than 20 percent volatile matter), and on the fact that mechanisation of mining increases the proportion of fine coal dust in the total (because machines act more harshly than men). British research has been concerned in recent years with producing smokeless fuels and chemicals from these plentiful inferior coals.

One of the most promising developments is the application to coal of a process used in other industries, fluidisation. It is based on the principle that a solid can be made to assume the essential characteristics of a liquid, mobility, if it is finally granulated and gases are blown through it. The mixture of solid and gas can be pumped like liquid through narrow pipes and from one vessel into another. A special advantage of fluidisation, as applied to coal, is that, as the stream of hot gas acts on each individual particle, it extracts the volatile matter very efficiently; it acts quickly; and it does not break down the coal nearly so much as do other carbonising processes. Not being so disintegrated, the volatile matter should yield more useful by-products. The fine particles must be formed into briquettes, which need a binding material, such as pitch. The binder is smoky; so a second carbonisation is necessary to make the briquettes smokeless. Another method, hot-sand carbonisation, has been evolved for this purpose. In this system the hot carbonising element is red-hot sand instead of gas. However, the binder adds nothing to the intrinsic value of the product. There is special interest, therefore, in a new mechanical method of consolidating the small particles without any binder—and without the elaborate equipment operating at very high pressures that has been developed for brown coal in Germany.

Whatever the refinements, it has been established in principle that high-volatile, broken-down, coal can be manufactured into lumps, with a wide range of uses. Ultimately, the fluidisation process may be applicable even to making coke—a development that would be profoundly significant to metallurgy. The whole problem of insufficiency of coal—a specific scarcity of certain kinds, not of coal in general—may be transformed. The Avenue plant, aforementioned, does not embody these latest processes. It does, however, carry a stage further the tendency of the carbonising industry to use lower ranks of coal, which are more plentiful; and it is an important producer of chemicals and fuels—including pitch/creosote fuel, which is much in demand now as an alternative to fuel-oil.

Calcutta Markets

GOOD GENERAL DEMAND IN TEA EXPORT SALE

BLACK LEAFY DUSTS STRONG

AT Sale No. 28, held on 7th, 8th and 9th January, offerings in the Export auction consisted of 72,928 packages. There was a strong and general demand for most kinds. Doonars and Assams with bright liquors were keenly competed for at 1 to 2 annas above the last rates, but medium Assam BOP's and O. Fgs. were generally 2 annas easier, while the remainder were 1 anna easier. C.T.C. teas were in good demand at 1 to 2 annas below valuations, while clean and well twisted whole leaf grades met with keen competition and were up to 2 annas dearer. Stylish BPS were fully firm, and there was more demand for Darjeelings, which sold well.

	1957 Rs.	1956 Rs.
Clean Black Pekoe	2 6 0	2 0 0 to 2 2 1
Plain B.P.	2 4 0	1 7 6
Medium Assam B.P.	2 5 0 to 2 6 0	1 10 0
Best C.T.C. Assam B.P.	2 12 0	2 1 0 to 2 3 0

At the Internal Sale, Dust offerings consisted of 26,674 chests, for which there was a good general demand. The better quality black leafy Dusts were again a strong feature and were selling up to 2 annas above valuations, while orthodox Dusts from all districts were well supported and were generally firm and sometimes 1 to 1 anna dearer. Bright Assams were sold well and were up to 2 annas and sometimes 3 annas dearer, while those with ordinary liquors received less support and were 2 annas easier.

	1957 Rs.	1956 Rs.
Medium Doonars Dust	2 1 0	2 1 0
Medium Assam Grainy Dust	2 2 0	2 2 0
Medium Assam C.T.C. Dust	2 3 0	2 3 0
Best Assam C.T.C. Dust	2 9 0	2 9 0 to 2 11 0

The Leaf offerings consisted of 2,502 packages, for which there was a strong demand. All kinds, particularly Fannings, were generally up to 2 annas dearer, but the few lines of green tea on offer received only fair support.

At the Internal tea Sale No. 27, held on 3rd January, Dust offerings consisted of 18,562 chests for which there was a good general demand. The for which there was a good general demand for export clean black leafy descriptions suitable for the Sale, were a particularly strong feature of the Sale, being 1 while Commons and Doonars sold well, being 1 anna and occasionally 2 annas dearer. Orthodox Assams were from 1/2 to 1 anna dearer, especially the powdery types and the exportable types from this district were keenly competed for at 2 annas to 3 annas above last rates. C.T.C. Assams were the weakest feature of the Sale and were generally 2 annas easier.

	1957 Rs.	1956 Rs.
Medium Doonars Dust	2 0 0 to 2 0 6	1 5 6 to 1 6 0
Medium Assam Grainy Dust	2 1 0 to 2 1 6	1 7 6 to 1 8 0
Medium Assam C.T.C. Dust	2 5 0 to 2 6 0	
Best Assam C.T.C. Dust	2 9 0	2 2 0 to 2 4 0

There was a total of 3,334 chests of leaf on offer for which there was a fairly good general demand, which strengthened as the Sale progressed. Clean leaf teas were sometimes up to 2 annas dearer, while the residual descriptions closed at firm or dearer rates.

FREIGHT MARKETS QUIET

THE freight markets remained quiet on the resumption of trading after the holidays and it is felt that little business is likely to be done until charterers arrange their 1957 programmes, which, of course, will be strongly influenced by hopes of an early clearance of the Suez Canal. The American coal rate to the Continent has now slumped to 98s. Four years' consecutive voyages are being offered at 63s to 65s. In the Indian ore trades, East Coast-Poland repeated 219s. Mormugao-west Italy paid 195s via the Cape, and 145s via Suez. Wheat was arranged from north Pacific-Bombay at \$29 and flour from U.S. Gulf to Jeddah at \$39.75. In the time charter section, a 10,200-ton motorship was fixed at 68s delivery Antwerp, re-delivery Malaya, and a Liberty secured \$6.15 for 12 months' trading, showing a decline of 85 cents from the rate paid three weeks ago.

POOR DEMAND FOR SUGAR

During the week ended 9th January, demand in the sugar market was poor and prices declined by one or two annas a maund. Sales averaged 4,100 bags a day, while arrivals amounted to 4,500 bags a day. Stocks totalled 90,000 bags. Rates for ready sugar ex-Kantapukur delivery were Rs. 33 for ordinary grain and Rs. 31-12 for big grain.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 1st January and 7th January, 1957)

Cowhides: Wet salted (Ord.) 23,400 pcs. on the basis of Rs. 7 to Rs. 16; wet salted (Slaughtered) 17,000 pcs. on the basis of Rs. 12-8 and Rs. 22.

Goatskins: Wet salted (Daissee, Killed) 83,400 pcs. on the basis of Rs. 270 to Rs. 280, Rs. 290 to Rs. 320 and Rs. 370; Assam-Dinajpur-Murshidabad

20,600 pcs. on the basis of Rs. 260 to Rs. 300; Purneah-Kishanganj 6,000 pcs. on the basis of Rs. 280 to Rs. 300; Pakur-Patna (Ord.) 17,000 pcs. on the basis of Rs. 255 to Rs. 275; Muzafferpore-Patna 16,300 pcs. on the basis of Rs. 280 to Rs. 320; Muzafferpore 1,700 pcs. on the basis of Rs. 360.

Bazaar Stocks

(7th January, 1957)

Cowhides: Wet salted 20,800 pcs.
Goatskins: Wet salted (Daissee, Killed) 11,500 pcs.; Assam-Dinajpur-Murshidabad-Jalpaiguri 71,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kishanganj 1,04,000 pcs.

SHELLAC CLOSES STEADY

During the week ended 8th January, the shellac market was quiet at the beginning and steady at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 120 buyers, 120, 118 value, 118 buyers.
Lemon No. 1 Shellac	Rs. 124 done and buyers, 123, 118-8 value, 118 done and buyers.
Lemon No. 2 Shellac	Rs. 118 to 112 done and buyers, 117-8 to 114-8 value, 112 buyers.
F. O. Std. 1 Shellac	Rs. 111 done and buyers, 108 to 107 buyers, 108 buyers.
Pure TN Shellac	Rs. 106-8 to 102 basis done and buyers, 104 to 100-8 buyers, 100 basis buyers.
4% I.T.N. Shellac	Rs. 100, 94-8, 95-8 buyers.
No. 1 Kusmi Seedlac	Rs. 110 to 108 buyers, 110-8 to 108 value.
No. 2 Kusmi Seedlac	Rs. 105-8 buyers, 106-8 to 104-8 value.
Fine Bysaky Seedlac (Manbhuy)	Rs. 100 to 98-8, 95-8, 97 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 95-8 to 88, 90 buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 87 done buyers, 85 to 82, 83-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 79-8 to 75, 76 buyers.
Kireelac	Rs. 35 to 32 buyers.

Shipments during January until the 3rd were 4,354 packages consisting of 3,334 packages of shellac, 855 packages of seedlac, and 165 packages of others.



TURNING A NEW ROLL

We have turned a new roll; and it has cost us three and a half crores of rupees.

To what purpose, pray?

At the end of the rolling, we get coils of flat, steel strip—skelp, as the steel man calls it. The skelp is passed on to the Indian Tube Company, which welds it into tubes.

So what?

Merely that steel tubes pipe up water from deep inside the earth to parched fields, helping to grow a rich harvest. In the cities, countless homes receive a protected supply of water through these pipes.

Books and Publications

BOOKS RECEIVED

Iron and Steel. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price As. 6; pages 16.)

Our Second Five Year Plan. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price As. 6; pages 72.)

Foreign Aid for the Plan. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price As. 8; pages 22.)

Cash Crops. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price Anna 1; pages 16.)

About India. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price Rs. 3-8; pages 128.)

Himachal Pradesh. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price As. 8; pages 40.)

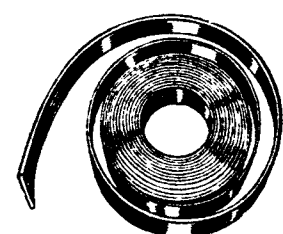
Indian Drama. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price Rs. 2; pages 120.)

Historical and Biographical Films—A Symposium. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price As. 6; pages 31.)

Sikkim Looks Ahead. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price As 12; pages 48.)

Soon, a new plant will turn out the kind of steel tubes that go into the making of bicycles. Remember also that the locomotive speeding along the track is kept going by steel tubes which hold the steam.

Tata Steel's new Skelp Mill, the first of its kind in India, has a capacity of 200,000 tons. When there is enough steel, this mill will roll all the skelp and strip the country needs.



TATA STEEL
SERVES THE NATION

COMPANY AND PUBLIC NOTICES

KORNAFULI ASSOCIATION LTD.

NOTICE is hereby given that the Seventy-sixth Annual General Meeting of the Shareholders will be held at No. 2, Fairlie Place, Calcutta, on Tuesday the 29th January, 1957 at 12-25 p.m.

AGENDA

- (1) To receive and approve the Report of the Directors and the Company's audited accounts for the year ended 31st December 1955.
- (2) To elect a Director.
- (3) To appoint Auditors and fix their remuneration for the current year.

(4) As Special Business:

To consider and, if thought fit to pass, with or without amendment the following Resolution

(As an Ordinary Resolution)

"RESOLVED that the Board of Directors be and is hereby authorised with effect from the commencement of the Companies Act 1956 to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 22nd January to 29th January, 1957, both days inclusive.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,

R. J. L. OAKLEY,

Managing Director,

Managing Agents.

Calcutta, 4th January, 1957.

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

Explanatory Statement

Item No. 4 By the provisions of Sections 293 (1) (d) of the Companies Act 1956 the Directors without the consent of the Company in General Meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the Company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The Resolution is intended to provide that authority and to restore the position which prevailed under Article 65 prior to 1st April, 1956.

THE BISHNAUTH TEA CO. LTD.

NOTICE is hereby given that a Dividend of 20% for Season 1955 has been declared payable on or after 28th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 21st December, 1956, or in accordance with instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Secretaries.

THE BORPUKHURI TEA CO. LTD.

NOTICE is hereby given that a Dividend of 10% for Season 1955 has been declared payable on or after 27th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 20th December, 1956, or in accordance with the instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Managing Agents.

THE DIMAKUSI TEA CO. LTD.

NOTICE is hereby given that a Dividend of 8% on Cumulative Preference shares, and a Dividend of 20% on Ordinary shares for Season 1955 have been declared payable on or after 27th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 20th December, 1956 or in accordance with instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Managing Agents.

TYROON TEA COMPANY, LIMITED.

NOTICE is hereby given that the 66th Annual General Meeting of the Shareholders of Tyroon Tea Company, Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Thursday, the 31st January, 1957, at 4-10 P.M. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended 31st December, 1955, and the Balance Sheet as at that date, and the Reports of the Directors and the Auditors.
2. To declare a Dividend.
3. To appoint a Director in place of a Director who retires by rotation.

And, in this connection to consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956:—

"That Mr. D. N. Mukerji be and is hereby re-appointed a Director of the Company."

Special Notice dated 15th December, 1956, of intention to propose the foregoing resolution as a Special Resolution has been received by the Company wherein it is stated that a Special Notice of the Special Resolution is given to satisfy the requirements of Sections 190 and 261 (i) (f) (2) and (3) of the Companies Act, 1956, for the reason that Mr. D. N. Mukerji is presently a Director of the Company, which is a subsidiary of McLeod & Co., Ltd., the Managing Agents to the Company, and he is an associate of the Managing Agents within the definition in Section 2 (3) (c) (i) of the Companies Act, 1956, who may only be appointed or re-appointed a Director by a Special Resolution, of which Special Notice has been given to the Company.

4. To appoint Auditors for the year ended 31st December, 1956, and to fix their remuneration.
5. To consider and, if thought fit, to pass the following resolution:—

AS SPECIAL BUSINESS.

"That the Board of Directors be and is hereby permitted with effect from the commencement of the Companies Act, 1956, to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 21st January 1957 to 31st January 1957, both days inclusive.

By Order of the Board,

McLEOD & CO. LTD.,

A. T. DOIG,

Managing Director,

Managing Agents.

3, Netaji Subhas Road,
Calcutta, 3rd January, 1957.

NOTE:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.
2. Payment of the proposed Dividend, if declared, will be made on or after 7th February 1957, only to those members whose names are registered in the Books of the Company on the 31st January, 1957, or to their Mandatees.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT.

The Resolution being Item No. 5 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves pursuant to Section 293 (1) (d) of the Companies Act, 1956.

NEW TERAI ASSOCIATION LTD.

NOTICE is hereby given that the Fortieth Annual General Meeting of the Shareholders will be held at No. 2, Fairlie Place, Calcutta, on Tuesday the 29th January, 1957 at 11-35 a.m.

AGENDA

- (1) To receive and approve the Report of the Directors and the Company's audited accounts for the year ended 31st December, 1955.
- (2) To elect a Director.
- (3) To appoint Auditors and fix their remuneration for the current year.
- (4) As Special Business:

To consider and, if thought fit to pass, with or without amendment the following Resolution

(As an Ordinary Resolution)

"RESOLVED that the Board of Directors be and is hereby authorised with effect from the commencement of the Companies Act 1956 to borrow moneys from time to time for carrying on the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 22nd January to 29th January, 1957, both days inclusive.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,

R. J. L. OAKLEY,

Managing Director,

Managing Agents.

Calcutta, 4th January, 1957.

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

Explanatory Statement

Item No. 4 By the provisions of Sections 293 (1) (d) of the Companies Act 1956 the Directors without the consent of the Company in General Meeting cannot borrow monies in excess of the aggregate of the paid-up capital of the Company and its free reserves. An authority is therefore required for your Directors to borrow for the purposes of the Company in excess of this statutory limit. The resolution is intended to provide that authority and to restore the position which prevailed under Article 66 prior to 1st April, 1956.

LOWER VAGAVURAI TEA ESTATE.

(including Upper Vagavurrai Division)

Upon instructions of The Kanan Devan Hills Produce Co., Ltd.

FIGGIS PRIVATE LIMITED

will offer for sale by public auction (unless previously disposed of by private treaty) at the Joint Sale Room 4/147, Ballard Road, Cochin, on the 11th JANUARY, 1957 at 11 o'clock in the forenoon, the abovenamed Tea Estate forming part of the area known as Kanan Devan Concession in the Kanan Devan Hills Pakuthy, Kerala State, with all buildings, plant and machinery.

The area of the land to be sold is 2,437.90 acres, approximately, to which will be added further land, mainly grass but including some jungle sholas, lying outside the estate boundary and containing 24,562.10 acres, approximately, provided such further land should be declared to be available at the time of auction.

The Tea Estate will be sold as a going concern as on and from the 1st December, 1956. Certain assets will be excluded from the sale, either absolutely or subject to payment therefor at valuation or by agreement, as prescribed by the printed Notification, Particulars and Conditions of Sale whose terms will govern the transaction in all respects, notwithstanding anything in this notice inconsistent therewith.

Prints of the Notification, Particulars and Conditions of Sale may be obtained from Figgis Private Ltd., or Forbes, Ewart & Figgis Private Ltd., at Cochin or D6, Clive Buildings, Calcutta or Messrs. James Finlay & Co., Ltd., 2, Netaji Subhas Road, Calcutta 1, or the General Manager, Kanan Devan Hills Produce Co., Ltd., Munnar, Kerala State.

THE DUFFLAGHUR TEA CO. LTD.

NOTICE is hereby given that a Final Dividend of 30% for Season 1955 has been declared payable on or after 28th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 21st December, 1956, or in accordance with instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Managing Agents.

FRASER & COMPANY LIMITED.

NOTICE is hereby given that the Fortieth Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Wednesday the 30th January, 1957 at 3-20 p.m. for the following purposes:

- (1) To receive and consider the Directors' and Auditors' Reports, the Profit & Loss Account for the year ended 31st March, 1956 and the Balance Sheet as at that date.
- (2) To declare a Dividend.
- (3) To elect a Director.
- (4) To appoint Auditors and fix their remuneration.

The Share Transfer Books of the Company will be closed from 22nd January to 30th January, 1957 both days inclusive.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,

R. J. L. OAKLEY,

Managing Director,

Managing Agents.

Calcutta, 4th January, 1957.

Note: A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

THE EAST INDIA TEA CO., LTD.

NOTICE is hereby given that a Dividend of 10% for Season 1955 has been declared payable on or after 28th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 21st December, 1956, or in accordance with instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Secretaries.

THE GOHPUR TEA CO., LTD.

NOTICE is hereby given that a Dividend of 30% for Season 1955 has been declared payable on or after 27th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 20th December, 1956, or in accordance with instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Managing Agents.

THE NAGRI FARM TEA COMPANY LTD.

NOTICE is hereby given that a Dividend of 15% for Season 1955 has been declared payable on or after 28th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 21st December, 1956, or in accordance with the instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Managing Agents.

Calcutta, 5th January, 1957.

THE SEAJULI TEA CO. LTD.

NOTICE is hereby given that a Dividend of 15% for Season 1955 has been declared payable on or after 27th December, 1956.

Warrants will be issued to Shareholders registered in the Company's books on 20th December, 1956, or in accordance with instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Managing Agents.

THE SOOM TEA COMPANY LTD.

NOTICE is hereby given that a Final Dividend of 10% for Season 1955 has been declared payable on or after 28th December, 1956.

Warrants will be issued to Shareholders registered in the Company's Books on 21st December, 1956, or in accordance with the instructions received from them.

By Order of the Board,

For WILLIAMSON MAGOR & CO. LTD.,

V. S. VIJI,

Secretary,

Secretaries.

Calcutta, 5th January, 1957.

FRASER & COMPANY LIMITED

CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,

KILBURN & CO., PRIVATE LTD.,

A. N. MITRA,

Secretary,

Managing Agents.

2 Fairlie Place,
Calcutta-1, 4th January, 1957.

KORNAFULI ASSOCIATION, LIMITED.

CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,

KILBURN & CO., PRIVATE LTD.,

A. N. MITRA,

Secretary,

Managing Agents.

2 Fairlie Place,
Calcutta-1, 4th January, 1957.

NEW TERAI ASSOCIATION, LIMITED.

CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,

A. N. MITRA,

Secretary,

Managing Agents.

2 Fairlie Place,
Calcutta-1, 4th January, 1957.

FOR SALE

MONOCABLE ROPEWAY designed and supplied by British Ropeway Engineering Co., Ltd., for transport of tea and estate requirements consisting of four separate sections. Length between stations 3.6, 2.29, 0.93, 2.2 miles with terminal and four intermediate stations transporting 18 tons per hour between sea level and 4000 ft. elevation. Maximum load per carrier 600 lbs. Electrically operated and in daily use.

Anamallais Ropeway Co., Private Ltd.,
Attakatti P.O., Via Pollachi, S. India.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
United Provinces Electric Supply Co., Ltd.	10-1-57	11 a.m.
Dejoo Valley Co., Ltd. (Tea)	10-1-57	4 p.m.
Rajabhat Tea Co., Ltd.	10-1-57	4-10 p.m.
Bengal Flour Mills Co., Ltd. (E)	14-1-57	11-30 a.m.
Bridge & Roof Co. (India), Ltd. (E)	14-1-57	11-30 a.m.
Indian Galvanizing Co. (1926), Ltd. (E)	14-1-57	12-10 p.m.
British India Electric Construction Co., Ltd. (E)	14-1-57	12-30 p.m.
Bhagwati Pressing Co., Ltd.	17-1-57	4-30 p.m.
Shree Gopal Paper Mills, Ltd.	19-1-57	12-30 p.m.
New Terai Assocn., Ltd. (Tea)	23-1-57	11-35 a.m.
Kornafuli Assn., Ltd. (Tea)	23-1-57	12-25 p.m.
Fraser & Co., Ltd. (Shipping)	30-1-57	3-20 p.m.
Roopacherra Tea Co., Ltd.	31-1-57	4 p.m.
Tyroon Tea Co., Ltd.	31-1-57	4-10 p.m.
Burrakur Coal Co., Ltd.	1-2-57	10 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Caledonian Jute Mills Co. Ltd.—Nil (o); Belvedere Jute Mills Co. Ltd.—Nil (o); Budae-Budae Jute Mills Co. Ltd.—Nil (o); Delta Jute Mills Co. Ltd.—Nil (o); Cheviot Mills Co. Ltd.—Nil (o); Orient Jute Mills Co. Ltd.—1 p.c. (o); Burrakur Coal Co. Ltd.—3½ p.c. (o); Aluminium Corporation of India Ltd.—5 p.c. (o); Central Hydraulic Press Co. Ltd.—Rs. 6 per share; Bishnauth Tea Co. Ltd.—20 p.c.; Borpukhuri Tea Co. Ltd.—10 p.c.; Dimakusi Tea Co. Ltd.—20 p.c. (o); Dufflaghur Tea Co. Ltd.—30 p.c. (Final); East India Tea Co. Ltd.—10 p.c.; Gohpur Tea Co. Ltd.—30 p.c.; Nagri Farm Tea Co. Ltd.—15 p.c.; Seajuli Tea Co. Ltd.—15 p.c.; Soom Tea Co. Ltd.—10 p.c. (Final); Mysore Spg. & Mfg. Co. Ltd.—6 p.c. (o) (Int.).

(E)—Extraordinary General Meeting.

O.—Ordinary Dividend.	Int.—Interim Dividend.
P.—Preference Dividend.	I.—Less Income Tax.
P.O.—Preferred Ordinary Dividend.	F.—Final Dividend.
D.—Deferred Dividend.	Cm.—Cumulative

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Wednesday 9th January, 1957.

All rights reserved.

GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA														
2,48,91,47,000	3	1946	1986 or later	72½	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	99½
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months' notice.	73	78,90,100	4	1915	1975	99	35,00,000	4	1905	1965	99½
57,00,69,000	2½	1946	1961	93½	88,02,300	3	1921	1st 1981	82	15,00,000	4	1906	1967	99½
45,63,07,000	2½	1946	1960	93½	1,50,00,000	6½	1921	2nd 1981	144N	44,00,000	4	1907	1968	99½
90,35,63,000	3	1951	1958	99½	2,892,800	5	1923	1953-83	279	75,00,000	4	1908	1969	99½
1,16,17,46,000	3	1938	1963-65	94½	2,901,000	5	1924	1954-84	279½	40,00,000	4	1909	1970	99½
1,10,11,78,000	3	1943	1966-68	92½						56,00,000	4	1910	1971	99½
75,86,72,000	2½	1947	1962	93½						75,00,000	4	1911	1972	99½
	2½	1948	1962	93½										
30,33,10,000	3	2nd issue			1,49,49,500	5	1927	1957-87	102					
14,77,48,000	2½	1950	1964	94½	1,49,30,000	5	1928	1958-88	103					
63,30,26,000	2½	1946	1976	93½										
1,15,05,83,000	3	1945	1960-70	100½	30,00,000	4	1931	1991	98					
1,14,06,89,000	3	1944	1957	99½	2,835,100	3½	1932	1962	281½					
2,85,73,000	4½	1928	1958-68	102½	30,00,000	3½	1933	1963	281½					
75,28,64,000	3	1953	1961	99½	50,00,000	3	1946	1976	84½					
1,13,68,64,000	3	1953	1961	99½										
1,58,17,07,000	3½	1945	1959-61	97½										
1,03,67,92,000	3½	1954	1964	98½										
33,82,00,000	3½	1956	1965	98½										
66,64,00,000	3½	1956	1965	98½										
57,27,00,000	3½	1956	1962	97½										
3,44,00,000	3	1944	1958	98½										
6,00,00,000	3	1949	1962	98½										
3,00,00,000	3	1950	1960	98½										
3,00,00,000	3	1951	1962	98½										
3,50,00,000	3	1952	1964	100½										
5,00,00,000	4	1953	1963	100½										
52,09,800	3	1946	1958	98½										
2,03,00,000	3	1948	1964	98½										
1,00,00,000	3½	1951	1962	98										
1,29,76,600	3	1939	1959	96½										
1,09,00,000	3	1944	1958	98½										
2,82,19,000	3	1945	1960	96										
3,90,83,200	2½	1946	1961	93½										
4,47,00,000	3	1950	1960	96										
5,00,00,000	4	1952	1964	99½										
5,00,00,000	4	1953	1963	99½										
1,00,39,800	3	1936	1961-66	90½										
3,23,96,800	3	1944	1958	98½										
2,36,31,900	3	1945	1960	95½										
2,41,19,800	2½	1946	1961	93½										
2,00,00,000	3	1951	1962	97½										
2,00,00,000	4	1952	1964	99½										
5,00,00,000	4	1953	1963	99½										
1,75,00,000	3½	1951	1962	98½										
2,00,00,000	4	1952	1964	99½										
3,60,23,300	4	1953	1963	99½										
7,00,00,000	4	1954	1967	99½										
7,00,00,000	4	1956	1968	99										
2,95,85,200	5	1933	1953-63	101										
5,99,12,000	4	1936	1956-61	99½										
5,08,05,700	3	1946	25-1-1958	99½										
3,00,00,000	3	1953	15-7-1963	99½										
30,00,000	3½	1936	1956-61	99½										
1,00,00,000	3	1945	1955-56	98½										
3,34,70,000	4	1953	1963	99½										
2,12,21,800	4	1955	1967	98½										

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA									
36,00,000	5	1928	1958	103					
25,00,000	5	1929	1959	102					
25,00,000	5	1929	1958	102½					
15,49,000	3½	1951	1960	97					
16,33,000	3½	1951	1961	97					
66,88,000	3½	1951	1966	97½					
10,00,000	5½	1932	1962	108					
33,91,000	3½	1935	1965	94					
72,50,000	4½	1954	1979	100					
80,00,000	3	1936	1966	90					
47,60,000	3	1938	1968	90					
17,64,400	3½	1942	1959	96½					
31,13,600	4	1939	1956	99½					
21,10,000	4	1942	1972	92					
15,56,800	5	1940	1957	99½					

A-Held by the Govt. of India.

These notes refer to the Debentures on the next page.

Option to repay at par on 6 months' notice—

- after 3 years from date of issue.
- at any time.
- on or after 1-1-61.
- after 14-11-53.

Option to repay on 6 months' notice—

- at any time after 30-9-61 at 101%.
- at 101% between 1-1-60 & 31-12-64.
- at 102% after 30-6-59 but before 30-6-64.
- on or after 31st July 1950 at Rs 102% or at par on or after 31st July 1953.

Option to repay on 3 months' notice—

- at any time at 3% Premium.
- at 1% Prem after 1-2-54 but before 1-3-57 and 1% Prem. on or after 1-3-57.
- at any time at par.
- at any time after 31-3-62 at the rate of 1% Premium.

(m) Redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months' notice.

(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months' notice with option to redeem, at drawing 8 years from date of issue on 1 months' notice. Option not exercised, repayment to be made after full term.

Option to repay.

(p) at par after September 1956.

(q) at par on or after 1-12-59.

(r) on 30-6-62 or any subsequent interest payment date on one month's notice.

(s) Rs 1 lac Debentures to be redeemed annually by drawing from 1-6-56 with option to redeem at 100% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) With option to redeem at Rs. 101% after 10 years or at 100% after 12 years.

(u) With option to redeem all or any of the Debts at 101% at any time after 31-3-64 and at 100% at any time after 31-3-66.

(v) Rs. 40,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 40 on 31-12-48.

(w) Redeemable at any time at 5 per cent premium (a) on 6 months' notice by the Company or (b) in the event of the Security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January, 1945 or every seventh year thereafter.

(x) At par all or any of the Debts, on 31st Dec., 1960 or on any subsequent interest date.

(y) Redeemable (a) at 102% on 1st Oct., 1974 or in the event of voluntary liquidation or the undertaking being purchased or (b) in the event of the Security becoming enforceable or (c) at 105% at any time after 31st March 1953 on six months' notice from the Co. (d) also redeemable out of a sinking fund (commenced in 1958) by drawings at 102% or purchase at or under 102%.

(z) Also redeemable out of a cumulative sinking fund of 1-1/3% per annum commencing in 1941 by purchase at any price less than par or by annual drawing at par.

JOINT STOCK COMPANIES' DEBENTURES

Amount Authorized Rs.	Amount Outstanding Rs.	Rate of interest per cent	NAME OF COMPANIES	Year of Issue	MARKET PRICE			Interest Payable	Principal Repayable	Remarks
					9-1-57	2-1-57	A year ago			
			(CALCUTTA) COAL		Rupees	Rupees	Rupees			
30,00,000	30,00,000		4) Bharat Collieries	1944	95½	95½	95½	30th April 31st Oct	30-6-54	(G*)
20,00,000	20,00,000		4) Burraku Coal Co. Ltd.	1947	91½	91½	91½	30th June 31st Dec	30-6-54	(G*)
50,00,000	50,00,000		5) Equitable Coal Co. Ltd.	1952	100	100	100	15th June 15th Dec	14-12-54	(G*)
2,00,000	2,00,000		4) Sendra Coal Co. Ltd.	1947	88	88	88	30th June 31st Dec	30-6-54	(G*)
			COTTON MILL							
4,00,000	4,00,000		4) Bengal Nagpur	1897	98½	98½	99	10th May 10th Nov	15-11-54	(I)
			JUTE MILLS							
15,00,000	12,00,000		5) Agarpara	1938	97½	97½	99½	1st Oct 1st April	31-3-54	(F)
15,00,000	15,00,000		4) Auckland	1947	90	90	90	30th June 31st Dec	15-1-54	(F)
9,00,000	9,00,000		5) Alexandra	1935	99	99	100	30th June 31st Dec	30-6-54	(G)
10,00,000	10,00,000		5) Bengal	1941	95	95	95	30th June 31st Dec	30-6-54	(G)
12,00,000	10,69,000		5) Chitavalah	1951	96	96	97	30th June 31st Dec	30-6-54	(G)
25,00,000	25,00,000		5) Dalhousie	1954	96½	96½	99	31st Mar 30th Sept	31-3-54	(G

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					9-1-57	A year ago						9-1-57	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	113	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
COAL.													
1905	Bengal Nagpur (Feb Aug.)	11.25	7	100	105	118	1918	Bombay Steam Navigation (July)	15.00	6 1/2	250	15	15
1895-97	Borra (June Dec.)	4.00	6 1/2	100	103	119	1920	Britannia Biscuit (Feb Aug.)	15.00	6	10	151	111
1901-29	Burrakur (June Dec.)	22.98	7	100	114	122 1/2	1909-11	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	91	115
1946	Burrakur (June Dec.)	4.50	6 1/2	100	103	119	1903-30	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	119	135 1/2
1895	Equitable (May Nov.)	4.00	6 1/2	100	104	117	1909-11	Burn Eng (1st & 2nd) (Feb Aug.)	13.00	7	100	123	132 1/2
1931	Khas Kajora (Mar Sept.)	5.193	6	100	104	117	1937	Calcutta Electric Supply (Mar Sept.)	15.00	6	100	112	121
1920	New Beerhoom (Jan July)	2.00	7	10	5	2	1937	Calcutta Silk Manufacturing (July Jan.)	21.900	6	100	101	120
1899-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1938	Calcutta Tramways (Jan July)	22.500	5 1/2	100	81	81
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1935-24	Carew & Co (January)	8.00	5 1/2	100	101	106
1894	Bangalore (Jan July)	6.00	6	100	125	128 1/2	1946	Cawnpore Sugar Works (Feb Aug.)	10.00	8	100	127	143
1938	Basanti (Oct.)	5.00	6 1/2	100	108	111	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	57 1/2	66
1896	Benzal Nagpur (Apr. Oct.)	3.00	7	100	99	8	1937	Dacca Electric Supply (July)	6.00	6	10	10	99
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1937	Dalmia Cement (Bharat)	3.500	6	100	91	99
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	140	135	1937	Dalmia Cement (Bharat)	2.372	6	40	38	38
1919	Bradbury "B" (Jan Dec.)	14.75	7	100	70	71 1/2	1916	Deshgarh Power Supply "A" (Jan.)	16.00	7 1/2	100	133	107
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	250	324 1/2	324 1/2	1935	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	91 1/2
1928	Cambodia (July)	1.00	7 1/2	100	144	133 1/2	1948	Dunlop Brothers & Co. Ltd.	45.00	4	100	60 1/2	71 1/2
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1926	Dunlop Rubber "First" (Jan July)	30.00	6	100	124	126
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	60	101
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	143 1/2	1928-29	East India Distilleries (Jan July)	£200	7	£1	17 1/2	17 1/2
1943	Elgin "B"	4.20	5	10	9 1/2	9 1/2	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	..	..
1919	Elophinstone (May Nov.)	25.00	7 1/2	100	97 1/2	97 1/2	1928	General Investment & Trust (Feb Aug.)	1.00	5	100	75	77 1/2
1919	Kesoram (June Dec.)	20.00	7	100	87 1/2	87 1/2	1946	General Investment & Trust (Feb Aug.)	1.00	6 1/2	100	65	72 1/2
1925	Khatana Makani (Nov.)	10.00	6	100	114 1/2	133	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	102	104
1937	Kothari (Nov.)	12.00	6	100	88	88	1946	Gladstone Lyall & Co Ltd.	15.00	6 1/2	100	66	68
1909	Muir (Feb Aug.)	30.00	6	10	102	103	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	72
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	185	185	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	68
1920	New Victoria (Apr. Oct.)	26.05	5 1/2	200	185	185	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	68 1/2
1933	Palani Andavar (Mar.)	2.00	7	50	4 1/2	4 1/2	1940	Humayan Properties Ltd (Nov.)	12.00	6	10	9 1/2	10
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	115	1936	Indian Aluminium (Mar Sept.)	40.00	5 1/2	100	77 1/2	77 1/2
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90 1/2	90	1945	Indo Burma Petroleum (Jan July)	50.00	7 1/2	100	101	108
1931	Vasanta (Apr. Oct.)	16.00	6 1/2	100	113	120	1927	Indian General Navy & Railways	£244	6	£10	70	70
1908	Vishnu (Apr.)	16.00	7	500	550	550	1922	Indian Cable Co (Nov.)	12.88	6	10	33 1/2	27
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	104	116	1936	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	127 1/2	140
1935	Alexandra (Feb Aug.)	9.00	7	100	97 1/2	97 1/2	1946	Investment and Finance (Feb Aug.)	2.6995	5	100	101	109 1/2
1896	Alliance (Mar. Sept.)	15.00	6	100	106	106	1935	Investment and Finance (Feb Aug.)	2.00	5	100	75	77 1/2
1917	Anglo-India (May Nov.)	40.00	7	100	101	118	1945	James Wright (Jan July)	1.30	6	50	41	39
1908	Auckland (July Jan.)	10.00	5 1/2	100	80 1/2	86	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	61	78 1/2
1943	Auckland (July Jan.)	15.00	5 1/2	100	80 1/2	86	1946	Jessop & Co.	10.00	5	100	101	105 1/2
1918	Bally (Jan July)	20.00	4 1/2	100	62	74	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	..	..
1896	Barnagore (Oct. Dec.)	22.00	5 1/2	100	101 1/2	115	1916	Kumardhubi Engineering (June)	12.00	5	100	101	108 1/2
1906	Belvedere (Jan July)	7.00	7	100	41	46	1915	Do Fireclay & Silica (June)	2.00	7	100	116	116
1940	Bengal (June Dec.)	10.00	5 1/2	100	111	125	1945	McLennan Burn Ltd.	30.00	5	100	100	103
1919	Birla (June Dec.)	10.00	6 1/2	100	90 1/2	97	1946	McLeod & Co.	10.00	5 1/2	100	69	73
1896	Budge Budge (May Nov.)	23.64	7 1/2	100	90 1/2	97	1930	McLeod & Co.	40.00	5	100	75	77 1/2
1934	Calcutta (Jan. July)	9.00	7	100	111	120	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	98	98 1/2
1919	Caledonia (June Dec.)	6.00	6 1/2	100	78	82	1937	Metal Box Co of India Ltd.	30.00	6 1/2	100	92	92
1919	Cheviot (June Dec.)	10.00	7	100	109	118	1938	Midnapore Zymindary (Feb.)	8.76	5	100	92	92
1928	Chitavalsah (Mar. Dec.)	10.00	7	100	111	117 1/2	1938	Mysore Chemical Mfg (Sept.)	2.00	5	10	9 1/2	9 1/2
1905	Clive (First) (Mar. Dec.)	8.00	6	100	85 1/2	91	1930	National Insulated Cable	10.00	5 1/2	100	..	..
1905	Clive "A" (Second) (May Dec.)	8.00	6	100	85 1/2	91	1942	National Tobacco (June Dec.)	25.00	5	100	65	70
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	115 1/2	1944	National Tobacco (Jan Dec.)	20.00	4 1/2	100	62 1/2	66
1897	Delta (June Dec.)	5.00	5	100	105	94	1946	Northern India Oil (Jan July)	2.00	6	100	48	56
1912	Empire (Jan. July)	10.00	7	100	105	94	1936	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	103 1/2	103 1/2
1890-98	Fort Gloster (Jan. July)	14.00	7	100	105	94	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104 1/2
1948	Fort Gloster (2nd)	14.00	7	100	76 1/2	86	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	98 1/2	99 1/2
1916	Fort William (May Nov.)	10.00	5	100	74 1/2	86	1922	Purlabore (Sugar) (Oct.)	6.00	10	10	16 1/2	16 1/2
1895-94	Ganges (June Dec.)	6.00	8	100	115	128 1/2	1936	Rammugger Cane & Sugar (Aug.)	6.00	6	100	100 1/2	105 1/2
1904	Gouropore (June Dec.)	26.50	6	100	112	134	1933-36	Rohas Industries (April)	20.00	7	100	124 1/2	135 1/2
1913	Hastings (Aug. Feb.)	25.00	6	100	82	105	1936	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	64 1/2	66 1/2
1903	Howrah (July)	11.00	10	10	13 1/2	107 1/2	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	70 1/2	70 1/2
1899-36	Howrah "A" (Jan. July)	3.75	7	100	107 1/2	124 1/2	..	Shree Gopal Paper	7.50	6	100	119 1/2	126 1/2
1919	Hukumchand (June Dec.)	17.50	7	100	102 1/2	118	1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	100	100
1898-94	Kamarhatti (Apr. Oct.)	40.00	7	100	102	114 1/2	1936-38	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	75	80
1900	Kankannarab (Apr. Oct.)	16.00	6	100	80	105	1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	84	84 1/2
1935	Kedarnath (Jan. July)	2.00	6	100	87 1/2	106	1933	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1907	Kelvin (Mar. Sept.)	10.00	7	100	95	106	1923	Spencer & Co "A" (Provisions) (Jan July)	23.20	6 1/2	10	91	91
1895-99	Kharidh (May Nov.)	10.00	7	100	108	121	1936	Spencer & Co "B" (Provisions) (Jan July)	36.80	6 1/2	10	101	101
1900-13	Kinnison (July Jan.)	15.00	6	100	98	106	1937	Star Paper (Apr. Oct.)	10.00	5	100	82	82
1910	Lansdowne (July Jan.)	15.00	7	100	98	118	1937	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1912	Lawrence "A" (July Jan.)	5.00	7	100	103	117	1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1905	Naihati (July Jan.)	10.00	5 1/2	100	76	99	1938	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	121 1/2	121 1/2
1945	Naihati (July Jan.)	7.50	7	100	110	124	..	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	160 1/2	160 1/2
1917	National (May Nov.)	10.00	4 1/2	100	73	81	1910	Tata Iron & Steel (Second) (May)	63.82	7 1/2	100	118 1/2	118 1/2
1939	Nellimarla (Apr. Oct.)	5.00	7	100	112	125	1906	Tata Power (Nov.)	86.97	7 1/2	1,000	1,275	1,275
1915	New Central (Jan. July)	5.00	6	100	97 1/2	104	1918	Tezpor-Balambra Tram (1) (Jan Dec.)	2.25	8	100	..	..
1908-09	Northbrook (July Jan.)	33.00	6	100	105 1/2	114	1917	Titashur Paper Mills (Mar Sept.)	11.50	8	100	139	151
1935	Rameshwara (Jan. July)	15.00	7										

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	9-1-57 2-1-57 A year ago
25,50,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5 61-74	10	21 21 26
1,00,00,000	1,96,15,268	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,936	7,31,563	74-74 81-82	200	442 441 605
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	10	68 68 7
1,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil	10	16 16 16
15,00,000	14,18,865	5,21,475	13,52,076	Bengal Nagpur P	9	152	3,13,899	39,978	Nil-Nil	10	6 6 6
40,00,000	68,31,474	20,23,235	32,65,320	Bharat Collieries P	6	335	2,52,221	27,433	61	10	143 141 141
7,15,000	15,63,291	14,29,045	68,704	Bhilai Collieries P	6-12	106	20,819	1,87,446	Nil-Nil	10	64 64 64
16,70,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	5-12	315	1,21,936	79,196	Nil-Nil	10	104 104 104
7,30,000	18,56,889	24,29,026	11,60,666	Borra P	6-12	106	2,14,602	94,207	10-10	10	214 214 8
90,32,480	2,38,29,688	1,75,17,502	25,33,133	Burraur P	6-12	21	11,90,350	1,15,376	21-34	10	214 211 291
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	24	5	64 64 64
8,00,000	16,47,572	13,30,519	13,752	Central Kurkend P	6-12	323	34,743	82,768	10	124	124 8 8
6,00,000	1,43,676	7,32,535	7,32,535	Churulia	6-12	106	6,374	2,129	11-11	4	24 24 11
16,00,000	24,00,428	Nil	50,309	Chum Main	6-12	19	60,039	1,83,318	Nil-Nil	10	6 74 2
2,40,000	2,23,116	2,313,125	1,140,348	East Indian	4	128	290,135	1,58,922	Nil-Nil	10	27 29 35
29,63,760	1,15,25,712	83,35,048	24,17,690	Equitable P	6-12	19	8,87,453	32,379	74-74	10	241 241 358
10,00,000	6,74,708	2,07,486	3,32,972	Ghusick & Muslia	3	307	12,979	24,844	74-74	10	15 15 16
6,50,000	5,06,856	3,31,555	4,93,544	Gurjar Kajora	6-12	20	24,150	2,401	Nil	10	14 14 4
8,00,000	3,17,780	7,25,000	7,32,425	Harnadhi	6-12	19	2,70,524	45,985	74-74	10	233 233 24
3,50,000	6,31,200	5,66,816	1,407	Kalapanari	2-8	2	1,38,130	2,21,237	Nil-Nil	10	201 201 20
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	100	171 171 191
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,995	Nil	5	119 119 165
5,00,000	10,29,548	16,60,000	11,53,372	Katras Jherria	1-7	2	5,92,347	1,33,475	28-28	35	531 571 631
1,38,400	6,75,000	85,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	25-30	10	94 94 94
5,65,750	10,84,977	85,000	9,990	Mazulpur	6-12	326	79,868	79,868	Nil	10	21 21 3
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	12	347	92,517	31,201	5	10	612 612 7
7,00,000	5,13,418	26,617	61,841	New Bansdeopur	3-9	6	89,011	6,071	32-74	10	10 10 10
17,76,230	31,15,781	20,91,763	3,78,338	New Beerbhoom P	4-10	2	2,64,716	94,383	32-32	10	14 16 13
6,00,000	11,71,307	1,75,500	40,447	New Manbhoom	3-9	202	25,330	2,233	Nil-Nil	10	111 111 21
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	74-74	10	23 23 23
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil	10	19 19 22
7,50,000	1,20,000	12,19,987	23,26,751	Ondal P	6-12	106	22,197	56,646	5-5	10	154 154 19
8,34,000	9,21,342	10,862	1,35,015	Parasea P	6-12	207	1,08,075	8,018	31-31	10	144 144 14
15,75,000	12,40,000	16,30,000	12,21,854	Penet Valley	3-9	236	4,18,450	33,343	81-74	10	181 181 25
2,30,000	2,62,405	7,500	11,530	Pure Sitapur	6-12	5	2,008	18,881	74-74	10	6 6 6
23,99,400	36,99,424	20,17,105	67,893	Raneegunge	3-9	79	3,67,448	23,108	21-21	10	93 x d 101
13,50,000	7,98,001	14,29,643	14,29,643	Rewa	6-12	236	4,96,775	26,029	74-74	10	23 23 23
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	51,543	74	10	14 14 8
2,50,000	1,56,194	1,34,374	1,17,356	Searsore	1	353	88,009	11,078	26	15	5 5 5
2,80,000	10,92,193	3,85,598	1,87,726	Seetapore P.	6-12	2	2,42,112	49,299	142/1-14/1	10	24 24 24
8,00,000	23,624	5,29,306	6,32,157	Sentra	6-12	106	4,098	7,503	Nil-11	10	7 294 294
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	Nil-11	10	9 9 11
8,00,000	1,43,000	13,69,395	21,89,890	Standard	6-12	106	47,444	17,347	74-74	10	291 291 22
10,00,000	15,58,085	15,375	3,910	Talcher	9	277	22,889	3,85,056	Nil	21	21 21 4
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	279	27,889	5,241	5-24	10	144 144 16
49,98,000	33,66,550	60,000	2,17,164	Western Bengal	3	166	4,09,468	7,262	21-Nil	10	514 514 7
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	Nil-Nil	10	11 11 15

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	9-1-57 2-1-57 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,000	Basanti P	12	49	1,97,268	41,227	..	10	61 61 5
32,2,340	22,197	505	27,69,676	13,78,909	24,551	Benares P	3-9	120	1,27,187	4,79,347	..	10	11 11 1
7,11,290	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	3,66,176	47,818	..	40	40 40 38
27,00,000	31,476	624	23,33,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	Nil	10	91 91 101
15,00,000	38,764	992	28,31,200	88,48,588	31,22,417	Birla Cotton	3	22	16,69,225	2,76,336	30 30	15	10 304 304 95
6,00,000	42,872	641	37,34,142	22,72,588	1,44,948	Bowren P	6-12	158	84,028	23,47,373	Nil-Nil	100	145 139 385
2,72,320	1,01,808	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	Nil-5	6	81 81 91
1,00,563	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl P	6	238	1,81,41,276	82,759	9	25	381 384 38
19,30,000	42,944	518	34,12,181	25,71,925	1,53,894	Dunbar	6-12	128	9,92,376	1,37,951	Nil-Nil	21	.. 210 305
63,00,000	54,000	1,200	22,44,751	66,33,360	43,06,583	Elgin P	9	25	12,80,646	93,386	10 10	100	199 241 305
1,20,00,000	59,250	1,872	23,48,955	1,60,53,952	47,29,268	Kesoram P	8	22	17,41,719	2,45,435	81	20	141 141 18
6,00,000	35,864	864	17,38,143	9,75,679	74,08,655	Mohini P	12	45	3,33,316	5,158	..	25	.. ..
33,96,288	88,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	18,77,941	7,77,290	..	10	.. ..
30,00,000	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	..	100	85 85 118
22,89,382	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	6	8,16,936	1,094	61	10	154 154 11
3,07,095	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	74 74	100	121 121 10
17,50,000	..	..	..	..	..	..	..	..	..	..	111	100	111 111 10
1,57,50,000	..	..	..	..	..	..	..	..	..	..	..	..	..
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	30 30	100	543 543 140
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	23,80,514	Buckingham-Carnatic F	12	26	1,01,66,075	2,38,445	10 10	100	174 174 141
20,00,000	23,864	..	18,33,003	2,32,074	11,26,235	Cambodia P	12	210	1,96,274	27,593	Nil 5	10	10 10 10
12,00,000	23,864	..	5,41,058	9,00,000	16,53,502	Coimbatore Cotton	12	188	5,53,750	61,404	..	50	376 378 18
20,76,900	72,832	..	47,91,212	7,98,691	22,227	Coimbatore Spg & Wvg	6	4	7,52,342	10,23,340	..	50	901 90 90
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kaleeswarar	12	139	1,05,780	1,677	..	100	335 335 335
24,00,000	30,512	200	23,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	1,25,924	29,382	5	10	153 153 101
23,64,000	48,756	..	15,01,051	21,70,200	78,350	Lakshmi	12	186	1,41,248	2,209	..	10	250 253 18
1,75,02,480	4,65,324	..	2,15,02,107	1,13,81,878	31,04,691	Madura	12	106	7,86,509	1,88,813	30 20	200	471 461 53
12,00,000	11,856	..	8,43,189	3,85,363	10,32,898	Malabar Spg & Wvg	12	240	85,193	84,039	..	200	108 108 117
60,00,000	24,252	603	20,49,893	69,00,000	1,99,175	Mettur Industries	3	29	18,44,863	45,835	35 42	100	429 429 390
13,61,700	8,004	..	14,15,992	3,90,279	1,34,683	Mysore Spun Silk	3	142	1,753	3,986	Nil	10	71 71 7
4,00,000	20,137	..	4,36,668	1,00,000	24,24,908	Palani Andavar P	12	30	1,39,437	2,687	..	50	150 172 1
7,79,700	15,540	416	5,42,118	4,53,421	2,85,911	Sitarang Spg & Wvg	12	30	87,724	3,083	..	80	325 330 26
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	100	.. ..

† Liquid Assets

MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any Rs.	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including Taxation	Carry forward	Dividends per cent	Paid-up Capital Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	4 year ago Rs.
MININGS.															
£2,369,786 30,00,000Dd. 15,00,000Dd. £318,880 £914,200 29,19,430Dd. 2,63,673Dd. 20,00,000 £375,000	" 43,47,289 £238,426 £876,054 61,58,847 23,37,496 £445,323	£1,73,459 22,78,383 £57,484 £1,853,056 2,01,886 35,58,897 £317,487	£2,534,298 34,23,759 £112,683 £1,376,169 13,723 32,52,617 £234,926	Burma Mines Ltd Chrestien Mica Industries Ltd P. Consolidated Tin Mines Indian Copper Corporation Metal Corpn P Orissa Minerals Development Tavoy Tin Dredging	12 12 3 12 3 6-12 12	153 312 67 98 343 21 14	£608 11,97,133 £10,533 £1,299,804 -2,39,779 4,40,034 £8,059	£304 10,883 £22,218 £117,082 -4,51,131 1,18,835 -£19,119	" 73 10 74 25 Nil 10-10 Nil	" " " 45 " 10-10 "	" " " " " " "	3½ 10C 10C 28 10C 1Dd 28	2½ 13½ 7½ 12 8½ 3¼ 10½	3 15½ 13 32 8½ 3½ 20½	22 18½ 11 28 6½ 11½ 29½
CEMENT LIME SLATE, ETC.															
43,14,600Dd. 70,876Dd. 31,70,655 10,00,000 26,50,000Dd. 5,00,000Dd. 15,00,000 4,00,000 75,00,000 3,22,560	41,51,412 33,23,186 25,95,360 62,91,811 77,49,749 10,81,502 59,94,174 1,63,551	21,43,429 14,32,396 27,63,242 98,26,915 72,13,923 8,62,360 22,45,000 61,287	29,64,072 1,06,702 4,20,854 2,11,38,275 2,14,327 80,359 6,74,212 2,27,012	Assam Bengal Cement Bengal Potteries Bisra Stone Lime Dalmia Cement (Bharat) P. Kumardhubi Fireclay & Silica P Reliance Firebrick & Pottery Sone Valley Portland Cement Sutna Stone & Lime	3 12 3-9 12 12 2-8 12 6-12	80 155 21 123 12 " " 3	1,70,813 8,02,009 5,47,558 56,57,138 6,05,311 1,10,349 7,88,487 69,598	6,44,675 12,631 20,179 2,87,995 49,404 18,001 41,941 652	" 10 81-82 10 15 Nil-Nil 6 58-59 58-61	" 10 81-82 81-82 15 10-10 " 6 58-61	" " " " " " " "	10C 1Dd 28 10C 1Dd 10 10 10 10	6½ 14 34 30½ 12 17 20 7½	6½ 12 34 30½ 21 17 20 8½	7½ 18 31 41 13½ 17 20 8½
CHEMICAL INDUSTRIES															
62,00,000 40,00,000 11,45,800A 11,08,900A 22,54,700B 4,95,000 5,00,000	1,50,41,342 99,765 56,08,902 82,695 4,60,152	42,71,273 60,000 43,35,000 69,070 11,00,929	68,548 37,863 1,49,08,740 15,903 3,05,878	Alkali & Chemical Corp of India Bathgate & Co Ltd P. Bengal Chemical & Pharm P. Frank Ross P. Smith Stanstreet P.	9 12 4 2 6	121 324 245 129 191	19,39,845 8,02,009 14,18,430 46,893 7,14,527	1,19,168 -20,65,382 11,70,500 858 1,18,395	f Nil 6 Nil 10	f Nil 6 Nil 20	f Nil 6 Nil 20	10 10 100 6 10	18½ 1½ 99 2½ 9½	18½ 12 99 2½ 9½	22½ 17½ 107 2½ 17½
ELECTRIC LIGHTING POWERS.															
19,99,600 8,00,000 17,00,000 5,91,360 £4,262,646 6,80,040 17,51,050	47,69,341 26,70,592 26,72,095 10,96,663 £18,897,213 17,68,438 38,10,419	28,19,792 6,55,886 25,47,869 5,90,855 £27,242,380 5,34,904 10,41,599	22,94,558 4,94,366 11,75,299 85,318 £595,368 93,184 3,39,345	Agra Electric Supply Barrellly Electric Supply Benares Electric Light Power Bhagalpur Electric Supply Calcutta Electric Supply P. Cuttack Electric Supply Dacca Electric Supply P.	3-9 6-12 5-12 12 12 12 12	32 32 32 202 202 202 202	3,05,594 83,183 5,94,018 1,44,138 £1,52,226 1,24,836 3,89,244	46,384 20,390 38,507 41,818 £136,163 26,455 12,706	5-5 5-5 51-61 61 51-61 5 "	5-5 5-5 61-61 6 6 "	5-5 5-5 61-61 6 6 "	100 10 10 10 10 10 10	1601 141 18 91 13 8½ 4½	1601 144 18 81 13½ 8½ 4½	164 18 19½ 14½ 14½ 8½ 4½
5,21,640 22,49,550 4,95,000 5,82,390 6,99,700 35,07,380	8,42,506 42,84,132 5,44,854 17,12,129 £43,067 37,10,223	1,65,090 1,91,996 2,51,058 1,78,813 77,521 37,10,223	3,037 6,31,532 1,13,325 83,865 2,34,380 11,51,661	Jhansi Electric Supply Jubbulpore Electric Supply Mirzapur Electric Supply Muzafferpore Electric Supply Muttia Electric Supply Patna Electric Supply	12 3-9 4 12 6-9 12	168 32 202 202 329 202	71,309 2,14,454 58,476 73,159 30,021 1,40,283	71,309 27,527 27,739 -7,070 2,285 68,005	51-54 51-54 Nil Nil 3-5 7½	51-54 51-54 Nil Nil 3-5 7½	51-54 51-54 Nil Nil 3-5 7½	10 10 10 10 10 10	81 141 18 91 13 11½	81 141 18 91 13 11½	81 141 18 91 13 11½
3,00,000 9,10,000 16,80,000 64,00,000 5,98,500 4,97,500	2,87,192 7,57,851 27,99,506 £62,42,470 7,78,128 9,83,503	92,919 2,72,300 5,36,596 £5,82,369 2,07,493 4,45,371	2,24,719 1,20,991 1,32,039 13,28,418 7,77,619 6,17,317	Saugor Electric Supply Shajahanpur Electric P. Sijua (Jherria) Electric United Provinces Electric Upper Ganges Valley Elec. Upper Jumna Valley Elec.	6-12 9 12 3-9 6-12 3-9	32 202 201 32 32 32	26,549 65,624 3,29,874 5,39,998 8,097 65,313	2,248 14,394 44,269 80,348 8,097 28,289	2½-2½ b b 5-5 4½-4½ 61-61	2½-2½ b b 5-5 4½-4½ 61-61	2½-2½ b b 5-5 4½-4½ 61-61	10 10 10 100 10 10	148½d. 11½ 15½ 13½ 18 18	148½d. 11½ 15½ 13½ 18 18	169 8 158 169 13½ 18
ENGINEERING & METAL															
6,00,000 50,00,000 39,61,853 12,00,000 19,88,670 10,00,000 5,00,000 84,00,000	1,74,689 51,82,373 48,94,558 11,00,577 43,02,291 17,90,445 5,44,177 1,54,84,115	6,49,870 16,39,587 60,13,020 20,99,831 6,50,000 30,75,000 1,00,000 1,30,96,539	2,10,157 1,37,153 42,18,134 2,31,294 2,34,380 17,672 6,584 15,49,676	Arthur Butler (Muzafferpore) P. Bhartia Electric Steel Braithwaite India Bridges & Roof Britannia Building & Iron P Britannia Engineering British India Electric Cons. Burn P. (Engineering)	10 12 12 6-12 12 12 6-12 4	300 31 289 12 109 165 24 32	1,52,744 11,67,212 27,02,716 61,624 1,51,297 2,40,547 7,37,822 91,780 95,08,823	1,01,965 3,95,940 5,59,761 14,394 44,269 17,197 1,36,319 -5,28,928 1,12,719	" 12½ 16 1/14 7½-7½ 7½-7½ 10 Nil-Nil Nil-Nil 10	" 12½ 25 7½-7½ 7½-7½ 10 Nil-Nil Nil-Nil 15	" " " " " " " 20	10 10 10 10 10 10 10 100	8 16 26½ 38½ 73 14½ 9½ 315	8 15½ 26½ 38½ 73 14½ 9½ 316½	8 15½ 26½ 38½ 73 14½ 9½ 316½
12,50,000 36,94,590 £18,37,080 3,85,000A 1,54,000Dd. 19,49,250 28,580D 32,00,000D 51,00,000 15,30,000	20,64,770 23,07,100 18,00,34,354 3,90,976 34,46,716 35,69,979 £57,31,847 44,15,822	22,00,000 8,65,000 11,70,76,011 40,000 47,33,987 7,73,15,122 57,31,398 43,12,118	45,733 55,916 6,37,45,063 3,47,032 13,61,471 1,64,34,729 15,35,612 1,56,283	Hoochly Docking Indian Galvanizing Indian Iron & Steel P. Indian Malleable Castings Indian Standard Wagon P Indian Steel & Wire Products Jessor & Co P. Kumardhubi Engineering P.	12 12 8 3 3 3 10 13	24 32 3 222 32 120 292 21	1,72,120 5,46,700 8,54,28,108 -26,954 41,06,372 13,11,485 £67,27,193 6,23,372	2,037 41,267 4,49,314 -82,872 24,072 5,58,850 14,130 2,14,25	12½ 12½ 10 -10-10 19 36 15 16½	12½ 10 10-10 25 25 36 15 16 2/3	12½ 10 10 30 36 36 11½ 16 2/3	80 10 10 50 1Dd 25 10 10C 8	132 184 28½ 7½ 31½ 215 69½ 15½ 28	132 184 28½ 7½ 31½ 215 69½ 15½ 28	138 184 28½ 7½ 31½ 215 69½ 15½ 28
SUGAR BREWERIES, ETC.															
14,00,000 19,49,025 15,00,000 32,57,580 32,00,000 30,00,000 18,00,000 26,00,000 16,20,630 15,93,000	10,57,296 9,79,439 4,67,690 22,31,255 44,63,474 14,38,021 19,38,555 20,28,769 12,59,649 23,89,532	15,41,237 5,00,000 13,50,000 36,59,916 27,37,030 £7,83,651 30,84,891 33,35,766 16,38,916 2,24,658	1,34,061 1,42,483 20,40,456 16,47,199 2,36,362 2,09,743 9,58,327 41,32,151 3,84,913	Beirampur Sugar Beisund Sugar Bharat Sugar P. Buland Cawnpore (Sugar) P. Cawnpore Sugar P. Darbhanga Dyer Meakin (Breweries) Gwallior Sugar P.	6 6 6 10 6 6 6 3 9	25 137 316 92 106 25 25 116 237	1,73,882 1,38,925 4,04,260 14,37,927 2,63,567 12,46,968 67,59,991 7,00,601 £87,978	20,880 49,906 13,206 8,477 12,445 62,023 94,019 1,12,387 8,143	15 15 15 7½ 25 10 15 15 11½	15 15 15 25 15 15 15 11½	5 7½ 10 10 10 10 10 10 100	5½ 10½ 17 11½ 7½ 19½ 22½ 22½ 58	5½ 10½ 17 11½ 7½ 19½ 22½ 22½ 58	5½ 10½ 17 11½ 7½ 19½ 22½ 22½ 58	

MISCELLANEOUS COMPANIES-Contd.

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

Paid up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.	Rs.				Rs	Net	1954	1955	1956	Rs	Rs	Rs	A year to Rs	
PAPER MILLS																
45,00,000	54,01,812	35,81,841	4,21,350	Bengal P.	6-12	24	12,54,725	1,01,825	61-61	81-11	..	25	110	110	118	
63,00,000	36,44,096	66,05,611	54,80,394	India Paper Pulp	3-6	2	6,56,442	14,387	7-7	7-7	7-..	10	224	224	242	
25,30,000	15,58,877	10,22,640	3,27,305	Mysore Paper	9	226	4,13,542	9,553	..	..	..	10	194	194	194	
1,46,82,500	3,50,88,096	2,16,71,732	1,83,95,855	Orient Paper P.	3-6	12	55,14,535	2,12,435	11-11	5-61	61-..	10	30	323	352	
1,25,33,760	59,47,589	60,82,393	1,07,79,721	Shree Gopal Paper P.	6-12	40	20,89,821	1,61,203	71-71	61-61	..	10	16	16	194	
20,00,000	33,02,717	6,50,000	60,68,288*	Star Paper P.	3-9	36	3,58,614	13,795	21-5	5-71	..	10	101	101	124	
10,00,000																
4,37,500PO																
56,00,000AO																
56,04,800BO				2,96,72,359	3,41,28,010	70,38,923	Titaghur P.	3-6	106	47,39,287	1,22,815	71-71	10-11	111-..	10Ac	41
									71-71	10-11	111-..	10Bc	361	361	464	
PRESSING COMPANIES																
8,00,000	4,64,596	5,26,886	9,04,699	Calcutta Hydraulic	6	2	1,35,881	85,479	8	ND	..	10C	81	81	81	
4,30,000	2,07,348	1,00,495	3,57,613	Camperdown	1	311	26,906	2,301	8	..	..	10C	121	121	121	
5,00,000	1,61,434	1,95,000	3,90,372	Central Hydraulic	6	2	60,996	13,957	8	6	..	10C	135	135	105	
REAL PROPERTY STORAGE																
10,00,000A	13,50,000	12,34,603	6,00,972	Bengal Bonded Warehouse	4-10	73	86,087	2,712	5-5	5-5	5-5	A500	825	825	890	
1,25,000B													B625	107	107	107
2,00,000C													C100	166	166	174
25,000D													D121	223	223	223
7,42,150	11,68,346	4,23,135	33,823	Calcutta Safe Deposit	8	3	81,259	3,142	8	1	..	10	81	81	81	
10,00,7800	22,96,665	5,43,170	7,48,388	Humayan Properties P.	3-5	..	1,43,649	54,368	..	..	..	10C	13	13	134	
2,00,000Dd	92,09,262	36,70,109	41,04,547	Midnapore Zemindary P.	4	2	11,32,242	11,43,855	..	..	..	1Dc	113	113	113	
94,00,000									8	8	Nil	10C	25	25	31	
TRAMWAYS & STEAMER																
20,00,000	1,08,44,146	1,00,69,622	30,95,902	Bengal Assam Steamship P.	10	2	10,81,427	55,826	21-21	71	..	10C	139	139	147	
6,25,000	6,17,570	1,75,000	2,01,118	Calcutta Landing & Shipping	4-10	99	25,522	4,261	31-31	..	..	10	121	121	141	
12,60,000	23,52,822	9,03,181	4,986	Calcutta Steam Navigation	6-12	113	30,794	76,939	3-3	..	..	10C	1291	1291	1044	
2700,000	22,863,932	11,633,117	576,067	Calcutta Tramways P.	12	36	2,206,018	1,01,964	71	81	..	21	1512	1512	1712	
3,78,050	2,52,814	4,13,728	8,83,484	Fraser	3	139	5,42,620	12,457	..	..	..	10	14	14	15	
8,655,580	22,273,124	9,990,878	1,135,381	India General Nav Railway P	12	138	2,70,306	2,21,366	..	..	..	10	69	69	133	
2,25,00,000	7,41,48,498	73,00,000	1,89,93,697	India Steamship P.	3	291	38,72,859	43,305	ND	..	..	10	91	91	81	
14,08,220	35,14,969	24,75,000	5,94,450	Port Shipping	6-12	8	1,54,518	3,305	5-5	71-71	..	10	144	144	161	

SOUTH INDIAN MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Share Premium	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Per Share	Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.		1950	1951	1952	Rs.	8-1-57	28-12-56	A year ago
51,04,620	39,78,019	8,87,097	14,29,937	CEMENT											
				Andhra Cement P.	12	16	10,73,622	4,636	10			10		15½	15½
				ENGINEERINGS											
7,50,000	7,12,101	82,967	15,912	Brunton & Co P.	12	270	84,162	1,80,754				10	6	6	73
13,78,660	11,77,029	14,945	18,437	Indian Steel Rolling Mills P.	12	230	1,34,571	Nil				10	11½	12½	13
				SUGARS											
19,92,000	57,01,920	25,64,000	3,49,248	Deccan Sugar & Akbari P.	5	218	12,39,032	1,12,386				5		11½	12½
280,000A				East India Distilleries Sugar P.	9	319	2,217,186	2,57,290	10	10		16th A	28½	29½	26½
23,00,000B	27,49,840	2,896,278	2,33,344	Indra Sugar and Refineries P.	9	22	10,68,061	4,30,236	20	27½		18 B	34½	34½	29½
29,00,908	8,45,826	19,36,515	23,78,860	Mysore Sugar	6	264	3,53,038	85,706	20	17½		10	16½	16½	22½
21,79,228	23,64,171	62,95,164	26,13,235	United Breweries	5	320	2,55,158	3,951				10	45	46	54
6,00,000	5	9,00,000	17,01,004	MISCELLANEOUS								75	187½	193	190
				A. V. Thomas & Co Ltd	12	270	67,424	82,011				10		14½	14½
3,00,000	1,84,643	4,01,950	3,69,126	Champion Reef Gold Mine	12	328	30,17,946	3,548				10		7½	7½
43,33,408	51,24,761	91,12,163	43,93,082	Fertilisers & Chemical	12	146	13,30,272	73,018				10			
5,45,98,740	3,07,66,646	3,24,061	34,95,354	Farr & Co Ltd P.	12	319	19,29,282	1,90,750	15	15		2			
50,00,000	23,16,662	30,20,000	12,20,141	Mettur Chemical Industrial Corp	8	163	9,64,549	8,153	Nil	30	61-61	10	9½	9½	91
3,00,000	51,89,127	13,11,514	12,90,355	Mysore Chemical & Fertilizers	6	233	1,32,627	6,672				10	23½	23½	23½
24,81,222	4,74,279	4,00,000	3,56,390	Mysore Chemical & Fertilizers	12	328	24,55,864					10	8½	8½	91
21,33,400	9,45,232	6,66,775	78,136	Mysore Chemical & Fertilizers	6	233	1,32,627	6,672				10	21	21	
5,00,000	1,87,261	67,63,169	15,68,979	Mysore Match	9	124	12,839	862				10			
10,00,000	59,27,424	51,84,276	3,079	Mysore Tobacco	3	201	10,039	45,631				10	13	13	10½
37,73,400	48,29,033	22,24,495	1,75,753	Nundvdrood Mines	12	328	20,43,696					10	11½	10½	5
32,10,360	46,37,599	93,16,946	80,57,471	Oreogram Gold Mining P.	12	328	1,45,422					10			
60,00,000				Spencer (Provisional) P.	6	221	19,71,470	5,47,067	15			10	16½	16½	18

RUBBER COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Accrue under cultivation	Output Rubber	Estimated Rubber	NAMES	Accounts closed	Minority Agents	Net profits including taxation	Dividends per cent	Paid-up per Share	Latest Market Quotations available until				
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				Rs.	1952	1953	1954	Rs.	8-1-57	28-12-56	A year ago
															its	its	ago
17,32,000	9,36,219	2,06,283	4,44,630	2,052	1,45,403	..	Be Se Rubber	3	276	..	..	..	..	9	4 1/2	4 1/2	4 1/2
17,04,186	29,66,801	18,13,093	7,65,983	7,270	1,10,886	16,68,000	Cochin Malabar P.	3	210	7,67,900	..	..	35-15-1	9	8 1/2	8 1/2	8 1/2
4,00,000	5,25,576	27,750	..	422	1,77,646	..	Cottanac Plantations P	3	12	69,330	..	..	..	10	19 1/2	20 1/2	19 1/2
37,00,000	10,93,233	6,84,049	1,37,660	2,938	2,25,786	..	Kalpetta	2	270	1,13,150	..	..	..	10	24	24	24 1/2
6,00,000	64,93,184	13,10,432	11,84,449	4,923	7,31,401	..	Midland Rub & Prod P	3	270	4,89,174	..	..	..	10	17 1/2	16 1/2	19 1/2
13,50,000	5,84,352	2,13,800	1,96,495	1,273	1,83,230	..	Peninsular Plantations	4	258	2,12,012	10	15	20-15-1	10	28 1/2	28 1/2	20
10,00,000	36,52,286	2,21,378	1,73,718	2,456	7,64,246	..	Rajagir Rub & Prod	6	270	1,35,502	..	..	..	10	20 1/2	22 1/2	20 1/2
41,00,000	21,09,379	45,000	1,09,125	1,872	5,25,438	..	Teekoy Rubber & Prod	3	172	..	..	..	..	10	9 1/2	10 1/2	10 1/2
41,00,000	67,21,749	18,13,944	13,12,632	6,899.5	10,03,214	10,15,000	Travancore Rubber & Te	12	9	14,96,765	..	..	..	10	9 1/2	10 1/2	10 1/2
40,00,000	11,55,155	1,65,000	3,74,540	1,150	3,68,304	..	Tropical Plantations	12	271	2,04,028	..	..	..	10	10 1/2	10 1/2	12 1/2
36,35,580	6,72,252	2,11,412	7,49,541	738	3,74,873	..	Vaikundam	12	114	80,799	..	..	..	10	31	31	26 1/2

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Premiums & Forfeited Shares if any	Loss & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	9-1-57	22-12-56	9-1-57
Rs	Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CEMENT															
12,67,59,333	16,16,27,689	5,15,51,096	4,99,26,918	Associated Cement	7	53	4,71,77,960	3,62,770	61	10	100	179	154	216	
ELECTRIC LITG POWER															
6,99,95,606	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	61	5	100	93	93	105	
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	71	71	1,000	1207	1210	1,327	
1,74,99,700	2,14,85,121	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,738	45	8	7	100	109	107	120	
38,08,206	17,49,053	15,73,323	14,87,357	Poona Electric Supply P	12	229	3,86,015	21,171	71	71	100	146	146	146	
2,34,45,225	3,37,65,356	53,82,045	58,39,875	Tata Hydro Elec Power sup P	6	267	37,75,587	27,952	71	71	100	123	123	137	
6,02,78,752	8,98,37,405	1,41,36,578	1,29,22,549	Tata Power P.	6	267	77,32,961		71	71	1,000	1222	1237	1,390	
ENGINEERING & METAL															
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12	12	100	257	270	352	
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	50	96	96	96	
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	10	19	19	13	
40,05,100	81,25,153	2,02,500	49,333	Machinery Mfgs Corp Ltd P	3	330	2,02,006	64,876	100A	100	100A	96	96	96	
1,10,00,000	15,00,978	16,88,194	7,06,290	McKenzie	7	283	1,49,085	64,938	100	100	100	96	96	96	
1,31,250	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	300	176	190	198	
4,18,72,400	1,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng. P.	3	269	3,303	50,350	100	100	100	151	163	152	
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	750	168	173	246	
INSURANCE COMPANIES															
20,00,000	23,84,913	95,96,333	8,96,48,481	British India General	12	297	4,24,629	1,18,606	10	10	10	131	131	131	
5,15,000	11,04,04,687	5,33,999	10,38,003	Empire of India Life	12	253	1,13,109	1,13,109	100	100	100	675	675	675	
8,46,120	25,01,134	2,88,01,155	2,61,49,442	Indiar Mercantile	12	75	38,351	4,65,316	20	20	20	45	45	45	
18,74,940	1,88,81,783	27,25,16,452	63,48,53,420	Jupiter General P.	12	55	43,38,653	71,250	16 2/3	16 2/3	15	43	43	43	
1,06,81,590	57,83,74,430	59,86,789	59,86,789	New India	12	179	43,38,653	71,250	16 2/3	16 2/3	15	43	43	43	
6,00,000	20,41,860	59,86,789	59,86,789	Oriental Life	12	296	43,38,653	71,250	16 2/3	16 2/3	15	43	43	43	
15,99,270	20,41,860	59,86,789	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	10	100	153	153	153	
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	15	15	15	15	15	15	
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	33,89,000	61,389	100	100	100	241	241	341	
50,00,000	2,20,64,302	4,12,85,156	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	125	641	677	593	
42,00,000	1,21,04,053	31,74,431	1,21,04,053	Bombay Steam Navigation P.	6	256	4,54,215	30,135	100	100	100	241	241	241	
99,99,250	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	239	5,81,900	2,83,136	100	100	100	241	241	241	
11,99,900	13,62,957	1,31,14,445	1,31,14,445	Kemur (Chemists)	3	87	68,232	16,842	100	100	100	241	241	241	
1,57,71,400	3,74,35,779	1,31,14,445	1,31,14,445	National Rayor Corp.	12	352	63,19,604	3,72,076	100	100	100	241	241	241	
9,39,96,069	18,36,63,413	12,46,31,677	1,10,18,837	Scindia Steam Navigation	6	198	32,72,555	22,72,555	100	100	100	241	241	241	
1,00,00,000	27,45,055	37,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,059	21,561	100	100	100	241	241	241	
1,39,95,990	2,25,39,547	13,22,272	43,79,91	Tata Chemicals P.	6	269	16,84,488	34,425	100	100	100	241	241	241	
70,07,47	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	369	3,00,461	11,453	100	100	100	241	241	241	
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	100	165	165	191	

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs	Rs	Rs				Rs.	Rs.	1952	1954	1955	Rs.	9-1-57	2-1-57	A year ago
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	60	61
21,69,300	33,40,889	6,00,702	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71 1/2	71 1/2	75
34,00,000	41,30,202	3,11,349	Bankura Damodar River S.S.G	3	165	46,807	..	2 1/2	2 1/2	2 1/2	100	58 1/2	58 1/2	61
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G	3	165	78,839	..	..	2 1/2	2 1/2	100	59	59	60 1/2
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G	3-9	32	62,834	10,849	1 1/2-1 1/2	1 1/2-1 1/2	1 1/2-1 1/2	100	52 1/2	52 1/2	56 1/2
4,75,000	3,20,040	4,75,306	Cherra Chhatrakop S.S.G	3	88	7,071	9,917	1 1/2	1 1/2	1 1/2	100	52 1/2	52 1/2	56 1/2
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,549	1 1/2	1 1/2	1 1/2	100	52 1/2	52 1/2	56 1/2
22,50,000	62,20,813	13,52,600	Dehri Rohtas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	100	13 1/2	13 1/2	14 1/2
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63 1/2	63 1/2	64 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62 1/2	62 1/2	72 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65	61 1/2
19,50,000	27,95,889	2,47,135	Kalighat Falte S.S.G	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	60 1/2	60 1/2	61 1/2
5,91,100	15,16,175	10,351	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	..	100	72	72	69 1/2
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129 1/2	129 1/2	146 1/2
2,75,000	5,41,779	2,04,341	Tezpore Balipara Tramway F	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

230. F. W. J. Penn - United Kingdom
Managing Agents, Managing Directors and

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

220. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
221. F. O. Williams—14, Old Court House St., Calcutta.	330. Manindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder Bombay	340. K. O. Cheryan—Travancore.	349. Chandmull Batia—7, Canning Street, Calcutta.
222. Messrs. Pata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. U. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	350. K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
223. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspati—21, Ravetn Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351. L. & T. (Management) Private Ltd.—J. K. Building, Douglal Road, Ballia, Estate, Bombay.
224. Ind Corporation Private Ltd.—5, Swinhoe St., Calcutta-19.	333. Jaipuria Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	352. C. G. Mahant—Ewart House, Brunei Road, Fort, Bombay.
225. John Rutherford Blakie—Virginia House, Chowringhee, Calcutta.	334. Sahu Jain, Ltd.—Daimanagar, Durgam Road, Calcutta.	344. V. J. Pillai—Victoria Bunder Colaba.	353. N. K. (Management) Private Ltd.—J. K. Building, Douglal Road, Ballia, Estate, Bombay.
226. Beriwal Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain, Ltd.—Daimanagar, Durgam Road, Calcutta.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. L. C. Kanol—P. S. Mission Row, Calcutta.
227. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay.	336. Douglal Road, Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory, Alwaye.	355. G. O. Robertson—10, Strand Road, Calcutta.
228. John Taylor & Sons, India, Ltd.—Mysore, Coorgam, South India.	337. Beriwal & Co.—63, Netaji Subhas Road, Calcutta.	347. Associated Commercial Co., Ltd.—161/1, Harrison Road, Calcutta.	356. B. Bajoria—10, Clive Row, Calcutta.

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THERMAL INSULATION ENGINEERS

THE POST-SUEZ POSITION OF STERLING

A REASONABLE PROSPECT FOR THE CURRENT YEAR

STERLING has begun the New Year in reasonably good shape. The heavy run which took place during the first few weeks of the attack on Egypt was halted by the news of Britain's borrowing from the International Monetary Fund. It has not yet been reversed, although substantial short-covering has been going on throughout the past few weeks following the improvement in the United Kingdom's economic prospects. At the moment, the pressure on the pound appears to have disappeared completely. But it has left behind the suspicion that the movement of the past couple of years towards greater convertibility may have gone too far for safety in this troubled world. The all-important forward position of sterling is still improving steadily and the latest trading figures for the United Kingdom have helped the tendency. These show that the loss to the gold and dollar reserves during 1956 was due entirely to capital movements. Britain's overall balance of payments was actually in surplus. The drain went to the payment of both sterling and dollar debts, not to the financing of imports into the United Kingdom. Out of a total loss of \$725 million, India's drawings accounted for \$420 million, or more than half the total. The amount represented by the "flight from the pound" cannot be accurately estimated. But it may have been smaller than suggested by the actual effect on the world's confidence in sterling, and anyway, a good deal of it must have been in the form of deferred payments which have since had to be met in full.

All this suggests that sterling now has an intrinsic strength which it did not have at the beginning of 1956. This is no doubt the result of more than a year of "credit squeeze", which does seem to have benefited the currency even if it has also succeeded in halting the growth of industrial production in the process. One point on which the speculators must now be completely convinced is that there are no prospects of devaluation. This idea was widely canvassed when the economic effects of the Suez Canal closure became apparent. But little has been heard of it since, and a few moments consideration of the facts will reveal why. The United Kingdom's difficulties are the result, at the moment, of having to buy dollar oil to replace supplies from the Middle East. Britain has borrowed more than enough dollars to meet her needs for the next year or so—ample time to see the Canal open and working again. If there is going to be a shortage of oil with which to sustain the United Kingdom economy's export capacity, then it will be due to the physical shortage of tankers, and devaluation will be no solution for it. With the short-term dollar position secure and the internal economy healthier than it has been for a number of years, there seems no reason why confidence in sterling should not continue to grow. Much will depend on the ability of the new Conservative Government under Mr. Harold Macmillan to hold the present wage level. At the moment, with unemployment mounting, there seems reasonable hope of its being able to do so.

Another encouraging feature of the end-year figures for the gold and dollar movements was the reduction in disbursements to the European Payments Union. Britain's weakness as a European trader has become all too obvious in the past few years, and this is a position which the new willingness to join the proposed free-market area promises to correct. It is only now being realised just how radical a change in thinking this represents. Only 200 million people, and the threat of what might happen should Britain remain outside, could hope to persuade the United Kingdom to modify its old three-cornered trading pattern. European trade has been considerably more rewarding in the past few years for those who, like West Germany, have been largely restricted to it, than have the usual

markets on which Britain traditionally concentrated. There are big gains to be had by serving a rich market of these dimensions, even if there were not also important political advantages. The penalties for staying outside include the possibility of being excluded from European markets altogether in future by the tariff barriers the new organisation is bound to build around itself. Britain appears to have decided to join as a necessity for survival. The choice is the right one, although the present efforts to get the best of both Britain's trading worlds may have to be modified before full participation becomes a reality. But then, the changes which are at present taking place in the normal course of sterling area evolution are helping that process.

and if the inflationary effects of import cuts were feared then, there is no less reason to fear them now.

The Central Finance Minister, Mr. T. T. Krishnamachari, is reported as having said in Madras on Sunday that the country has now reached a position where if imports have to be restricted, or even stopped, there will not be any serious inflation. The truth of the assertion hinges on the point as to what sort of inflation can be considered "serious". Recent ministerial statements tend to suggest that the situation of seriousness does not arise until the basic necessities, such as food and cloth, become dearer. Even on this definition, the Finance Minister's assertion seems somewhat exaggerated. India is short enough of food to need all she can get under the long-term loan from the United States, plus more. The substantial fall in the latest wholesale price index (base: year ended August, 1939, equals 100) from 430.7 to 421.9 during the week ended 29th December, reflects mainly a decline in the food index. But its significance may be largely temporary, for this is the time of year when supplies increase as harvests arrive in the markets. As for cloth, Mr. Krishnamachari is well aware that very little has been done to allow an increase in production. In Madras, it is reported, he said, not perhaps with the strictest accuracy, that there has been an increase in production all round with the exception of the textile industry. If, however, he intended to emphasise that cloth production has lagged far behind the possibilities for increasing it, he was, of course, quite right.

Why it has lagged behind, deserves closer examination, because, a little surprisingly, Mr. Krishnamachari in the same speech asserted that the private sector would not have achieved all it has done if the State had not intervened in economic affairs. In the cotton textile industry, the result of State intervention has merely been stagnation. There may be other industries in which protective tariffs, import restrictions and monetary or other assistance have promoted development. But in the last few years, the textile industry has not been among those which can claim to have benefited from Government measures. In the Finance Minister's scheme of things, however, it is among the most important, not only for countering domestic inflation but also for earning foreign exchange. If private enterprise had been allowed greater freedom, there is every reason to believe that cloth production would have increased, that the Reserve Bank would have been able to print a few more currency notes, and that the country would have been able to import a little more machinery and equipment than it can now. But the ideological thinking which is vaguely associated with socialism did not allow this freedom. The result is that the consumer pays more for his cloth, development outlay has to be cut, and foreign spending has to be reduced to such an extent that important projects are shelved or forgotten.

Cotton textiles is not the only example of an industry which has suffered the effects of Government intervention and "socialist" thinking. Another, steel, the importance of which Mr. Krishnamachari emphasises rightly and often, is in an almost similar category. The Industrial Policy Resolution of April, 1948, under which the starting of new steel plants was reserved for the public sector, was a product of the type of socialist thinking which considers that basic industries must be State-owned. Its effect was that the State forgot all about establishing new steel plants until many years later; private initiative in this field was discouraged; and when a private effort did almost reach fruition in the shape of a Birla project for Durgapur, it was consigned to the dust-bin. The effect today is that industrial development is being retarded by the lack of steel, and not enough can be imported because there is too little foreign exchange.

Specific examples such as these can be multiplied, but the strongest general criticism of the Government's intervention in economic affairs is that it has steadily raised industrial costs. Not a few of Mr. Krishnamachari's present difficulties with foreign exchange can be traced to this single fact—that exports are stagnating around their former levels because the inelasticity of Indian industry's cost structure does not allow it to compete in an increasingly price-conscious world. This is a point which will also have to be borne in mind when suggestions are heard that prices of food and cloth are all that matter, while those of other commodities do not. Admittedly, necessities such as the former two have the greatest effect on the domestic wholesale price index, but this index is not the sole indicator of the country's economic health. Prices of other commodities matter too, and when there is a foreign exchange shortage, those of the export commodities matter greatly. Almost no food and relatively little cloth can be exported (unless production is greatly increased), so the foreign exchange has to be earned by jute goods, tea, oils, light engineering products and the host of other things with which India is still struggling in markets overseas. If these commodities get caught up

in the inflationary whirlwind which may have been skilfully steered away from food and cloth, economic development will be retarded and lopsided. It will not be possible then to remedy the situation with open or disguised export subsidies, which invariably bring strong retaliation; nor with export credits, which India can only beg, not offer; nor with export promotion councils, the most impressive of whose campaigns could not argue away price differences.

The Finance Minister is also reported to have said in Madras that if the Government were not to intervene and private enterprise were allowed a free hand, development would be unregulated: there would be more textile mills, more sugar factories and more cement industries in places where raw materials were not available. There is no denying that private entrepreneurs are often fallible. Some start the right industries in the wrong places, some the wrong industries in the right places, and some the wrong industries in the wrong places. But they do at least try to start the right industries in the right places, because if they do not, they lose their money. This is as much as the Government can claim for itself; that it tries its best to make the right decisions, although often in the process it makes wrong ones. It has yet to demonstrate that its wisdom in the location of industry is superior to that of a private entrepreneur. An important difference between the two is that in one case the wisdom is allied to a personal stake, in the other it is not. The private entrepreneur who starts to make fifty million drawing pins in the Naga Hills knows he will lose all his money: the Government Secretary who does the same will probably at least still get his old salary. In any case, after the recent controversy over the location of the refinery to process oil from Assam, New Delhi can hardly claim that efficiency and economy are its sole criteria in siting industries. Political considerations play no small part, although politics do not refine oil or produce goods. The claim has even less validity when an important Central Ministry is thinking of equalising railway freights

NOTICE

Owing to an exceptionally heavy demand, copies of *Capital's Annual Review of Commerce, Trade and Industry*, published on 20th December, 1956, were completely sold out by the first week of January. It is regretted, therefore, that further orders for copies of this publication cannot be accepted.

for basic materials such as coal and steel—a move which seems to be based on the curious logic that a major engineering works deserves the same encouragement to locate itself in Cape Comorin as it would to locate itself near Jamshedpur or Bhilai. If, in implicitly criticising the siting of the sugar industry, Mr. Krishnamachari had in mind the surplus capacity of mills in Uttar Pradesh and Bihar, it may be remembered that this surplus capacity exists because the two State Governments have been misusing their cane cess collections. If the cess had been used for the purpose for which it was intended—for cane development programmes—the capacity would not have been surplus. What is more, there would have been rather more sugar to export, at prices foreign consumers might have been willing to pay.

While attention centres on the foreign exchange shortage, it would be unfortunate if the emphasis were on cutting imports rather than on increasing exports. The urgency of the situation is such that India has to cut imports, and then to hope that foreign aid arrives more quickly. But it is also great enough to emphasise the need to encourage industries which have an immediate export potential—among which cotton textiles is perhaps at present the most handicapped. While projects involving a large outlay of foreign exchange are being trimmed or postponed, it is necessary to take bold and immediate steps to promote projects which will earn foreign exchange. Ultimately, India must pay her way in international markets, and with her reserves nearing the minimum necessary, the time to recognise the fact is now.

CURRENT COIN

Merger Plans of Accountants.—A scheme has been put forward in Britain to integrate the Institute of Chartered Accountants with the Society of Incorporated Accountants. This is important to the profession, as the existence of two major bodies laying down standards and awarding "letters" to people who passed their examinations has caused jealousy among accountants and confusion among the public. If the merger succeeds, the Institute will still not have a monopoly but it will dominate the scene. The idea of bringing the Institute and the Society together was mooted only a few years after the two bodies were founded (in

1880 and 1885, respectively). The reason why it has at last come to fruition is that both now desire to merge. The Institute fears that the Society, if left on its own, may eventually lower its standards by allowing commercial training in factories as well as professional training in accountants' offices to count in its examinations. The Society, on its side, no longer has a function to fulfil in offering a cheap way into the profession. Being articulated as a clerk (to become a chartered accountant) used to cost a premium to start with and one was either unpaid or lowly paid during training. Most of the Society's members paid no premium and got a wage during training by being accountancy clerks, or "bye-law candidates", as they were called. Now articulated clerks are paid a wage and have to put down no premium. So the way to a merger seems clear, and would be logical. But the matter will have to be put to the vote of both bodies and it remains to be seen whether it is accepted when the poll is held in the spring, for it will have to be approved by two-thirds of the Institute's members and three-quarters of those of the Society. If it is, most incorporated accountants will eventually become chartered accountants. Those who are not practising as public accountants or who, for certain other reasons, are not eligible to join the Institute as full members, will become "incorporated" members. But it is estimated that of the 10,945 Society members, all but 2,065 will be eligible for full membership. It seems unlikely that, in fact, the move will produce any marked cleavage between the accountants in public practice and those serving in industry and commerce. The co-operation between the statutorily recognised organisations is too close to make that a material risk.

Expanding Singareni Collieries.—Under a proposal now before the Andhra Pradesh Government, the Central Government seeks to become a senior partner in the 70-year-old Singareni Collieries, and the company's capital structure is to be enlarged. The proposal was made when the former Hyderabad Government approached the Centre for a loan of Rs. 3 crores in order to enable it to step up production by 1½ million tons a year. The Collieries, which were allotted Rs. 252.19 lakhs under the first five year plan, increased output from 1,162,000 tons in 1950 to 1,596,632 tons in 1955. The Centre's proposal brings to mind the chequered history of the Singareni Collieries, which supply a large part of the coal requirements of south India. Coal was first discovered in the State by Dr. W. King, of the Geological Survey of India, in Yellandu (Singareni) in 1871 and the chief coal seam there was named after him the "King Seam". The Singareni coal-mining lease was granted to the Hyderabad Deccan Company (Messrs. W. C. Watson and J. Stewart) in 1886, and the mines began to yield coal from 1889. The Hyderabad Deccan Company extended its mining operations to various areas around Singareni, and subsequently transferred its rights to the Singareni Collieries Co. Ltd., the managing agents of which were Best and Company, Madras. In 1920, the Singareni Collieries Co. Ltd., was incorporated and registered under the laws of Hyderabad State, but 88½ percent of its shares were still held by the Hyderabad Deccan Company, with its head offices in London. The prospects of the latter were closely linked with the prospects of the Singareni Collieries Company, which retained all its available profits (Rs. 4,49,192) for 1941 for a development programme without declaring any dividend. It declared a dividend of only 2½ percent in 1942, retaining the balance to meet the probable claim for Indian income-tax. These factors brought down the price of the Collieries' shares to Rs. 8.13 in 1942. To increase coal production for war and postwar needs, the Hyderabad Government acquired a controlling interest in the Singareni Collieries Company in 1944. The Hyderabad Deccan Company sold its entire holdings. The plant, machinery, buildings, etcetera, were valued at over Rs. 11 lakhs, against which there was a depreciation reserve of Rs. 67.5 lakhs. The State Government purchased 556,625 ordinary shares of the Singareni Collieries Company, held by the Hyderabad Deccan Company. London, of the face value of Rs. 10 each at Rs. 17 each; and 10,000 6 percent debentures of Rs. 100 each, inclusive of the accruing interest, for £76,500. The Hyderabad Deccan Company also surrendered for a consideration of £37,500 its mining rights and concessions to the State Government.

Rising Readjustment in U.S.A.—The closing weeks of 1956 have brought new all-time peaks in most measures of overall business activity, reports the monthly newsletter of the First National City Bank of New York. The gains over the figures of a year ago, which were the highest on record up to that time, are not large in physical terms, but they are satisfying in view of the readjustment that some important industries have gone through. New highs in dollar measures of economic activity, such as gross national product and national income, are subject to the qualification that 1956 was a year of rising prices and living costs. Inflation of dollar values in itself

adds nothing to real living standards and creates only an illusory prosperity. However, gains have also been made in real terms. The figures of recent weeks include new highs in industrial production, employment, and retail sales. Christmas business disappointed many merchants at the start, but final reports show that the season's sales as a whole made satisfactory gains over 1955. As a result of the record outpouring of goods and services, American consumers are enjoying the highest living standards in history. At the same time business and governmental bodies are adding substantially to national wealth and future productive capacity through capital investment and public works. Increases in personal consumption and in real saving—which is the source of future consumption gains—are the twin objectives of balanced economic growth. By either criterion, the country is prospering. It is also entering 1957 under good momentum. In the aggregate, demands on the economy are as large as can be satisfied, and in some key areas they exceed capacity. The year just ended was one of contrasts. Most of the comprehensive measures proclaim it a year of new records—\$412,000 million in goods and services produced, personal income totalling \$325,000 million, a peak of 67 million employed (nearly 70 million including the armed forces), and factory wages exceeding \$2 an hour. Not all business and individuals, however, shared this prosperity in full. Laid-off auto workers, home builders, steel workers called out on strike, and business men whose profits were pinched by rising costs were among those for whom 1956 fell short of hopes. At this time a year ago, few observers would have believed that business could withstand a drop of one-fourth in automobile production, a 15 percent cut in the number of homes started, and a five-week steel strike without more serious repercussions. Adjustments were also needed or under way in agriculture and in the textile, farm machinery, and other industries. Yet the combined drag of these important sectors of the economy was more than offset without resorting to easy money or to Government stimuli. The strength of consumer demand for non-durable goods and services, the heavy backlog of local Government projects, and business investment needs kept the economy steady and headed upward. Not only was a general recession avoided, but gross national product—the nation's aggregate output of goods and services—rose quarter by quarter, and at the year's end had reached the record annual rate of about \$422,000 million, \$20,000 million or 5 percent greater than a year earlier. Perhaps, following this demonstration of the economy's ability to absorb substantial shifts in demand without interrupting overall progress, the expression "rolling readjustment" needs to be laid aside, so far as 1956 is concerned, in favour of "rising readjustment."

Expanding the Oilseeds Industry.—A bright future for the Indian oilseeds industry has been forecast by Dr. R. Sankaran, Secretary, Indian Central Oilseeds Committee. Addressing a Press conference in Hyderabad last week, Dr. Sankaran said that this would be assured by the proposed establishment of 17 composite Regional Research Stations in various parts of India. This scheme could help India, before a large exporter of oilseeds, and increase her dollar earnings. Dr. Sankaran said that the proposed research stations, some of which would deal with cotton and millets besides oilseeds, would be financed jointly by the Central Cotton Committee, the Indian Central Oilseeds Committee, and the Indian Council of Agricultural Research. Details of the new scheme are to be discussed and finalised at the 10th annual general meeting of the Central Oilseeds Committee, to be held in Hyderabad from 25th January. This meeting would be presided over by Dr. M. S. Raghaw, Vice-President, Indian Council of Agricultural Research, and Additional Secretary, Central Ministry of Agriculture. Discussing the scope and prospects of the expansion scheme, Dr. Sankaran said that the internal demand for oils had increased enormously, thanks to the setting up of various industries under the second plan. The demand could also be ascribed to the expansion of the soaps and paints industry. He told newsmen that the Committee is now devoting much of its attention to research work to discover new oil-yielding plants. Describing the functions of the Central Oilseeds Research Committee, Dr. Sankaran pointed out that it was engaged in the study of advanced methods of growing and utilising oilseeds, and popularising new methods among the cultivators. The Committee is spending Rs. 17 lakhs a year on research and propaganda work. He revealed that Rs. 50 lakhs had been allotted for extensive research and development work under the second plan. Referring to the Committee's future programme, Dr. Sankaran said that it would examine technical programmes, progress reports and extension proposals regarding various research and development schemes, as well as the schemes received from a number of State Governments and research institutes throughout the country. He further stated that on the agricultural side nine new schemes, including one for research in sesame in the States of Madras and Kerala, would be

considered. Apart from this, there were schemes for crop competitions in oilseeds in West Bengal and Rajasthan. There was also a plan for investigating diseases of oilseed crops and their eradication. Dr. Sankaran said that the Committee had under consideration ways and means for raising the present production of 5,595,000 tons of oilseeds to 7,600,000 tons by the end of the second plan period.

Sterling Trade of Japan.—Advices from official circles in London suggest that the trade and payments talks which have been going on there with the Japanese for over three months may end fairly soon now, and it is expected that a new agreement will be signed before the end of January. The progress of the talks has been shrouded in mystery, but as usual it may be assumed that there has been some stiff bargaining. Japan's sterling balances fell sharply during 1956 (from £100 million in February to £40 million at the beginning of October), and as much of her overseas trade is conducted in sterling, she will clearly want opportunities of earning more in the sterling area. On the other hand—and this is the argument against raising the quotas for Japanese imports—sterling can be earned in third countries as well as in the sterling area itself. However, it looks as though the new Japanese Government is prepared to utilise its reported leaning towards trade with Communist China and other Communist countries as a talking point to influence the opening of more outlets for her goods in the Western democracies. Although the London talks have gone on for so long, U.K. trade with Japan has not been adversely affected. The last trade agreement expired on 30th September. Since then, the payments arrangements (which provide for sterling settlements) have been renewed each month. Virtually all the quotas for import licences had been used up by the end of September, but imports under "open general licence" have continued from time to time. Special individual licences have been given as well; an example was the large shipment of mandarin oranges made to Britain for Christmas.

Taxation of Mining Ventures.—The President of the British Overseas Mining Association has once again drawn attention to the disabilities under which U.K. companies have to compete in operating or controlling mining ventures abroad. The Chancellor has promised some relief in the coming Finance Bill on the lines of the recommendations of the Royal Commission. This would presumably define "overseas trade corporations" which would be liable to U.K. taxation only for distributed profits. Mr. S. E. Taylor, in his presidential address, pointed out that this concession might relieve only one section of this valuable business. There are companies which operate in overseas mining fields and are managed and controlled from the U.K. There are also holding companies with substantial investments in mining companies managed and controlled overseas. Then there are mining finance houses which explore, develop and finance, setting up operating companies overseas to exploit successful mines. The second and third classes, Mr. Taylor maintains, should be recognised as falling within the group of overseas trade corporations and be eligible for the proposed tax relief. Given a tax system that would enable it to compete on more equal terms with foreign interests, the industry could expand its operations to the great benefit of both Britain and the Commonwealth. It would also be able to attract all the financial support, from foreign as well as domestic sources, required for such expansion.

RAILWAY STRIKES

FOLLOWING closely on the heels of a thoughtful article in the *Pioneer* on "Indian Railway Strikes," with special reference to the one that has just occurred on the G.I.P. Railway, comes the news of a frightful accident on the B.B. and C.I. line with considerable loss of life. It is, of course, very desirable to keep down working expenses, but there is such a thing as true and false economy. We are not advocates of extravagance, and do not believe in any company keeping more servants than are required for the efficient administration of its work; but there is no doubt that of late years there has been a craze among certain railway officials to reduce expenses at any cost. The result is that the staff are both short-handed and over-worked; a miserable saving is effected, and a collision, such as occurred on Saturday, will sweep away the savings of many years and bring the company into disrepute. There is no doubt that a feeling of mistrust and insecurity does exist on our railways, which can only be characterised as one of thorough demoralisation. This feeling is caused because the men have no confidence in the security of the position; and we feel sure that it would be the truest economy for the railway companies to pay their men well and make them feel that their situations were worth having.

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SOME CASES IN THE ENGLISH COURTS

CLAIM FOR PATENT RIGHTS: TRIPPING OVER OTHER PEOPLE'S DOGS

(FROM OUR LEGAL CORRESPONDENT)

THIS annual survey of English cases, in which the principles involved are of interest to residents in India, will be rather more lengthy than usual, as we have gone beyond the scope of the actual decisions themselves in favour of a certain amount of irrelevant anecdote, for which we are indebted to the always lively columns of the famous English monthly, *Law Notes*.

In October was reported an important decision about the rights of employers and employees respectively in inventions by employees while in the exclusive employment of their employers and patented or sought to be patented by the employees as the alleged proprietors of the inventions concerned. Now, disputes of this kind occur not infrequently and they often involve potentially very large sums of money. They should not, and need not, in the case of a competent employer, ever occur. If you are going to employ a skilled man of an inventive turn of mind whose duties will include, say, the supervision of and advising on machinery in which he is an expert, nothing is more easy, and in accordance with commonsense, than to instruct your solicitor to prepare and insert in the expert's contract of service a special clause providing fairly, as between master and servant, for the ownership of patent rights to inventions of the servant while engaged on a whole-time basis in the master's service. A simple precaution which is sometimes neglected.

Personally, the writer finds the latest English decision on the subject a surprising one and respectfully doubts whether it will be followed in India. The defendant, a Mr. Homewood, while employed by the plaintiffs, the British Syphon Co. Ltd. as technical adviser, invented a new form of

soda water syphon. He was not asked by the plaintiffs to advise on a problem to which this invention was specifically referred to, but, nevertheless, the invention related to and concerned the business of the plaintiffs. The plaintiffs applied in the Chancery Division for an order that Mr. Homewood should assign to them his interest in an application for a patent relating to the invention. The employer's application succeeded. Roxburgh J. held that it was not consistent with "good faith" as between master and servant that the servant could retain and dispose of, as he thought fit, an invention relating to part of the employer's business. To do so might well give the servant, as technical adviser, personal reasons for not giving the best possible advice if, for example, he had sold the invention to a rival.

The words "good faith" above are italicised because in 1945 the Master of the Rolls in the Court of Appeal had some tough language to use about them, when used as *somehow* entitling employers to claim ownership of employees' inventions, the suggestion being that quite outside the contract there exists some equitable obligation of "good faith" in an employee in such a situation. "I have always understood," said the Master of the Rolls, "and I believe it to be right, that when you find, in litigation concerning relationships such as Master and Servant, references in judgments to obligations of 'good faith', all they mean is that that on the true construction of the contract... there is a contractual obligation on the part of the servant to exercise good faith. . . . (But) the introduction of equitable principles, apart from contract. . . . should be in general repudiated. The contract is there and it is sufficient to define. . . . what the obligations of the parties are." "The contract". That is the crux of the matter. Wherefore the contract should not be silent on such an important issue but should specifically provide for it.

Typing of legal documents, perhaps above all others, should be exact and accurate. But this presupposes an obligation on the superior who writes the draft from which the typing is to be done, to do so clearly. *Law Notes* vouches for the veracity of the following. A lady typist in a solicitor's office described the occupation of a vendor,

a surgeon, as a "Virgin". When asked to explain this unfortunate mis-description, she replied austere-ly that she did not consider that virginity was an unusual occupation.

What's in a name? "Nothing" says the immortal bard in effect; but he was alluding to a rose and not to a catfish. Catfish is a perfectly good edible and palatable fish with an unfortunate name which puts buyers off. People think it is for cats and it is so repulsive looking that it has always to be filleted before being put on sale. So the National Federation of Fishmongers have decided to do something about it. The Federation and the White Fish Authority have tried for many years, but without agreement, to find a suitable alternative name. Until quite recently, the name appears to have been left to the fishmonger. He will not call it "catfish" and certainly not by its only other lawful name which is "wolf-fish". So he styles it—running considerable risk of a criminal prosecution by so doing—"Scotch Halibut", "Scotch fillet", and "rock-fish". And the public buys what under its true name it would disgustingly reject. Now comes the inevitable test case which the Federation and the White Fish Authority desired. In September in Nottingham, the court decided that to sell catfish under the name "mock-nahibut fillet" was not breaking the law.

Andrews v Pattullo, reported briefly in *The Times* and not in *extenso* in the *Law Reports*, may at any time become of practical interest to householders in India who keep dogs. The reader will be aware that he must not so utilise his house or flat as to make it constitute an unusual or hidden danger to his visitors. What about a recumbent dog lying in a dark part of the hall of a house or flat? Does he constitute an unusual danger of which the occupier knew or ought to have known? Apparently the answer is doubtful, with a leaning towards liability on the occupier if he owned the dog. "Though it may be very usual to have dogs in private houses or flats, Lord Justice Morris was not prepared to say that a dog in these circumstances could not be regarded as an unusual danger." But in this particular case the guest who fell over the dog when leaving and broke a thigh did not recover damages. The dog belonged to the occupier's daughter who frequently visited him, invariably bringing the dog with her, and the occupier did not know where the dog was when the guest left, and there was no reason to assume that it would be in any particular place. This really dodges the question, for the occupier did not own the recumbent dog. What if he had owned it? Personally, one thinks, he would have been liable. *Sed quaere*.

There were two interesting shipping collision cases during the year. In the first—*The Soja* 1956 2 All E.R. 393—a ship under charter-party was detained in port for 20 days to repair collision damages, but fulfilled her charter-party and earned a net profit at the daily rate of £144 3s 10d on a voyage from London to Bombay. Subsequently she earned profits on voyages in the Far East at daily rates of over £800 per diem. Is the measure of the collision to be assessed at the average daily rate for the voyage from London to Bombay, or at the much higher rate earned on the voyage in the Far East? It was held by the Court of Appeal (Lord Evershed, M.A.; Jenkins and Hodson L.J.J.) that the measure of damages for the period of detention was to be based on the daily rate of profit (£144 3s 10d) earned by the ship on the voyage from London to Bombay. The enhanced rate could not be taken into account as it was purely a matter of speculation what profits at the high rate prevailing in the Far East had been lost.

In the second case, as the result of an accident between Ships A and B, caused by the negligence of both, Ship A was holed. Ship B then offered to tow Ship A to where she could be beached but the captain of Ship A refused this offer, preferring to await the arrival of tugs for which he had asked over the wireless. The tugs arrived some time later and took Ship A in tow, but the ship sank a very short distance before she could have been beached. In a claim for the loss of Ship A against the owners of Ship B, the latter pleaded that the damage was too remote in that had Ship A accepted the offer of a tow from Ship B, she might have been saved. The refusal of this tow by the master of Ship A was, it was contended a *novus actus interveniens*, making the loss of Ship A too remote. It was held by Lord Merriman, P. that in the circumstances the captain of Ship A had acted reasonably in refusing the offer. Therefore, there was no break in the chain of causation because, as the captain of the ship had acted reasonably, his judgment, even if mistaken, was a natural consequence for which Ship B was responsible—applying a dictum of Lord Haldane in *The Metagama* (1928) S.C. (H.L.) 21. Further, it was held that the onus was on the owners of Ship A to show that the refusal was reasonable and not on the owners of Ship B to show that it was unreasonable.

(To be continued)

¹British Syphon Co. Ltd. v Homewood, 100 S.J. 633.

²Law Notes, Vol. 75. (1956). 161.

³Temple Bar (Owners) v Guildford, 1956, Law Notes, Vol. 75. 221.

A DITCHER'S DIARY

were summed up by the anonymous bystander who, when the crowd outside No. 10 shouted "Good luck," added "You'll need it".

I see the radio singers are at loggerheads with the local station of All India Radio. I am, of course, incapable of entering into the merits of such complaints and can say no more than that if they are genuine, then they should be removed as quickly as possible. I am more directly interested in listeners' grievances, though here too. I must admit my own experience is limited. I never like a radio set better than when it is silent, but like most people I occasionally have to put up with one in full voice. The broadcasts of Western music seem not unsatisfactory, but these are mostly based on popular records of notable singers and instrumentalists anyway. It is the programmes of vernacular music that are disappointing. I have heard—and I entirely agree—that Tagore songs are usually well managed, as are Kirtans and other folk songs. But the "light" or "modern" music section is a genuine source of grumbles. From what I have heard, it appears to be largely given over to incompetence, although most knowledgeable critics concede that it is not the fault of the singers alone. Modern Bengali poets and song-writers, I understand, contribute not a little. These custodians of the art simply leave the field of song-making to the amateurs, who know no better than to wallow in the sentimental moon-and-swoon and heart-and-dart stuff.

I read that the New Year's honours list is under fire because Stanley Matthews—the wizard of the dribble—did not get a knighthood. Which leaves me wondering why, in this world of strife and turmoil, the British people have nothing more important to think about. I have nothing against Mr. Matthews. He has represented his country probably more than any other living professional footballer. His prowess at the game is certainly outstanding, and his unfailing modesty an example to all who are fortunate enough to excel at anything. But why that should entitle him to so much public support when he is not knighted beats me. I suppose that now the precedent has been established of honouring prominent professional sportsmen, and while horse racing and cricket have already had their share, something should be done for soccer, the sport of the masses. That seems fair enough, and those who press this point can count on my moral support. But if it is injustice which is being pleaded, then I can think of a much more flagrant instance in this year's list—that of Donald Campbell, the world's water speed record holder. If any man deserves his country's honours, he does. As the son of a famous speed-king father, he has carried on a fine tradition at the risk of his own life, into an age when individual enterprise of this kind is all too often left to rich Americans or power-conscious Governments. His achievements cannot help but have reflected favourably on the reputation and prestige of his country. Yet his worth is apparently assessed at a mere C.B.E.—the same as that of society photographer Cecil Beaton. I can sympathise with soccer fans and the unassuming Mr. Matthews. But I can see no reason why anybody should get hot under the collar about this petty example of injustice when there is a greater one right under his nose.

I am surprised that so renowned a thinker as Professor Arnold Toynbee should hold the view that "an entirely new element" facing mankind will "induce it to abolish wars". The element concern-

ed is, apparently, the advent of atomic weapons. But surely, as an historian, Professor Toynbee does not seriously believe that an institution which is as old as man himself will disappear completely just because there has been one more change in the character of the weapons with which it is carried on? Wars are likely to be abandoned only when man finds an alternative and satisfactory way of solving his problem. Conflict can be avoided between nations, or so it seems to me, in much the same way as it is between individuals—by establishing a legal mechanism for the settlement of disputes and making sure that the parties concerned accept its decisions. It is nationalism which causes modern war, and I can see no hope of much improvement until communities of nations can be persuaded to act like communities of individuals and obey the directions of a duly-elected international Government. The advent of "annihilation" weapons might hasten this process; personally I doubt it. There are so many ways of waging war these days without getting to the point of throwing atomic bombs: the history of the post-war years has proved that. While there is such a fear of atomic and hydrogen weapons, a world war will certainly remain a question of accident rather than design. But it will need more than simply fear to prevent nations taking risks. War has always shown itself to be an adaptable institution, that can change with the times while remaining essentially the same as a method by which one country can impose pressure on another. My guess is that far from being abolished, war will become more continual, more widespread and more an everyday feature of modern living. I wish I could agree with Professor Toynbee, but his solution, to this age-old scourge of mankind is altogether too simple a one for my tastes.

The way events are shaping, the only thing available in Calcutta's restaurants soon will be spiritual uplift—and who is going to pay good money for that? Already, they by no means smother their patrons with amenities. Their food is generally poor, their drinks are sometimes not to be identified by the labels on the bottles and the service they give cares more for its *bakshesh* than it does for its patrons' convenience. In fact, the only thing about this city's public eating places which is still healthy, virile and bang up-to-date is that irritating institution—the bill. Now I learn that liquor is soon to be in short supply, or may even vanish altogether. Foreign cabaret artistes are to go, too, which might be a good thing for the clubs, but is likely to mean the shutters for most of the restaurants. I have met people who are grimly determined to adapt themselves to what they call "the coming thing", meaning thereby a health-giving glass of tomato juice and a dull evening. But for most of us it will be simply a question of doing what we have been promising ourselves for years, namely staying at home and saving our money. There is a good deal the restaurants can do, of course. Why are they, for instance, still serving austerity meals twelve years after the original justification for them has ended? They could improve the quality and the cooking of the meagre dishes they are serving; after all, French names do not necessarily make food toothsome. There may even be something to be gained from using local talent to replace foreign artistes, if it is properly trained. But this is a question of time and by then the restaurant habit will probably be stone dead in Calcutta. Until then, I suppose one must be thankful for small mercies. India is passing through a phase of acute puritanism of which the next step might well be to force patrons to listen to a moral text on planning over a glass of lukewarm lemonade.

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GILT-EDGED LEAD RISE IN STOCK MARKETS

RUMOURS OF LOWER U.K. BANK RATE

London, 16th January.

THE immediate reaction in the stock markets to the news of Sir Anthony Eden's resignation was to mark down prices as a precautionary measure in virtually all sections. But little or no selling developed and after Mr. Macmillan's appointment, rates soon recovered under the lead of gilt-edged securities. The marked strength of funds was the feature, and substantial gains were recorded. The main impetus to the advance was given by renewed talk of a lower Bank rate. The new Government appointments over the week-end were well received in the markets. German and Japanese issues were firm among foreign bonds, and rails improved in places. But dollar stocks moved irregularly and mostly to lower levels under Wall Street's influence. Industrials fluctuated irregularly, and although prices responded to the appointment of Mr. Macmillan, there was not a great deal of change on balance. The feature was the commencement of dealings in Imperial Chemical's new loan stock, in which very large business was done. A substantial premium was established. Gold shares attracted a selective demand, but conditions generally were uncertain and prices were slightly easier on balance. Coppers and other base metals were firm. Diamonds responded to the increase in the price of stones. Oils moved erratically, but the underlying trend was towards lower

levels. Teas were modestly supported from time to time, but rubbers were subdued and occasionally easier.

The Money Market

The money market was quiet during the past week, and funds, although not too plentiful, were ample for needs, with the volume of credit inflated by Government department disbursements. Rates for day-to-day loans fluctuated between 4½ percent and 3½ percent. Very heavy tax payments, which are now made on Thursday, did not disturb the credit situation much this week, as the large sums of money which flowed away from the banking system to the revenue authorities were cushioned by heavy Bill maturities. The money market made no change in its bid for the offer of Treasury Bills and higher bids came from outside competitors. Applications for £260 million of 91-day Treasury Bills totalled £401,410,000, of which £240 million were allotted at an average rate of 95s 5.30d, against 95s 9.11d in the previous week. This week, £240 million of 91-day Bills are being offered. The Bank of England return for the week ended 9th January showed that notes in circulation were £40 million lower at £1,928 million, while bankers' deposits were £7 million higher at £299 million.

Stock Market Prospects

The *Investor's Chronicle* market newsletter writes: In London, gilt-edged have surpassed their end-August resistance point and should now consolidate for a further advance. Industrials have reached the best levels since September and should pause before testing the July-August highs. The undertone remains surprisingly good, but the market is still very susceptible to current news. Selected golds and uranums are being accumulated. The minor activity in oils should enable them to consolidate. Railroads have at last taken over the running of Wall Street. The broadening business of the London stock exchange mainly reflects hopes of lower interest rates. Substantial falls in the Treasury Bill rate in four consecutive weeks, making a total fall of a full 4 percent, have strengthened the belief that the authorities desire lower short-term rates to reduce the heavy interest charges on the Budget and to help the Treasury's maturities of £401 million in June. The resultant strength of gilt-edged has helped industrials, but their widespread advance is suspected as the industry faces many difficulties.

U.S. Bond Market

In the U.S. bond market, Greeks and Serbs were firm on increased turnover, with gains of a couple of points. German Nationals were mostly higher by fractions in a small volume of trading, while among Italians the Republic 3 percents of 1977 added one point. Polish issues continued to move ahead, with the 4½ percents of 1968 advancing over two points to \$20½ for a new 1956-57 high. Australians, Danmarks and Norwegians showed only minor variations either way. Japanese issues were mixed and Union of South Africa 4½ percents were steady at \$95. A number of Brazilians and Uruguayan were strong. Chile 3 percents, which rose over a point to \$46, eventually gave up a part of the advance.

Hongkong Gold Closes Easier

The Hongkong gold market closely followed sterling movements in New York. Values hardened on Sir Anthony Eden's resignation, as some traders feared that this would be followed by the resignation of the Government. However, with the announcement that Mr. Macmillan had been appointed Prime Minister, values eased. Carry-over charges were 162 cents a 10 taels in favour of sellers. The official offtake was 6,600 taels and the unofficial offtake 11,900 taels. Arrivals from Macao totalled 40,000 ounces.

Quicksilver Strengthens

Quicksilver dealers report a continuing upward pressure in the price of the metal, and for ex-warehouse supplies a range of £84½ to £84¾ a flask is now generally indicated, compared with 84½ previously. The new level is slightly nearer the Spanish and Italian origin price of \$236 a flask, f.o.b., or £84 5s 9d. Spot supplies are tighter, according to dealers, and prospects of their easing are not considered bright at present. Both Spain and Italy are well committed in the international market. In the case of the former, it is understood, she is unable to offer before April. Good sales have been made to the Far East, with Japan and India believed to be buying for use in caustic soda plants. Demand in Britain has also picked up somewhat.

World Sugar Prospects

Mr. Laurence A. Crosby, President of the Violette Sugar Company, told stockholders at the company's annual meeting that no one knows where the top will be in the current boom in world sugar. Prices are at their highest levels since the Korean war. The increase in world demand has reduced Cuba's surplus stocks, which amounted to about 2 million tons at the end of 1956, to an estimated 700,000 tons at the end of 1956. International tension, coupled with drought conditions in Cuba, which have affected part of the current cane supply, have contributed to the rise in world prices.

Tate and Lyle Sugar Prices

Tate and Lyle has announced an increase of 1s 7½d in its prices of domestic refined sugar. The basis price now stands at 79s 1½d for granulated sugar in 2 cwt bags. The export price is 62s 7½d a cwt, ex-refinery.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

ADVANCES STILL RISING

Wednesday, 16th January.

BOTH advances and deposits have continued to increase throughout the past week. The cotton and sugar industries have maintained their requirements and there has been a renewed call for accommodation against grain and seed storage. The jute industry has once more increased its offtake which is now at its highest level for the past three years. This is probably due to the fact that the mills' own resources are at present heavily engaged in financing modernisation. The inter-bank market continues fairly tight and the call rate is unchanged at 4 percent.

It has been another quiet week for export bills. The few documents which have passed have been chiefly on account of tea. Remittance has been moderate. The upward trend of sterling still persists with higher quotations against both dollar and Continental currencies. It is reported there has been a good deal of buying of sterling in New York during the past few days.

Bullion was firm on short-covering and strong buying. Silver advanced from the previous week's level of Rs. 173-4 to Rs. 180-12, quoted today. The rate for ready was quoted at Rs. 181. The London price advanced to 80½. The price of foreign silver in New York remained the same at 91½ cents.

In sympathy with silver, gold increased from Rs. 105-8 to Rs. 107-8. The sovereign at Rs. 69-9 showed a rise of 9 annas.

During the week ended 11th January, Government of India Treasury Bills for Rs. 77,42,50,000 were sold in favour of the Reserve Bank.

Increases of Rs. 19.30 crores to Rs. 1,508.38 crores in the total note issue, and of Rs. 13.69 crores to Rs. 1,495.21 crores in active notes, were the notable features of the return of the Reserve Bank of India for the week ended 11th January, 1957. The currency expansion was covered by increasing rupee securities by Rs. 20 crores to Rs. 820.25 crores. Deposits of the Government of India and other Government accounts declined by Rs. 34 lakhs and Rs. 8.97 crores to Rs. 54.34 crores and Rs. 4.94 crores, respectively. Balances of commercial banks at Rs. 56.25 crores were Rs. 7.91 crores higher. Investments dropped by Rs. 13.05 crores to Rs. 49.48 crores, and balances held abroad were Rs. 77 lakhs lower at Rs. 80.30 crores. Other loans and advances increased from Rs. 99.96 crores to Rs. 106.60 crores, of which advances to scheduled banks against usance bills amounted to Rs. 60.86 crores (Rs. 52.92 crores). These advances totalled Rs. 23.36 crores since 1st January, 1957. Ways and means advances stood at Rs. 8.60 crores (Rs. 7.75 crores).

The return of the State Bank of India for the week ended 4th January, 1957, shows a fall of Rs. 1.43 crores in total deposits to Rs. 240.59 crores. Investments in Government securities and other authorised investments are up by Rs. 9 lakhs and Rs. 7 lakhs to Rs. 95.59 crores and Rs. 11.46 crores, respectively. Advances including loans, cash credits and overdrafts and bills discounted and purchased, have increased by Rs. 6.29 crores to Rs. 146.41 crores. Cash and balances are, in consequence, shown at Rs. 11.59 crores, or Rs. 9.08 crores less.

The HONGKONG AND SHANGHAI BANKING CORPORATION has made a profit of \$ (H.K.) 20,635,421 for the year ended last December, after providing for taxation. It is proposed to write off \$ (H.K.) 4,000,000 for bank premises and to pay a final dividend of £3 a share, leaving a balance of \$ (H.K.) 11,039,578 to be carried forward.

The working of the UNITED COMMERCIAL BANK LTD. for the year ended last December, has produced good results. The profit has increased by Rs. 19.55 lakhs to Rs. 56.24 lakhs. Including Rs. 27,761 brought in, the available balance amounts to Rs. 56,51,659. The dividend has been raised from Rs. 2-12 to Rs. 3-5 share. The reserve fund allocation is Rs. 11½ lakhs higher at Rs. 20 lakhs. The allocation to taxation reserve has been increased by Rs. 2 lakhs to Rs. 16 lakhs. The provision for bonus to staff is Rs. 4½ lakhs higher at Rs. 6½ lakhs. The carry-forward is Rs. 29,920.

The net profit of the DEVKARAN NANJEE BANKING Co. Ltd. for the year ended 31st December, 1956, after providing Rs. 1,50,000 for bonus to staff and including Rs. 1,76,285-8-1 brought in, amounts to Rs. 16,63,141-4-6. Out of this, the directors have made the following appropriations: an interim dividend of 2½ percent absorbs Rs. 1,25,000, reserve fund is allocated Rs. 3,00,000, investment reserve Rs. 50,000 and provision for taxation Rs. 8,00,000. It is proposed to pay a final dividend of 3½ percent, making 6 percent for the year. The carry-forward is Rs. 2,13,141-4-6.

The profit of the BANK OF BARODA LTD. for the year 1956, subject to audit, including the sum of Rs. 3,35,546-1-9 brought in, amounts to Rs. 43,25,752-5-6. An interim dividend of 6 percent absorbed Rs. 6,00,000. Provision for taxation is allocated Rs. 15,75,000 and bonus to staff Rs. 8,75,000. The directors propose to pay a final dividend of

Rs. 4 a share, making 14 percent for the year. The carry-forward is Rs. 4,75,752-5-6.

The net profit of the INDIAN OVERSEAS BANK LTD., subject to audit, for the year ended 31st December, 1956, after providing for contingencies and expenses, amounts to Rs. 30,93,306-6-6, including Rs. 2,28,299-3-11 brought in. Provision for taxation absorbs Rs. 14,00,000, reserve fund Rs. 6,00,000 and provision for bonus to staff Rs. 3,50,000. The directors propose to recommend a dividend of 10 percent. There is a carry-forward of Rs. 2,52,286-6-6.

Provisional figures of foreign sea and airborne trade of India on private and Government accounts during November, 1956, according to data so far available in the Department of Commercial Intelligence and Statistics, Calcutta, are as follows: Merchandise, excluding transit trade of Pakistan, but including that of other land frontier countries: Exports Rs. 5,488 lakhs, re-exports Rs. 57 lakhs (transit trade Rs. 3 lakhs); imports Rs. 6,813 lakhs (transit trade Rs. 4 lakhs); total trade Rs. 12,358 lakhs. *Treasure*: Exports of currency notes Rs. 64 lakhs, others nil. Imports of gold Rs. 3 lakhs, currency notes Rs. 77 lakhs, others negligible. *Balance of Trade*: The merchandise import figures are exclusive of the value of certain consignments of Government stores awaiting adjustment. Subject to this deficiency in import figures and to the exclusion of figures for transit trade, the total value of exports (including re-exports) of merchandise, gold and silver fell short of imports by Rs. 1,270 lakhs.

According to the landborne trade returns received in the Department of Commercial Intelligence and Statistics, the provisional figures for the total value of foreign trade of India by land with Pakistan, Afghanistan, Iran and Burma during November, 1956, are as follows: *Merchandise*: exports to Eastern Pakistan Rs. 28 lakhs; exports to Western Pakistan Rs. 14 lakhs; exports to other countries Rs. 6 lakhs. Re-exports, nil. Imports: imports from Eastern Pakistan Rs. 148 lakhs; imports from Western Pakistan Rs. 9 lakhs; imports from other countries Rs. 26 lakhs. Total trade: Rs. 221 lakhs. *Trade in treasure*, negligible. *Balance of trade*: The total value of exports, including re-exports, fell short of imports by Rs. 135 lakhs.

The Government of India has appointed Mr. K. G. Ambegaokar, a Deputy Governor of the Reserve Bank of India, as Governor of the Reserve Bank with effect from the afternoon of 14th January 1957, until further orders. Mr. B. Rama Rau, the present Governor, has tendered his resignation and it has been accepted by the Government.

With effect from 15th January, the Central Government has nominated the following persons to be directors on the central board of the Reserve Bank of India: Mr. Kasturba Lalbhai, Ahmedabad, from the Local Board for the Western Area; Mr. B. M. Birla, Calcutta, from the Local Board for the Eastern Area; Mr. Shri Ram, New Delhi, from the Local Board for the Northern Area; and Mr. C. R. Srinivasan, Madras, from the Local Board for the Southern Area. The Central Government has also appointed, with effect from 15th January, the following members to constitute the Local Boards for the four areas: Western Area—Mr. Kasturba Lalbhai, Ahmedabad, Mr. Mathuradas Mangaldas Parekh, Ahmedabad, Mr. D. V. Potdar, Poona; Mr. Mohan Lal Tannan, Bombay, and Mr. K. C. Mahindra, Bombay. Eastern Area—Mr. B. M. Birla, Calcutta, Dr. Bimala Churn Law, Calcutta, Mr. O. T. Jenkins, Calcutta, Mr. D. N. Mitra, Calcutta, and Mr. B. P. Singh Roy, Calcutta. Northern Area—Mr. S. Gurdial Singh Uppal, Amritsar, and Mr. mani, Amritsar, Mr. Sahu Jagdish Prasad, Pilibhit, Mr. S. Gurdial Singh Uppal, Amritsar, and Mr. Rishi Marain Shastri, Banaras. Southern Area—Mr. C. R. Srinivasan, Madras; Mr. M. Ramani-menon, Trivandrum, Mr. R. Ramanathan Chettiar, Madras, Mr. P. Suryanarayana, Madras, and Mr. S. Anantharamakrishnan, Madras.

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RESERVE BANK

(ISSUE DEPARTMENT)
(In 100's of Rupees)

	11-1-57	4-1-57	13-1-57
Liabilities—			
Notes in Banking Dept	13,16.20	7,55.18	13,00.25
Notes in Circulation	14,95.21.33	14,81.52.37	13,88,74.96
Total Notes issued	15,08,37.53	14,89,07.55	14,01,75.20
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,47,30.03	4,47,30.03	6,91,90.97
Total: of A	5,65,06.06	5,65,06.06	7,31,92.68
B Rupee Coin	1,23,06.15	1,23,76.17	1,06,30.83
Rupee Securities	8,20,25.32	8,00,25.32	5,63,51.69
Total	15,08,37.53	14,89,07.55	14,01,75.20

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural	15,00.00	15,00.00	—
Credit (Long term) Fund	15,00.00	15,00.00	—
National Agricultural	15,00.00	15,00.00	—
Stabilisation Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt	54,00.40	54,34.22	52,11.29
(b) Other Govts	4,93.89	13,52.58	8,46.19
(c) Banks	56,24.69	48,33.53	55,06.38
(d) Others	13,11.04	13,42.12	15,83.41
Bills Payable	11,54.09	12,15.22	12,27.78
Other Liabilities	1,08,90.22	1,08,26.97	28,78.31
Total	2,74,74.33	2,76,44.64	1,82,61.34

Assets—			
Notes	13,16.20	7,55.18	13,00.25
Rupee Coin	8.89	10.39	6.46
Subsidiary Coin	16.94	9.95	5.70
Bills Discounted Int.	—	—	45.50
Govt of India Treasury	1,96.83	2,99.05	13,24.91
Balances held abroad	80,30.30	81,07.03	43,96.05
Loans to Govt	8,59.70	7,74.70	3,58.00
Other Loans etc.	1,06,59.69	99,96.44	43,48.14
Investments	49,47.79	62,52.98	51,58.81
Other Assets	14,44.27	14,38.92	13,17.52
Total	2,74,74.33	2,76,44.64	1,82,61.34

SCHEDULED BANKS

	(In 100's of Rupees)	28-12-56	21-12-56	6-1-57
Liabilities—				
(a) Borrowings from Banks	9,45.25	9,42.71	5,66.34	
(b) Others	6,44,73.85	6,37,29.07	6,09,56.51	
Time Liabilities—				
(a) Borrowings from Banks	2,49.00	2,86.00	4,16.50	
(b) Others	4,57,01.29	4,57,00.32	4,09,16.84	
Borrowings from State	8,10.81	9,67.71	9,64.48	
Time Liabilities	—	—	—	
Borrowings from Reserve	70,65.84	67,63.62	29,84.00	
Cash	38,32.86	35,29.45	38,26.86	
Balances with the Reserve	82,06.38	50,77.96	50,47.82	
Balances with other banks	12,83.50	10,75.01	11,52.55	
Money at call and short notice	10,78.39	13,03.31	8,35.01	
Investments in Central and State Govt Securities	3,64,74.65	3,64,82.92	3,82,93.12	
Advances	6,22,91.09	6,18,76.06	5,26,98.87	
Interest Bills purchased and discounted	1,11,73.81	1,10,02.02	76,86.37	
Foreign bills purchased and discounted	53,81.19	55,02.82	48,14.40	

CLEARING HOUSE RETURNS

	Week ended	Rs (thousands)	Calcutta	Bombay
11-1-57	64,29.45	58,03.53		
4-1-57	57,60.12	61,25.34		
28-12-56	61,86.15	61,25.34		
21-12-56	79,46.90	79,96.90		

STATE BANK OF PAKISTAN

(ISSUE DEPARTMENT)

	(In 100's of Rupees)	week ended	week ended
Liabilities—		28-12-56	21-12-56
Notes in Banking Department	10,33.22	8,51.55	
Notes in Circulation	3,26,45.62	3,21,34.06	
Total Notes issued	3,36,78.84	3,29,85.60	
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	
Sterling Securities	82,02.81	82,02.81	
Government of India Securities	23,63.47	21,63.47	
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28	
B Rupee Coin	5,55.88	5,62.64	
Govt of Pakistan Securities	1,65,30.93	1,60,30.93	
Govt with Reserve Bank of India pending transfer to Pakistan	19.02	18.08	
Gold Coin and Bullion	4,40.63	4,40.63	
Sterling Securities	1,00.90	1,00.90	
Govt of India Securities	29.51	20.51	
Rupee Coin	—	—	
Total	3,36,78.84	3,29,85.60	

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	
Reserve Fund	3,00.00	3,00.00	
Deposits—			
(a) Central Government	43,25.21	42,21.95	
(b) Provincial Governments	75.87	75.87	
(c) Banks	14,37.24	13,37.87	
(d) Others	3,16.89	3,54.79	
Bills Payable	28.66	11,48.92	
Other Liabilities	10,78.83	77,86.98	
Assets—			
Notes	10,33.22	8,51.55	
Rupee Coin	—	—	
(a) Pakistan	14	16	
Subsidiary coin	—	—	
(a) Pakistan	16	—	
(b) India	—	—	
Bills— Purchased and Discounted—			
(a) Internal	—	—	
(b) Govt Treasury bills	96.07	96.07	
Loans and Advances to Govt	18.00	18.00	
Provincial Govt Debts	21,71.60	13,52.58	
Other loans and advances	34,76.54	34,76.54	
Investments	10,61.89	10,61.89	
Other Assets	—	—	
Total	78,57.50	77,86.98	

Stocks and Shares

BRIGHTER WEEK IN THE STOCK MARKET

INVESTMENT SHARE PRICES REFLECT ENQUIRY FROM LIFE INSURANCE CORPORATION

Wednesday Evening.

THERE has been a better feeling in the share market this week. Since the last clearing, the prices of most speculative shares have risen and although quieter conditions prevailed today, they are still generally above last week's closing levels. The improvement in sentiment was due chiefly to better advice from Bombay following satisfactory technical adjustments and to the Life Insurance Corporation's interest in selected preference and equity shares on the Calcutta market. Today's quieter mood was the result of anxiety over what Mr. Nehru was likely to say at the Congress meeting here and a reappearance of the old Bank rate rumour. Values have since recovered slightly but the undertone remains hesitant. Indian Irons touched Rs. 29.3 last week-end, but eased to Rs. 28.4 today. The share is quoted after hours this evening at Rs. 28.11. Other speculatives have moved in sympathy with Irons, although the two counters in the Birla group of companies have been most lively.

Investment shares have also enjoyed a better week. Coals are showing marginal improvement, with the exception of Burrakurs which are quoted slightly lower ex-dividend. There has been some enquiry for jute shares at the present low levels, while both engineering and miscellaneous counters showed more life. Tea shares remained dull and neglected. Government securities shared the improved demand conditions and a number of price rises were recorded.

Details of the week's trading follow.

The Government securities market ruled slightly better and prices improved, but the enquiry was confined to selected short and medium-dated issues. Three percent Conversion Loan 1986 improved further and was quoted at Rs. 73.2 buyers at the close. Three percent Non-terminable Paper however, was unchanged at Rs. 73. In short-dated issues 3% 1957 and 1958 were unchanged at Rs. 99.12 and Rs. 99.9, 2½% 1961 had buyers at Rs. 93.5 and 3½% 1961 was fairly steady at Rs. 99.4. Three percent 1959-61, after easing to Rs. 97.10, closed better at Rs. 97.11, while 2½% 1960 was marked at Rs. 96.6 cum-voucher and later at Rs. 96.5 ex-voucher. Among medium-dated loans and 3½% 1963-65 changed hands at about Rs. 94.3. Three percent 1964 also had sellers at about Rs. 94.3, while 3½% 1964 turned buyers at Rs. 98.3 and 3½% 1965 was weak at Rs. 98.2 with sellers over; 3½% 1967 continued in strong demand at Rs. 98.7 cum-voucher to close at Rs. 98.6 ex-voucher. In long-dated loans, 3% 1966-68 was offered at Rs. 92.4 but 3% 1970-75 had buyers at Rs. 86.14; 3½% 1974 improved to Rs. 98.9 cum-voucher and was later marked at Rs. 98.8 ex-voucher. There was little business in State Loans and prices were notably unchanged.

Business in preference shares continued to be on a restricted scale. In the miscellaneous group, Aluminium Corporation 5% were reported at Rs. 75 and the 6% at Rs. 97. Associated Hotels were marked at Rs. 68 and Bharat Collieries at Rs. 50. Carew & Co. were crossed at Rs. 99.8 and Chrestien Mica Industries were done at Rs. 51.8. Calcutta Electric were fairly steady at Rs. 10.8 and Dunlop Rubber were crossed at Rs. 119. There were ready buyers of Indian Iron & Steel at around Rs. 102 and there was a small enquiry for Jardine Henderson at Rs. 61.8. Kesoram Cotton were placed at Rs. 113.8 and New Victoria at Rs. 4.14. Purtapore Sugar were crossed at Rs. 14.4. Shaw Wallace were crossed at Rs. 67 ex-dividend and Titagur Paper 2nd Preference at Rs. 90.8. A solitary transaction was reported in the jute section in Clive Mills 6% at Rs. 78.

Better working results were responsible for the enquiry in selected bank shares. Punjab National spurted from Rs. 52 to Rs. 55 and United Commercial from Rs. 56 to Rs. 59. Hind Bank rose from Rs. 35 to Rs. 36 while United Bank of India were unchanged at Rs. 4.8.

Coal shares were slightly better as will be seen from the following table:

	Opening 10-1-57	Closing 16-1-57
Bengal	443 0	445 0
Central India	6 2	6 4
East Indian	26 8	26 10
New Beerbhoom	14 8	15 0
South Karanpura	9 0	9 4
Western Bengal	5 13	5 15

In contrast Burrakurs were easier on balance at Rs. 21.2 ex-dividend and Karanpura Collieries dropped today from Rs. 105 to Rs. 100.

The outstanding feature in the Cotton section was Elgin Mills which, on interested buying, rose sharply from Rs. 24 to Rs. 28.12; profit-taking at the close, however, brought the price down to Rs. 27. Kesoram recovered from Rs. 14.5 to Rs. 15.4 while Cawnpore Textiles and New Victoria were unchanged at Rs. 8 and Rs. 1.14. Muir Mills slumped today from Rs. 93 to Rs. 75.

In electrics, Calcutta were quiet at Rs. 12.15 while other shares like Benares, Jubbulpore and

Patna were unchanged at Rs. 18, Rs. 14.4 and Rs. 11.4. United Provinces closed Re. 1 easier at Rs. 147 but Agra improved from Rs. 146 to Rs. 147.

Mild bull support took up the price of Indian Iron & Steel shares from Rs. 28.2 to Rs. 29, but with the reappearance of sellers today the shares reacted at the close to Rs. 28.4. Bhartia Steel were better at Rs. 16 as were Burn & Co. at Rs. 314 and Kumardhubi Engineering at Rs. 9. Interested buying yesterday brought a recovery in Jessop & Co. and Richardson & Cruddas to Rs. 28.8 and Rs. 22.4 from Rs. 27.10 and Rs. 21.8 respectively. Sellers, however, again appeared today and prices were marked back to Rs. 27.12 and Rs. 21.12 respectively. Textile Machinery met with some support and improved from Rs. 19.5 to Rs. 20, but the price fell back again today to Rs. 19.9. Guest, Keen, Williams met with keen enquiry at the higher rate of Rs. 23.12.

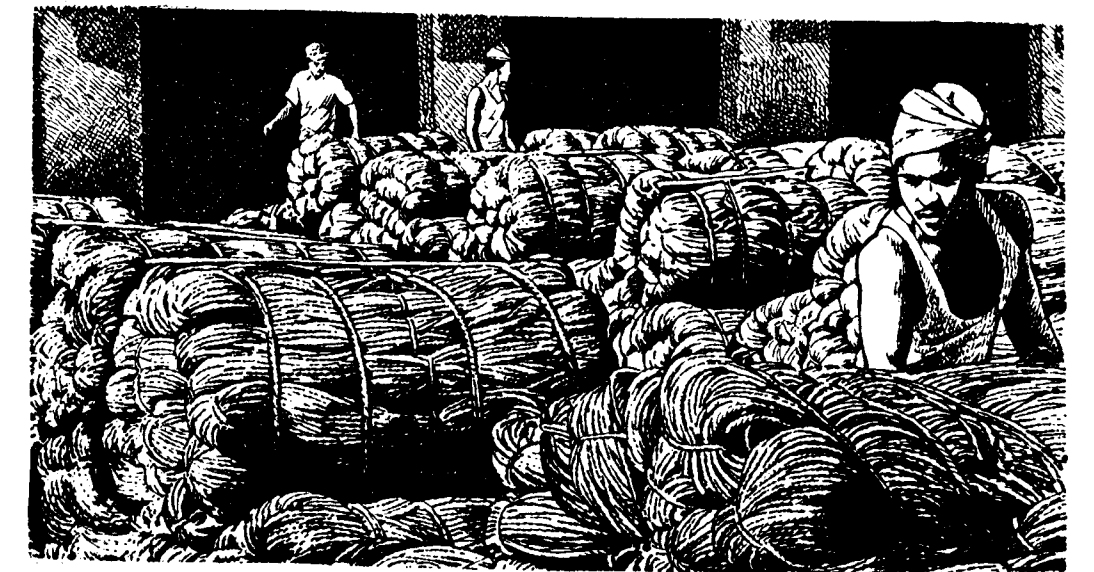
Although there was no great enquiry for jute shares, the downward trend appeared to have been arrested and prices in some cases were slightly better at the close. Here is a chart showing representative price movements:

	Opening 10-1-57	Closing 16-1-57
Anglo-India	130 0	136 0
Bally	140 0	145 0
Birla	14 6	14 10
Caledonian	110 0	118 0
Fort Gloster	300 0	320 0
National	18 2	18 11
Reliance	8 4	9 0

Contrary to the general trend, Gondalpara met with some selling pressure and the price was marked down from Rs. 808 to Rs. 775.

The outstanding feature in the Sugar section was Cawnpore which spurted from Rs. 17.8 to Rs. 20.8. Shares which were steady included Champarun at Rs. 23.12 and Durbhanga at Rs. 22. Balmore were shaded at Rs. 6 as were United Provinces at Rs. 17.6. Shree Krishna Gyanoday met with some enquiry and improved from Rs. 11 to

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Engineering and Transport

DETAILS OF U.S.-AFGHAN AIR DEAL

GROWING IMPORTANCE OF KANDAHAR

(FROM OUR NEW DELHI CORRESPONDENT)

MORE details of the U.S.-Afghan air deal are now available. The U.S.A. will contribute a total of \$14.56 million, of which \$5 million will come from the Export-Import Bank. About \$3.2 million will be used for buying and re-conditioning Aryana's aircraft; \$1.8 million for building the international airport in Kandahar; \$2.2 million for developing six all-weather airports; \$500,000 for the Afghan Department of Civil Aviation; and \$2.1 million for technical assistance, training, etcetera. Pan American will pay \$200,000 to buy a 49 percent share in Aryana Airlines. Actually, this 49 percent represents the share of the Indamir Corporation, Bombay, in Aryana. Indamir is owned by a U.S. citizen, Mr. Peter Baldwin. The Afghan Government intends to increase the capital of Aryana to \$1 million and Pan American will have the first lien on the new shares. Under the Pan American-Afghan agreement, three Dakotas, which are at present owned by Aryana, will be refitted with more powerful engines, and the company will buy three additional Convair 340s.

Change in Routes

The development of Kandahar might radically change the traditional Europe-Asia air route. Its new airport will be 2,800 miles from Bangkok and 3,900 miles from Paris, and will have 12,000 feet of concrete runway, which will be big enough for any jet aircraft. I.C.A. aviation experts have made it clear that the traditional routes will continue through Beirut, Karachi, Calcutta and Bangkok. But they stress that they plan to build Kandahar for an express route—planes from Paris, London and Frankfurt flying to Istanbul, Teheran, Kandahar and Bangkok. DC6s using this route will save 2½ hours of flying time. Jet planes on the Paris to Kandahar route will save five hours. Moreover, the I.C.A. experts say that by flying from Bangkok to Kandahar direct, planes will be able to take less fuel, and thereby increase their passenger seat-miles substantially. It will suit the growing number of through passengers going from Asia to Europe, who have no reason to or desire to make stops in India, where the number of landing restrictions is increasing.

Aryana itself will be expanded into an international airline. It now makes occasional flights between Beirut and Teheran. In three years' time, it will fly a total of 1,800 domestic air miles. This is not much more than the present Aryana mileage, but the actual flights will be at least tripled and regular schedules maintained. Because of bad weather, Aryana now flies only 55 percent of the scheduled flights. It will reduce the time for journeys to major Afghan cities, which are now covered in six to 15 days, to flying times of 1½ to three hours.

Afghanistan at present does not have a single mile of railroad track. The proposed international routes for Aryana will increase its total mileage to 6,000. Aryana will fly to Delhi, Karachi, Teheran and twice weekly to Beirut, once via Teheran, once via Bahrain. Strangely enough, Kabul airport, which is the centre of Aryana's operations, will be improved by the Russians, who want use it for the route from Moscow to Delhi.

Replacement for Dakotas

India has been wanting a replacement for her Dakotas, and has been fiddling with a proposal to buy the Russian *Ilyushin*. The Fokker F. 27 *Friendship* is probably most like the *Dakota*. The *Friendship* has the performance and size of a transport aircraft. Its handling characteristics are pleasant and straightforward, and simplicity of operation allows a much lighter executive staff. Its economical cruising speed is 275 m.p.h.

Long-Range Britannias

The world's largest airliner—the first of the long-range versions of the Bristol *Britannia* turbo-prop

—has made its maiden flight in Filton, Bristol. This is a version of the "whispering giant" which has been ordered by B.O.A.C. and is designed for the world's longest air routes, such as the regular year-round non-stop operations across the north Atlantic and the non-stop services between Europe and the north American west coast over the Polar regions. The airliner will carry up to 133 passengers. Out of a total of 45 *Britannias* on order, 26 are of this long-range type, known as the *Series 310*. (B.O.A.C. aircraft in this series are designated 312). The fuselage of the *Britannia 310* is 10ft 3in longer than that of the *Britannia 100*, which has already been delivered to B.O.A.C. It will cruise faster (at 490 m.p.h.); and has additional fuel tankage in the wings, giving a range of 6,000 miles. The first of the aircraft will be delivered to B.O.A.C. for operation on the Atlantic routes after completion of the tests. Flight trials for a certificate of airworthiness for this series of the *Britannia* have already begun with the prototype *Britannia 301*, which is virtually identical to the *Series 310*, except for additional tankage.

Finland to Build Gnats

India's decision to buy Folland *Gnat* light-weight supersonic fighter planes and to build them under licence from the British designers has now been followed by a similar move in Finland. The Finnish Government, which has already decided to equip its air force with Folland *Gnat* fighters, has now signed a licence agreement for the manufacture of these planes in Finland. It is announced in London. The agreement is on the same lines as that reached by the Indian Government, under which the *Gnat* will eventually be built entirely in Bangalore. Finnish engineers, like Indian engineers, will be given special training in the Folland factory near Southampton, England. Folland technicians will train local craftsmen so that no time is lost in fabricating the aircraft in India and Finland. It is explained that, besides the advantages of light weight and cheapness of manufacture and operation, a special virtue of the midjet supersonic Folland *Gnat* for manufacture under licence is that it does not require much highly skilled labour.

Flight Trials of New Viscount

Flight trials of the new Vickers *Viscount 800* are now in their final phase. The test programme has been going on since 27th July, when the first *Viscount 800* made a 55-minute maiden flight. The second *Viscount 800* has been flying since 29th September and the third one flew on 7th November, by which date the number of test flights was 127, totalling 150 hours. These three aircraft—all production type *Viscount 802s* for B.E.A.—comprise a "test fleet" which operates daily from Wisley airfield, Surrey. Of the remaining 21 *Viscount 802s* ordered by B.E.A., six have already reached the final assembly line in the newly completed erecting shops in Weybridge. The *Viscount 800* has a longer fuselage than the 700 series now in operation. This enables it to carry up to 70 passengers, but a complex programme of tests is required before the new aircraft receives a certificate of airworthiness. The final part of the certification programme in which pilots of the Air Registration Board take part has now begun. The new *Viscount's* handling characteristics have been fully assessed under all flight conditions and performance measurements have been completed. B.E.A. plans to introduce the *Viscount 800* on passenger services soon. In the standard B.E.A. form, it will be a 58-seater plane, though provision has been made for carrying freight in the main cabin. *Viscount 800s* are also on order for Aer Lingus, K.L.M., the New Zealand National Airways and Transair.

Foreign Exchange Allowance

The abolition of the basic quota of foreign exchange for travel abroad has had serious repercussions on the travel industry. A meeting of representatives of the international airlines, travel agents, hotels, shipping companies and exchange banks was held here last week. Meanwhile, as a follow-up to the abolition of the basic quota, the Government is examining a proposal under which no ticket can be issued to passengers by air or shipping companies unless they first get the foreign exchange.

BIG DOLLAR ORDER FOR BRITISH AIRCRAFT

The U.K. landed its biggest single postwar commercial dollar order recently. Trans-Canada Air Lines (T.C.A.) announced that it has ordered 20 Vickers *Vanguard* turboprop airliners at a cost of \$67,100,000 (about £24 million). In addition, it has taken an option on four more, costing \$11,700,000 (bringing the order up to a total value of about £8 million); all values include spares. The *Vanguard* is a successor to the Vickers *Viscount*, which has already broken records for the number sold overseas. T.C.A. has previously placed orders for 38 *Viscounts*, to the value of \$38,600,000. The airline's total orders for *Vanguards* and *Viscounts* now stand at over \$105,000,000, making it the U.K.'s biggest dollar customer. Delivery of the *Vanguards* will begin in the early autumn of 1960 and will be completed by the middle of 1961. Trans-Canada's "decision to purchase *Vanguards*", said the president of the line, Mr. Gordon McGregor, "came after a most exhaustive equipment analysis undertaken by the company. Evaluation was made over a period of two years, during which six other competing aircraft were also examined". All types of American and British pure-jets and turbo-props were analysed. Various combinations of U.K. engines and U.S. airframes were examined, but

finally the company decided on British airframes and British engines (four Rolls-Royce Tyne propeller-turbines).

The *Vanguard* is a double-deck airliner. The prototype is due to fly in the autumn of next year. Power is being developed in stages to give a speed of 400 m.p.h. in 1959, increasing progressively to 440 m.p.h. in 1963. Accommodation for about 80 first-class passengers, or over 100 tourist-class, is provided in the layout, with four washrooms and two galleys, and large cargo capacity. The *Vanguard* is designed to offer fast, economical services on routes of up to 2,600 miles. The first 20 *Vanguards* to be built have been sold to British European Airways, and the next 20 are going to Trans-Canada. Total dollar orders for all Vickers-built airliners now stand at \$229.50 million.

DEVELOPMENT COUNCIL FOR NON-FERROUS METALS SET UP

A Development Council for Non-Ferrous Metals has been constituted by the Government of India under the Industries (Development and Regulation) Act, 1951. This is the 11th Development Council set up so far. The Council will recommend to the Government targets for production of non-ferrous metals, co-ordinate production programmes and review the progress of the industry from time to time. It will also suggest norms of efficiency with a view to eliminating waste, obtaining the maximum production, improving quality and reducing costs. The Development Council will recommend measures for securing the fuller utilisation of the installed capacity and for improving the working of the industry, particularly of the less efficient units. Among its other functions will be the promotion of standardisation of the products of the industry. It will also promote measures for increasing the productivity of labour and for general labour welfare.

Dr. D. P. Antia, Director of the National Carbon Company (India) Ltd., Calcutta, will be chairman of the Development Council. Dr. Antia and Dr. E. G. Ramchandran, Assistant Director, National Metallurgical Laboratory, Jamshedpur, have been nominated as persons having special knowledge of the technical and other aspects of the non-ferrous metal industry. The following have been nominated as members of the Council to represent the interest of owners of industrial undertakings: Mr. K. K. Bhasin, Calcutta; Mr. B. K. Nevatia, Bombay; Mr. J. G. Berry, Ghatsila (Bihar); Mr. G. D. Binani, Calcutta; Mr. A. C. Dutta, Calcutta; Mr. Bhawanidas Binani, Bombay; Mr. E. S. Greenwood, Calcutta; Mr. H. R. Kamani, Bombay; and Mr. R. N. Parikh, Bombay. Mr. K. P. Tripathi and Mr. Bhagwat Jha Azad, M.P.s, will represent the interests of labour employed in the industry. The following have been nominated to represent the interests of consumers of non-ferrous metals: Mr. E. D. Johnson, Calcutta; Mr. B. V. D. Menon, Udyogamandal (Kerala); Mr. H. M. Chatterjee, Joint Director, Railway Board, New Delhi; and Mr. C. M. Patel, Superintendent, Ordnance Factory, Ambarnath. The ten Development Councils already in existence are for Heavy Chemicals (Acids and Fertilisers) and Heavy Chemicals (Alkalies), Sugar, Bicycles, Art Silk, Woollen Textiles, Internal Combustion Engines and Power-driven Pumps, Pharmaceuticals and Drugs, Heavy Electrical Industries and Light Electrical Industries.

EXECUTIVE OF U.K. ENGINEERING FIRM TO VISIT INDIA

A noted executive of a British firm of heavy-engineering electrical-equipment manufacturers is visiting India this month. He is Mr. George P. Tinker, managing director of Birlec Ltd., electric-furnace producers, of Birmingham. The object of Mr. Tinker's visit is to establish an agency for Birlec interests in India, since the market for electric melting furnaces is rapidly increasing, particularly for use in steel production. During November 1955, a five-ton Birlec mains frequency coreless induction holding furnace was shipped from England to the Tata Locomotive and Engineering works in Jamshedpur. Designed for installation at the company's mechanised alloy-iron foundry, the furnace completes a large consignment including two Birlec three-ton furnaces and two seven-ton arc furnaces, together with two laboratory-size furnaces. Since 1946, Birlec Ltd. has been commissioned by various Indian companies to build a total of 22 arc melting-furnaces in a wide range of capacities. One of these, recently ordered, is for a second four-ton furnace for the Indian Iron and Steel Co. Ltd. This furnace gives an output of approximately two tons an hour, and the furnace has a shell diameter of eight feet. Mr. Tinker is a Fellow of the Institute of Metals and of the Institute of Directors. He has been managing director of Birlec Ltd. since 1950, having first been appointed director in 1946.

COMMONWEALTH TELEX LINKS EXPANDING

Commonwealth communications are to be improved as a result of an announcement by the British Post Office that the Telex service is to be widely expanded. Telex is the 24-hour Post Office teleprinter service which, it is claimed, is cheaper than, yet as fast as, the telephone and carries the authority of the printed word. At present Canada, South Africa, and the Federation of Rhodesia and Nyasaland are linked with London by Telex. Further extensions are planned in 1957 and 1958 to India, Pakistan, Hongkong, Singapore, Australia, and east and west Africa. There are more than 3,000 Telex subscribers in the U.K. today.

New Delhi

CEILING FIXED ON FOREIGN EXCHANGE EXPENDITURE FOR JANUARY-JUNE

LESS STEEL AND NO CEMENT TO BE IMPORTED

(FROM OUR NEW DELHI CORRESPONDENT)

THE Government of India has fixed a ceiling on the foreign expenditure for January-June this year. It has also totally banned the incurring of new foreign exchange commitments or outlay on all uncommitted projects in both the public and the private sector, within or without the five year plan. The January-June foreign exchange ceiling for the Transport Ministry, for example, has been reduced to Rs. 50 lakhs, and that for the railways to Rs. 28 crores. Imports of cement will not exceed Rs. 20 crores, as compared with Rs. 130 crores worth of foreign steel obtained in 1956. The fertiliser plant project which was to be located in Rourkela has been postponed to better days, because no commitment has yet been made for it. The heavy electrical equipment project might also join the "waiting list." As far as industries in the private sector are concerned, no further commitments will be made, and applicants who came up for the approval of their projects last month were told that the Government's consent was subject to the availability of foreign exchange. They were advised to secure Indian-made goods or get long-term credits. There is, however, every intention of honouring the commitments made until November, 1956. India's exports average Rs. 50 crores a month. The present intention is not only to live within these earnings, but also save something to replenish the depleted reserves. Under the present plan, total imports in January-June should not exceed Rs. 250 crores, inclusive of the old commitments.

India may have turned the corner as far as the foreign exchange reserves are concerned. In recent months, her drawings from the reserves have averaged about Rs. 6 crores a week. The reserves stood at Rs. 533 crores on 21st December, as against Rs. 541 crores on 23rd November—representing a deficit of Rs. 8 crores in four weeks. The deficit in the week ended 11th January was Rs. 40 lakhs.

Foreign Exchange for Non-Indians

The Government's decision on the foreign exchange quota for non-Indians going on home leave is now available. Under an international convention, foreigners are permitted to remit their savings every month to their homes. It is on this principle that remittances of Indian nationals are received in India under the category of "invisibles" shown in balance of payments statements. These "invisibles" brought India foreign exchange amounting to Rs. 44.7 crores during the six months, April to September, 1956. In the previous half-year, October 1955 to March 1956, they amounted to Rs. 53.4 crores. A foreigner's whole salary will be considered his saving during the period of his leave from India, and he will be permitted to receive it in foreign exchange. The first month's salary will be converted into the currency of his country, and can be taken with him when going from India on leave. His employers will be permitted to remit his salary, converted into the currency of his country, every month thereafter.

Reserve Bank Governor

The present chairman of the State Bank of India, Mr. H. V. R. Iengar, has been named here Governor of the Reserve Bank in place of Sir B. Rama Rau, whose resignation has been accepted. The Deputy Governor of the Reserve Bank, Mr. K. G. Ambegaokar has been appointed Governor of the Reserve Bank until Mr. Iengar is able to take up his new assignment. There is to be a slight change in the board of directors of the Reserve Bank, as Mr. Kasturbhai Lalbhai has been nominated to replace Sir Purnsotandas Thakurdas. Mr. P. C. Bhattacharyya, at present a Secretary in the Ministry of Finance, is named to succeed Mr. H. V. R. Iengar as Chairman of the State Bank.

Mr. Bhattacharyya's new appointment might give the Finance Minister an opportunity to reorganise his Ministry. The management of foreign exchange has assumed great importance under the second five year plan. According to reports, a tacit understanding has been reached for a long-term loan of \$600 million to \$700 million from the U.S.A. to cover the exchange deficit of the plan. It is suggested that there should be a full Secretary in charge of foreign exchange. If this suggestion is accepted, the Department of Economic Affairs may be bifurcated into a Department of External Finance and a Department of Internal Finance. The Finance Ministry would then have five Secretaries—for Revenue, Expenditure, External Finance, Internal Finance and the Company Law Department.

It is felt that the Secretary of the Department for Economic Affairs, Mr. H. M. Patel, is burdened with too many responsibilities at present. Under the existing set-up, he is also the Secretary responsible for co-ordination, not only of the affairs of his own Ministry but of the affairs of other Ministries with his own as well. It is suggested that the post of Principal Secretary in the Finance Ministry should be revived. The Principal Secretary will not be burdened with departmental work but will be responsible for the co-ordination and formulation of policies. Such is the pattern of reorganisation which would enable the Finance

Ministry to fulfil its ever-increasing responsibilities.

New Automobile Policy

The Finance Act No. 2 has perhaps indicated the pattern of the new policy for the automobile industry, following the report by the Tariff Commission. It levies an excise duty of Rs. 3,000 each on motor-cars including taxi-cabs, which have a carrying capacity for not more than nine persons; but it excludes four-cylinder motor-cars of not more than 20 horse-power and six-cylinder motor-cars of not more than 16 horse-power. In other words, the Government's new policy is to give added incentives for the manufacture of smaller cars and of commercial vehicles. It is hoped that the various Indian manufacturers will be able to put on the market cheaper baby cars, thereby increasing sales and stabilising the position of their undertakings. It is not intended to increase internal competition by adding to the existing number of licensees manufacturing automobiles. In other words, Fords, if they wish to re-enter the Indian market, will have to arrange a tie-up with one of the existing units.

Oil Experts from Western Germany

Three West German oil experts, Dr. Hans Closs, Dr. Wolfgang Schott and Dr. Gerhard Richter-Bernburg, are arriving in New Delhi this week. They will discuss matters relating to oil exploration in this country with the Oil and Natural Gas Commission. They will then visit various sites where prospecting is going on.

Export of Sugar

The Government has accepted the recommendation of a sub-committee of the Development Council for the Sugar Industry, and decided to allow the export of up to 50,000 tons of sugar for the present. The prospects for sugar production this year are good, and it is expected to total 2.25 million tons. Total production during the 1955-56 season

was 1,862 million tons, exceeding the target by over 50,000 tons.

Talks on Dyestuffs Project

Following the discussions which the Secretary for Heavy Industries, Mr. L. K. Jha had with dyestuff manufacturers recently, Dr. A. Schmitz, a representative of the German firm of Bayer, has arrived here for negotiations with the Government on German collaboration in the project. The other company concerned, I.C.I. also has been having similar discussions.

Aid from Ford Foundation

The chairman of the Rockefeller Trust, Mr. Dean Rusk, and the chairman of the Ford Foundation, Mr. Rowan Gaither, have arrived here on a short visit. In the past five years, the Ford Foundation has given the Government financial aid for a broad range of programmes, nearly all of which are part of, or closely related to, the five year plans. The following is a summary of the Indian programmes for rural development which have received Ford Foundation support.

1. Fifteen pilot extension projects, were launched, which were valuable forerunners of the present community projects. They tested village extension methods and are now merged with the National Extension Service. The grant for them was \$963,770.

2. Forty-three training centres for village extension workers were established to train the village workers needed in the rural development programmes. The total number trained to date is 16,816. The grant amounted to \$1,873,485.

Public Health

3. Three rural public health training centres were started to train public health workers, with a grant of \$353,105.

4. For public health education and environmental sanitation, there was a research-cum-action programme to develop methods and materials for improving village sanitation and health practices. The grant for this was \$295,000.

5. There were five social education training centres to train specialists to assist village workers in methods of securing interest and participation in improvement, and in adult literacy programmes. The amount of the grant was \$375,363.

6. Twenty-five centres to train women for village extension work were organised under an all-India programme for home extension training. The grant was \$618,000.

7. Twenty centres for training village artisans were started to train village blacksmiths to repair

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and make improved types of farm implements, and to train village carpenters in making improved types of housing materials. The grant was \$407,575.

8. The training of project executives and officers, was undertaken in three centres, with a grant of \$241,895.

9. To start an organised in-service training programme for Central and State project staff, and for village leaders, a grant of \$545,850 was given.

10. To provide staff and leadership at the Centre and in the States for a village youth programme, there was a grant of \$189,500.

11. Two films on village development were produced. One was a documentary on village extension training, and the other a semi-documentary on a village family under the community programme. The grant was \$122,000.

12. Extension departments in five agricultural colleges were organised to provide undergraduate and graduate training and short courses in extension. The grant was \$420,000.

13. To strengthen the teaching and research programme of the Allahabad Agricultural Institute, a privately-run body, it was decided to organise a programme in village home economics and extension and to erect model buildings. The amount of the grant was \$940,000.

Agricultural Information

14. A conference for planning an integrated agricultural information programme received a grant of \$4,500.

15. For the publication of a monthly journal, Dharti-ke-Lal (Sons of the Soil), for village farmers, a grant of \$25,050 was given.

16. For a study tour of the United States and Japan of 24 Indian extension directors, who were to study U.S. and Japanese extension methods which might be adapted to Indian needs, there was a grant of \$117,430.

17. Under an international farm youth exchange programme, 88 Indian farm youths spent six months on farms in the United States, and 30 American farm boys spent three months on Indian farms. This year, Indian and American farm girls are included. The grant is \$358,000.

18. An Evaluation Organisation was set up in the Planning Commission in 1952 to evaluate the methods and effectiveness of the rural programme as a guide to future planning. The grant for it was \$461,500.

19. To support a series of orientation training camps for village teachers and village leaders, designed to strengthen the rôle of the village teacher in rural development areas and more effectively to integrate the village school into community development plans, there was a grant of \$800,000.

20. For study tours for India's policy leaders in community project and development areas, there was a grant of \$284,000.

The sub-total of the schemes for rural development was \$9,396,023.

Development of Small Industries

In 1953, the Indian Government began to make intensive efforts to develop and strengthen small industries, so as to increase employment and production. The second five year plan places greater emphasis on these industries. The Ford Foundation has assisted these efforts as follows:

1. In late 1953, the Foundation sponsored an international study and planning team, invited by the Government, to help outline a systematic scheme for the development of small industries. The grant for it was \$76,178.

2. To provide equipment, training in India and abroad of staff and technicians, and employment of short-term foreign technical staff for four regional Small Industries Service Institutes and for the overall small industries programme, there was a grant of \$1,555,000.

3. For rural and urban market surveys a grant of \$15,000 was given.

4. To get factual data which would help foreign private investors in gauging investment opportunities in India, there was a grant of \$30,000.

5. To assist the Government in establishing a Manpower Directorate in the Ministry of Commerce and Industry to classify, place and help plan

the training of students from secondary schools and colleges, a grant of \$34,000 was offered.

6. To support a programme of assistance in establishing four extension service centres for the Small Industries Service Institutes and a training centre for the shoe industry, there was a grant of \$465,000.

7. For the purchase of books and films on Indian textile designs for distribution in India for the purpose of improving these designs, the grant was \$2,700.

8. A grant of \$500,000 was given for the National Council of Applied Economic Research. This was to provide initial support, over a five-year period, for the Council's programme of economic research, done on contract for business and Government organisations.

The sub-total for small industries was thus \$2,677,878.

Educational Projects

The Indian Government has many proposals for reorganising education. The Ford Foundation has given financial assistance to enable the Education Ministry to carry out the following studies and programmes:

1. A secondary education study team of Indian and foreign experts studied secondary schools and teacher training institutions in the United States, Britain, Denmark and India. It got a grant of \$102,500.

2. Twenty seminars for secondary school headmasters, to bring together the leaders essential for effecting reforms in secondary education, got a grant of \$146,800.

3. For a study tour of Indian rural educationalists, who examined the Danish folk high school movement for possible application to India, there were grants of \$26,000.

4. An international study team on rural higher education in India which was to prepare a survey and inventory of experiments in rural higher education, used a grant of \$22,525.

5. Four workshops to provide training in methods of writing simply and interestingly for new literates received a grant of \$12,630.

6. For the field service staff of the All-India Council for Secondary Education, who enabled the Council to keep in touch with working educationalists and their developing programmes, the grant was \$225,000.

7. Extension services in 24 secondary teacher training colleges: for the preparation and staffing of special extension courses, with teacher-trainee participation, within a 50-mile radius of each college. The grant was \$500,000.

8. Education for rural areas: (a) to strengthen and spread *vidyapaths* (rural universities) in Mysore and other States; and (b) to strengthen a number of existing rural institutions. The grant was \$1,720,000.

9. Student apprenticeships in village development: to enrol a cross-section of college students as apprentices to "village level workers" in community projects, acquainting them with the country's major social problems and encouraging them to take a further part in rural programmes. Begun in one university, it was extended to 32 universities in 1956. The grant was \$313,200.

10. Training of responsible personnel: For special study tours in India and abroad, by persons who have given promise of contributing to the educational development programmes. The grant was \$25,000.

11. For the establishment of a Chair of American Civilisation, and scholarships: the Institute of International Studies, University of Delhi, got a grant of \$200,000.

Economic and Social Research

12. Economic and social science research: to assist six of India's universities to improve training in research methodology, as well as to engage in problem-oriented research in the social sciences, grants were given as follows: Bombay University \$73,000, Delhi University \$123,800, Gokhale Institute \$40,000, Punjab University \$52,000, Madras University \$52,000, Utkal University \$52,300; the total being \$393,600.

13. Seminars on American civilisation: to cover the travel and maintenance of college teachers at

these seminars, organised by the U.S. Educational Foundation in India to acquaint young Indian teachers with America and American teaching methods. The grant was \$9,500.

14. The Southern Languages Book Trust was formed by the Vice-Chancellors of south Indian universities, with the following objective: to sponsor the publication and distribution of high-quality, low-priced books in large numbers in the four south Indian regional languages—Tamil, Telegu, Malayalam and Kannada. The grant was \$400,000.

15. Experimental syllabi for inter-disciplinary courses in Indian universities: to finance the visit of a group of Indian educationalists to Britain and the United States, for the purpose of developing experimental syllabi for inter-disciplinary courses in Indian universities, the grant was \$39,000.

16. To support a programme of study camps and special seminars on the teaching and administration of secondary education in India, the grant was \$63,000.

17. Strengthening teachers of science in Indian secondary schools: to support a programme of fellowships in Canada, Britain and the United States for Indian teachers in teacher training colleges and Indian teachers of natural science in secondary schools, there was a grant of \$164,000.

The education sub-total thus came to \$4,362,755.

Public Administration

To strengthen its administrative services, the Government in March 1954 established an Institute of Public Administration, with the Prime Minister as president. The Ford Foundation has offered funds to help finance the Institute's programme, including the training and foreign study of administrative persons selected by the Government, and the establishment of a school of Public Administration. The amount of the grant is \$350,000.

To support a planning project for a pilot programme of community development for the urban areas of India, there is a grant of \$25,000.

The public administration sub-total was thus \$375,000.

Other Projects

1. Gandhi Memorial Centre: A model community centre for the Harijan Colony in Delhi, where Mahatma Gandhi frequently lived, got a grant of \$98,000.

2. The Delhi Orientation and Training Centre for Foreign Technicians was established in October, 1954, by the Delhi School of Economics, with U.S. Technical Co-operation Mission and Ford Foundation funds, for foreign technicians and their families. The grant it got was \$144,177.

3. Cultural inter-change: An American art exhibition for India, study tours for selected delegates to special conferences (i.e. International Conference of Social Work), work-study tours in India of U.S. college students. The grant was \$217,673.

Aid for Small Industries

The Central Government's programme of assistance for the development of small industries was announced last week. By the end of the next financial year, there will be one major institute for small industries in each State in India. The status of the branch institutes in Bangalore, Indore, Cuttack, Gauhati and Agra will be raised, and they will become major institutes during the next financial year. One major institute will be set up in Rajasthan and another in Jammu and Kashmir. The Central Government has also decided to start four subsidiary corporations in Delhi, Madras, Bombay and Calcutta to deal expeditiously with applications for machinery on a hire-purchase basis and to provide marketing services for small industries in each region. The provision of an industrial extension service through institutes for small-scale industries, branches and extension centres has been a major item of the Central Government's programme. Besides the Regional Institutes in Delhi, Bombay, Calcutta and Madras, the Government started during the current year five major institutes, one each in Hyderabad, Trivandrum, Rajkot, Patna and Ludhiana, and seven branch institutes, one each in Bangalore, Hubli, Indore, Cuttack, Gauhati, Agra and Allahabad. The Government has also approved the starting of 48 extension centres during the current year.

A new programme of activity which the institutes have undertaken is the provision of a Business Management Service to small industrial unit. Steps have been taken to appoint qualified staff in each regional institute and major institutes for providing business management advice to small industrialists. Evening classes have been started in the regional institute in Delhi to educate small industrialists in proper business management methods. The response has been very encouraging, so it has been decided to organise similar classes in the regional institutes in Bombay, Calcutta and Madras immediately.

Machinery on Hire-Purchase Basis

The supply of machinery on a hire-purchase basis, undertaken by the National Small Industries Corporation, has made good headway since the Board last met. The Corporation has so far delivered machinery valued at Rs. 6.69 lakhs to small industrialists. Machinery worth Rs. 4.85 lakhs, it is expected, will be delivered this month. Besides, the Corporation has placed firm orders so far for the supply of machinery worth Rs. 53.28 lakhs.

The experiment of mobile sales vans, which was being conducted in the Delhi region, has been extended to Calcutta, Bombay and Madras. The vans carry a large range of small industries products for ready sale to consumers. The main object of

the marketing van service is to collect the necessary data on items like quality, price, consumer taste, etcetera, and to convey this information to the industries.

Exploration of Ground Water Resources

Sixteen promising areas in India are at present being investigated under the project for the exploration of ground water resources. Under this project, 410 exploratory tube-wells are to be sunk in various States in order to collect information about the quantities of irrigation water available underground, the depth at which it is available and its chemical contents, the aim being to determine its irrigation potential. Work has so far been completed in the Narbada basin (Jabalpur and Bhopal districts) of the new Madhya Pradesh State, where 30 borings were undertaken. Sixteen of them were found successful and developed into regular tube-wells. Ten exploratory wells have been bored in the Khandesh (Bhusaval) area of Bombay State. It is intended to construct 20 such wells in this area. As soon as the remaining ten bores are completed, the unit working in this area will move to the Purnea valley, in Okhala district, Bombay.

Seven exploratory wells have so far been bored in the Madras area, but the total programme is for the drilling of 50 exploratory bores in all. The unit working there will shortly move to the Vridhachalam area, in the Jhalawar area of the former State of Saurashtra, it is intended to have 15 bores, of which two have been completed so far. The operations are expected to be over by the end of April, after which the unit will move to the Kutch area of Bombay State. In the Jaisalmer area of Rajasthan, two out of the 10 bores proposed have been completed. The work is expected to be over by the end of March, after which the unit will move to south of Punjab.

The programme is being implemented by the Union Ministry of Agriculture through an Exploratory Tube-well Organisation set up with the assistance of the Geological Survey of India and foreign technical personnel offered by an American firm of consultants. For it, 15 heavy rigs and allied equipment imported from the U.S.A. under the Indo-U.S. Technical Assistance Programme have been divided into four units which are now operating in the Jaisalmer area of Rajasthan; the Jhalawar area of the former Saurashtra State; the Khandesh area of Bombay State; and the Madras area of Madras State. The training of Indian personnel constitutes an important part of the project for the exploration of ground water resources. The data collected will be helpful in preparing programmes for the large-scale construction of tube-wells in other parts of the country under the second and third five year plans, as was done in U.P., Bihar, Punjab and P.E.P.S.U. under the first plan. This exploratory project, including the equipment, is expected to cost about Rs. 475 lakhs, out of which Rs. 208 lakhs will be contributed by the U.S. Government in dollars under the Indo-U.S. Technical Assistance Programme.

Import of Woollen Materials

The policy of a progressive reduction in import quotas, which is reflected in the import policy for the current half-year, has affected most categories of woollen materials. The import of blankets and rugs has been stopped completely. Licences for woollen hosiery have been cut from 50 percent to 10 percent, and those for hand-knitting wool from 75 percent to 25 percent, the import of woollen yarn has been halved, from 10 percent to 5 percent. The following table illustrates the actual extent of the cuts effected by the policy for the January-June, 1957, period:

	Licensing period July-Decem-ber, 1956	Licensing period January-June, 1957
1. Blankets and rugs (other than floor rugs), excluding blankets and rugs made wholly or mainly from artificial silk	25 percent	Nil
2. Woollen carpets, floor rugs, ruffe cloth, shawls and lohis	5 percent	Nil
3. Manufactures of wool, not otherwise specified (including felt) but excluding those specified in serial No. 2	20 percent	5 percent
4. Hand-knitting wool	75 percent (c.i.f. value Rs. 75,000)	25 percent (c.i.f. value Rs. 50,000)
5. Woollen hosiery and woollen knitted apparel (containing not less than 15 percent of wool by weight)	50 percent	10 percent (Woollen socks and stockings excluded)
6. Khaki and other woollen fabrics (not otherwise specified) containing more than 90 percent of wool	25 percent	10 percent
7. Khaki and other fabrics, not otherwise specified, containing 10 percent to 90 percent of wool	25 percent	10 percent
8. Woollen yarn, not otherwise specified	10 percent	5 percent
9. Wool, raw (merino and crossbreds only), tops, shoddy and noils.	O.G.L.	O.G.L.

CODE OF CONDUCT FOR FREE ENTERPRISE

I

This Code of Conduct for Free Enterprise has been prepared by the Forum of Free Enterprise and is now placed before industrialists, business men and those belonging to different professions and vocations in India in the belief that they will find it worthy of acceptance and of application in their daily activities. The Forum pledges itself to do all it can to create a widespread awareness in the ranks of Free Enterprise of the obligations that are contained in this Code. We feel that Free Enterprise, which has been tested and proved by time and experience of all democratic societies, should maintain its reputation by insisting on high standards of integrity which are dictated by social purpose. Honesty, hard work, courtesy and continuous initiative are the foundations on which the edifice of Free Enterprise rests.

II

Producers and distributors owe it to the consumers of their products that they shall always be of the highest quality and available at reasonable cost. They shall maintain fair measure and guard against adulteration. Customers are entitled to courtesy, promptness and good service, and every endeavour shall be made to see that they receive them.

III

Employers owe it to labour to recognise that welfare is not conceived in terms of philanthropy, but as a social obligation. Men and women engaged in production shall do so with dignity, honour and a sense of security. Fair wages should be paid for work done. Working conditions shall be as pleasant as possible. Opportunities should be made available for the worker to gain technical skills and better his economic prospects and social status. Procedures should be instituted for the removal of legitimate grievances so that the employee is satisfied that he gets a fair deal. The employers should welcome the existence of stable and democratic trade unions. They should recognise that in the sphere of employee-management relations, as in other spheres, checks and balances are essential for the working out of rational and democratic solutions. They should accept the rôle of labour as one of creative co-operation and recognise the need for providing increasing opportunities for consultation of employees and their progressive association with management to help in the promotion of increased productivity from which all will benefit.

IV

Management owes it to those who invest in their enterprise that they receive a fair return on their investments commensurate with the risk they take. At the same time, reserves must be created for expansion and modernisation of the plant and machinery and in their utilisation the Management remains accountable to the investor. Money must also be provided for research. The earning by the shareholder of a fair return or profit by the entrepreneur under competitive conditions and after payment of fair wages must be regarded as a legitimate reward for the risk and the work of promotion and development which the community urgently needs. Certain mal-practices have erept into the system of company management. They are to be condemned and should be removed. Hoarding, black-marketing and profiteering are anti-social and evil. Honest business practices can be promoted and encouraged by an honest and efficient administration in a democratic State.

V

Those who practise a profession, such as that of a lawyer, teacher, doctor, auditor or writer owe it to those who avail themselves of their services to maintain the highest standards and traditions. They should discharge their duties truly and faithfully, and should always subordinate considerations of personal gain to the larger objective of service.

VI

We all owe it to the community that we accept our obligations as good citizens. We shall bear our share of taxation honestly. We condemn unequivocally any attempt at tax evasion. We shall actively participate in the promotion of social, cultural and civic improvements. Wealth or power shall not be a justification for vainglory or ostentatious display, but an opportunity for rendering service to the community.

FOR

Merchant Bars M.S. Flats-Squares Angles-Rounds-Hoops and Strips C.I. Pipes To B.S.S.-Charcoal Pig Iron C.I. Castings

Grinding of Plain Rolls with crowning undertaken

Maximum size 26" dia. x 84" Barrel

Chamundi Cement To B.S.S.

MYSORE IRON & STEEL WORKS

BHADRAVATI.

London

SIR ANTHONY PUTS COUNTRY BEFORE SELF

MR. MACMILLAN'S CHOICE AS PREMIER WELL RECEIVED

(FROM OUR LONDON CORRESPONDENT)

DESPITE all that is being said to the contrary by the anti-Edenites, it is difficult not to feel that Sir Anthony himself had no intention of resigning the Premiership until he received the report of his doctors on 8th January and realised that it was inevitable if his health was to be restored. In view of his past record, however, that fact probably weighed less with him in reaching his decision than that the country, in its present difficult circumstances, would certainly need the full-time services of a fit Prime Minister. The decision was a secret until the Queen interrupted her holiday at Sandringham to return to London, for Sir Anthony's visit to Her Majesty there was regarded as being no more than a routine audience to report on international developments. The surprise of Sir Anthony's resignation was matched by the selection of Mr. Harold Macmillan as his successor instead of his stand-in while he was resting in Jamaica, Mr. R. A. Butler. Political correspondents have had heaps of material for speculation and have made the most of the opportunity, for Lord Salisbury and Sir Winston Churchill were called to Buckingham Palace for consultation before the decision was reached. Mr. Macmillan's appointment has been well received in the City, where his business experience and understanding of financial matters together with the appointment of Mr. Peter Thorneycroft as the new Chancellor of the Exchequer are regarded as being likely to create greater confidence in the Government's future policies. It is not forgotten, moreover, that in the variety of offices which Mr. Macmillan has held in earlier Governments, he has always proved surprisingly successful when least expected. It will be particularly interesting to see to what extent his team of Ministers meets current expectations for on that, it is being claimed, will depend the support he can expect from the rank and file of the Conservative Party to eliminate the rifts which have been disclosed by recent events.

In some respects the new Chancellor will start off well, thanks to Mr. Macmillan's recent measures in support of the pound. New Year tax payments resulted in a surplus of £36 million the week before last to reduce the current deficit to £549 million, though that is still £260 million higher than at the same time last year. On the other hand, National Savings made a handsome recovery in 1956 from the setback in 1955, with a net increase of £127 million, which is the best result since 1948. Preliminary trade figures for December just released by the Board of Trade show that exports for 1956 topped £3,000 million for the first time at £3,173 million, or £267 million higher than in 1955, whereas imports were hardly changed at £3,890 million. Allowing for re-exports, the trade gap for the year was cut by £288 million to £571 million. What is more, exports to the vital dollar markets set up new records. The biggest problem is the uncertainty on the labour front, which far from being clarified grows more complex from week to week. Unemployment and short-time working is on the increase, but wage claims are still being pressed.

Budget Advice

A warning that an increase in income-tax would be "a serious confession of weakness in dealing with expenditure" and a number of suggestions involving a loss of revenue of less than 2 percent

on the present tax basis are the features of a 2,000-word letter from the Association of British Chambers of Commerce in giving its customary advice to the Chancellor of the Exchequer on the next Budget. The letter makes the following points: (1) The investment allowance should be restored in order to provide a permanent incentive to industrial modernisation, made all the more important by the proposal to bring about free trade with Europe, (2) Expenditure of the Government (including local government), which now takes about 37 percent of the national income, should be reduced, (3) Overseas business and shipping should be encouraged by tax exemptions for overseas trade corporations, (4) Purchase tax should be removed from goods used up in business, such as stationery, and the tax on petrol and oils should be reduced when the time comes to remove the present emergency tax, (5) Earned income relief should be raised and the personal and earned income allowance should be made effective for surtax payers. The starting-point for surtax should be raised to £3,000, (6) Profits tax should be converted into a flat-rate tax, (7) The Government is advised to be content with a "very much lower surplus" in the Budget for 1957-58.

Coal and Steel Production

It is not surprising that great interest is displayed in coal and steel output figures, seeing the important part these two industries play in the British economy. The National Union of Mine-workers has just decided to press a new wage claim for an increase of 19s. 6d. a week, and would be assured of more public support if the miners, for instance, gave us more evidence spread over the whole year, of the output they can achieve in a "bull" week when it is in their interest to set up records. No one denies that the miners are doing a difficult job and, on the whole, doing it well, but as the aristocrats of the labour force they are also being paid well and should realise that to get more they should try to give more in the interests of the country as a whole. Revised figures for the 52 weeks of 1956 show that coal production for that year totalled 222,024,300 tons—472,900 tons higher than the figure for 1955. The total of imports for the year was 5,244,000 tons, against 11,486,200 tons for 1955. The improvement is there, but it is hardly impressive when the contributions of mechanisation and open-cast working are taken into consideration. By contrast, the denationalised steel industry is very much more impressive. Announcing details of steel production in 1956, which totalled 20.66 million tons—the highest yet achieved and 4.4 percent up on 1955—the British Iron and Steel Board states that an anticipated production of 21.3 million tons was prevented mainly by the craftsmen's ban on overtime. "Despite the reduction in oil supplies," states the Board, production in December, which included the Christmas holiday, averaged 395,900 tons a week—14,000 tons more than the weekly average in December, 1955. Pig iron production in 1956 reached 13.17 million tons, an increase of 5.6 percent over the 1955 production of 12.47 million tons. Imports of scrap and pig iron in 1956 were 427,000 tons lower than in 1955, and imports of ingots and semi-finished steel were lower by about 100,000 tons. Although slightly more finished steel was imported over the year as a whole, imports had been falling since May.

Monopolies Commission Reports

The Monopolies and Restrictive Practices Commission has issued three reports recently after long periods of investigation into the activities of concerns supplying oxygen, metal windows and tea. In the case of the first of these commodities, the Commission found that the British Oxygen Company and its subsidiaries accounted for 98 percent of oxygen and dissolved acetylene supplied, and although a reasonable standard of efficiency was maintained it had pursued a policy of suppressing

and restricting competition against the public interest. Safeguards empowering Board of Trade reviews of the industry are recommended, and two Labour members go further and suggest that public ownership of the industry should be considered. The second report, on metal windows, although it finds that Crittalls are responsible for something like half the supply, is a lot less severe. Indeed, it is generally satisfied with the industry's activities save that it recommends one or two restrictive practices which call for revision. The third report has the widest interest and is probably the most surprising. It completely exonerates the tea trade from all the criticisms which have been levied against it. Far from being a monopoly, the trade is "keenly competitive" and the sharp fluctuations in prices since decontrol are not due to monopoly conditions or restrictive practices.

The Commission examined a number of the trade's practices and a summary of its views will be of interest to Indian readers. In the international field, no restriction was in force at the time it was making its inquiries. The International Tea Agreement which provided for the agreement of export quotas lapsed in March, 1955, and has not yet been replaced by another agreement. The Commission refused to speculate on whether, if producing countries succeeded in negotiating another agreement, it would operate against the public interest here. As regards the trade in this country, the Commission examined the way in which sales are regulated in the London market, and found that these were justified by the conditions. Tea arrives during seven or eight months of the year, but the demand is spread over the whole year. The Commission accepted the trade's view that "programming designed to even out sales over the year without limiting the total amount coming forward over the year as a whole and to prevent excessive amounts of tea from being offered at certain periods" was justified. In the absence of such arrangements it thought the fluctuations in price would be larger. On the other hand, there was no discernible effect on the average level of prices over a long period. The way in which tea is sold in the market here, subject to conditions of sale which all are compelled to observe, was considered by the Commission to be reasonable and not against the public interest. The trade's claim that it would be impossible to sell a commodity like tea by auction without laying down uniform conditions was not disputed. On the whole these tend to work in favour of the small buyer. As for the distributors, the Commission also found nothing to complain about. Four small suppliers of tea apparently used to operate resale price maintenance (which is now illegal). But no fines were ever imposed and no collective stop list was used. Brooke Bond and J. Lyons tell each other when they are about to change their prices, but this is because of the length of time needed to change the price labels on packets. In all other respects the two companies are extremely competitive.

Aiding Productivity in Small Firms

Wider facilities to help manufacturers introduce modern production and accounting methods are to be provided by the National Union of Manufacturers. It is hoped to aid smaller firms in particular. The Union announced a few days ago that it was expanding its Industrial Advisory Service, started three years ago. A non-profit-making company, the National Union of Manufacturers' Advisory Service Ltd., has been set up. The chairman is Mr. Gilbert Salter, a Midland industrialist. Mr. G. L. Page, Managing Director of the company, said at a Press conference in London last week that firms which asked for advice would have the help of a mobile force of specialists in work study and cost accounting. They would recommend how new methods should be introduced and staff trained. The company will charge no fees for initial consultation, but appropriate charges will be made for subsequent services.

Chargola Tea Scheme

Following the defeat of the board's scheme in November, holders of Chargola Tea Association £81,007 7 percent Preference stock are now offered 23s. 6d. a £1 unit by the British Trusts Association and associates. Ordinary holders are to receive 14s. 3d. with 10s. payable before the end of next month and a further 5s. 9d. if contingent liabilities do not materialise. These proposals have been approved by holders representing about 25 percent of the Ordinary and are being placed before members by the directors. The new scheme seems a fair compromise between the two classes. While the Ordinary holders are asked to give up 9d.—by the directors. The new scheme seems a quick 10s. repayment. Preference holders will receive a more just distribution than the 20s. repayment under the directors' scheme.

Brevities

Trading profits of Jute Industries for the year ended 30th September rose from £1,172,078 to £1,408,225, and after deducting £367,677 (£220,000) for depreciation and £563,215 (£489,279) for tax, the net profit was up from £462,799 to £477,333. With a final of 15 percent, the total Ordinary dividend is again brought up to 20 percent.

Courtaulds, Ltd. announces that in spite of increases in costs of production the prices of its staple fibres and its yarns for industrial use remain unchanged. The prices of viscose and acetate continuous filament textile yarns, which have remained unchanged since 1951, are being advanced by approximately 10 percent for all new business.

Bombay

BOMBAY HIGH COURT APPROVES T.I.S.C.O. PETITION

POLITICAL CONTRIBUTIONS NOT AGAINST PUBLIC POLICY

(FROM OUR BOMBAY CORRESPONDENT)

THE Bombay High Court has admitted a petition filed by the Tata Iron and Steel Company which seek permission to contribute funds to political parties which, in the company's view, would serve its interests and the interests of industry in general. In delivering judgement, Mr. Justice Tendolkar held that contributing to political parties in the manner envisaged by the company would not be against public policy. But His Lordship drew a clear distinction between supporting a party or a candidate in agreement with the company's policy and supporting candidates who would pursue the company's objects for a financial consideration. The latter, His Lordship held, would amount to political corruption and would, therefore, be contrary to the public interest. Citing section 293 of the Companies Act, Mr. Justice Tendolkar said it was open to the directors of the company to contribute Rs. 25,000 or 5 percent of the average net profits of the three previous years without a previous reference to the shareholders or to contribute a larger amount with the sanction of the company. In the present case, the average net profit amounts to Rs. 3 crores a year and under the law T.I.S.C.O. directors are empowered to contribute Rs. 15 lakhs a year without the permission of the shareholders. While conceding that an unusually large donation would tend to arouse suspicion in the public mind, His Lordship pointed out that there was no reason to hold that such a donation would, in fact, lead to political corruption. Safeguards exist which would check the misuse of funds. It is open to any shareholder to seek a court injunction restraining the disbursement of funds if reasonable grounds exist that such a disbursement would be contrary to public policy. In the present case, a further safeguard has been provided by the company itself. It has undertaken to show in its annual profit and loss account the amount of donations and contributions made by it to every political party directly or indirectly each year. A voluntary undertaking of such a nature should dispel all doubts in regard to the intentions of the company.

Both the petition and the judgement on it come at a particularly appropriate time when the country is preparing to go to the polls. It is obvious that the T.I.S.C.O. petition is linked with the increasing concern felt in private industry circles for their future. Recent developments have strengthened the view that further limitations are likely to be placed on the private sector. Apart from nationalisation, there is the question of taxation and other financial measures which are of intimate concern to private enterprise. There is a danger that the case for free enterprise will go by default if it is not adequately represented in parliament to explain its achievements and its hopes for the future. It is precisely to obtain such representation that companies like T.I.S.C.O. seek permission to contribute funds to political parties and candidates who are in sympathy with their aspirations. This is as it should be.

Record of Free Enterprise

The case for free enterprise is a simple one and yet it seems to generate unnecessary tension when it is stated. Fundamentally, the gap between those who accept the Government's present policy as it stands and those who advocate a greater degree of liberalism is not an unbridgeable one. The urgent need for State enterprise and State control has never been in dispute. What is in dispute is that the present tendency is to gloss over the achievements of free enterprise. The steel industry is a case in point. The contribution of T.I.S.C.O. to the national economy is a great tribute to those who manage it. The fact that the Jamshedpur plant is the biggest integrated steel unit in the Commonwealth is no mean achievement. Similarly, ample statistical evidence is available to spotlight the accomplishments of the cement industry. The heavy chemicals industry, which is the basis of all industrial development, owes its origin under adverse circumstances to private enterprise. There are many such instances which prove beyond doubt that the country owes much to individual effort. There is no reason to believe that free enterprise will not continue to make such contributions in the future if it is permitted to do so. This is not to say that the record of free enterprise is entirely clean. But by the same token is there any reason to believe that malpractices will not creep into an administration run by the State?

The second point for consideration is whether it is really necessary to adopt conventional socialist methods to achieve a welfare State. With a broad-based franchise and an extension of the popular vote, many of the Marxist assumptions lose their validity. A fully elected legislature which represents a wide cross-section of opinion is entirely competent to supervise the greater interest of the nation. Legislation can do much to protect labour, for instance, and eliminate the evils of the industrial revolution. It is necessary to supervise free enterprise, but it is doubtful if anything is to be gained by destroying it. Apart from purely economic considerations, there is the overall consideration of human liberties. There is the danger that the concentration of economic power in the hands of a bureaucracy will lead to a corresponding concentration of political power which will tend to make it a dictatorship.

Madras

DEVELOPMENT SCHEMES BEING REVIEWED

CUT IN OUTLAYS LIKELY

(FROM OUR MADRAS CORRESPONDENT)

THE development schemes of the Madras Government are being reviewed. Outlays might be cut and the next Budget is likely to reflect the need for economy emphasised by the Planning Commission. A total expenditure of Rs. 32 crores to Rs. 34 crores in 1957-58 is considered possible since the Commission has framed a new schedule of priorities. The shortage of foreign exchange, as well as of cement, steel and staff, might mean fewer programmes, especially since the State depends on Central aid to a large extent. Public expenditure has risen more than revenue, so that if Madras is called upon to find 40 percent of the development outlay itself, it can scarcely avoid cutting its plans. The less essential items might be dropped, especially as it is felt that the Finance Commission will not recommend much more money for the State.

Kerala, with a planned outlay of Rs. 85 crores over five years, might not be called upon to reduce its schemes drastically; the expansion of employment and of State-owned industry is a strong consideration there at present with the elections approaching. Congress prospects have been improved not only by the failure of the talks with the Muslim League but also by the differences between the Communists and other parties in that State. The likelihood of a Congress Ministry is considered remote, but the party could have much influence in a coalition. The lawyers' satyagraha for keeping the High Court division in Trivandrum will not affect the electioneering, but the location of the capital will be settled by the Assembly only after the elections. The tactics of non-cooperation in Trivandrum suggest that the Tamil Nad Congress's moves three years ago have left an abiding impression, and that the lawyers, instead of accepting assurances, intend to force a decision.

The selection of Congress candidates for Parliament and the State Assembly has brought few surprises. Mr. Nadar has chosen to stand from Sattur in his home district. The lack of women candidates has been explained by saying that few are suitable, although 11 have been picked for the Madras Assembly. Actually, the high cost of electioneering for the Assembly may be one reason; another may be the existence of a Council to which entry can be gained easily. The choice of about a dozen women candidates by the Pradesh Congress may reassure some. For the central parliamentary seats, few sitting M.P.s have shown a desire to return to State politics. Canvassing is difficult and costly, and the two City seats have been assigned to strong and experienced candidates. Compromises with minor communal parties in the State might help the Congress to make a better showing than in 1952. How the labour vote will go is the main issue in several constituencies. At the Secre-

tarlat last week, Opposition representatives were asked to help during the five days of polling fixed in securing free and fair elections. Avoidance of petitions after the results of the elections are out is one object; another is a maximum poll reflecting the political education of the electorate. Posts and Telegraphs facilities will be amplified and holidays curtailed for the sake of the elections.

Corporation Income and Expenditure

The City Corporation expects a total income of Rs. 3.14 crores in 1957-58. The Commissioner has pointed out that expenditure is still rising and the capital outlay cannot be financed wholly from loans. Much sympathy is felt for the City administration, since only 16.5 percent of the population contributes to the municipal revenues. There is no proposal to restore the cycle tax or raise the profession tax to the maximum allowed. An encouraging feature is the buoyancy of the revenues; another is the greater efficiency in collection. Arrears are mainly due to difficulties in assessing Government properties in the City. The Corporation hopes to raise loans and the Commissioner suggests that by providing regularly for a debt service of up to Rs. 42 lakhs a year, it has acquired a better status and can try to borrow independently at 4½ percent. Much trouble has arisen because the Government does not accept the plea that expenditure on roads in the City should be met by it since it runs the buses. A grant of Rs. 5 lakhs is inadequate when the Corporation has to provide Rs. 41.89 lakhs in a year for road maintenance and repairs. The argument that district boards are relieved of the cost of keeping up major highways has been repeated by the new Commissioner, who has made it clear that his functions under the Council are those of an executive agency, not of a City manager on the American model.

Small-Scale Industries

There is a widely held belief that small-scale industries will increase income and reduce unemployment. But their proper organisation is first necessary, and, as the Minister for Industries said on 11th January, an extension service and a financing agency are not enough to develop such industries. There is a new chamber devoted to small industries which are still urban in character. The changing economic climate provides opportunities, and a new technical library has been added for the Board in charge of small industries. There is a mobile service unit to repair tools and appliances, and the footwear centre is being extended. The Central Government is helping and the placing of Government contracts with small industries has been approved. However, the chief small industry, handloom-weaving, is in trouble. The textile trade is concerned about competition, and exporters are being asked to learn more from their rivals in foreign markets. The need is not for an export credit guarantee scheme, but for steps to make consignments conform to samples. The textile exporter can expect free licensing to continue, but designs have to be improved and few mills appear ready to encourage young commercial artists to produce new textile designs.

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Plantation Topics

CALCUTTA TEA AUCTIONS IN DECEMBER

GOOD SUPPORT FOR WHOLE LEAF GRADES

AS a result of the increase of two annas in the export duty, most kinds in Sale No. 24 were cheaper to buy but prices at times were very irregular, say Carritt Moran and Co. Private Ltd. in their review of the Calcutta tea market during December. All teas of black leaf appearance were in particular demand in the export auctions and often sold at firm to dearer rates. There was a better demand in Sale No. 25 though the more expensive medium Assam B. O. Ps and O. Fs were up to two annas lower, while the plainer sorts were about one anna lower. Stylish whole leaf grades and well made B. P. Ss were in strong demand. In Sale No. 26 there was a good general demand. Fanning grades were a very strong feature. Clean black sorts often being up to three annas dearer. Whole leaf grades and improved Darjeelings were also well supported at dearer rates. Low mediums, clean Commons and plainest kinds were up to two annas dearer. Medium Assam B. O. Ps and O. Fs were in good demand but tended easier, while the lower grades in this category were one to two annas dearer. There was a more general enquiry for the best liquoring C. T. C. teas, though the majority of the offerings were generally one anna easier.

Darjeeling leaf appearance continued to be of a satisfactory standard. Cup quality showed a distinct seasonal improvement and a number of invoices with attractive autumnal flavour were on offer. Most of the C. T. C. offerings from Assam were rather brown, stalky and fibrous, but the appearance of the teas of orthodox manufacture was well maintained. Cup quality showed a slight seasonal improvement, particularly in the last sale of the month. Doors leaf appearance showed a slight decline, although a number of well made black leaf teas were again available. Cup quality showed a little improvement, a few invoices having early cold weather character. Cachar leaf appearance was again much above average, the out-turn from nearly all estates being black and free from stalk and fibre. With a few exceptions, cup quality generally was rather plain in character.

Quotations	1956-57	1955-56
Sale No. 24 Plain B.P.	Rs. 2 3 0	Rs. 1 13 0
Sale No. 25 Plain B.P.	2 4 0	1 12 3
Sale No. 26 Plain B.P.	2 5 6	1 9 0

Internal Market

At the Internal Sales, a total of approximately 7,300 chests of leaf were offered. There was a fairly good general demand for the slightly greater number of chests on offer. There were only a limited number of clean leaf teas, and prices for these followed the trend of the previous day's Export sale. The residual teas received fair support at irregular rates. There was fairly good general demand for the 74,787 chests of Dusts on offer, although this weakened slightly in the second sale. Clean black leafy Middle Eastern types from all districts were well supported, and with the exception of the second sale, usually sold at a premium of two to three annas. C. T. C. Assams saw rather less enquiry, and apart from the few lines of the very best, the remainder were about two annas lower. Commons, Doors and orthodox Assams shared in the general decline in the second sale, but recovered in the following sale when prices were about 1½ annas dearer.

Quotations	1956-57	1955-56
Sale No. 24 Clean Common Dust	Rs. 1 15 6	Rs. 1 9 0
Sale No. 25 Clean Common Dust	1 13 6	1 7 3
Sale No. 26 Clean Common Dust	1 15 3	1 6 3

Export sales up to No. 26 totalled 1,240,509 chests at an average price of Rs. 2-8-9 against 1,150,620 chests at an average price of Rs. 2-5-5 in the corresponding period of the 1955-56 season. Internal sales at 28,746 chests of Leaf and 407,390 chests of Dust (Rs. 1-10-2 and Rs. 2-3-10) go against 55,421 chests and 342,216 chests (Rs. 1-5-8 and Rs. 2-2-8) in the same period of 1955-56.

In the first three weeks of the month, the price of the export quota declined, with some fluctuations, from 93 pies to 72 pies a lb. On 23rd December, an allotment of 12 percent was announced and prices dropped further, business being transacted at 38 pies a lb. at the close.

The estimated North Indian crop to the end of November, 1956, was 533,754,098 lbs., as compared with 521,137,978 lbs. in the previous year. The average figure for three years, 1953-55, was 498,731,919 lbs.

The Government has decided that the export duty on tea during January, 1957, should be at the same level as in December, 1956, that is 8 annas a lb.

Arrivals (in chests) during the period 24th November to 23rd December, 1956, with the corresponding figures of the previous year in parentheses, were: by steamer 235,335 (372,189), by rail 173,311 (161,705) and by air 21,884 (17,414), making a total of 430,530 (551,307) chests. From the beginning of the season, 1st April, 1956, to 23rd December, 1956, arrivals have been: by steamer 2,470,524

(2,644,113), by rail 865,497 (710,358) and by air 132,291 (161,107) chests, making a total of 3,468,312 (3,515,578) chests.

BOARD PROPOSALS ON RUBBER IMPORTS

REVIEW OF MINIMUM WAGES ON ESTATES RECOMMENDED

(FROM A SOUTH INDIAN CORRESPONDENT)

PRODUCTION of raw rubber in India during 1957 is estimated by the Rubber Board at about 27,000 tons. The manufacturers' requirements are stated to be 40,000 tons. These figures seem to suggest that there is a gap of 13,000 tons between indigenous output and demand. But in 1956, the shortage was less than 7,000 tons so there is a feeling that the figures relating to consumption might be a little too high. The Board perhaps gave some credit to this view when it decided at its meeting on 4th and 5th January not to make any specific recommendation about the quantum of imports. It decided to place the facts about production and consumption before the Government and then to ask the Government to draw its own conclusions about the quantity of rubber to be imported. The Board estimates that the total availability of natural and synthetic rubber is 39,713 tons, and that of reclaimed rubber 782 tons. The consumption and carry-forward of natural and synthetic rubber together are estimated at 53,444 tons and those of reclaimed rubber at 6,640 tons. These figures will be put before the Government.

The Board recommends that whatever the quantity of natural and synthetic rubber for which import licences are issued by the Government it may be divided between the first and second half of 1957 in the ratio of 65 to 35, and manufacturers may be allowed to import on the *pro rata* basis of their consumption during 1956. The Board favours the policy of importing against D.R.C. of exported goods. It urges the Government to retain the condition that manufacturers should pay the difference between the landed cost of imported natural rubber and that of indigenous rubber to the Rubber Board; the condition could apply while granting import licences for meeting the overall shortage in 1957. The Board has got over Rs. 2 lakhs on this account since the scheme was introduced in the latter half of 1956. This is considered a contribution from the manufacturers for the uplift of the small grower.

More Liberal Policy

A slight liberalisation of the import policy would help check the hoarding of indigenous rubber. Lately, there have been complaints that manufacturers are not getting enough, despite the increase in output, and that certain growers and dealers are demanding a premium over the indigenous price for their stocks. The Rubber Board adopted a liberal policy in the last quarter of 1956, and this had a healthy effect on the local market.

Another important decision of the Board relates to the revision of minimum wages for rubber estate workers. The resolution on this question says the Board thinks that since their minimum wages have been in force for nearly five years, the time has come to re-examine the position. An amount of Rs. 1 lakh is provided in the Board's current budget for labour welfare. This will be utilised for such measures as the reservation of beds in hospitals, provision of ambulances, giving of scholarships to deserving children of workers, and reservation of seats in technical institutions. It will be used only for capital expenditure. It has also been resolved to register in India a patent for the preparation of yield stimulants with 2, 4, 5-T hormone in the name of the Rubber Research Institute. A licence will be issued to a reputable firm for the bulk manufacture and sale of the stimulant under such conditions as are imposed by the Board.

New Planting Scheme

In another resolution, the Board asks the Government quickly to sanction the new planting scheme submitted some time ago. The scheme for the subsidised replanting of 70,000 acres within ten years is getting a very good response from growers. The Board has already received applications for the subsidised replanting of 8,500 acres in 1957, against the target of 7,000 acres. But the new planting scheme, for which loans are expected to come from the Government, is not likely to get as good a response if the experience of the coffee Board can be taken as a guide. The Coffee Board's development scheme is attracting very little interest among growers, so much so that it is now considering the liberalisation of terms for giving loans.

Mr. A. V. George has again been elected vice-president of the Board for 1957. The Import-Export Committee has been re-constituted with Mr. N. Sankara Menon as chairman, and Messrs. P. N. Haksar, Lalit Mohan Jamma Das, K. Srinivasan, M. C. Chanday and P. C. Abraham as members. The Labour Welfare Committee, which has also been re-constituted, gets ten members, including all the labour representatives on the Board and the chairman and vice-chairman. The terms of these two committees expire on 1st August, 1958. Mr. Lalit Mohan Jamma Das has been elected to represent the Rubber Board on the Rubber Flooring Sub-Committee of the Indian Standards Institution.

Synthetic Rubber Plant

Even Rubber Board officials look favourably on the idea of establishing a synthetic rubber pro-

ducing plant in India. In their opinion, there is sufficient scope for the expansion of both natural and synthetic rubber. Natural rubber will not be affected by the production of special-purpose rubber. There has been a rapid expansion of rubber cultivation during the past two or three years, but in many cases the growers have not been careful in selecting either proper seedlings or suitable land. There is no provision in the present Rubber Act to enable the Rubber Board to check the indiscriminate expansion of rubber cultivation. Unless proper materials are used in new areas, they will become a drag on the industry in the future and all efforts to reduce costs of production will be defeated. The cost of production of natural rubber will have to be reduced if it is to compete successfully with man-made rubber.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop and weather telegrams has been received from different districts for December 1956:

Upper Assam: Weather reasonable, with useful rain in Dibrugarh and frequent dull days with occasional light rain in Pantola; rainfall has been excessive in north Lakhimpur; cold weather has set in and the season is closed.

Central Assam: Cold weather conditions continue; very slight rain; near-drought conditions exist in Jorhat, with pruning ahead of normal, and rain badly needed; satisfactory rain has fallen in Moran.

Lower Assam: Weather conditions in most districts are normal for the time of year and the season has closed.

North Cachar: Weather reasonable; despatch delayed by rivers drying up and the season has closed.

South Cachar: The cold weather has set in; the season has closed; blister blight severe in some districts; despatch delayed by rivers drying up; outturn to date is slightly over 1955 in Chargola.

Eastern Doonars: Weather favourable with some rain; no blight reported; the season has closed; outturn to date is slightly under 1955 in Jaintia.

Central Doonars: Weather reasonable; blister blight prevalent in some districts.

Western Doonars: Weather favourable; blister blight severe in some areas; season has practically closed.

Darjeeling: Weather reasonable.

Terai: No report.

LONDON TEA SALES

AT last week's London tea sales the 57,543 packages on offer realised an average price of 6s 0.33d a lb. against 6s 0.73d at the previous sale and 4s 5.31d a year ago. Plain broken pekoe was quoted at 5s 3.3d a lb. against 5s 4.1d at the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated	624	5/11
Angoorie	552	6/3
Anglo-American	1,164	5/11½
Assam Cons.	456	5/11½
Assam Docars	607	5/11
Budla Bets	216	6/3
Buxa Doonars	756	5/10½
Central Provinces	786	6/1¼
Chubwa	666	6/2
Chulsa	401	5/10½
Consolidated Estates	396	6/6
Cons. Tea and Lands	3,197	5/8½
Dekhari	690	6/5
Doom Dooma	954	6/4½
Eastern Assam	612	6/2½
Eastern Produce	696	6/7½
Imperial	1,651	5/10½
Jetinga Valley	420	5/5½
Jhanzie	371	5/11½
Jokai	894	6/1½
Jorehaut	558	6/4½
Kanan Devan	2,226	5/11½
Lanka Plants	441	6/5½
Lungla	540	5/6
Lunuvu	894	6/3½
Malayalam	342	5/6½
Rajawella	1,134	6/5½
Scottish Ceylon	438	5/11½
Scottish Tea and Lands	634	6/7
Standard	528	6/8½
Tea Corporation	352	6/2½
Upper Assam	627	6/1½

U.K. stocks of tea on 4th January amounted to 102.0 million lbs. against 122.2 million lbs a year ago (converted at 110 lbs a package).

COCHIN TEA SALES

At Sale No. 1, the 41,000 lbs. of tea on offer met with a very poor demand. The market was generally three to four annas easier for all types.

At Dust Sale B, the 650,000 lbs on offer met with a good general demand. Prices were fully firm to dearer for everything except the best liquoring types, which were occasionally easier.

FORWARD TRADING IN PEPPER IN COCHIN

On the advice of the Forward Markets Commission, Bombay, the Government of India has granted recognition to the India Pepper and Spice Trade Association, Cochin, for conducting forward trading in garbled Malabar black pepper for a period of three years. Trading was expected to start this week. Mr. W. R. Natu, Chairman of the Forward Markets Commission, is visiting Alleppey and Trivandrum for discussions on establishing a forward market in coconut oil in Alleppey and Cochin.

Jute

MEASURES TO INCREASE INDIAN JUTE OUTPUT

NEED FOR EFFECTIVE PROPAGANDA AMONG GROWERS

ACCORDING to Holy Writ, "of the making of books there is no end"; in India today, of the holding of conferences there appears to be no end. In less than two months, we have had three conferences to plan ways of increasing the jute crop, so if mere conferences were to produce bigger harvests, we are assured of them. But there is more to it than that. It is, however, satisfactory that, although there may have been some overlapping, there is, at last, a greater realisation of the urgency of making India independent of foreign supplies of raw material for the jute industry. It is hoped that all this discussion will be followed by energetic action, for no amount of talk at the higher levels will do any good unless it is translated into action in the jute fields.

Apart from organising the distribution of fertilisers and improving implements and methods, there is the problem of educating the growers. That is probably the biggest obstacle to be overcome. Reports from those who have been engaged in propaganda to get the peasants to adopt the Japanese method of cultivating rice state that it is very difficult to get them to do so, even when the results have demonstrated the benefits. Here we are up against the conservatism which prevails among the peasantry in nearly all countries and which will be especially difficult to overcome in this country. For example, even where it has been demonstrated that double-cropping can be done, it is difficult to get the peasants to undertake it. The reason for this is not clear. Possibly, it is due to a lack of ambition to improve their low standard of living or to a lack of energy resulting from climatic conditions. Gandhiji frequently spoke of the need to shake the ryots out of their pathetic state of inaction, and that is what is needed now. They have to be shown that it is not only to the country's advantage to adopt new methods but also to their own.

We have not been told how propaganda to increase jute crops is to be carried into the villages or how it is to be financed. The States might recognise that it is to their advantage to secure this increase. If they do not have the money for doing propaganda in the villages with sufficient intensity, the Centre could give financial assistance, since it is the Centre which would benefit most from the increased prosperity of the jute industry and its importance as an earner of foreign exchange. Some time is approaching, and there is no time to lose. The field personnel for propaganda has to be increased and given the necessary training to enable them to undertake the work efficiently.

I.J.M.A. Production

In December, the production of mills reporting to the I.J.M.A. was 84,900 tons, of which 37,700 tons was hessian and 47,200 tons sacking. The proportion of hessian was 44.4 percent compared with 43.9 percent in November, while that of sacking was 48.6 percent against 49.9 percent. The switch from sacking to hessian is thus still continuing. In December, 1955, the percentage of hessian was 34.9 and that of sacking 58.2. Last month, the hours worked were 206, compared with 209 in November, but the increase in production was due to the resumption of work in mills where there had been stoppages in the previous month. The total production in July-December, 1956, was 517,300 tons, compared with 519,500 tons in the corresponding six months of 1955.

Consumption of Raw Jute

In December, 1956, mills reporting to the I.J.M.A., it was estimated, consumed 495,000 bales of raw jute, bringing the total consumption for July-December to 3,016,000 bales. In December 1955, the mills consumed 566,000 bales, and the total for July-December, 1955, was 3,027,000 bales.

THE JUTE MARKETS

Manufactured Goods: Enquiries from abroad were very poor and local influences predominated in the market during the past week. On Thursday, the speculative market recovered to some extent from the weakness which followed the promotion of stocks of hessian held by the A and B groups. The low effect. The reported placing of an extra steamer for West Africa brought a spurt of business in heavy goods, but there was some selling pressure in the speculative market to offset that. Later, again pushed up, although there was no business from abroad or in the local market to justify the rise. At one time, the B Twill fatka rate was up to Rs. 120-6, but later it fell back again.

On Wednesday morning quotations were as follows:

	January	Jan.-March	April-June
40in. 8oz.	Rs. 37-4	Rs. 36-8	Rs. 35-12
40in. 10oz.	45-2	44-10	44-10
8 Twills	46	45-2	44-10
Heavy Cees (Plain)	120-8	121-4	121-4
A Twills	120-12	121-4	121-4
Liverpools	144-8	145-4	144-8
Cornacks	139	137-12	136-4
	122-12	122-12	122-4

Raw Jute: During the past week, mills were continuously in the market. Buying was not on

a large scale, but the quantity on offer was small. This caused a rise in prices, which moved up by a full Re. 1 a maund. Buyers were interested mainly in Northern and Assam qualities and in Daissee. But offerings of these were very restricted because of the poor imports into mofussil markets and the high prices prevailing there. There was a good turnover in mesta; there is more of this than of any other class of fibre. On Monday and Tuesday, less interest was shown by buyers and, with the weakening of the gunny fatka on Tuesday afternoon, the price of mesta dropped by four or eight annas. Business was reported in Northern and Assam jute at Rs. 32 to Rs. 33. Tossa at Rs. 32-8 to Rs. 33-8. Daissee Mesta at Rs. 27-8 to Rs. 28. Daissee Jute at Rs. 33 to Rs. 34. Jungli ex Cossipore at Rs. 30-8 and Pakistani District Cuttings at Rs. 130.

Quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis	Bottoms.	Shipment.
Northern	33-8		Jan.-Feb.
Assam	33-8		"
Murshidabad Tossa	33-8		"
Daissee Jute	34		One month
Daissee Mesta	28		"
Western Mesta	27-8		Jan.-Feb.
Local Packing	31		One month
Northern ex Calcutta	33		"
Bimli	28 F.A.Q.		Jan.-Feb.

Arrivals of jute in Cossipore decreased to 562 wagons last week, compared with 673 wagons the week before. Mill buyers have been very active, and all the imports have found a ready market. There is hardly any jute coming in, except for jungli qualities and mesta. Stocks are declining, and are now reported to be less than 600,000 maunds.

Mofussil: Imports of jute are scanty everywhere, but good supplies of mesta are coming forward. Prices are reported to be above the parity of Calcutta, but there is good demand for everything reaching the markets. Rain has been widespread.

THE PAKISTANI JUTE MARKETS

QUIETLY STEADY CONDITIONS IN FIBRE

(FROM A CORRESPONDENT)

THE past week has seen dull trading conditions in the Narayanangal market. There was a slight rise in prices but later they returned to the original levels, with loose jute at Rs. 32 a maund for Export Lightnings quality and Rs. 34 a maund for Export Firsts quality. Most of the jute coming in continues to be Export Firsts in White and Dundee District 2/3s and 4s in Tossa. It is still wet, and arrivals have been very small. The slight recession in prices is due almost entirely to the lack of interest from overseas. It should be pointed out, however, that the recession is merely a return to the prices ruling at the end of the previous week and the *beparis* show no signs of weakening. On the contrary, they are resisting attempts to lower prices and imports, which had improved somewhat, have now fallen off considerably.

There are reports of a very large afloat unsold position overseas in Antwerp, Germany and Dundee. Furthermore, there are sellers of afloat jute at approximately the same prices as shipment jute, which, of course, has weakened the market considerably. At the time of writing, there are sellers for shipment at £111 for Export Firsts, £108 for Export Lightnings, £120 for Dundee Tossa 2/3 and £109 for Dundee Tossa 4, with no buyers. Cuttings have fallen to £65, but very little interest has been shown. As might well be expected, reports from overseas buyers are very bearish, and even among Narayanangal sellers there is a fear of lower prices. At present, there are free sellers for Export Firsts at Rs. 212 a bale, f.o.b. Narayanangal, and Rs. 200 for Export Lightnings, but no buyers. A small element in the market continues to feel that this recession is only temporary and that the afloat unsold position, although larger than it has been for some time, is not overwhelming, so that the strong holding power of the growers will eventually make itself felt. Pakistani gunny quotations remain unchanged in sacking, with hessian a little easier. After sitting out of the market and waiting for higher goods prices, mills are showing more interest in selling for the April position onwards. As they expected a fall in fibre prices, they do not in general have big stocks of loose jute. Sentiment is now less bullish.

GUNNY SHIPMENT STATISTICS

The figures below include coastal shipments and relate to manufactured jute goods for shipment from the port of Calcutta. These are gross figures based on shipping bills presented

	Hessian	Cloth	Total
	(Tons)	(Tons)	(Tons)
1st to			
10th January, 1957	3,536.6	19,662.9	22,619.5
1st to			
10th December, 1956	1,821.5	17,586.4	19,407.9
1st to			
10th November, 1956	3,222.6	18,485.0	21,807.6
	Sacking		
1st to			
10th January, 1957	13,120.9	700.5	13,821.4
1st to			
10th December, 1956	12,199.4	948.2	13,147.6
1st to			
10th November, 1956	21,061.8	810.8	21,872.6

I.J.M.A. PRODUCTION FIGURES FOR DECEMBER

The Indian Jute Mills Association reports that the production of jute goods during December, 1956, was as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	3,358 tons
(b) Sacking	95.6 lakh yds.
2. Gunny Cloth	
(a) Hessian	40,439 tons
(b) Sacking	932.8 lakh yds.
3. Other manufactures	34,383 tons
4. Total production (above figures combined)	13,314 lakh yds.
(a) All kinds	84,985 tons
(b) Hessian (both bags & cloth)	14,27.4 lakh yds.
(c) Sacking (both bags & cloth)	9,55.5 lakh yds.

Summary					
(00,000 Yds.)			(000 Tons)		
	Dec. 1956	Nov. 1956	Dec. 1955	Dec. 1956	Nov. 1955
Hessian	14.27	13.88	12.91	37.7	36.8
Sacking	9.56	9.66	13.60	41.3	41.8
Others				5.9	5.2
Grand Total			84.9	93.8	97.7
Hours worked			206.0	209.0	214.5

N.B.—These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

THE FOREIGN JUTE MARKETS

STABLE PRICE TRENDS

(FROM OUR DUNDEE CORRESPONDENT)

STEADIER conditions prevailing in the raw jute market have upset the calculations of those who have been expecting a revision of prices for jute yarns and cloth again. A little further decline and there would have been a reduction in values of productions. These were last altered here from 11th December, since when there has been an increase in fibre prices, followed by the steady fall. The latter has brought them down generally by £3 to £4 a ton below what they were on 10th December, with the exception of Mill Firsts, which are more freely offered now at £122, against the rate of that date of £130 a ton, for shipment. c.i.f. Prices for jute are considered to be too dear yet at nearly £40 a ton above the fixed minimum rates in Pakistan. Spinners declare that the prices allowed for yarns and cloth are still well below the equivalent for the raw material and there are always one or two small snags arising by which the costs of production are increased, with an increase in freight and delivery rates. Mill Lightnings have dropped in value to £111 and Mill Hearts to £106 10s, while grade Hearts are offered at £100, good marks of Daissee-4 from £111 and grade from £106, with grade Tossa-4 from £118 and grade Tossa-4 from £111, all c.i.f. U.K., January-February. Spinners here have been showing little or no interest, not even in parcels afloat, offered at the same or, in some cases, at slightly lower terms than the rates ruling for



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Commodity Markets

NEW ESTIMATE OF RANIGANJ AREA COAL RESERVES LIKELY TO LAST CENTURIES

THE Raniganj coalfields in India contain estimated reserves of nearly 13,000 million tons, or nearly twice the amount estimated in 1928, according to a recent re-survey conducted by the Geological Survey of India. The reserves, assuming the present rate of consumption, should last a few centuries. The re-survey was undertaken by Mr. D. R. S. Mehta of the Geological Survey during 1951-52.

The results of the survey, which form part of the memoirs of the Geological Survey of India, indicate that the coal seams of the Raniganj and Barakar measures of the Raniganj coalfield fall into two distinct groups, which may be termed "high volatile" and "low volatile". They also show that the Sanctoria and Dishegarh of the Raniganj measures in the coalfields are caking coals, while the better quality of coals of the Barakar measures have a tendency to form hard coke. None of the coal seams of the Raniganj measures in the eastern part of the coalfield is known to be caking coal, while the Barakar seams are generally of inferior quality in the Gaurangdi-Churulia and Trans-Ajay Kasta areas.

New Correlation

Of almost equal importance to the revised mapping of faults and coal seams and the revised estimates of reserves is the correlation of some of the seams that the survey has re-established. This has mainly taken place in the key area in the east central part of the coalfield in the Raniganj coal measures. The re-survey has discovered the Taltor seam outcrop south of the village Taltor and east of the Nandi fault. The seam previously designated as the Ponati seam in the area has now been correlated with the Koithi seam to the west of the Nandi fault.

Further to the south-east, in the Satgram-Tapasia area, the Satgram seam has now been found to be the continuation westwards of the Jote Janaki seam. An outcrop of coal seam mapped previously as the Satgram seam to the east of the Jamuria-Raniganj fault has now been found to correspond to the Shripur seam, and this has been found to continue further to the east as the Toposi seam. The outcrop of another seam located on both sides of the Jamuria-Raniganj fault, some distance to the north of the Satgram seam outcrop, appears to be the Dhasul-Chichuria seam of the eastern part of the coalfield. The Dhasul-Chichuria seam is thus more likely to be the equivalent of the Dishegarh seam in the eastern part of the coalfield than the Chowkidanga-Jote Janaki seam.

The survey has also shown that the dip direction in the area south of the Damodar river, near

Raniganj, is actually the strike direction of the seams, and that the Ghusick, Raniganj and Naram-kuri seam outcrops swing southwards across the river in a general N.E.-S.W. direction. This part of the coalfield was much neglected in the past, due perhaps to the confusion about the identity of the seams cropping out along the north and south banks of the Damodar river. It is hoped, adds the report, that additional areas will now be opened up to the south of the Damodar river and be necessary bore hole data will become available in due course to enable more detailed mapping of the coal seams in that part of the coalfield. Many outcrops and faults have been stipulated with the help of the additional bore hole data now available.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August, 1939-100) fell by 2 percent to 421.9 during the week ended 29th December, 1956, from 430.7 (revised) in the previous week. The index was 2.3 percent lower than a month previously but 13.0 percent higher than in the corresponding week of the previous year. The average for December, 1956, was 428.9, compared with 427.7 (revised) for November, 1956, and 368.2 for December, 1955. The calendar year average for 1956 worked out to 403.2, compared with 355.4 for 1955. Lower prices of rice in Vijayawada (-19%), and in Calcutta (-11%) (both new crops), gur (-11%), gram in Hapur (-3%), salt in Calcutta and dal arhar (-2%) each, and wheat (-1%) brought down the index for Food Articles by 5.8 percent to 392.0, compared with 416.1 (revised) for the earlier week. Gram (+8%) and rice (+3%), both in Patna, rose. Prices of castorseed in Madras (-9%), groundnuts in Cuddalore, linseed in Bombay and rapeseed (-6% each), gingellyseed in Jhansi and lac (-4% each) and copra (-2%) declined, while those of manganese ore (average export price) (+18%), raw silk in Bangalore (+4%) and castorseed and groundnuts in Bombay and raw cotton (+1% each) were marked up. So the index for Industrial Raw Materials decline by 0.4 percent to 520.2 compared with 522.3 (revised) for the previous week. The index for Semi-Manufactures worked out to 415.9, compared with 416.3 (revised) for the previous week. Items which showed noticeable changes were groundnut cake (-6%), mustard oil and linseed oil (-2% each), coconut oil, groundnut oil, coriander and cotton yarn (-1% each), copper in Bombay (+8%), gingelly cake and castor oil (+5% each), zinc (+3%) and copra cake (+2%). A fall of 0.4 percent to 397.1 in the index for Manufactures was caused by a decline in the price of jute manufactures (-3%); the price of glass (+1%) increased. The index for Miscellaneous receded by 0.2 percent to 589.3 because of a decrease in the prices of chillies in Patna (-10%) and black pepper in Cochin and cashewnuts in Mangalore (-2% each); the price of chillies in Calcutta (+6%) rose.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS

Groups and Sub-Groups	29-12-56	22-12-56	1-12-56	31-12-55
I Food Articles:				
Cereals	392.0	416.7(R)	423.7(R)	327.4
Pulses	497	533*	546	389
Others	422	419	434	356
II Industrial Raw Materials:				
Fibres	520.2	522.3(R)	514.6(R)	453.4
Oilseeds	505	501	497	454
Minerals	564*	564*	566	453
Others	540	523	525	448
III Semi-Manufactures:				
Leather	415.9	416.3(R)	420.4	351.4
Mineral oils	445	445	443	411
Vegetable oils	210	210	210	202
Cotton yarn	626	633(R)	631	424
Metals	492	495	505	434
Oilseeds	328	327	327	279
Others	490	468	492	351
IV Manufactures:				
Textiles	387.1	388.6	386.4(R)	373.6
Jute	418	421	417(R)	406
Cotton	457	416*	473	421
Rayon and Silk	429*	429*	415*	390*
Woolen	266	266	266	278
Metal Products	390	390	390	371
Others	298	298	297	285
V Miscellaneous:				
Others	589.3	590.6	590.5	547.5
All Commodities:	421.9	430.7	431.9(R)	373.2

R=Revised.

* = Estimated.

BRITISH EXPERT TO SURVEY INDIA AS NYLON MARKET

A British expert in the use of nylon yarns and staple fibres is to visit India shortly to make a first-hand examination of nylon marketing possibilities, and to advise Indian manufacturers on technical matters. The expert is Mr. J. M. Page, who is a development and sales executive of British Nylon Spinners Ltd., Pontypool, Monmouthshire. The firm is Europe's biggest producer of nylon yarns. Mr. Page, who is due to reach Bombay on 22nd January, expects to be in India for about a month. The primary purpose of his visit is to make an up-to-date appraisal of India as a market for nylon, but at the same time he will be prepared to discuss technical aspects with Indian manufacturers who are already making use of nylon. Mr. Page knows India well. From 1948 to 1955, he was with the leading British chemical company. Apart from spending a considerable time in Bombay, Calcutta and Delhi, he travelled extensively all over the sub-continent. His background is technical as well as commercial.

Calcutta Markets

EASIER TREND DEVELOPS IN TEA EXPORT SALE

GOOD GENERAL DEMAND FOR DUSTS

AT Sale No. 29, held on 14th and 16th January, offerings in the Export auction consisted of 73,000 packages. The market opened with a good general demand, but as the sale progressed an easier tendency was noticed. Any teas with bright liquors are keenly competed for at slightly dearer rates, while the few tippy teas on offer also received useful support. Medium Assam C.T.C. teas were in good demand, but the more expensive kinds were 1 or 2 annas easier. The majority of the common and medium teas on offer were 1 or 2 annas lower, but teas for price received good support and were generally firm to dearer. Whole leaf grades were slightly dearer but there was much less demand for the more stylish B.P.S. grades. With the exception of a few selected lines, Darjeelings were generally easier.

Quotations	1957	1956
Clean Black Pekoe	2 6	2 1
Plain B.P.	2 3	1 8 to 1 8 6
Medium Assam B.P.	2 4 6 to 2 5	1 10 to 1 11
Best C.T.C. Assam B.P.	2 12 (Nom.)	2 3

At the Internal Sale, the Dust offerings consisted of 26,298 packages, for which there was a good general demand. But except for the best liquoring C.T.C. Assams and the blacker leafed exportable kinds, which were firm, the majority of the offerings were generally easier. Orthodox Assams with the exception of the Middle East types were up to 1½ annas easier, while Commons and Downers were about firm. The very best liquoring C.T.C. Assams sold well, but the remaining offerings in this category were often up to 2 annas easier.

Quotations	1957	1956
Medium Downers Dust	2 1 0	1 7 6 to 1 8 0
Medium Assam Grainy Dust	2 1 0 to 2 2 0	1 8 6 to 1 9 6
Medium Assam C.T.C. Dust	2 4 6	
Best Assam C.T.C. Dust	2 9 0 to 2 11 0	2 4 0 to 2 6 0

Offerings of other grades amounted to a total of 2,852 chests, for which there was a good general demand and the cleaner leaf teas of orthodox manufacture sold well. C.T.C. Assams were generally dearer and residual kinds of all descriptions were strongly supported. The few lines of green tea on offer received fair support.

FREIGHT MARKETS QUIET

THE freight markets were generally quiet during the past week, with a fair miscellaneous enquiry. Grain was fixed from the U.S. Gulf to Bombay at 245s and a number of single voyages for coal, Hampton Roads-Continent, were arranged at 102s. The time charters included a 12,600-tonner at 70s, delivery Clyde re-delivery Persian Gulf, a Liberty for 7 or 8 months' general trading at \$ (U.S.) 7.10, another for two years at \$5.70, and two for 17 months' trading at \$6. Rice from Burma to Colombo was done at 73s 9d and a number of ore fixtures from India included the payment of \$27.75 Visakhapatnam-Northern Range, 195s Mormugao-Genoa, 118s Kakinada-Japan and 119s Calcutta-Japan.

POOR DEMAND FOR SUGAR

During the past week, demand in the sugar market remained poor. The price of the ordinary variety fell by 2 annas or 4 annas. Sales averaged 3,000 bags a day, while arrivals were 2,000 bags a day. Stocks amounted to 100,000 bags. The rate for ready sugar ex-Kantapur delivery was Rs. 31 for ordinary grain and Rs. 33 for big grain.

LINSEED STEADY

Following better enquiries from buyers during the past week, prices advanced somewhat and the undertone of the linseed market was steady. Arrivals were poor and sellers were rather reserved. Turnover was fairly small. The oil section was active, with shippers buying for near positions due to the good demand from U.K. buyers. Latest quotations were as follows: January Rs. 25-12 a maund and April-May Rs. 22-8 a maund.

HIDES AND SKINS QUIET

The market in hides ruled quiet. Stocks were higher than in the previous week.

Bazaar Sales

(Between 8th January and 14th January, 1957)

Cowhides: Wet salted (Ord.) 6,000 pcs. on the basis of Rs. 8-4 to Rs. 8-14; Wet salted (Slaughtered) 14,800 pcs. on the basis of Rs. 12 to Rs. 22.

Goatskins: Wet salted (Daissee, Killed) 27,900 pcs. on the basis of Rs. 280 to Rs. 300 and Rs. 320 to Rs. 360; Assam-Dinajpur 20,000 pcs. on the basis of Rs. 305; Purneah-Kissanganj 1,000 pcs. on the basis of Rs. 300; Pakur-Patna 2,000 pcs. on the basis of Rs. 265; Patna 2,200 pcs. on the basis of Rs. 295.

Bazaar Stocks

(14th January, 1957)

Cowhides: Wet salted 2,34,500 pcs.

Goatskins: Wet salted (Daissee, Killed) 97,000 pcs.; Dinajpur-Assam-Murshidabad 1,10,000 pcs.

Muzzafferpore - Patna-Pakur - Purneah - Kissanganj 1,67,000 pcs.

COMPANY AND PUBLIC NOTICES

THE HOOGHLY FLOUR MILLS COMPANY LIMITED

(Notice to Shareholders)

THE Directors have declared on the 10th January 1957 an Interim Dividend for the half-year ended 30th June 1956 on the Ordinary Shares of the Company at the rate of 15% per annum without any deduction for income tax paid by the Company.

The Dividend Warrants will be despatched to the Registered Addresses of, or in accordance with the instructions received from, those members whose names appear in the Company's Register on the 6th February 1957.

The Transfer Register will be closed from the 28th January 1957 to the 6th February 1957, both days inclusive.

By Order of the Board.

SHAW WALLACE & COMPANY LTD.,
Managing Agents.

Calcutta, 11th January 1957.

THE SOOM TEA CO. LTD.

NOTICE is hereby given that an Interim Dividend of 15% on Ordinary shares for Season 1956 has been declared payable on or after 28th January 1957.

Shareholders whose names appear in the books of the Company on 21st January 1957 will be entitled to this distribution and Dividend Warrants will be issued to them or in accordance with their instructions.

The Share Transfer Books of the Company will be closed from 21st to 26th January 1957, both days inclusive.

By Order of the Board.

For WILLIAMSON MAGOR & CO. LTD.,
Sd. V. S. VIJI,
Secretary,
Secretaries.

Calcutta,

11th January 1957.

N.B. Shareholders are required to notify any change of address.

THE LINGIA TEA CO. LTD.

NOTICE is hereby given that an Interim Dividend of 15% on Ordinary shares for Season 1956 has been declared payable on or after 28th January 1957.

Shareholders whose names appear in the books of the Company on 21st January 1957 will be entitled to this distribution and Dividend Warrants will be issued to them or in accordance with their instructions.

The Share Transfer Books of the Company will be closed from 21st to 26th January 1957, both days inclusive.

By Order of the Board.

For WILLIAMSON MAGOR & CO. LTD.,
Sd. V. S. VIJI,
Secretary,
Managers.

Calcutta,

11th January 1957.

N.B. Shareholders are required to notify any change of address.

CALCUTTA LANDING & SHIPPING CO. LTD. NOTICE.

THE Hundred and Eighty-fifth Half-yearly Ordinary General Meeting of Shareholders will be held at the Registered Office of the Company, No. 4, Fairlie Place, Calcutta on Friday the 8th February 1957, at 12 noon, for the purpose of receiving the Directors' Report, passing the Accounts for the half-year ended 31st October, 1955, declaring a Dividend and transacting any other business that may be brought forward.

The Share Transfer Books of the Company will be closed from the 30th January to the 8th February 1957, both days inclusive.

GLADSTONE LYALL & CO. LTD.,

Managing Agents.

Calcutta,

The 14th January 1957.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED

(INCORPORATED IN ENGLAND)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of a Final Dividend on the Company's Preference Stock at the rate of £2-3-9 per cent. net for the year ended 31st December, 1956. Payment will be made on 15th February 1957 to those stockholders whose names are registered in the Company's Stock Register on 25th January 1957.

Applications for transfers received in this office before 2 P.M. on Friday the 25th January 1957, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,

I. A. MACPHERSON,
Agent.

Victoria House.

Calcutta, 15th January, 1957.

THE UNITED FLOUR MILLS COMPANY LIMITED

(Notice to Shareholders)

THE Directors have declared on the 10th January 1957 an Interim Dividend for the year 1956 on the Ordinary Shares of the Company at the rate of 50% per annum without any deduction for income tax paid by the Company.

The Dividend Warrants will be despatched to the Registered Addresses of, or in accordance with the instructions received from, those members whose names appear in the Company's Register on the 6th February 1957.

The Transfer Register will be closed from the 28th January 1957 to the 6th February 1957, both days inclusive.

By Order of the Board.

SHAW WALLACE & COMPANY LTD.,
Managing Agents.

Calcutta, 11th January 1957.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Bhagwati Pressing Co. Ltd.	17-1-57	4-30 p.m.
Shree Gopal Paper Mills Ltd.	19-1-57	12-30 p.m.
New Terai Assn. Ltd. (Tea)	29-1-57	11-35 a.m.
Kornafuli Assn. Ltd. (Tea)	29-1-57	12-25 p.m.
Fraser & Co., Ltd. (Shipping)	30-1-57	3-20 p.m.
Roopacherra Tea Co. Ltd.	31-1-57	4 p.m.
Tycoon Tea Co., Ltd.	31-1-57	4-10 p.m.
Burrakur Coal Co. Ltd.	1-2-57	10 a.m.
Calcutta Landing & Shipping Co., Ltd.	8-2-57	Noon

DIVIDENDS DECLARED OR PROPOSED.—Barree

Coke Co. Ltd.—6 p.c.; Associated Cement Co. Ltd.—10 p.c.; Waterfall Estates, Ltd.—15 p.c. (o); United Commercial Bank Ltd.—Rs. 3-8 per share; Khaddah Co. Ltd.—Rs. 5 per share (o); Singell Tea Co. Ltd.—Nil; Hooghly Flour Mills Co. Ltd.—7½ p.c. (o) (Int.); United Flour Mills Co. Ltd.—30 p.c. (o) (Int.); Lingia Tea Co. Ltd.—15 p.c. (o) (Int.); Soom Tea Co. Ltd.—15 p.c. (o) (Int.).

O.—Ordinary Dividend. I.—Interim Dividend.
P.—Preference Dividend. F.—Final Dividend.
P.O.—Preferred Ordinary Dividend. C.—Cumulative.
D.—Deferred Dividend. L.—Less Tax at 6d in the £.



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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta Bombay, Madras London Stock

Exchange Associations and other sources.

Wednesday 16th January, 1957.

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GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs
GOVERNMENT OF INDIA														
2,48,91,47,000	3	1946	1986 or later	73 1/2	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	107 1/2
					76,90,100	4	1915	1975		35,00,000	4	1905	1965	99 1/2
8,93,35,000	3	1896-97	At the option of the Government of India after 1 month's notice.	73	38,02,300	3	1921 1st	1981	92	15,00,000	4	1906	1966	99 1/2
					1,50,00,000	5	1921 2nd	1981	144N	14,00,000	4	1907	1967	99 1/2
57,00,69,000	2 1/2	1946	1961	93 1/2	£892,600	5	1923	1953-83	£791	75,00,000	4	1908	1968	99 1/2
45,63,07,000	2 1/2	1946	1960	93 1/2	£901,000	5	1924	1954-84	£791	40,00,000	4	1909	1969	99 1/2
50,35,63,000	3	1951	1958	99 1/2						36,00,000	4	1910	1970	99 1/2
1,16,17,46,000	3	1938	1963-65	94 1/2						75,00,000	4	1911	1971	99 1/2
1,10,11,78,000	3	1943	1966-68	92 1/2										
75,86,72,000	2 1/2	1947	1962	94 1/2										
	2 1/2	1948	1962	93 1/2										
2nd issue														
30,33,10,000	3	1950	1964	94 1/2	1,49,49,500	5	1927	1957-87	107	50,00,000	4	1896	1956	99 1/2
14,71,45,000	2 1/2	1946	1976	94 1/2	1,49,30,000	5	1928	1958-88	103	50,00,000	4	1901	1961	99 1/2
63,30,26,000	3	1926	1960-70	100 1/2						50,00,000	4	1902	1962	99 1/2
1,13,30,83,000	3	1945	1970-75	96 1/2	30,00,000	4	1931	1991	95	50,00,000	4	1903	1963	99 1/2
1,14,36,89,000	3	1944	1957	99 1/2	£835,100	3 1/2	1932	1962	£911	50,00,000	4	1904	1964	99 1/2
3,50,73,000	3 1/2	1928	1958-68	102 1/2	50,00,000	3	1935	1965	94 1/2					
75,29,30,000	3 1/2	1953	1961	99 1/2	50,00,000	3	1946	1976	94 1/2					
1,13,65,64,000	3 1/2	1945	1959-61	97 1/2						£892,600	5	1923	1953-83	£871
1,38,17,07,000	3 1/2	1954	1969	98 1/2						£901,000	5	1924	1954-84	£871
1,03,87,92,000	3 1/2	1955	1965	98 1/2	50,00,000	3	1945	1-2 2005	74	2,901,000	5	1924	1954-84	£871
33,82,00,000	3 1/2	1956	1967	98 1/2	50,00,000	3	1945	1-2 1975	74	£835,100	3 1/2	1932	1962	£96
66,64,00,000	3 1/2	1956	1974	98 1/2	2,31,07,100	3 1/2	1936-37	1956-66	95					
57,27,00,000	3 1/2	1956	1962	97 1/2	25,00,000	3	1938	1958-68	95	2,333,000	4	1916	1970	100
					50,00,000	3	1946	2006	74	25,00,000	4	1912	1972	99 1/2
					50,00,000	2 1/2	1947	1977	70 1/2	18,30,000	4	1913	1973	99 1/2
3,44,00,000	3	1944	1958	98 1/2	50,00,000	2	1948	1978	92 1/2	50,00,000	4	1914	1974	99 1/2
6,00,00,000	3	1949	1962	94	1,00,00,000	2	1949	1959	97	25,00,000	4	1916	1976	99 1/2
3,30,30,000	3	1950	1960	90 1/2	50,00,000	2	1949	1959	97					
3,00,00,000	3 1/2	1951	1962	98 1/2	50,00,000	2	1950	1960	97					
3,50,00,000	4	1952	1964	100 1/2	1,00,00,000	2	1950	1960	97					
5,00,00,000	4	1953	1963	100 1/2	30,00,000	3	1951	1981	91 1/2	40,00,000	5	1919	1957-79	102 1/2
					1,50,00,000	3 1/2	1951	1961	91 1/2	66,00,000	5	1920	1955-80	118N
					50,00,000	4	1953	1963	98 1/2	25,00,000	5	1921	1956-80	101N
					50,00,000	4	1953	1963	98 1/2	25,00,000	5	1921	1956-80	101N
					50,00,000	4	1955	1965	98 1/2	10,00,000	3 1/2	1936	1966	99
					77,00,000	4	1956	1966	97 1/2					
MADHYA PRADESB														
52,69,800	3	1946	1958	98 1/2										
2,03,30,000	3	1948	1964	98 1/2										
1,00,00,000	3 1/2	1951	1962	98										
MADRAS														
1,29,76,600	3	1939	1959	96 1/2										
1,08,00,000	3	1944	1958	98 1/2										
2,82,19,000	3	1945	1960	96										
3,30,33,200	3 1/2	1946	1961	93 1/2										
4,47,00,000	3 1/2	1950	1960	96										
5,30,00,000	4	1952	1964	99 1/2										
5,00,00,000	4	1953	1963	99 1/2										
UTTAR PRADESB														
1,69,39,800	3	1936	1961-66	90 1/2										
3,23,30,800	3	1944	1958	98 1/2										
2,36,31,900	3	1945	1960	95 1/2										
2,41,19,800	3 1/2	1946	1961	93 1/2										
2,00,00,000	3 1/2	1951	1962	97 1/2										
2,00,00,000	4	1952	1964	99 1/2										
5,00,00,000	4	1953	1963	99 1/2										
WEST BENGAL														
1,75,00,000	3 1/2	1951	1962	98 1/2										
2,00,00,000	4	1952	1964	99 1/2										
3,60,23,300	4	1953	1963	99 1/2										
7,00,00,000	4	1955	1967	99 1/2										
7,00,00,000	4	1956	1968	99										
2,95,85,200	5	1933	1953-63	101										
5,89,72,900	5	1936	1956-61	99 1/2										
5,08,35,700	5	1946	25-1-1958	99 1/2										
3,00,00,000	5	1953	15-7-1963	99 1/2										
COCHIN														
30,00,000	3 1/2	1936	1956-61	99 1/2										
1,00,00,000	3 1/2	1945	1955-58	98 1/2										
					17,64,400	3 1/2	1942	1959	98 1/2					
HYDERABAD														
3,34,70,000	4	1953	1963	99 1/2	31,13,600	4	1939	1956	99 1/2	2,50,00,000	3 1/2	1949	1979	88 1/2
2,12,21,800	4	1955	1967	99 1/2	21,10,000	3 1/2	1942	1972	92					
					15,56,800	4	1940	1957	93 1/2	4,00,00,000	3 1/2	1950	1965	90 1/2
A-Held by the Govt of India														

January 17, 1957.

CAPITAL

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JOINT STOCK COMPANIES' DEBENTURES

Amount Authorized	Amount Outstanding	Rate of interest per cent	NAME OF COMPANIES	Year of issue	MARKET PRICE			Interest Payable	Principal Repayable	Remarks
					16-1-57	9-1-57	4 year ago			
					Rupees	Rupees	Rupees			
(CALCUTTA)										
COAL										
30,00,000	30,00,000	4 1/2	Bharat Collieries	1944	94	95 1/2	95 1/2	30th April 31st Oct	30-6-58	..
20,00,000	20,00,000	4 1/2	Burrakur Coal Co. Ltd.	1947	90	91 1/2	91 1/2	30th June 31st Dec	30-6-67	(G*)
50,00,000	50,00,000	5 1/2	Equitable Coal Co. Ltd.	1952	100	100	100	15th June 15th Dec	14-12-68	(H*)
2,00,000	2,00,000	4 1/2	Sandra Coal Co. Ltd.	1947	88	88	88	30th June 31st Dec	30-6-67	..
COTTON MILL										
4,00,000	4,00,000	4 1/2	Bengal Nagpur	1897	95	98 1/2	99	10th May 10th Nov	15-11-58	(I)
JUTE MILLS										
15,00,000	12,00,000	5 1/2	Agarpara	1936	97 1/2	97 1/2	99 1/2	1st Oct 1st April	31-3-65	..
15,00,000	15,00,000	4 1/2	Auckland	1947	86	86	86	30th June 31st Dec	15-1-66	(F)
9,00,000	9,00,000	5 1/2	Alexandra	1936	97	97	99	30th June 31st Dec	30-6-68	(g)
10,00,000	10,00,000	5 1/2	Bengal	1941	95	95	99	30th June 31st Dec	30-6-65	(b)
12,00,000	10,69,000	5	Chitavalasab	1951	95	96	97	30th June 31st Dec	30-6-56	(er)
25,00,000	25,00,000	5 1/2	Dalhousie	1954	95	96 1/2	99	31st Mar 30th Sept	31-3-65	(u*)
10,00,000	10,00,000	5 1/2	Empire	1951	94 1/2	94 1/2	95	15th Jan 15th July	15-1-66	(e*)
25,00,000	25,00,000	5 1/2	Fort Gloster	1952	99	100	100	31st Mar 30th Sept	30-9-66	(Q*)
30,00,000	30,00,000	5 1/2	Howrah	1955	97 1/2	97 1/2	100	31st Mar 30th Sept	31-3-70	(N)
25,00,000	25,00,000	3 1/2	Hukumchand	1947	92 1/2	92 1/2	92	1st Jan 1st July	30-6-57	(n)
25,00,000	25,00,000	5	Kinnison	1949	95	96 1/2	96 1/2	30th June 31st Dec	31-3-67	(P*)
25,00,000	25,00,000	5	Nalhati	1952	93	93	93	30th June 31st Dec	31-3-67	(d*)
5,00,000	5,00,000	4	Nellimara	1936	88	88	88	14th Nov 14th May	14-5-58	(P)
20,00,000	20,00,000	4	Northbrook	1945	88	88	88	30th June 31st Dec	31-12-64	(B)
8,00,000	8,00,000	4	Presidency	1943	93	93	93	30th June 31st Dec	30-6-58	..
25,00,000	25,00,000	5 1/2	Reliance	1950	91	91	91	31st Mar 30th Sept	5-9-65	(M*)
8,00,000	1,00,000	4 1/2	Soorah	1937	96	96	96	14th Mar 14th Sept	14-9-57	..
25,00,000	25,00,000	5 1/2	Standard	1953	95 1/2	95 1/2	95 1/2	31st Mar 30th Sept	30-6-57	(J*)
12,00,000	12,00,000	4 1/2	Union	1937	87 1/2	86 1/2	86 1/2	30th June 31st Dec	31-7-60	(h)
10,00,000	10,00,000	3 1/2	Waverley	1925	87 1/2	88	88	31st Jan 31st July	30-6-70	..
25,00,000	..	5 1/2	Kamarahatty	1955	95	87 1/2	..	30th June 31st Dec	30-6-70	..
MISCELLANEOUS										
30,00,000	26,80,000	4 1/2	Associated Hotels of India (1st Mortgage)	1948	1,000	1,000	1,000	1st Jan 1st July	31-12-62	(v)
11,50,000	9,40,000	6 1/2	Associated Hotels of India (2nd Mortgage)	1948	96 p.c.	96 p.c.	96 p.c.	1st April 1st Oct	31-3-66	(o)
10,00,000	10,00,000	5	Aluminium Corp'n of India Ltd	1948	95	98	98	1st Jan 1st July	31-12-65	(U)
5,00,000	5,00,000	4	Bareilly Electric Supply Co. Ltd.	1949	90	92	92	30th June 31st Dec	31-12-64	(m*)
12,00,000	12,00,000	4 1/2	Benares Elec. Ltd. & Power Co. Ltd.	1949	94	94	94	30th June 31st Dec	31-12-64	(m*)
6,00,000	4,90,500	4 1/2	Bengal Paper Mills	1937	95	97	97	30th June 31st Dec	1-6-57	(b*)
25,00,000	15,00,000	5 1/2	Buckingham & Carnatic Co. Ltd.	1953	99	99	..	31st Mar 30th Sept	31-3-68	(R*)
1,00,00,000	90,00,000	5	Buckingham & Carnatic Co. Ltd.	1952	99	99	99	1st April 1st Oct	1-3-72	(T*)
3,00,000	2,00,000	5 1/2	Bridge & Roof (India)	1928	97	96	99	30th June 31st Dec	30-6-68	(k)
5,00,000	5,00,000	5 1/2	Britannia Engineering	1945	100 1/2	102 1/2	104 1/2	30th June 31st Dec	31-12-69	(R)
8,00,00,000	3,00,00,000	5 1/2	Burma Shell Refineries Ltd	1954	98	99 1/2	101 1/2	1st Mar 1st Sept	1-9-69	(K*)
2,65,00,000	2,45,01,800	5	Burma Shell Refineries Ltd	1950	98	99 1/2	101 1/2	1st Jan 1st July	2-1-1970	(w)
2,65,00,000	2,45,01,800	5	Calcutta Elec. Supply Corp'n	1900	£660	£660	£660	1st Jan 1st July	1-10-74	(y)
2,65,00,000	2,45,01,800	5	Calcutta Tramways	1933	£77 1/2 N	£77 1/2 N	£77 1/2 N	1st April 1st Oct	1-6-62	(g)
2,65,00,000	2,45,01,800	5	Calcutta Tramways	1933	99	99 1/2	100 1/2	1st Jan 1st July	25-2-65	(j)
19,50,000	19,50,000	6	Carew & Co.	1938	94	94	94	1st June 1st Dec	1-7-88	(A)
5,50,000	4,00,000	5 1/2	Do (2nd Mortgage)	1941	92	92	92	1st Feb 1st Aug	1-7-88	(A)
21,00,000	21,00,000	5 1/2	Chowringhee Properties	1915	89 1/2	89 1/2	89 1/2	1st July 1st Jan	1-1-71	(c)
25,00,000	21,54,000	4 1/2	Clive Buildings	1936	91	92	92	1st Mar 30th Sept	1-1-71	(c*)
1,00,00,000	1,00,00,000	4	Dalmia Cement	1946	98 1/2	100	102 1/2	1st Jan 1st July	31-12-70	(x)
1,30,00,000	1,30,00,000	5	Dunlop Rubber Co. (I) Ltd.	1950	85 1/2	85 1/2	87	30th June 31st Dec	30-6-69	(t*)
25,00,000	25,00,000	4	Gourepore Electric Supply	1945	102	104 1/2	105	1st Jan 1st July	31-12-69	(D*)
1,00,00,000	1,00,00,000	5 1/2	Indian Cable Co. Ltd.	1954	1,000	1,000	1,000	31st Dec	31-12-59	(O)
20,00,000	20,00,000	5 1/2	Kumardhubi Fireclay & Silica Works	1954	97	87	87	31st Mar 30th Nov	31-12-59	(a*)
10,00,000	10,00,000	4 1/2	Kumardhubi Eng. Works Ltd.	1946	90 1/2	90 1/2	90 1/2	30th June 31st Dec	30-9-76	(l*)
6,50,000	6,50,000	3 1/2	Katakahi Lalabazar Rly	1945	500 note	523p note	554 note	31st Mar 30th Sept	31-12-72	(P*)
38,08,500	38,08,500	4	Martin Burn Ltd. (Con. Notes)	1946	88	88	88	30th June 31st Dec	1-4-71	(S)
40,00,000	45,00,000	5 1/2	McLeod & Co. Ltd. (Con. Notes)	1947	88 1/2	89 1/2	90 1/2	1st April 1st Oct	30-6-66	(V)
45,00,000	75,00,000	5 1/2	Macneill & Barry Ltd.	1951	84	84	84	30th June 31st Dec	31-6-61	(*)
1,00,00,000	1,00,00,000	5 1/2	National Tobacco Co. India Ltd	1951	96	96 1/2	98	31st Mar	1-12-64	(q*)
1,00,00,000	1,00,00,000	5 1/2	Orient Paper Mills Ltd.	1949	95 1/2	95 1/2	95 1/2	31st Mar 30th Nov	31-12-59	(H)
20,00,000	20,00,000	5 1/2	Patna Electric Supply Co. Ltd.	1946	91	91 1/2	91 1/2	30th June 31st Dec	1-5-68	(E*)
1,00,00,000	1,00,00,000	5 1/2	Robtas Industries Ltd.	1953	101	101 1/2	104 1/2	1st May 1st Nov	15-7-66	(L*)
400,00,000	400,00,000	5 1/2	Standard Vacuum Rfe Co. of India	1944	100	101	101	Jan & July	30-6-76	(C*)
10,00,000	10,00,000	5 1/2	Shree Gopal Paper Mills Ltd	1944	100	101	101	1st Jan 1st July	31-12-60	(*)
2,200,000	2,200,000	5	Shahdara (Delhi) Saharanpur Rly	1905	96	96	96	31st Dec	31-12-64	(m*)
15,00,000	15,00,000	5	Sihra Jheriah	1951	96	96	96	30th June 31st Dec	31-12-64	(m*)
40,00,000	40,00,000	5	Textile Machinery Corp'n Ltd.	1950	95	96	96	30th June 31st Dec	31-12-64	(m*)
30,00,000	30,00,000	4 1/2	United Provinces Elec. Sup. Co. Ltd.	1949	95	96	96	30th June 31st Dec	31-12-64	(m*)
FEA										
2,50,000	2,50,000	6	Baitakhal	1943	100	100	100	30th June 31st Dec	1-7-63	..
(BOMBAY)										
1,10,00,000	38,28,000	4	Andhra Valley Power Supply	1940	97 1/2	100 1/2	100 1/2	1st April 1st Oct	1951-52	..
60,00,000	50,00,000	4	Tata Power	1941	88 1/2	100 1/2	100 1/2	..	1951-52	..

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations	
					16-1-57 Rs.	A year ago Rs.						16-1-57 Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	113	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1895-99	British India Corporation (Feb. Aug.)	15.00	6	100	119	130
1896-97	Boreah (June Dec.)	4.00	6 1/2	100	103	119	1903-39	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	123	124
1901-02	Burrakur (June Dec.)	22.98	7	100	114 1/2	122 1/2	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	109	12
1948	Burrakur (June Dec.)	4.50	6 1/2	100	85	92	1937	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	50	60
1948	Equitable (May Nov.)	6.00	6	100	104	108	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	81	8
1931	Khas Kailash (Mar. Sept.)	1.93	5	10	5	2	1938	Calcutta Framways (Jan. July)	£250	5 1/2	£1	99	108
1920	New Boerbood (Jan. July)	2.00	7	10	12	13 1/2	1905-24	Carew & Co (January)	8.00	6 1/2	100	127	143
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	51 1/2	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1940	Chrestina Mica Industries Ltd.	30.00	5 1/2	100	51 1/2	60
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1937	Dacca Electric Supply (July)	6.00	6	100	95	39
1938	Basanti (Oct.)	5.00	6 1/2	10	8	7	1945	Dalmia Cement (Bharat)	2,372	6	40	373	133
1895	Bengal Nagpur (Apr. Oct.)	3.00	7	100	99	116	1945	Dalmia Cement (Bharat)	2,372	6	40	373	133
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1946	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	107
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	70	71 1/2	1916	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	93	91
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	314	1935	Deshergarh Power Supply "B" (Jan.)	12.00	4 1/2	100	60 1/2	71
1929	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1948	Dunlop Brothers & Co Ltd	45.00	4	100	119	126
1927	Cambodia (July)	1.00	7	100	122 1/2	125	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	60	100
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1928-29	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	60	100
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1897	East India Distilleries (Jan. July)	£200	7	£1	17 1/2	17 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	136	1928	Eastern Investments Ltd (Apr.)	2,500	5 1/2	100	75	77 1/2
1943	Elgin "B"	4.20	5	10	9 1/2	9 1/2	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	65	72 1/2
1919	Elophinstone (May Nov.)	25.00	7 1/2	100	87 1/2	87 1/2	1946	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	72 1/2
1919	Kesaram (June Dec.)	20.00	7	100	113 1/2	133	1947	Gladstones Lybthout (Apr. Oct.)	2,500	5 1/2	100	66	68 1/2
1925	Khatu Makani (Nov.)	10.00	6	100	88	88	1947	Gladstones Lybthout (Apr. Oct.)	2,500	5 1/2	100	66	68 1/2
1937	Kothari (Nov.)	12.00	6	100	88	88	1948	Godfrey Phillips India Ltd	15.00	6 1/2	100	68 1/2	72 1/2
1900	Muir (Feb. Aug.)	30.00	6	100	81 1/2	104	1946	Godfrey Phillips India Ltd	15.00	6 1/2	100	68 1/2	72 1/2
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	185	185	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	68
1920	New Victoria (Apr. Oct.)	28.05	6	5	47	33	1940	Gwalior Sugar (Dec.)	7	7	100	68	68
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1940	Gwalior Sugar (Dec.)	7	7	100	68	68
1935	Swadeshi (Bombay) (May)	15.00	5	100	115	115	1940	Gwalior Sugar (Dec.)	7	7	100	68	68
1925	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90 1/2	90	1940	Gwalior Sugar (Dec.)	7	7	100	68	68
1921	Vasanta (Apr. Oct.)	3.00	6 1/2	100	113	120	1940	Gwalior Sugar (Dec.)	7	7	100	68	68
1908	Vishnu (Apr.)	16.00	7	500	550	550	1940	Gwalior Sugar (Dec.)	7	7	100	68	68
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	101	116	1936	Humayan Properties Ltd (Nov.)	12.00	6	10	9 1/2	10
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	106	1945	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	77	100
1896	Alliance (Mar. Sept.)	15.00	6	100	97	102	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	101	81
1917	Anglo-India (May Nov.)	40.00	7	100	100 1/2	118	1927	Indian General Navy & Railways	£244	6	£10	33	27
1908	Auckland (July Jan.)	10.00	5 1/2	100	80 1/2	96	1899	Indian Cable Co (Nov.)	12.88	6	10	127 1/2	110
1945	Auckland (July Jan.)	15.00	4 1/2	100	60	66	1923	Indian Standard Wagon (Aug. or Sept.)	1,966	7	100	101 1/2	110
1918	Bally (Jan. July)	20.00	7	100	101 1/2	74	1936	Indian Iron & Steel	2,000	5	100	75	70
1896	Barnagore (Oct. Dec.)	£200	5 1/2	100	41	46	1946	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1940	Belvedere (Jan. July)	7.00	7	25	111	125	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1906	Bengal (June Dec.)	10.00	5 1/2	100	79 1/2	97	1945	James Wright (Jan. July)	1.30	6	50	41	77
1919	Birla (June Dec.)	23.84	7 1/2	100	90	103 1/2	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	61	105
1896	Budze Budze (May Nov.)	9.00	7	100	111	120	1946	Jessop & Co.	10.00	5	100	95 1/2	100
1934	Calcutta (Jan. July)	5.00	6 1/2	100	78	90	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	100	101	100
1919	Caledonian (June Dec.)	10.00	7	100	109	118	1916	Kumardhubi Engineering (June)	12.00	5	100	101	100
1919	Cheviot (June Dec.)	10.00	7	100	111	117 1/2	1915	Do Fireclay & Silica (June)	12.00	5	100	101	100
1928	Chitavalah (Mar. Dec.)	5.00	7	100	108	117 1/2	1915	Do Fireclay & Silica (June)	12.00	5	100	101	100
1900	Clive (First) (May Dec.)	8.00	6	100	78	91	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	116	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1897	Delta (June Dec.)	5.00	5	100	105	94	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1912	Empire (Jan. July)	10.00	7	100	102	120 1/2	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1890-98	Fort Gloster (Jan. July)	14.00	7	100	76 1/2	86	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1948	Fort Gloster (2nd)	7.00	5	100	74 1/2	86	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1911	Fort William (May Nov.)	10.00	7	100	115	128 1/2	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1916	Ganges (June Dec.)	5.00	8	100	112	134	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1895-04	Gouernment (June Dec.)	26.50	6	100	80	105	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1913	Hastings (Aug. Feb.)	25.00	6	100	82	107 1/2	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1913	Hooghly (July)	11.00	10	10	13 1/2	14 1/2	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1903-06	Howrah (Jan. July)	17.50	7	100	102 1/2	123	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1919	Hukumchand (June Dec.)	40.00	7	100	102	118	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1898-04	Kamarhatti (Apr. Oct.)	16.00	6	100	100	114 1/2	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1900	Kankarabati (Apr. Oct.)	10.00	6	100	87 1/2	100	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1935	Kedarnath (Jan. July)	2.00	7	100	95	95	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1907	Kelvin (Mar. Sept.)	10.00	7	100	108	121	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1895-09	Khardah (May Nov.)	9.00	6	100	89 1/2	106	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1900-13	Kinnison (July Jan.)	15.00	6	100	99	118	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1910	Landsdowne (July Jan.)	10.00	7	100	100	117	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1912	Lawrence "A" (July Jan.)	5.00	7	100	103	117	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	76	115	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1945	Naihati (July Jan.)	7.50	7	100	110	95 1/2	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1917	Naihati (Jan. July)	10.00	4 1/2	100	73	81	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1917	National (May Nov.)	5.00	7	100	112	125	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1939	Nellimarla (Apr. Oct.)	5.00	6	100	97 1/2	104	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1915	New Central (Jan. July)	33.00	6	100	105 1/2	114	1916	Do Fireclay & Silica (June)	12.00	5	100	101	100
1908-09	Northbrook (July Jan.)	15.00											

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts Closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	16-1-57 9-1-57 A year ago
25,00,000	26,43,478	24,50,000	6,60,570	Amalgamated	3-9	236	6,83,393	26,953	31-5 61-74	10	21 21 25
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	74-74 81-83	200	44 44 50
4,49,350	5,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	10	6 6 6
2,25,000	2,48,193	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	-50,558	-1,07,981	Nil-Nil	10	16 16 16
15,97,000	14,16,665	6,91,474	13,32,374	Bhaikora	9	152	5,13,899	39,978	Nil-Nil	10	5 5 5
40,00,000	68,01,474	20,23,235	32,65,426	Bharat Collieries P	6	335	-2,52,221	27,433	Nil-Nil	10	6 6 6
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	-20,810	-1,87,446	Nil-Nil	10	14 14 14
16,00,000	38,87,275	16,18,636	7,185	Bokar & Ramgur	6-12	315	1,21,936	-79,196	Nil-Nil	10	11 11 11
7,50,000	18,56,889	24,29,026	11,60,066	Borera P	6-12	106	2,14,682	84,207	10-10	10	24 24 24
90,92,480	2,38,29,968	1,75,17,502	25,32,133	Burrakur P	6-12	21	11,90,330	1,15,376	24-34	10	21 21 21
49,97,000	34,53,430	756	3,65,960	Central India	3	166	2,45,758	9,927	24-24	5	10 12 12
6,00,000	16,67,572	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	82,768	11-11	10	24 24 24
6,00,000	1,43,676	1,43,676	7,32,536	Churulia	6-12	106	-6,374	2,129	11-11	10	5 5 5
16,00,000	24,00,423	Nil	50,309	Dharm Main	6-12	19	-60,039	-1,83,318	Nil-Nil	10	5 5 5
2,240,000	2,239,116	2,313,125	1,140,348	East Indian	4	128	6,96,155	5,68,922	181-224	181	26 26 26
29,63,760	1,15,25,712	83,35,049	24,17,690	Equitable P	6-12	19	8,87,452	82,379	74-74	10	25 25 25
10,00,000	6,74,708	2,07,486	3,32,371	Ghusick & Muslia	3	307	12,979	24,844	Nil-Nil	10	15 15 15
6,50,000	5,05,856	33,155	4,35,344	Jardar Kajora	6-12	20	24,156	2,401	Nil-Nil	10	13 13 13
8,07,000	3,17,780	7,25,000	7,92,425	Hurridadih	6-12	19	2,70,524	45,985	74-10	10	23 23 23
3,50,000	6,31,200	5,66,816	1,407	Kalaphari	2-8	2	1,38,130	-2,21,237	Nil-Nil	10	23 23 23
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	100	14 14 14
5,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	1-7	21	2,26,982	6,965	Nil-Nil	100	11 11 11
1,38,400	6,75,000	95,000	11,80,294	Khatras Jheriah	6-12	326	49,776	1,918	28-28	5	10 11 11
6,65,750	10,84,977	85,000	9,591	Khas Kajora P	6-12	326	49,776	1,918	28-28	5	10 11 11
7,48,240	3,46,939	2,00,000	10,14,803	Mundulpur	6-12	326	-79,868	-79,868	Nil-Nil	10	21 21 21
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	12	347	92,517	31,201	31-5	10	6 6 6
17,76,230	3,79,538	20,17,762	6,071	New Bansdeopur	3-9	5	59,011	6,071	31-5	10	10 10 10
6,00,000	11,71,307	75,000	40,447	New Beerbhoom P	4-10	2	2,64,716	94,383	31-31	10	14 14 14
2,50,000	1,69,622	1,75,500	10,12,916	New Manbhoom	3-9	202	-25,336	2,233	Nil-Nil	10	11 11 11
1,15,000	4,42,488	2,85,193	1,53,246	North Damuda	1-7	306	7,954	-32,184	Nil-Nil	10	23 23 23
1,37,500				North West	3-9	2	51,420	15,950	Nil-Nil	10	17 17 17
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	3-5	10	15 15 15
8,34,000	9,21,342	10,862	4,30,012	Parasara P	6-12	107	1,08,075	8,018	31-31	10	14 14 14
15,75,000	12,40,000	16,00,000	12,21,654	Pencer Valley	3-9	236	4,18,456	33,343	81-74	10	18 18 18
2,50,000	2,62,405	7,000	11,539	Pure Sitalpur	6-12	2	2,008	-18,581	74-74	10	6 6 6
23,99,500	36,99,424	20,17,105	67,398	Raneegunge	6-12	236	3,67,448	23,188	24-24	10	9 9 9
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	74-61	10	23 23 23
20,00,000	23,74,261	7,52,027	1,01,427	Sama	12	48	1,80,660	31,543	74-74	10	14 14 14
2,50,000	1,56,194	1,34,274	11,556	Searsale	1	353	88,009	11,078	25-30	15	10 5 5
2,80,000	1,02,193	3,68,598	7,87,726	Seepore P	6-12	2	2,42,112	49,299	Nil-11	2	20 20 20
8,00,000	3,624	5,29,306	5,32,757	Sendra	6-12	106	-4,098	7,503	Nil-11	10	9 9 9
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	-59,079	-51,533	Nil-11	10	9 9 9
8,00,000	1,43,000	13,69,395	21,89,891	Standard	6-12	106	47,444	17,347	74-74	10	20 20 20
10,00,000	15,58,085	15,376	1,911	Talcher	9	277	22,689	-3,85,056	Nil	24	24 24 24
3,50,000	4,02,000	3,47,000	12,896	Union	6-12	279	-54,089	-9,659	3-24	10	14 14 14
49,98,000	33,96,550	50,000	217,164	Western Bengal	3	166	4,09,468	7,262	3-24	10	5 5 5
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	-2,72,772	-1,46,650	Nil-Nil	10	11 11 11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts Closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	16-1-57 9-1-57 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basant P	12	39	1,97,268	41,227	..	10	5 5 5
32,72,340	22,197	905	47,69,676	23,18,949	24,531	Benares P	3-9	120	-1,27,187	-4,79,347	..	10	1 1 1
7,11,280	36,000	932	17,17,120	2,50,368	30,842	Bengal Luxmi	3	27	4,66,176	47,818	..	10	40 40 40
27,00,000	31,476	624	23,53,000	15,50,180	3,84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	..	10	40 40 40
15,00,000	38,764	992	28,31,209	88,48,588	31,22,417	Birla Cotton	4	22	16,69,225	2,76,936	..	10	91 91 91
5,00,000	42,872	641	7,34,142	22,12,988	1,44,348	Bowre P	6-12	138	84,028	-23,47,373	..	10	30 30 30
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	..	100	123 123 123
3,27,02,900	1,01,608	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl P	6-12	236	1,81,41,278	82,759	..	10	8 8 8
19,00,000	42,944	918	34,12,181	51,71,925	1,53,694	Dunbar	6-12	138	9,92,376	1,37,951	..	10	25 25 25
63,00,000	54,000	1,200	22,44,751	86,33,350	43,06,543	Elgin P	9	25	32,80,464	39,386	..	100	199 199 199
1,20,00,000	59,250	1,872	4,38,99,575	1,60,33,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	..	10	28 28 28
5,00,000	35,864	864	17,48,143	9,75,679	14,08,655	Mohini P	12	45	9,53,316	3,158	..	10	25 25 25
33,96,288	88,000	1,825	47,44,346	32,65,055	12,65,055	Muir P	12	208	-18,77,941	-7,77,296	..	10	85 85 85
22,89,824	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473	..	10	85 85 85
19,47,750						Rampooria Cotton	6	6	6,16,936	1,094	..	10	15 15 15
5,00,000	23,196	795	22,57,946	18,38,739	2,02,179	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	..	10	12 12 12
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412						..	10	12 12 12
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	..	100	54 54 54
1,78,47,800	1,20,012	2,770	3,20,71,800	1,87,39,278	23,80,514	Bukingham Carnatic P	12	26	1,01,66,075	2,38,445	..	100	174 174 174
20,00,000	28,000		18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,06,274	27,593	..	100	14 14 14
12,30,000	23,864		5,41,058	9,00,000	36,33,502	Coimbatore Cotton	12	180	5,53,760	61,404	..	100	374 374 374
20,78,000	72,832	407	47,91,212	7,98,581	22,227	Coimbatore Spg & Wvg	6	46	-7,52,242	-10,23,340	..	100	374 374 374
6,50,000	50,640	295	12,25,505	17,30,000	58,77,434	Kaleeswara	6	139	2,05,780	1,677	..	100	33 33 33
24,00,000	30,512	200	12,38,868	16,25,000	7,43,757	Kothari Textile P	6	141	3,25,924	28,382	..	10	15 15 15
23,64,000	48,756		15,01,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,209	..	10	15 15 15
1,75,02,480	4,65,324		2,15,02,107	4,13,81,878	31,04,681	Madura	12	108	77,85,509	18,86,813	..	50	246 246 246
12,00,000	11,856		3,43,189	3,56,363	10,32,698	Malabar Spg & Wvg	12	240	-85,193	-84,039	..	15	47 47 47
60,00,000	34,250	603	20,49,893	69,00,000	1,19,91,755	Mettur Industries	12	29	48,44,863	45,835	..	200	108 108 108
13,61,780	5,000		14,15,892	8,99,279	1,34,663	Mysore Spg & Wvg	12	142	4,753	3,986	..	100	42 42 42
4,00,000	20,137	Nil	3,36,968	3,00,000	24,24,908	Palani Andavar P	12	40	7,39,472	2,687	..	10	15 15 15
7,79,700	15,540	416	5,42,118	7,43,421	2,85,911	Sitaram Spg & Wvg	12	164	87,724	3,083	..	10	15 15 15
7,00,000	28,104	270	12,98,563	18,23,501	11,71,324	Vasanta P	12	47	16,37,459		..	100	320 320 320

† Liquid Assets.

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles</
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TEA COMPANIES

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

Paid up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue under Tea	Dividend & Average Price per lb realised for crop	Estimated	NAMES	Accounts shown	Managing Agents	Net Profit including taxation	Dividends per cent	Paid up Share	Latest Market Quotations as available until	
Rs	Rs	Rs	Rs	1954 1955	1956				Rs		Rs	16-1-57 9-1-57 1-1-57	
CACHAR													
3,00,000	1,40,887	1,75,000	862	2,89,040	39-11	..	12	38	1,72,877	Nil	10	12 12 12	
4,00,000	3,26,259	49,878	465	..	..	..	12	45	43,007	..	10	103 103 103	
10,00,000	7,71,439	1,13,800	1,486	3,90,263	40-10	..	12	128	5,98,304	Nil	7 1/2	100 641 101	
2,00,000	57,753	Nil	794	1,00,458	4-2-57	..	12	128	66,347	Nil	100	68 68 116	
7,00,000	7,07,199	11,300	549	1,91,320	38-4	3,91,440	28-6	4,00,000	2,46,355	25	40	151 151 251	
12,00,000	17,92,481	1,50,000	2,152	17,59,321	35-6	16,36,400	24-1	16,00,000	31,661	Nil	15	100 102 102	
4,00,000	1,65,222	..	38	..	..	..	12	202	33,915	Nil	27 1/2	100 104 104	
7,00,000	3,12,914	3,24,391	603	1,40,507	16-2	3,48,445	27-6	3,36,000	3,68,495	Nil	10	10 10 10	
2,50,000	3,18,008	Nil	599	3,68,969	38-0	4,86,389	23-11	4,80,000	4,33,786	Nil	10	22 22 24	
2,00,000	1,60,251	1,16,295	611	3,04,240	36-4	..	..	6,00,000	2,98,825	20	15	20 20 20	
5,25,000	8,87,291	10,42,956	688	3,76,800	41-11	7,25,980	29-3	..	3,74,877	Nil	12 1/2	10 15 15	
4,00,000	3,88,316	1,52,313	662	1,49,336	36-7 1/2	..	..	..	5,22,670	Nil	20	10 12 12	
3,75,000	5,02,307	1,31,257	1,056	1,63,326	..	..	..	..	..	..	..	..	
DARJEELING													
3,99,750	7,05,559	6,936	562	1,14,311	29-11	1,31,680	30-11	..	1,76,000	Nil	10	2 2 4 1/2	
2,19,000	3,07,509	1,23,000	1,073	1,41,174	32-6	1,44,772	46-8 1/2	1,76,000	1,10,591	Nil	20	175 175 175	
3,75,000	1,75,934	4,11,828	991	..	..	..	..	..	2,78,865	Nil	21	190 190 190	
2,00,000	1,84,414	1,62,639	488	1,35,760	52-5	1,27,760	38-9	1,28,000	1,52,945	20	30	301 301 301	
2,00,000	5,08,900	3,44,549	300	2,84,204	49-13	2,55,761	33-9 1/2	2,64,000	3,68,000	10	30	114 114 114	
7,00,000	5,09,000	2,60,770	1,049	6,53,740	38-31	6,18,730	42-31	6,72,000	1,84,000	30	15	255 255 300	
10,00,000	3,32,578	1,11,711	761	3,28,515	18-8	..	..	..	1,68,000	1,07,336	24	100 408 408	
4,00,000	3,12,081	4,00,229	911	3,39,040	57-11	3,53,520	36-7	3,68,000	1,50,000	10	10	10 10 10	
1,59,000	2,06,770	4,50,239	462	1,82,200	52-6	1,85,441	30-6	1,84,000	1,50,000	10	10	10 10 10	
2,39,000	3,67,500	2,95,000	685	1,43,016	33-4	4,34,342	36-0 1/2	4,40,000	1,50,000	10	10	10 10 10	
1,00,000	2,25,719	97,647	701	1,81,157	59-3	1,68,126	38-4	1,80,000	1,50,000	10	10	10 10 10	
3,30,000	5,02,668	2,61,112	776	1,68,697	50-2	1,64,824	37-11	1,76,000	1,50,000	10	10	10 10 10	
3,00,000	3,83,067	4,09,507	500	1,58,431	58-8	1,27,541	35-11	1,60,000	1,50,000	10	10	10 10 10	
2,05,000	4,30,000	2,07,813	376	1,89,120	58-4	1,67,849	41-4	1,76,000	1,50,000	10	10	10 10 10	
1,00,000	1,69,062	4,65,653	941	1,77,704	33-2	1,39,385	33-0	1,68,000	1,50,000	10	10	10 10 10	
3,00,000	3,33,822	1,86,462	389	1,77,704	33-2	1,39,385	33-0	1,68,000	1,50,000	10	10	10 10 10	
6,25,000	3,98,412	4,45,714	741	2,05,335	47-1	..	..	..	1,50,000	1,50,000	10	10	10 10 10
9,00,000	9,08,557	1,54,418	682	2,64,700	30-4	..	..	..	1,50,000	1,50,000	10	10	10 10 10
3,00,000	3,24,400	4,10,000	354	2,89,738	30-3	2,90,650	41-11 1/2	2,96,000	1,50,000	10	10	10 10 10	
6,25,000	12,36,873	5,74,585	302	3,76,300	54-2	3,74,800	39-3 1/2	3,84,000	1,50,000	10	10	10 10 10	
3,00,000	4,70,000	10,86,234	718	4,40,947	18-8 1/2	3,70,473	41 11 3/4	4,00,000	1,50,000	10	10	10 10 10	
8,01,357	11,54,000	2,62,417	1,668	7,11,945	30-8 1/2	7,09,403	34-4 1/2	8,00,000	1,50,000	10	10	10 10 10	
DUARS													
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,367	31-9	33,20,000	11,23,882	45	120	25 100 313 327 335	
9,00,000	20,30,782	19,29,000	1,105	13,91,370	43-7	14,32,132	32-1	14,00,000	3,17,533	30	55	30 10 494 494 31	
9,00,000	9,80,500	16,53,306	1,112	14,18,840	41-10	14,18,240	29-8	13,60,000	3,78,003	30	65	25 10 264 301 176	
6,00,000	4,48,704	7,74,645	902	5,04,104	53-10	6,10,033	29-7	5,60,000	12,07,487	20	25	74 100 175 175 337	
9,00,000	9,91,678	10,50,000	903	10,68,394	49-4	10,82,889	29-7	11,60,000	1,28,962	22 1/2	30	10 100 160 160 136	
3,00,000	4,47,800	3,00,102	500	4,01,294	43-8	3,84,267	30-7	4,48,000	3,98,498	25	25	74 100 175 175 337	
1,40,000	1,95,171	1,64,000	265	2,24,800	49-1	2,12,726	26-9	2,40,000	51,689	Nil	10	10 10 10 10 10	
3,50,000	5,70,483	3,00,000	447	4,75,344	39-3	4,65,428	30-3	5,40,000	48,765	Nil	10	10 10 10 10 10	
10,00,000	7,87,046	8,00,000	1,025	7,62,720	47-4	8,75,280	35-9	..	50,765	Nil	10	10 10 10 10 10	
24,00,000	17,49,800	17,49,800	1,025	12,26,097	47-11	12,26,097	27-11	..	2,51,774	20	70	Nil 100 268 268 268	
32,00,000	37,95,527	49,07,736	4,421	27,99,549	29-0	27,99,549	29-0	31,20,000	1,94,197	16	24	12 25 234 234 234	
8,25,000	53,65,929	64,68,285	4,236-1	60,72,761	36-2 1/2	62,56,000	25	62,56,000	3,36,935	25	60	10 10 10 10 10	
7,00,000	10,98,000	17,14,718	1,452	16,07,368	41-11	17,20,000	10	10,00,000	5,25,271	25	60	10 10 10 10 10	
7,00,000	5,18,809	5,15,000	907	4,86,404	54-2	4,62,400	28-7	5,60,000	2,77,456	22 1/2	30	10 274 274 274	
2,00,000	12,59,526	13,23,848	937	11,46,814	39-4	10,26,832	30-10	10,00,000	2,13,205	25	35	Nil 10 274 274 274	
9,00,000	15,71,700	15,15,032	1,126	1,69,538	45-7	..	..	..	2,74,849	20	41 1/2	10 274 274 274	
14,00,000	15,81,967	18,45,000	1,163	15,35,521	44-2	16,35,521	21-1	16,00,000	5,69,186	20	65	10 7934 7933 7935	
3,20,000	3,14,964	1,80,000	348	6,29,200	44-2	6,65,680	21-1	6,40,000	6,83,263	45	40	74 100 174 174 239	
6,00,000	1,29,499	1,31,434	764	2,56,097	42-0	2,38,935	28-5	2,56,000	1,29,376	20	100	25 10 309 315 68	
7,46,100	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	2,49,439	10	10	10 245 245 245	
3,46,400	22,86,483	31,30,000	1,766	19,10,000	48-6 1/2	20,30,155	33-1 1/2	20,00,000	4,69,439	15	30	10 141 21 21 19	
..	5,45,381	6,97,500	663	10,10,920	46-4	..	..	..	2,66,987	Nil	30	15 10 80 80 81	
..	..	..	..	..	..	..	..	..	9,32,226	50	10	50 10 80 80 81	
..	..	..	..	..	..	..	..	..	10,50,377	12 1/2	110	10 40 40 40 40	
TERAI													
4,50,000	10,63,145	1,64,527	607	3,99,840	44-7	..	..	..	5,20,393	Nil	15	10 81 81 43	
2,50,000	1,59,000	10,44,545	450	3,23,610	29-8	4,17,643	25-3	4,00,000	3,65,487	30	60	10 60 60 275	
8,00,000	3,06,948	17,77,197	1,589-9	13,20,702	48-7	..	..	..	18,94,192	30	60	10 281 201 441	
3,00,000	8,69,205	9,98,794	524	4,25,455	47-2	4,15,634	29-7	4,80,000	1,43,129	25	25	10 10 224 224 441	
3,00,000	3,89,676	7,06,350	809	4,30,342	49-8	4,63,382	26-5	5,20,000	78,474	25	55	15 10 431 431 441	
4,50,000	1,90,500	1,50,611	972	..	..	..	..	..	19,256	..	..	10 251 251 311	
3,00,000	4,96,130	4,98,145	970	..	..	..	..	..	5,13,739	..	..	10 634 634 671	
1,00,000	1,00,000	1,84,733	263	1,35,179	58-5	..	..	..	2,09,047	10	..	10 554 554 341	
2,20,000	5,17,592	7,00,250	549	5,68,280	42-2 1/2	6,86,800	30-11	6,40,000	3,43,439	10	40	10 351 351 341	
CHITTAGONG													
1,25,000	1,25,000	1,59,950	473	..	..	..	..	..	28,517	..	..	10 324 324 321	
2,40,000	2,40,000	2,59,992	436	..	..	..	..	..	31,038	..	..	10 128 128 17	
2,00,000	4,00,000	51,300	547	..	..	..	..	..	4,118	..	..	10 15 15 16	
SYLHET													
3,00,000	6,47,608	6,45,000											

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including tax	Carry forward	Dividends per cent	Paid up per Share	Latest Market Quotations as available until	16-1-57	9-1-57	1 year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
SUGAR BREWERIES ETC.														
11.00.000	6,45,722	3,75,900	10,90,564	New Savan Sugar and Gur	1	140	95,437	52,205	..	..	..	10	64	64
9,00,000	1,28,559	17,64,398	8,73,739	Purtabpur Sugar P.	10	25	5,08,340	8,871	..	74	..	10	172	172
16,39,820	26,32,127	35,30,000	4,84,359	Ramnugger Cane & Sugar P.	1	1	18,11,364	20,350	15	20	..	10	222	241
19,39,600	15,82,533	39,83,218	13,92,415	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..
8,00,000	1,42,169	6,54,762	1,45,110	Ryam Sugar P.	1	25	1,43,798	24,440	5	..	..	10	..	..
11,99,000	15,94,631	18,17,829	98,312	Samastipur Central Sugar	1	25	..	..	5	Nil	..	10	20 1/2	20 1/2
20,10,000	72,82,286	36,66,768	1,63,444	Shree Krishna Jyanday Sugar P.	1	335	..	..	5	..	..	10	134	134
7,34,500	13,54,858	11,65,177	11,16,368	Shree Sitaram Sugar	1	140	1,90,757	7,991	15	17 1/2	..	10	112	112
9,99,830	14,54,274	1,54,304	1,42,496	Sitalpore Sugar	1	94	..	..	..	..	..	10	13	13
16,30,000	6,07,894	1,99,778	4,22,572	United Provinces	1	341	4,23,980	39,961	12 1/2	..	..	10	17 1/2	18
4,00,000	38,92,306	21,57,557	3,90,236	Upper Ganges Sugar P.	1	227	10,24,525	92,931	25	25	..	10	94 1/2	94 1/2
14,10,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	1	302	16,80,980	86,393	15	20	..	100AC	280	280
7,00,000B	..	..	..	..	1	302	..	..	..	..	..	123BC	281	281
MISCELLANEOUS														
8,00,000	2,20,232	1,56,290	9,53,326 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2
1,00,000C	1,40,80,394	5,21,715	51,161	Air India Ltd.	12	269	..	..	..	..	..	100	..	..
2,00,000D	2,58,39,656	68,31,534	50,022	Air India International Ltd.	1	322	..	..	..	..	..	100	..	..
47,50,000	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	1	132	12,82,024	32,582	Nil	Nil	..	100	103	103
2,50,000D	..	..	..	..	1	132	..	..	..	..	..	100	103	103
20,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright Ltd. P.	12	1	..	..	..	..	..	24Dd	6 1/2	6 1/2
30,00,000	10,11,675	37,63,179	14,41,315	Angelo Bros	1	268	11,84,131	3,43,961	12 1/2	20	..	114	114	114
30,00,000	17,54,434	27,06,265	54,97,530	Assam Match	12	274	8,35,902	1,18,395	12 1/2	20	..	214	201	201
13,99,989	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	1	21	..	..	..	..	..	10	202	202
20,00,000	61,61,597	23,00,000	61,84,600	Associated Hotels of India P.	1	204	8,29,932	32,687	2	4	..	3	31	31
80,01,400	33,30,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	152	152
12,30,000	2,65,000	8,24,890	1,80,323	Baraee Lake	3-9	128	2,16,123	22,008	7 1/2	7 1/2	..	100	174	174
6,00,000	76,414	Nil	90,72,417 1/2	Bengal Timber Trading P.	4	128	..	..	..	..	..	100	41	41
50,00,000	19,53,822	Nil	19,39,359	Bharat Airways Ltd.	3	22	3,19,380	3,19,229	..	..	..	100	41	41
20,00,000	..	7,95,437	62,41,906	Birds Investments P.	1	180	5,89,372	1,15,707	..	..	..	10	51	51
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	1	50	8,14,261	1,79,277	12 1/2	12 1/2	..	10	174	174
43,97,020	13,98,796	43,18,772	3,38,473	British Ceylon Corporation P.	12	4	27,75,295	1,85,955	10	10	10	10	142	142
22,50,000	59,89,738	1,18,50,524	2,50,83,630	British India Corporation P.	12	33	..	..	..	..	..	10	81	81
32,50,000A	..	..	..	..	12	33	..	..	..	..	..	10	81	81
32,50,000B	..	..	..	..	12	33	..	..	..	..	..	10	81	81
5,00,000	5,92,780	4,40,684	1,02,576	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A	7	5 1/2
90,00,000	17,81,146	80,09,268	2,06,11,689	Calcutta Silk Manufacturing P.	3-9	213	45,111	22,586	..	..	Nil	10B	..	..
1,80,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	..	..	..	10	..	..
51,26,000	54,12,212	1,48,29,523	1,02,21,271 1/2	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	12	11	..	100	121	121
75,00,000	13,79,357	4,33,826	1,02,21,271 1/2	Eastern Investments Ltd. P.	12	21	12,43,440	3,06,138	15	15	..	10	257	257
30,00,000	12,88,300	21,97,647	86,55,360 1/2	E & C Osler (India) Ltd. P.	3	94	..	..	9	9	..	100	129 1/2	129 1/2
14,00,000	14,92,000	10,02,000	11,384	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	20 1/2	20 1/2
2,25,000	..	55,893	5,26,792	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	7 1/2	100	186	186
65,10,000	34,18,813	42,00,000	1,09,15,329	General Investments Trust P.	2-8	21	26,644	8,637	2 1/2	2 1/2	2 1/2	75	43	43
20,00,000	27,68,045	5,00,324	12,84,357	Gillanders Arbuthnot & Co. Ltd. P.	1	105	29,71,809	1,51,360	7 1/2	14	..	10	11 1/2	11 1/2
40,00,000	31,71,333	7,81,000	98,384	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	..	..
30,00,000	32,90,010	17,22,203	6,22,424	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	25 1/2	25 1/2
10,00,000	17,38,764	1,61,173	9,221	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250
35,20,000	30,42,899	20,00,000	19,08,358	Hindustan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11
1,80,00,000	7,42,66,399	1,88,96,788	5,50,32,187	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	..	..	..	10	61	61 1/2
1,60,00,000	2,41,97,383	43,33,999	10,13,114	Imperial Tobacco	1	325	3,66,59,515	24,94,274	..	..	..	10	14	14 1/2
1,52,89,220	1,27,87,878	1,37,00,000	11,88,406	Indian Aluminium Co. Ltd. P.	12	293	28,79,662	14,18,074	..	..	..	10	14 1/2	14 1/2
5,30,000C	..	..	..	..	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	32 1/2	31 1/2
83,50,000	22,07,266	2,21,280	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	100PO	84	84
1,25,000D	..	..	..	..	12	93	..	..	..	..	..	100	62	62
8,27,970	1,44,398	5,38,000	17,67,876 1/2	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	..	..	100D	4	4
20,00,000	4,64,735	18,15,487	10,70,705	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30	..	10	23 1/2	21 1/2
5,00,000	..	2,55,728	12,78,254	Investments and Finance P.	2-8	21	27,880	51,001	2 1/2	2 1/2	..	10	44 1/2	44 1/2
2,40,000	15,362	4,46,243	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	100	65	65
5,87,500C	..	..	..	..	9	194	..	..	..	..	..	2	23	23
1,17,500Dd	..	..	..	..	12	281	60,996	1,550	5	5	..	50	4 1/2	4 1/2
2,00,00,000	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	1	39	31,24,445	5,11,852	7 1/2	7 1/2	7 1/2	100	80	81
6,34,000C	..	..	..	..	3	133	..	..	..	..	..	50	3 1/2	3 1/2
66,900Dd	..	..	..	..	3	133	..	..	..	..	..	100	3 1/2	3 1/2
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macfarlane & Co.	1	334	52,06,340	6,31,124	..	..	..	100	22 1/2	22 1/2
1,37,53,000	36,41,510	34,56,063	1,85,74,341	Macneill & Barry Ltd. P.	1	309	1,71,108	2,03,456	13 1/2	18 1/2	11	100	22 1/2	22 1/2
40,00,000D	37,46,252	80,86,909	2,72,14,736	Martin Burn Ltd. P.	12	282	31,91,900	2,57,234	17	22 1/2	..	100	240	240
5,00,000D	..	..	..	..	12	282	..	..	..	..	..	100D	240	240
1,15,00,000	1,10,37,201	69,74,249	7,33,369	McLeod & Co. P.	1	167	62,82,608	16,24,249	10	12 1/2	16 1/2	10	26	26 1/2
40,00,000	22,27,935	74,50,000	7,78,529	Metal Box Co of India Ltd. P.	3	7	58,72,160	1,44,443	10	15	20	10	26 1/2	25 1/2
40,00,000	72,01,992	15,00,000	33,333	National Insulated Cable P.										

BOMBAY MISCELLANEOUS COMPANIES

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

Paid up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	15-1-57	8-1-57	1-1-57
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CEMENT														
12,87,59,333	16,16,27,680	4,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8	10	..	100	184	179
ELECTRIC LTG POWER														
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6	5	..	100	95	93
2,92,83,500	4,18,62,358	52,34,507	63,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7	7	..	1,000	1,210	1,207
1,74,99,700	2,14,85,121	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	145	19,21,731	45	7	7	..	100	109	109
38,38,200	17,49,053	4,75,323	14,87,551	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	146	146
2,34,45,222	1,37,65,356	6,79,872	38,39,872	State Hydro Elec Power sup F	6	267	17,75,587	21,171	7	7	..	100	123	123
5,02,78,750	1,98,37,405	1,41,56,578	1,29,22,549	State Power P.	6	267	77,32,961	27,352	7	7	..	1,000	1,242	1,222
ENGINEERING & METAL														
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12	..	..	100	273	257
5,15,000	29,341	4,43,304	..	East Engineering	3	115	62,291	1,590	..	5	..	100	96	96
40,00,000	11,26,513	16,00,000	..	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	..	100	19	19
40,00,000	81,25,153	2,02,500	..	Machinery Mfgs Corp Ltd P	3	330	2,02,000	64,678	..	..	..	100A	..	..
1,10,00,000	15,00,978	16,66,194	7,06,284	McKenzie	7	283	1,49,085	64,838	..	..	..	100	96	96
1,31,250	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25	5/6	28	300	185	176
4,18,72,400	1,80,59,980	26,78,952	44,49,439	State Locomotive & Eng P.	3	269	1,303	90,350	..	..	..	100	158	151
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	State Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	175	168
INSURANCE COMPANIES														
20,00,000	..	23,84,913	95,96,033	British India General	12	297	1,24,629	1,18,606	..	..	..	100	131	131
8,46,120	..	11,04,54,087	1,00,48,481	Empire of India Life	12	253	..	..	..	..	..	100	675	675
18,74,940	25,01,134	2,88,61,155	16,36,000	Indian Mercantile	12	76	1,12,109	..	..	..	..	100	45	45
1,06,81,590	..	1,08,81,793	4,61,49,442	Lupton General P.	12	55	98,351	4,65,316	..	..	..	20	45	45
6,00,000	..	17,25,18,452	..	New India	12	179	13,58,653	71,250	..	..	..	15	91	91
15,99,270	..	57,81,74,430	..	Orbital Life	12	298	..	..	..	..	..	200	3,655	3,655
..	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	..	..	..	10	15	15
MISCELLANEOUS														
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	233	241
50,00,000	2,20,64,392	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	10	21	..	125	683	644
42,30,000	1,21,04,053	31,14,431	..	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	..	..
45,00,000	1,085	19,47,386	1,28,40,992	Chemical Investment Trust	12	299	5,81,909	2,83,136	..	..	..	100	72	72
99,99,250	13,32,957	7,34,142	1,43,52,231	Kemur (Chemists)	12	352	68,232	16,942	..	..	..	200	215	215
11,99,900	1,74,45,779	1,81,12,445	1,10,16,957	National Rayon Corp.	12	352	63,19,604	1,72,076	10	..	..	100	213	213
1,57,71,400	18,36,63,413	12,46,31,077	37,30,000	Scindia Steam Navigation	6	198	32,72,555	21,891	..	..	..	20	181	181
9,39,96,080	27,45,065	37,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	35,49,050	22,72,555	..	..	..	10	89	82
1,00,000	2,25,39,547	13,22,272	4,37,091	State Chemicals P.	6	269	16,84,488	34,425	..	..	..	10	161	16
1,39,95,990	75,25,791	34,38,586	22,83,811	Tata Tea P.	3	269	3,00,461	11,453	9	8	12	25	44	44
70,07,475	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	17	..	100	170	165

*1956 tLiquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	10-1-57	9-1-57	1-1-57
Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	60
21,69,300	33,40,889	5,00,102	Arrah Sasaram D B G	3-9	33	2,57,676	33,735	3-3	3-3	3-3	100	71	71
34,00,000	41,30,202	3,11,349	Bankura Damodar River S.S.G.	3	165	46,807	..	2 1/2	2 1/2	2 1/2	100	58	58
19,00,000	26,09,643	4,91,171	Baraset Sasirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10
17,80,000	21,78,786	2,20,877	Burdwan Kutwa S.S.G.	3	165	78,839	..	2 1/2	2 1/2	2 1/2	100	59	59
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	12-12	11-11	11-11	100	52	52
4,75,000	3,20,040	4,75,306	Cherra Chhatra Ropeway	3	88	7,071	9,917	12-12	11-11	11-11	100	7	7
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,449	24-24	24-24	24-24	100	7	7
22,50,000	62,20,813	13,52,600	Jheri-Rohas	3-9	335	6,42,311	37,814	10-12 1/2	10-12 1/2	10-12 1/2	100	13 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	98-98	98-98	100	63	63
18,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62	62
6,00,000	13,67,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	60	60
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4	4	4	100	72	72
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129	129
1,75,000	5,41,779	2,04,341	Dzapore Balipara Tramway F	3-9	165	-43,574	5,944	..	..	..	100	..	..

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320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shilp Thakur Lane, Calcutta.	338. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
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325. John Rutherford Blake—Virginia House, 7, Chowringhee, Calcutta.	334. S. Latimer—2, Fairlie Place, Calcutta.	344. V. I. Pillani—Victoria Bunder, Calcutta.	353. N. K. Bhattacharya—14, Netaji Subhas Road, Calcutta.
326. Berwala Bros.—63, Netaji Subhas Rd., Calcutta.	335. Sahu Jain, Ltd.—Dalmianagar, Calcutta.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	354. L. C. Kanol—P-8, Mission Row, Calcutta.
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THE AIMS OF INTERNATIONAL ECONOMIC CO-OPERATION

PROGRESS IN THE COLOMBO PLAN AREA

FEW schemes for international economic co-operation in postwar years have made the smooth, unobtrusive and yet real progress that can be claimed by the Colombo Plan for economic development in south and south-east Asia. Today, five and a half years after its inception, the countries participating in it can look back with pride and hope on what they have achieved, on the goodwill that characterises their exchanges, and on the spirit of self-help that has been born of their great co-operative endeavour. The value of these achievements has been amply confirmed in the decision made 15 months ago that the Plan, originally scheduled to complete its six-year span in June this year, should be extended to the middle of 1961. Critics have argued that it is too small in size and scope to meet adequately the needs of a still poverty-stricken region; that the rise in living standards has been too slow in the majority of Asian countries; and that greater boldness, imagination and generosity are necessary if they are not to remain bogged in the mire of economic backwardness. But these criticisms miss the point that the main aim of the Plan has never been freely to dole out wealth to the Orient's poor and hungry millions; rather, the aim has been to provide them with a framework through which they may supplement their own efforts for betterment with assistance from outside—whether that assistance comes in the form of money, equipment, commodities or technical knowledge. The emphasis on self-help has undoubtedly been among the most encouraging features of the Plan. As postwar experience has often shown—notoriously so in the case of the Chiang Kai-shek regime—even lavish foreign aid, by itself, is not enough. The urge for economic advance has to come from within a people, and only then can outside aid and international co-operation yield the best dividends. It is in this context that the achievements and the prospects of the Colombo Plan deserve to be judged.

That the urge has strengthened in the greater part of south and south-east Asia over the past few years, few will deny. The fifth annual report of the Plan's Consultative Committee, presented at the Wellington meeting recently, points out that "these countries are endeavouring to attain higher rates of economic growth, while preserving the economic and social stability required to make that growth continuous and its fruits enduring." Mistakes have been made and wrong emphasis given in the framing of economic projects, but the scope for errors will be decreasing as experience grows and help and advice from the more advanced nations becomes more freely available. Some countries in the Colombo Plan area are still recovering from the effects of the last world war. Others, which have made substantial progress in providing the basic social services, essential facilities and an adequate food supply, are now building a new industrial structure on which further increases in production and investment can be based. The process has been assisted by the growing prosperity of the rest of the world. The rise in world production and trade has been of major importance for the Colombo Plan countries, since many of them have economies that are narrowly based and depend heavily on exports of a limited range of primary products.

In a narrow, relative sense it may be said that the progress made so far has been limited. The Consultative Committee's report points out that "though precise measurement is not feasible, a review of economic indicators suggests that national income continued to rise at a rate slightly in excess of the rate of population growth. Much effort went into this achievement, modest though it may appear in relation to the need for further advance." The fact pinpoints one of the major problems in Asia's development—that its national economies have had to keep running in order to stand still. Too little attention has been paid to the need to check population increases. More

goods are being produced but there are nearly as many more mouths to feed, so the rise in individual standards of living has been greatly restricted. As populations have almost kept pace with increases in production, distortions have arisen in social and economic policies. They have often led to the adoption of labour-intensive methods of production which are conducive neither to efficiency nor competition. Indeed, it has sometimes seemed contradictory that while economic development programmes have had a mainly long-term bias, a large part of the resources have been devoted to schemes which are no more than short-term palliatives for unemployment. If such distortions in policy are to be mitigated or avoided, much more determined action will be necessary to restrain the population pressures which could easily become a source of stagnation and frustration in the future. This is a field in which India, although she is moving forward only experimentally herself, could offer and receive valuable advice from the other countries of the region. Certain common elements in the social attitudes of south and south-east Asians might facilitate the formulation of programmes for smaller and happier new generations.

The need for flexibility in development plans has been increasingly recognised by the Colombo Plan countries during the past year or so, according to the Consultative Committee. This is to the good. Some plans have been too ambitious, and, as in India, have produced strains and stresses not only internally, but also in external economic dealings. Other plans have not been soundly conceived, either because the statistical data has been lacking or because the fact has been ignored that there are limits to the diversification and expansion of economic activity in each country. In general, there has been a tendency for declared hopes to outrun practical ability. Sometimes resources have not been available at the right time, in the right place and in the right combination. Sometimes they have not been available because of crop failures, foreign exchange stringencies and unforeseen shortages of equipment and skilled personnel. Constant vigilance is, therefore, necessary to ensure that stability is not jeopardised by adhering too strictly to blue-prints and theoretical assessments which lose their validity when reality

WESTERN EDUCATION IN INDIA

THE universities of Calcutta, Bombay and Madras, all founded in 1857, commenced their centenary celebrations last week. It is, therefore, an appropriate occasion to consider, in brief, the history of western education in this country and its impact on India's culture. Properly speaking, it begins, as many will recall, with Lord Macaulay's famous, or rather notorious Minute on Education, in which one does not know whether to admire the

though, the "Anglicists," and the "Orientalists". It became urgent to decide whether the Company should build upon the foundation of indigenous culture as expressed in the country's languages, science, philosophy and craftsmanship, or whether it should begin with a clean slate, and give Indians a European-type education. Men like Raja Ram Mohan Roy had, of course, with remarkable foresight, already been striving to create a climate favourable for the acceptance of this type of education. In 1822 he had founded at his own expense an institution imparting a knowledge of English, called the Anglo-Hindu English School near what is now called the Azad Hind Bagh, in north Calcutta. Five years before, the Hindu College, which later played such a revolutionary rôle in the history of Bengal, had been established in the same part of the city. The Christian missionaries, too, were commendably active in the field of education in the first quarter of the 19th century. But it remained for Macaulay, with the authority of the Government to strengthen his hand, to tip the scale finally in favour of the "Anglicists".

Within a decade, the Council of Education was set up by the Government as a "controlling authority" over education in Bengal, and in 1845 it submitted a plan for the establishment of a university in Calcutta. In Leadenhall Street, the headquarters of the Company, this scheme was, of course, duly cold-shouldered. But when in 1852 a further extension of its charter was being discussed, the proposal was revived, under the auspices of some of the leading citizens of Calcutta, including Raja Radhakanto Deb, in an enlarged form incorporating plans for a university in each of the Presidencies. The President of the Council of Education, C. H. Cameron, along with J. C. Marshman and Alexander Duff, pleaded strongly for the proposal. In 1854, Sir Charles Wood, President of the Board of Control, sent his famous despatch, embodying proposals for three universities in Calcutta, Bombay and Madras, which came into being three years later. The Christian missionaries were disappointed to find that the Company's Directors had decided on an "exclusively secular" education. Nevertheless, they continued their educational activities with unabated zeal, and western education was thus launched upon its fast-expanding career.

During the last hundred years, this system of education has, of course, been subjected to much criticism, and not all of it is flimsy. Its unsuitability to Indian conditions has become the staple of convocation speeches and academic discussions, especially since Independence. And, as is well known, along with the system, the medium of instruction, English, has come under a good deal of fire. Perhaps the most serious charge against the former is that it has all along been too literary in character and too little based on the practical arts of life, with the result that year after year hundreds and thousands of students pour down the educational assembly lines with next to no equipment for the struggle for existence. During the fight for independence, this provided a good handle for critics, who argued with more facility than plausibility that an alien system had been imposed on this country with the mere object of creating enough clerks and toadies to man the lower ranks of administration, and perpetuate the imperialistic order. Although this charge will not bear scrutiny, it is not so easy to dismiss the other one, that this system has turned out to be the great divide separating the western educated in a remarkable degree from the rest of the population. Between the modern university product and the old-type Pandit picking his way delicately through the labyrinth of Sanskrit grammar and for ever looking over his shoulder to an unrecapitulated past, or a Moulvi tirelessly citing the authority of the Koran, it has fixed a gulf and its consequences have been socially disintegrative.

The whole subject of the results of western education in India is of inexhaustible interest and is capable of being viewed from various angles. It may, therefore, be useful to bring out a few points which were apt to suffer from under-emphasis during the stressful years of the pre-Independence era, and which the past few years filled with controversy, have done little to highlight. Education, in its broad sense, is an enlightened attitude of mind, and it is important to recall that in the 18th century and the first half of the 19th, before the new universities had come into being and formally launched western education in this country, a succession of notable British administrators, many of them scholars of great erudition, came to India and lived to develop a profound admiration for her ancient past. They pioneered a wide range of research work comprising Indian history, literature, geography, sociology and commerce, and this at a time when the country's old liberal arts and cultural apparatus were in decay and the means of re-discovering its past seemingly irretrievably lost. Sir William Jones, a judge of the Calcutta High Court, founded in 1784 the Asiatic Society of Bengal, the first institution dedicated to Indology and Oriental studies. Through his translation of the *Sakuntala* and the *Institutes of Manu*, Europe became acquainted with India's

ancient literary wealth for the first time. Next year, Wilkins published his translation of the *Bhagavadgita* and, two years later, opened that treasury of fables, the *Hitopadesha*, to English readers. It was he who, with his own hand, cut the first Devanagari and Bengali types, thus inaugurating a new era in the literary history of India. Under Wilkins, again, the study of Indian epigraphy was initiated. Another resounding name in the field of Sanskrit scholarship and Indology is that of H. T. Colebrooke. Prinsep Street in Calcutta keeps alive the memory of James Prinsep, an official of the Calcutta Mint, "by character the most charming of men, by genius the founder of Indian archaeology." His work was continued by his friend and disciple, Cunningham, a junior officer of the Royal Engineers, who translated a private hobby into an important Government department, his study of old monuments leading to the creation of the Archaeological Survey of India, with himself as its first Director-General. In 1845, James Fergusson, an indigo planter, published an account of the rock-temples of India, culminating through a series, in the *History of Indian and Eastern Architecture*, a remarkable book whose conclusions remain valid after more than three-quarters of a century of its publication.

This excellent tradition of research, re-discovery and reevaluation continued right up to the end of the British régime in India. Sir John Marshall, it will be recalled, excavated site after key site, revealing to an astonished world the architectural glories of Sanchi, Taxila, Sarnath and, finally, of Mohenjo Daro and Harappa. History often plays strange antics, and of this Lord Curzon's case serves as an example. He is chiefly remembered in this country as the hated author of the partition of Bengal in the first decade of this century, but comparatively few know of his enlightened anxiety and labour for the preservation of Indian antiquities. Early in the 19th century Dr. Buchanan had made an agricultural survey of Mysore and a statistical survey of Bengal, and in 1825 the first practical map of India was published by Kingsbury, Parbury and Allen. Forbes Watson's magnificent volumes on the textile products of India were followed by Birdwood's *Industrial Arts of India* in 1880.

All these considerable and continued activities made a great impression and Indians, especially the Hindus who subsequently led the nationalist struggle, became aware after many centuries of "the glory that was Ind." This contributed no small measure of spiritual nourishment to the political urge for freedom. Indeed, the cross-fertilisation of Indian culture with the western laid the foundation for modern India. Despite everything that has been said against western education, it is an undisputed fact that almost every single one of the leaders of the independence movement has been deeply versed in western culture, and that the smoothness with which the political change-over was effected was largely due to the fact that India possessed the "steel frame" of the I.C.S. cadre, which stood up admirably to the test without suffering any metal fatigue.

It is not too much to claim that the standard of efficiency set by generations of British administrators has helped their present-day Indian successors a good deal to hold the vast fabric of Indian administration together. Historians like Messrs. Thompson and Garra have lamented that, among other things, there has been remarkably little Indo-Anglican literature of good quality as a result of Indo-British contact. This is perhaps true. Whereas there has been a large crop of English writers on India, there have only been a few Indian writers, using the English language, writing on British or Indian themes. But this is hardly the correct test to apply, for the question is not whether English literature has been enriched. It is rather whether the Indian languages have benefited, and here the contribution of English has been considerable. Bengali, Tamil, Maharashtrian and Gujarati, that is, all the major vernaculars of India, bear significant marks of the impact of English upon them. Not only many verse forms, but also many varieties of fiction and belles-lettres which were previously unknown to these vernaculars, have flourished during the last hundred years under the beneficent influence of English. Historiography which, under the Moghuls, took the common form of royal or imperial panegyrics has undergone a revolutionary change and is now one of the most important sources of enrichment of the vernaculars. Over the modern movement in Indian painting presided men like E. B. Havell and Percy Brown, and it is no longer true, as Mr. Garratt once bewailed, that it is only "one-man deep". The generation of Dr. Abanindranath Tagore, Mr. Nandalal Bose and Mr. Asit Kumar Haldar has been followed by a more numerous one working with striking results in various styles and media. In science, there is an impressive beauroil of names led by Sir J. C. Bose, Sir P. C. Roy and Sir C. V. Raman, and if Dr. H. C. Bhabha has completed the installation of the Trombay atomic reactor well before the scheduled time, there must be few who would deny that part of the credit is due to the system of education of which he is such a brilliant product.

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, Capital's Index of Indian Industrial Activity shows a decline of 1.2 points during August, 1956. Mainly contributing to the decrease were jute manufactures, steel ingots, pig iron, cement and paper. Notes in circulation and cheque clearances declined.

Indo-Pakistani Trade.—The three-year trade agreement signed by India and Pakistan in New Delhi last Tuesday reflects an urge for greater commercial co-operation between the two countries. But the reality of the urge, as distinct from its formal expression, is something which time alone can show. Both signatories have agreed to accord each other "most favoured nation" treatment; both have agreed to help alleviate the unfortunate consequences of partition, which separated Pakistan's relatively undeveloped eastern wing from its western, and which badly dismembered India's communications with Tripura. India, for instance, is to import 50,000 tons of cement from West Pakistan and export an equivalent quantity to East Pakistan, thereby relieving the pressure on transport facilities for this commodity. Pakistan, in return, will facilitate the through transit of essential commodities going from West Bengal to Tripura via East Bengal. The real test of the agreement's value, however, lies less in the way these provisions are implemented than in what it does to ease the trade in jute and coal. These are among the most important of the goods exchanged by the two countries, and the trade in them in recent years has been far from satisfactory. The agreement stipulates that each month India will send 30,000 tons of coal by rail to West Pakistan, 55,000 tons by rail and river to East Pakistan, and 15,000 tons by sea to either wing. In previous years, the export of coal to Pakistan has fallen much below expectations, mainly because of the shortage of transport; it is hoped that this handicap will not continue to prevent the fulfilling of the new commitments. There seems to be some ambiguity on the question of raw jute supplies from Pakistan. According to newspaper reports, no quantity has been specified in the agreement, but India will tell Pakistan by September each year how much she needs so that the crop in East Bengal can be planned accordingly. The worth of this provision will lie in the spirit in which it is implemented. So far, a rational approach to the question has been conspicuously lacking across the border. But India is planning for a substantial increase in her jute crops, while East Bengal continues to regulate the size of hers. More determined efforts towards self-sufficiency in this country could yield early dividends by ensuring that the intentions of the trade agreement are properly fulfilled.

Commonwealth Trade.—The Commonwealth's share in the value of world trade in 1955 was slightly higher than in the previous year, with imports at 31 percent against 30 percent and exports remaining unchanged at 27 percent of the total, according to a recent memorandum prepared by the Commonwealth Economic Committee. As world trade during the year reached a record level, this implies a proportionate expansion in Commonwealth trade as well. The increase in total imports was largely on account of the U.K., Canada, New Zealand and India. The respective import volume indices of these countries rose in 1955, with the figures for the preceding year in the respective value indices were 103 (100), 111 (110), 94 (93), and 94 (91). The import volume index of Australia declined from 185 to 175 due to her restrictive policies, but the value index went up from 396 to 407. Ceylon, which also had a lower volume index, paid more for her imports, the value index having risen by one point to 101. The export volume indices of the U.K., Canada, Australia, New Zealand, Ceylon and the colonies increased; the value indices of all member countries, except Australia and India, also rose. The Australian export value index declined rather sharply to 414 from 450, due chiefly to the substantial price falls in wool and wheat. Indian export earnings fell (the index declined from 100 to 93) because of lower prices for tea and raw cotton. Pakistan was able to increase her exports by as much as 25 percent due to the impetus given by the devaluation of her currency in August, 1955. The trade balances of Commonwealth countries, sums up the Committee, reacted in different ways. A sharp deterioration for the U.K. due primarily to much heavier imports, resulted from a deficit in merchandise trade which was previously exceeded only in 1951. The same factor was largely responsible for the adverse trend in Canada and New Zealand. The reduction of Australia's deficit by nearly half, compared with the previous year, was mainly due to smaller imports. In India, the decline in export prices and the expansion of imports more than offset the rise in export volume. The exceptionally large surplus earned by Ceylon (the highest ever recorded) derived from more favourable terms of trade in conjunction with heavier exports and smaller imports; in Pakistan also, the recovery in exports yielded a large surplus. A much higher level of export prices was the governing factor in the case of Rhodesia

and Nyasaland, where a marked improvement was recorded. South Africa's deficit on merchandise trade (excluding gold) was somewhat higher: but taking account of her gold exports, the balance was favourable.

Reforms in the Co-operatives.—The progress of the co-operative movement in this country so far has not been very satisfactory. A committee appointed by the Reserve Bank of India last year said that proper control and management were lacking. With these criticisms in mind, Mr. D. Sanjivayya, Minister for Co-operation in Andhra Pradesh, declared last week that it had been decided to amalgamate all small co-operative societies into larger ones which could function as credit and banking agencies. Many of these societies were started with the object of providing credit for agriculturists, and later they evolved into marketing agencies. Unfortunately, the societies are today able to meet only three percent of the credit needs of agriculturists. The Central and State Governments have, therefore, formulated a method by which at least 20 percent of the credit needs of agriculturists might be met by co-operative societies. Referring to societies with non-credit functions, Mr. Sanjivayya said that after decontrol there had been a decrease in their number as very few people patronised them. This was why, in the former Andhra State, the Government had converted them all into marketing societies. At present, the Government had plans for doing away with middlemen by entrusting the distribution of fertilisers, as well as of the cement, iron and steel needed for agriculture, to co-operative societies. The co-operative movement in Andhra Pradesh has done good work in certain spheres, but there have been some cases of embezzlement, temporary misappropriation and other misdemeanours. If members understand their responsibilities and choose trustworthy representatives, these defects can to a large extent be removed.

Coal Production in November.—The output of coal in India during November, 1956, registered an increase of 145,521 tons over the figure for the previous month. The output for October and November, 1956, according to official statistics released by the Chief Inspector of Mines, was 3,177,706 tons and 3,323,227 tons respectively. Despatches of coal amounted to 3,025,063 tons in November, 1956, as against 2,940,022 tons in the preceding month. Coal stocks at pitheads amounted to 2,664,206 tons at the close of the month, as against 2,565,782 tons at the beginning. During the month under review 838 collieries were reported to be working with an average daily employment of 332,155 workers. The output per man-shift was estimated at 1.18 tons for miners and loaders as against 1.15 tons during the previous month. The output for all workers underground and in open workings was 0.62 ton and 0.40 ton for all persons employed, including surface workers. The percentage of absenteeism was of the order of 13.76. Nine coke plants at collieries and elsewhere produced 346,790 tons of hard, soft and other kinds of coke during the month and despatched 176,991 tons.

Nuclear Fuel Sales.—Civilian users of atomic power will henceforth buy their fuel and other nuclear materials from a special department of the British Atomic Energy Authority, which recently announced that it had set up a commercial department in Risley to handle sales and to fix prices for uranium, plutonium, thorium and graphite. These materials will be needed in the atomic power stations to be built for the Central Electricity Authority. This innovation is significant because it is the first sign that the A.E.A. is prepared to part with any of its stocks on anything but a leasehold basis. A spokesman of the Central Electricity Authority has said that his Authority will actually buy uranium from the A.E.A., and that there is an agreement under which the second Authority will buy back spent uranium for re-processing after it has been used in power stations. The new arrangement will also make it easier for the A.E.A. to arrange for providing fuel for foreign buyers of British atomic power stations. The new department will be able, through its conduct of affairs, to exert a considerable influence on the economics of nuclear power production. The price at which the A.E.A. buys back spent fuel elements is by no means small—it is, in fact, the so-called "plutonium credit." The cost of a unit of electricity from the new atomic power stations can vary from 0.45d to 0.8d a unit if the plutonium credit is varied over its whole possible range.

Industrial Disputes in November.—The time-loss due to industrial disputes during November, 1956 decreased as compared with the previous month, according to the Labour Bureau, Government of India. The total time-loss during the month was 425,000 man-days, which was lower by about 47.5 percent than the figure recorded during October. This was also lower than the monthly

average time-loss during 1955 by about 9.0 percent. Following the re-organisation of States with effect from 1st November, 1956, the statistics of industrial disputes for this month relate to the reconstituted States. The number of fresh disputes arising during November, 1956 was 77 and these involved 27,862 workers. The corresponding figures during the previous month were 76 and 49,007 respectively. One hundred and four disputes were current at any time during the month. These involved about 46,000 workers. In the previous month the number of disputes was 145 and these involved about 112,000 workers. The average duration of disputes current at any time during the month was 9.4 days as against 7.4 days during the previous month. Fourteen of the disputes resulted in lock-outs. These involved about 16,000 workers and accounted for a time-loss of nearly 350,000 man-days. The number of lock-outs was highest in West Bengal, namely 11. Uttar Pradesh and Madras came next with two and one lock-out respectively. The index of industrial relations (Base 1939=100) for the Manufacturing Industry group for November, 1956 was 149.8 compared with 143.3 (revised) for the previous month and 417.1 for the corresponding month of the previous year.

Classification for Indian Coal.—An Indian standard general classification of coal (tentative) has just been published by the Indian Standards Institution. This work provides a revised scientific classification of coal based upon calorific value, ash content, moisture and coking property. It aims at fixing the types and grades suited for various purposes. It is intended to rationalise the utilisation of coal in the country. In preparing the standard, three conditions have been prominently kept in view. First, the classification should make it possible to place a coal, after testing, in the right group in the classification table, that is, to state the correct type and subdivision in terms of basic or inherent properties. Secondly, when there is a question of using coals for a given purpose, such as steam raising, the manufacture of metallurgical coke, etcetera, it should be possible to specify the categories of coal which are suitable or unsuitable, or suitable only under certain conditions, and thirdly, the classification should not be so detailed as to be cumbersome and complicated. To serve these purposes, the terminology is at first explained at considerable length. The classification proper is given in a tabular form with two graphical illustrations. There is also an informative appendix which indicates the kind of coal recommended for different uses. Copies of the standard are now available for sale at the Indian Standards Institution, 19, University Road, Delhi-8, and its branch offices at P-11, Mission Row Extension, Calcutta, and 40/40A, Cowasji Patel Street, Fort, Bombay.

MONEY MARKET PROSPECTS

THE prospects of the money market are causing some anxiety, both as regards the immediate future and in view of possible conditions if a new loan is issued and the Government continues to decline coining new rupees. As regards the immediate future, high rates of interest are due more to immovable stocks of goods than to the short supply of rupees in circulation. Were the offtake of goods in the Presidency towns to improve, the finance to pay for such goods would quickly lower the rates of interest. Such improvement may commence as people get relieved from famine, but we must expect the price movements to be slow. Were the mints open, the finance needed to pay for exports would be provided by imports of silver, and the strain on the money market relieved. The relief would not be due to a larger supply of rupees but to facility of finance. We assume that before the mints were closed, a large amount of rupees were coined during the busy export seasons in excess of circulation requirements, but that this excess was reduced almost to the same extent during the other seasons of the year by melting and hoarding, chiefly the former. Trade and money in the Presidency towns are affected more by facilities of finance than by the supply of rupees. There is a nice distinction between the supply of rupees and the facilities of finance. We think it, however, easy to foresee that if in July-August, just as jute and tea are coming into full swing, the Government seeks to borrow Rs. 4 crores, and continues as now to shut down the only means of rapid finance beyond such as Council Bills may supply, either the Government or the jute and tea merchants must seek elsewhere. Seeking elsewhere on the part of the Government means raising more sterling loans. It means also reducing the amount of 1958 annuities over £20 million of Council Bills. Such a policy may be described as four penny wise and rupee foolish. Surely a return to open mints could not possibly be so disastrous to the country as a system which seems only destined if persisted in, to land Indian trade and finance in a hopeless mess.

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Without Prejudice

SOME CASES IN THE ENGLISH COURTS

NIZAM OF HYDERABAD'S MONEY

(FROM OUR LEGAL CORRESPONDENT)

ONE of the most interesting cases of the past year in the English courts was *The Nizam of Hyderabad v Jung and Others* given, as to the original hearing before Upjohn J., in Vol. 100 of *Solicitors Journal Reports* on page 651. As for the inevitable appeal, this has not yet been covered in the *Law Reports*, and we are indebted to a correspondent in the U.K. for a newspaper account of what transpired before the Master of the Rolls (Lord Evershed) and his colleagues. Both the original judgment and the appellate one must be read with reserve as, leave having been granted to appeal to the House of Lords, more will doubtless be heard on the important points of international and constitutional law involved. It was a claim by I.E.H. the Nizam and his then Government for certain money amounting to well over £1 million in the Westminster Bank in London. The account was in the name of Mr. Habib Ibrahim Rahimtoola, formerly High Commissioner for Pakistan in London. The money was transferred to him by the Bank, in which it had been standing to the credit of the Nizam, at the request of one of the persons entitled to operate the account for the Nizam. The Westminster Bank had refused to hand the funds over to the Nizam because claims had been made by both Pakistan and India. The Nizam issued a writ in the English courts and the matter came before Upjohn J. in the Chancery Division, on a successful motion by Mr. Rahimtoola to set aside the writ. The

judge held that ownership had to be decided by inter-Governmental negotiations. Pakistan as a sovereign State, his lordship said, was entitled to decline to submit to an investigation in the English courts, which, therefore, had no jurisdiction to decide who was entitled to this sum of £1,000,940. The Court of Appeal (Lord Evershed M.R., Birkett and Romer L.J.J.) reversed this decision. In his judgment, Lord Evershed said that Pakistan had not established a scintilla of title to control the fund and, since the hearing before Upjohn J., the Nizam had sworn an affidavit that the transfer to Mr. Rahimtoola was without his authority. Mr. Rahimtoola was not the agent of Pakistan for this purpose, but held the fund on trust for the Nizam. The Nizam's appeal was allowed and the Court of Appeal ruled that the stay on his action should be removed. As stated, the case may go to the House of Lords, so this note, depending as it does on a newspaper report on the Court of Appeal decision, must not be regarded as in any way commenting on the final merits.

Here is a macabre problem which the year 1956 saw decided, and which one is surprised had not been decided centuries ago considering the innumerable killings that have occurred with the element of money hovering in the background. In view of the temporary virtual abolition of capital punishment in favour of imprisonment for some 15 years or so, the question assumes considerable importance. A lady, by her will, left her whole estate to her daughter. She had other issue, a son to whom she bequeathed nothing. The lady died. She had been feloniously killed and slain by the said daughter. What happens to the estate? There are several possibilities. One thing is certain. Under the will, the daughter is definitely "out". She killed her mother, the testatrix, and there is an age-long rule of law that in such a case the criminal cannot receive a bequest under the will of the deceased. That being so, in this case the will, *qua* will, falls to the ground, since there was no other bequest in it, the daughter being

sole legatee and devisee. So, although there is actually a will, there is virtually an intestacy. What then? Under an intestacy apart from the manner of death, the daughter and the son, the latter of whom the mother did not, as under her will, intend to benefit at all, would share the estate equally. Under an intestacy, the daughter, being the killer, is still "out". She is, as such, ineligible to receive anything. Both the Crown and the son are agreed upon that. "So I take all," says the son. "Not at all," says the Crown, in effect, intervening in the Chancery Divisions. "You take your half share as one of the two next of kin, but your sister, though she is disqualified by her felony from taking under the will or the resulting intestacy, nevertheless did actually survive the deceased and is a sort of conduit pipe from her dead mother to the Crown. What would have been her share passes to the Crown as *bona vacantia*. In fact, the Crown put its case even higher and it was suggested that the whole estate passed forfeit to the Crown, a hardy contention which one can hardly believe was seriously pressed. "The son is entitled to the whole estate," said Vaisey J. The daughter was not to be counted as issue at all, so that the son was the only qualified issue. The reader will note that we have not used the expression "murder" in connection with this particular case. We know nothing of the actual facts; and *Law Notes*, in its pithy summarised report, refers to "felonious killing". What happens, then, if X, being drunk in charge of his car but with no intention to injure anyone, drives with such utter recklessness that his wife, a passenger, is killed in a resulting accident and he, convicted of manslaughter, is the sole beneficiary under her will? This deponent knoweth not.

And talking of reckless driving, something more drastic in the way of punishment may have to be devised in England than is provided for by the Road Traffic Act, 1930. The figures for 1956 have not yet been published, but one notes that the Christmas holidays for 1955 beat almost all records for road casualties. It has been officially stated that during the seven days from Thursday, 22nd December to Wednesday, 28th December, road casualties in Britain totalled 6,096, which was 987 more than in the same period of 1954. Deaths numbered 177—an increase of 26. On one day alone, Friday, 23rd December, 1,505 persons were injured, 53 fatally. One curious fact emerges from the statistics. An analysis of the figures for the first 11 months of the year shows that 173,004 casualties were involved in accidents on roads subject to a speed limit, and 68,839 on roads not subject to a speed limit, a point not likely to be overlooked by those who favour no speed limits. Readers who, like the writer, take in their local British daily newspaper will have noticed that hardly ever do provincial benches of magistrates, other than stipendiaries in the big cities, send a reckless or even a drunken driver to jail. The authorities might take a lesson from the newly constituted Government of Poland in dealing with alcoholic drivers. Poland has adopted a novel punishment. It does not involve the disgrace and civil disabilities of a criminal conviction and jail sentence; but it is far more effective as a deterrent, and the number of drunken offenders, it is stated, has decreased rapidly since the enactment. It is called "corrective labour," and the alcoholic is put to work on street cleaning. The punishment, often carried out in the full view of friends, is not popular with offenders, many of whom would prefer a heavy fine or to go to jail. It might be useful, too, as a corrective to those young thugs in England euphemistically described as "Teddy Boys". But that is by the way. Turning again to road casualties, one fact strikes the writer as ironic. More fuss is made by benevolent do-gooders interested in the abolition of capital punishment about four or five murderers, including, say, a cold-blooded poisoner executed after fair trial in one year, than about 53 innocent persons "capitally punished" in road accidents in one single day.

Here is an odd case on the question of an employer's liability for damage caused by the negligence of his servant while engaged in the latter's employment. A lorry driver employed by the defendant company stopped in the course of his journey to obtain refreshment at a café on the other side of the road. It was the practice for the company's drivers to stop for this purpose; the company knew of the practice and impliedly sanctioned it. While crossing the road for the above purpose, the driver collided with a motorcycle ridden by the plaintiff, both parties being partly to blame. Is the company liable for the driver's negligence? "No," said Pilcher J. Though employed at the time on his master's business and permitted by his master to do what he did in crossing the road to get refreshment, the driver was a stranger to his master from the moment he left the lorry. "While an employer is no doubt vicariously responsible for the negligent acts of his servants committed in the course of their employment, he is not, in my view, necessarily responsible for the consequences of acts committed by his servants during the period of their employment, unless the particular act which is negligently performed was an act which the servant was employed to perform."

(To be continued)

¹Callaway, Re: Callaway v Treasury Solicitor, 100, S.J. 452).
²75 Law Notes, 80.
³Crook v Derbyshire Stone, Ltd., and Another, 75 Law Notes, 140.

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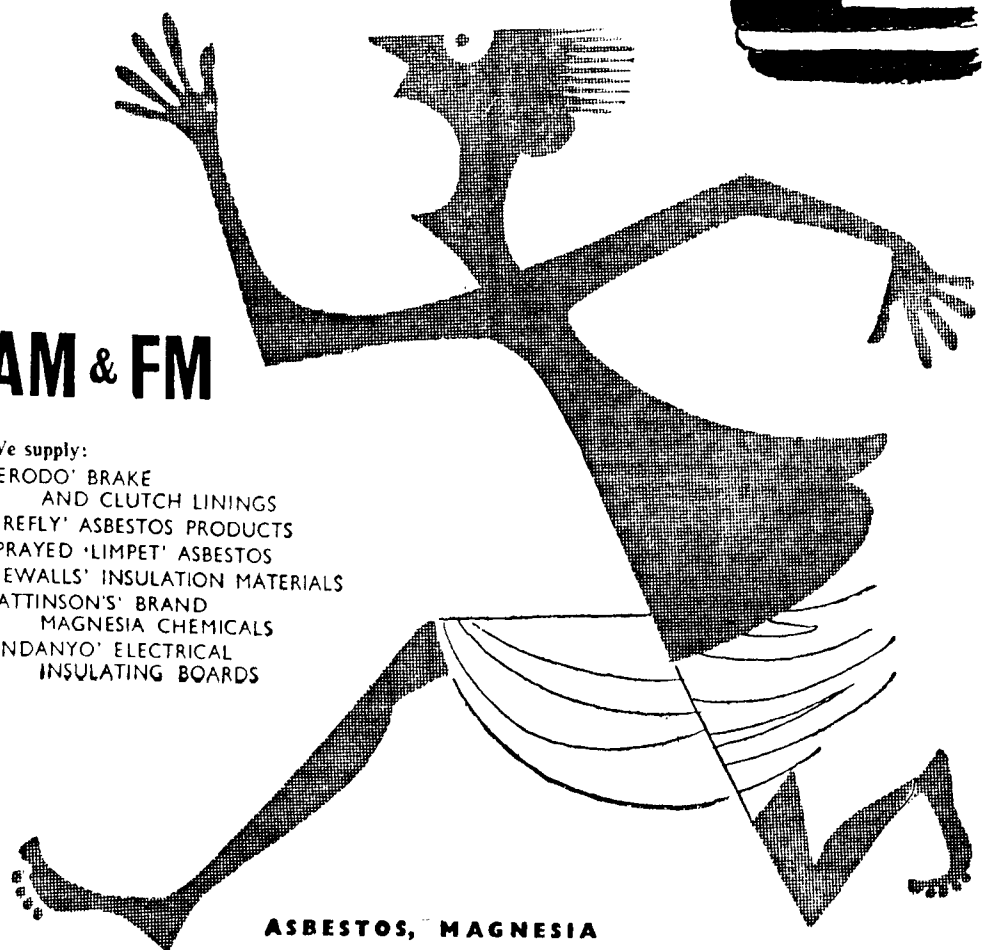
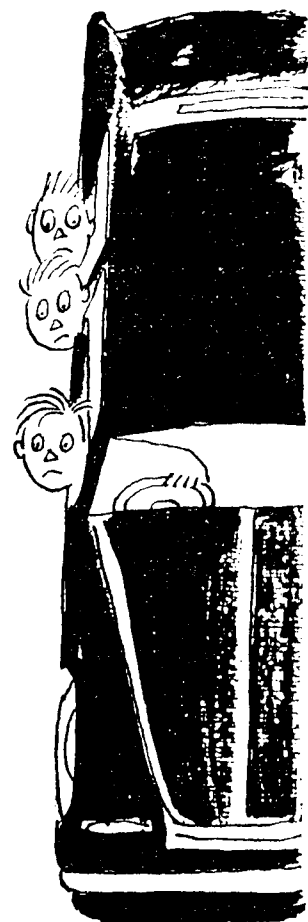
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standards where such matters are concerned. Nobody is going to under-rate the difficulties. But after all, the municipal taxes are high enough.

One thing I have never been able to reconcile myself to is the perpetual complaint of leaders and educationists in this country that students have an incorrigible tendency towards higher studies and university degrees. I agree that both time and energy are wasted thereby. And it is a regrettable fact that the satisfaction of being able to append to one's name a string of capital letters is often followed by disappointment in the employment market. But what I find so unreasonable is that it is the students and their guardians who are always blamed. In a country where there is so little provision for vocational training and where unemployment is a major social epidemic, there can only be two alternatives before young people: either they go ahead for academic education in the hope of at least some chance of getting work, or they stop at the matriculation stage and despair of any kind of job at all. When the employment market is so keenly competitive, it is only natural students should decide that the higher their standard of education, the better the chance of finding work. This is certainly one of the main reasons why such an artificial premium has come to be placed on mere academic distinctions. A student who gets a scholarship or a first-class honours is lionised in the newspapers; and he can rarely go abroad in pursuit of an Oxford or Cambridge degree without the world being appraised of the fact by prolific pictorial write-ups. All this may be ridiculous, but it cannot just be lectured away. I am glad to see that Mrs. Hansa Mehta, President of the Inter-University Board, a body which met in Calcutta early this week, agrees with what I have said so often before, namely, that the real solution is not to close the universities, reduce their number, or restrict admission to them; but to increase the scope for more vocational training.

That old unrelenting cold-weather visitor, the smallpox, is back with us this year I see, and in an even more boisterous mood than usual. The doctors have blamed the unseasonal weather. I agree that it had much to answer for this Christmas—thirsts seemed so much greater than usual—but it is no answer to the question why in the year 1957 so many people should have lost their lives, or may yet lose them, just because the temperature was a little high for the time of year. I see that the World Health Organisation reports a steady fall in the incidence of smallpox throughout the world, except, apparently, in Asia. The total number of cases in four continents (Australia has always been free of quarantinable diseases) was 178,000 between 1951 and 1955. This was 15,000 less than the figure for the previous five years. But Asia's contribution rose by 5,000 to 144,000, and now represents 81 percent of the total. That is Asia excluding the U.S.S.R. and China, both of whose interpretation of their international responsibilities appears to debar them from co-operation in these surveys. What is even more disappointing is that 58 percent of all cases in the past five years were reported from India and Pakistan. And much the same is true of cholera. That disease can almost be classed as a resident here now, because, if China is excluded due to lack of information, it is now reserved almost exclusively to the Ganges and Brahmaputra delta areas. Here too it is dwindling. But there is still a long way to go before it disappears altogether. Inoculation is one answer, but as with smallpox, the main thing is hygiene. Perhaps there is more of that here these days than there used to be. But one has to look carefully to find it. The larger part of this city, for instance, is still far below modern

It is usually a good idea to have some principles to live by. I read those proposed for private enterprise in India, as published in last week's issue of *Capital*, with considerable interest. They are, of course, a counsel of perfection and the suspicion did arise whether it is really safe to formulate so strict a code of conduct by which one may eventually be judged. I am all for sound business morals, but the perfectly-behaved company is like the saintly individual, just the least bit difficult to come by. A case based on comparisons of efficiency between public and private undertakings both in India and elsewhere, might, for instance, have been easier to recommend. I suppose, given the present state of woolly thinking about free enterprise in this country, that it is necessary to emphasise the social angle. As long as there is no mistake about the essential fact that the purpose of a business is to make money and not to turn itself into a social welfare organisation, there is probably no great harm in this. But it seems to me to be losing the most important point about modern ideas on labour efficiency to suggest that welfare is a social obligation. It may well be in India, but in fact it should be nothing of the kind. The best justification a business man has for looking after his workers is that they work better that way. Reasonable welfare expenditure pays for itself, and I cannot understand why anybody should be afraid of saying so. If it does not, then the consumer of the product has to stand the bill and that applies to any form of business, private or otherwise. Such re-

servations apart, it is good to see that free enterprise is becoming aware of its collective identity. To formulate a code of discipline is an excellent first step towards creating a body which is prepared to stand up for its own interests. After all, evangelism may well have its uses in business circles. But perhaps I will be forgiven if I accompany my congratulations to the Forum on these brave precepts with the respectful reminder that where private enterprise is concerned, comparisons need not always be odious, and might, on occasions, be safer.

The Yeti, *alias* the Abominable Snowman, has given us far too much trouble already. Not that it has ever done any positive mischief; far from it. Had somebody's arm been clawed off or, say, his crops ruined, it might have been understandable. But the Yeti has done nothing so vicious. Instead—and here is the sum total of its offence—it has tempted party after party of explorers, with hope in their hearts and hob-nails on their feet, up and across the snowy wastes of the Himalayas only to leave them disappointed, poorer and looking rather foolish. Abominable conduct, no doubt. For all this, however, the craze has not died down. Only last week-end, apparently, a *Statesman* reporter chased a Yeti through Kathmandu or, to be precise, a Yeti carcass, presumably on the basis of "bring it back dead or alive". But, unluckily man, he found only a somewhat mutilated "Rin Sen," *alias* "Sen Sen" *alias* "Jen Sen", said to be a curious mummified creature no more than eight inches long; and with about as much hair on its head as there is on an egg. For all I can guess, his annoyance may have been as intense as that of Miss Betsy Trotwood in *David Copperfield*, who had fondly expected a niece but got a nephew instead. Of course, I feel a little sorry for the enterprising newshound, but, after all our past experiences, am rather inclined to think that one will sooner catch a shooting star, land a mermaid, or meet a Minister who can maintain public silence for longer than a week, than find a Yeti.

The subject of oil is about the most contentious in the world today. We may even see a war being fought over it before long. Which is as good a reason as any for studying a few facts, when they come to hand. I have just finished reading *The Background to Burmah-Shell* which, apart from being an excellent piece of public relations for the company, gives a good deal of important information about oil in a most attractive form. A useful clue to what all the bother is about, for instance, can be gleaned from the fact that the consumption of petroleum has increased almost sevenfold since 1920. It has moved from one-seventh to over half the world's effective fuel requirements. In the same time, coal declined from five-sixths to much less than half global energy needs. Oil these days is very big business indeed. In fact, it has already become identified as capitalism *par excellence*, which, of course it is, although, as this pamphlet shows, that is not necessarily something to be ashamed of. Most aspects of the oil business are best handled on a large scale, although the kind of enterprise required demands that it should never be inflexible. I can recommend this account to anybody who is interested in what oil companies are doing throughout the world in general and what Burmah-Shell is doing in India in particular. It will also repay study by any other private concern which is in the process of deciding to give its activities more publicity.

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THE ECONOMIC OUTLOOK FOR EUROPE

REPERCUSSIONS OF RECENT DEVELOPMENTS IN HUNGARY AND THE MIDDLE EAST

EVEN if more or less normal economic activity is resumed as quickly as possible, recent events in Europe and the Middle East are bound to have important effects on the economies of European countries. In assessing these, one must consider, firstly, the direct losses arising from the insurrection and the subsequent heavy fighting in Hungary, and secondly, the far-reaching changes in economic policies which are under way, both in Poland and in Hungary, especially for agriculture. It is obviously impossible as yet even to estimate the full effects of the Hungarian uprising, but in addition to the losses in human lives, a most severe and dangerous drop in standards of living, with serious consequences for health, must be among the immediate results, and these seem bound to persist unless adequate relief measures are taken. It is no easier to assess the full effects on the economies of the western European countries of the blocking of the Suez Canal and the damage to oil pipelines, or of the general heightening of political tensions as a result of the recent disturbances to peace in the Middle East. A shortage of tanker capacity seems likely to be the main factor limiting western Europe's oil supplies and, if the Suez Canal remains blocked for long, the longer hauls from the Persian Gulf round the Cape or across the Atlantic seem certain to reduce western Europe's total oil supplies as well as to raise their delivered cost. The countries most dependent on oil for their fuel requirements are Sweden and Denmark, which import most of their supplies from refineries in other western European countries. The countries which normally have a considerable export trade in petroleum products with the rest of western Europe (the U.K., France, Netherlands and Italy) could doubtless minimise the adverse effects on their own industries of a reduction in total supplies to the area by reducing or eliminating exports, but this could be disastrous for the importing countries. If an overall shortage should persist for any considerable length of time, measures to allocate supplies as between countries, and within countries as between industries, will undoubtedly become necessary.

Scope for American Aid

Faced with these far from cheerful prospects, the Secretariat of the Economic Commission of Europe (E.C.E.) has done well to compile a report surveying the whole situation, which is included as part of an article in the latest quarterly *Economic Bulletin for Europe*, Vol. 8, No. 3. This merits careful study, for in addition to outlining the developments it goes further and makes some constructive suggestions. For instance, in dealing with the oil shortage problem, it considers the possibility of minimising the effects by stepping up imports of coal from the United States, now running at a rate of about 50 million tons a year. There is uncertainty whether or not loading facilities in U.S. ports would become an obstacle to a very substantial rise in the rate of shipment of coal to Europe, but it is felt that some increase would be possible. This might well require further releases of ships from the U.S. reserve fleet, but the report points out that dry cargo tonnage in the reserve fleet is far more plentiful than tankers and probably need not prove a serious limitation. Nevertheless, the possibility cannot be excluded that a decrease in the supply of fuel oil will entail a certain reduction of industrial output in western Europe below the level that could otherwise have been attained. It should be possible, however, within limits, to concentrate reductions in fuel supplies in each country on those industries where there is least danger that a fall in production will start a chain reaction spreading throughout the economy.

The Secretariat points out that any prolonged diversion of oil purchase to western hemisphere sources or any rapid growth of coal imports will add to western Europe's import bill in trade with dollar countries. It considers that Government would probably be justified in taking steps to neutralise the impact on domestic price levels of higher freight rates, at least until long-term tendencies can be more easily foreseen. Considering the possibility of a slowing down of the growth of output and, on the other hand, some fall in consumer demand as a result of restrictions on private motoring, it is suggested that there may be some small net inflationary effect. Moreover, any substantial increase in defence outlays in western Europe would restrict still further the resources available for civilian investment and consumption and make more difficult the task of maintaining internal and external economic stability. Adverse economic repercussions could also be expected in eastern Europe should recent developments lead to any significant increase in military expenditures in this area. The risks are illustrated by recent policy discussions in Poland and Hungary, from which it emerges that, at the time of the Korean conflict, the extra military outlays which were placed on top of an already ambitious investment programme contributed substantially to the subsequent decline in living standards and to other economic difficulties which, in turn, have played a rôle in the disturbances of recent months. It has not been possible, in the later sections of the review, to take full account of all the implications of the developments in Egypt and in eastern Europe, and the Secretariat stresses that it is describing essen-

tially the trends up to mid-October, which since then could have undergone considerable change.

Western European Exports

In the early stages of the boom, the western European countries were able rapidly to expand supplies of food, fuel, materials and equipment so that the needs generated by growing industrial output and rising incomes could be satisfied without a disproportionate increase in imports from the outside world. Now, however, imports from outside western Europe are rising faster than output and also faster than exports to the outside world. This speeding up of the rise in imports in relation to production is attributable partly to the general pressure of demand on western Europe's resources and partly to special factors, such as the failure of coal production to expand and the consequent rise in western Europe's imports of American coal from 24 million tons in 1955 to an annual rate of 50 million tons in 1956. Oil imports have also risen fast. Among individual countries, the rise in imports has been especially rapid in three of the countries where the pressure of demand on resources has recently become most intense—France, Finland and the Netherlands. All the major industrial exporters except France have increased the volume of their exports in 1956 as compared with the same period of 1955, but the increases have not invariably kept pace with the rise in imports.

The Secretariat considers that in France the lower exportable surplus of cereals, as well as the pull of rapidly growing home demand for raw materials and many manufactured goods, has helped to depress exports. Looking at the experience of the U.K. and Denmark, where total home demand has been deliberately depressed by Government action in the interests of balance of payments stability, it points out that in Denmark the rate of increase of exports of industrial goods, although high, has not increased in 1956. In the U.K., the movement of labour and other resources from sectors of slack demand towards those where demand is strong is proceeding rather slowly. The present rate of growth of total exports does not seem to be significantly faster than that registered between 1954 and 1955, and an examination of trends in a particular sector, such as the engineering, shipbuilding and electrical industries, shows that in the first half of 1956 falling demand for defence materials and consumer goods was not fully offset by rising exports, and total production fell. The conclusion drawn from the experience of these two countries is that a policy of restraint of home demand may not have a rapid effect on the rate of growth of exports unless either it is concentrated on those sectors of production for which export demand is already strong, or it is accompanied by measures to stimulate investment in industries which can readily find export markets.

Two tables in this section of the review illustrate the more rapid growth of West German than of British or French exports in each major category of manufactured goods and towards each main market area. The Secretariat sees little likelihood of any rapid change in these trends, but quotes some interesting estimates of changes in wages, productivity and export prices in the three countries. These suggest that such advantage in labour costs and the rate of increase of export prices as Western Germany may have enjoyed in the past are now being reduced. The figures suggest that rapidly growing productivity throughout the last two years has prevented any significant rise in wage costs in France, but concealed unemployment and under-employment in the U.K., and the resulting failure of output a man-hour to increase over the 1955 level, may have caused labour costs to rise during recent months noticeably faster than before, since the rate of increase of earnings has not changed during the period under review. In Western Germany, there seems to have been a marked decline recently in the rates of growth of productivity, and wages have been rising considerably faster than in earlier years.

Changes in Balances of Payments

In considering recent changes in the balances of payments of western European countries, the Secretariat expresses the view that where reserves have been reduced in recent months, this has, in most cases, represented little more than a loss of some of the gains of 1955. The rate, or persistence, of the drain on reserves has become serious only in France, the Netherlands and Ireland, and in the Netherlands the level of reserves in relation to imports is still reasonably satisfactory. Steps have been taken in all these countries to help arrest the decline, but there are some doubts whether the drain on French reserves can soon be checked. The recent negotiation of a stand-by credit for \$263 million from the International Monetary Fund has provided some reinforcement for the French reserves, but there is no sign of any relaxation of the pressure of demand on resources and it is doubtful whether any improvement in the competitiveness of French exports in the near future can be on such a scale as would produce a significant improvement in the underlying trade and payments relations. In contrast with the French position, which may now be worsened by the effects of the Anglo-French intervention in Egypt, the

E.C.E. Secretariat sees no prospect of any rapid change in the West German balance of payments surplus and suggests that the signs of a slowing down of the growth of domestic demand in Western Germany which have recently appeared may tend to increase the surplus still further. The Secretariat suggests, nevertheless, that so long as western Europe's overall balance of payments with the outside world—and in particular the balance with the dollar area—remains satisfactory, the risks that divergencies in the balances of individual countries may lead to general deflation is greatly reduced. Figures are quoted illustrating the overall balance of payments position of western Europe as a whole, and the effects of U.S. trade and payments on world dollar supplies, which are characterised as providing "a fairly satisfactory background for further economic expansion in western Europe" if it were not for the new dangers introduced by recent events in the Middle East.

Further Industrial Expansion

Turning to the prospects for further industrial expansion in western Europe, the report notes the apparent levelling off of overall industrial production in July and August, but suggests that indices of output in these months—even though seasonally adjusted—may not be a good guide to underlying trends. The forces of expansion now appear strongest in France, Belgium and Switzerland, while Denmark and the U.K. remain at the other extreme with output still running at levels no higher than in 1955. The capacity for further expansion—except as it may be limited by the oil shortage—appears to be considerable in most countries despite complaints of labour shortage in those where demand is strongest. The reduced pressure of home demand in Western Germany is particularly significant. In general, the earliest investment boom seems to have been checked and consumption and exports are becoming relatively more important factors in the continuing expansion of output than they were during 1955 and the early months of 1956. The flow of home market orders to the capital goods industries fell below the corresponding 1955 level in August, and the latest I.F.O. tests show a decreasing proportion of firms throughout industry reporting relatively high stocks of orders, and a rising proportion reporting that orders on hand are unsatisfactorily low. Looking to the future, the Secretariat suggests that the recent imposition of restrictions on private motoring in a number of countries, and the possibility of a petroleum shortage lasting at least for some months, seem likely to have a discouraging effect on the European market for private motor cars in the immediate future. But it sees little reason otherwise to expect a change in the general upward trend of consumption.

Future Prospects

The E.C.E. Secretariat sums up its views of the future prospects for industrial expansion in western Europe in this way. The present trends of demand for consumption and investment in most of the countries of western Europe, and the continuing growth of exports, suggests that little change in the rate of overall expansion is to be expected in the near future unless a further easing of investment demand in Western Germany or the beginning of a positive decline in investment in the U.K. brings about some further fall in the rate of growth of total output in those countries. Present indications suggest that such a fall may occur during 1957, however, unless either changing Government policies or other events affecting business men's expectations of future conditions provide a new stimulus. But, in addition, the possible effects of recent events in the Middle East now constitute an additional source of uncertainty about the future. Some production difficulties in the short run seem inevitable, although the existing stocks of oil and the measures already taken by Governments to enforce economies on consumption should limit the damage. Looking further ahead, it seems likely that the fuel shortage may become a limitation affecting the future rate of production if the Suez Canal should remain closed for long, since sufficient shipping may not be available immediately to transport all the oil available from the Persian Gulf or the western hemisphere. The report notes that Government policies in most countries are now concentrated on attempts to check price inflation. It quotes figures showing that in most countries wages and prices have risen as fast as or faster during 1956 than during the previous 12 months. There is now a new danger, stemming from events in the Middle East, that rising freight rates, which are already approaching the peak levels reached during the Korean war, may be forced still higher by the increased expense of longer voyages and by the intensification of the already acute shortage of shipping. As long as there is a chance that increases in costs of this kind may later be reversed, it would be reasonable for most Governments, in present circumstances, to take steps to offset their effects on the general levels of domestic prices rather than to risk the danger of a new stimulus being given to the cumulative process of price-wage inflation.

Trends in Agriculture

This section concludes with a discussion of current trends in agriculture. The general upward drift of farm prices is noted and the report suggests that in many of the western European countries Governments are faced with increasingly difficult problems in the field of agricultural policy. Social and political considerations, as well as a desire in some cases to limit their countries' dependence on food imports, dictate a policy of maintaining farm incomes or indeed raising them more or less in line with the growth of incomes in other sectors of the economy. Increases in wages of farm workers in many countries and other increases in farming costs or in general price levels, produced during 1956 widespread demands for higher prices

for farm products. To accede to these demands in present conditions frequently involves either a higher tariff or tighter import restrictions (within the limits set by the international obligations of the various countries in these fields) or, alternatively, an increase in the subsidy bill. But any of these solutions is liable to lead to further difficulties—either a new upward pressure on the general price level, subsequent wage increases and a strengthening of any existing tendencies towards a cumulative cost inflation, or an increased burden on the budget and possibly a need for offsetting economies in other expenditures, or for tax increases. To some extent, the difficulties facing most western European Governments in carrying out a policy of income parity for the agricultural sector are linked with the farming structure in these countries. In many cases a large part of the agricultural population is occupied on small farms where the possibilities of increasing productivity are limited, or which may be capable of being operated economically only in certain specialised lines of production. In fixing prices which are designed to give a "parity" rate of growth of income to most, even if not all, producers, Governments are therefore precluded from taking fully into account the average increases in productivity of the whole sector, from which only a minority of producers may have received substantial benefit. They may also have difficulty—as has already been noted in connection with the recent trends of milk production and prices—in securing the most economic pattern of prices and output.

Increases in the general level of farm prices do not in themselves provide any incentive to increase productivity, and the atmosphere of protection may in fact discourage efforts in this direction. However, some Governments are apparently becoming increasingly discriminating in the measures used to support the real income of the agricultural sector, with the aim of encouraging greater efficiency and a more selective expansion of output. The Secretariat suggests, however, that the most energetic pursuit of such policies can as yet offer little prospect of any immediate change in the general upward drift of food prices, and claims by farmers' organisations for new price increases in the 1955-57 season have already been made or can be foreseen with some certainty in Western Germany, the Netherlands, Switzerland and the U.K.

Eastern European Changes

Even more interesting, perhaps, is the fact that the E.C.E. report deals almost as comprehensively with the situation in eastern Europe, despite the difficulty of getting reliable statistics from behind the Iron Curtain. Reporting on harvest results in Russia and eastern Europe, the Secretariat says that an excellent grain harvest is indicated in the Soviet Union and Czechoslovakia, and about average results in Poland and Eastern Germany. In Hungary, however, the harvest was distinctly below average, as it was in Bulgaria. The good results in the Soviet Union reflect the successful harvests in the virgin lands in Kazakhstan and Siberia, and total State grain procurements in 1956 will be well over double the amount regarded as normal before the virgin lands campaign. The Secretariat also reports a startling rise in milk production in the Soviet Union, where deliveries by collective farms rose by 38 percent during the eleven months from 1st October, 1955 to 31st August, 1956. It quotes figures for the Ukraine which show that after a period of several years, during which yields had climbed only slowly from an extremely low level while the number of cows increased at a remarkable rate, milk yields suddenly rose by 40 percent between the years October-September 1954-55 and 1955-56. This changeover to a rapid increase in yields is to be explained by the fact that the inordinate increase in the number of milk cows has now been stopped. In other words, the recent increase suggests that during the last few years not only far smaller than they might have been if cow numbers had been kept at lower levels. The recent increase in Soviet milk yields, it is suggested, thus seems to reflect the belated beginning of an adjustment of cow numbers to fodder availabilities so as to avoid under-feeding.

The Secretariat suggests that some eastern European countries are in a similar position, having herds of cows which are too big in the sense that an increase of herds without a more than proportionate increase in fodder supplies is not to be recommended. The report quotes figures of prewar and postwar milk yields in both eastern and western European countries which show a rise in yields in the western European countries and falls in several eastern European countries. The Secretariat reports a continuing drive for collectivisation in Hungary, Bulgaria and Czechoslovakia during the late summer, but also a tendency towards more flexibility in determining the structure of the co-operative farms and the functioning of agricultural markets. In Poland, a lively public discussion developed on the aims and methods of agricultural policy in general, and co-operative farming in particular, and the most recent developments in Poland seem to inaugurate important changes in agricultural structures. All the recent measures in Rumania, Hungary, Eastern Germany and Albania are to some extent similar in that they seek to take account of farmers' reluctance to join co-operatives of an advanced type by providing facilities for more modest forms of co-operation. The present trend is somewhat different in Bulgaria, where the policy is to bring all land under co-operative farms, and in Czechoslovakia, where there continues to be a strong official desire for the creation of new co-operative farms. The Secretariat suggests that there may be a danger that the very harsh criticism now levelled against the Polish col-

lectivisation policy creates a somewhat exaggerated impression of the importance of the purely institutional factors as a cause of the bad performance of Polish agriculture during the last ten years. It points out that only one-tenth of the area is under co-operative farming, and that regardless of any unfairness in distribution of supplies between collectives and other farms, the total supply of fertilisers, building materials, machinery and other means of production for agriculture was far too small.

Investment

In discussing investment in eastern Europe and the Soviet Union, the Secretariat points out that, after some relaxation of the drive for higher investment in 1954 and 1955, the plans for 1956 again laid down very ambitious programmes for the overall volume of investments in all the countries, with the exception of Bulgaria. Bulgaria was the only one among the eastern European countries in which there had been no levelling-off or decline in investment in the immediately preceding years. The actual results for the first part of 1956 show very considerable increases over the corresponding period of 1955 in investment in the Soviet Union, Czechoslovakia, Eastern Germany and Hungary, but these increases, though impressive in themselves, fell short of the rates planned for the year as a whole, and for Eastern Germany and Czechoslovakia the discrepancy between plan and performance is so wide that the fulfilment of the plan for the year as a whole seems to be unlikely. No quantitative information is available for Bulgaria, Poland and Rumania, but it has been announced in each of these countries that the plan was not fulfilled in the first half of 1956. The shortfall is attributable partly to administrative difficulties and labour shortage (in Eastern Germany and Czechoslovakia) but, above all, to shortage of building materials.

Fuel Problem

As in western Europe, there is a fuel problem in eastern Europe. The report suggests that production of coal seems to have reached a ceiling where no significant further increases can be achieved without considerable investment. The increase in production through higher labour input, whether by new recruitment or by longer hours and work on Sundays and holidays, is scarcely possible. The necessity for larger investment in coal mining is generally recognised and the plans provide for considerable increases. But the extension of mining capacity is a process which gives results, at best, after several months. The most important single factor in the eastern European fuel problem is Polish coal mining, the performance of which affects not only Poland itself, but also Eastern Germany and Hungary, which are dependent on imports of fuel. The Secretariat reports that coal output in Poland in 1956 is expected to amount 95 million tons, which is one million tons less than planned for the year and only 1.5 million tons more than in 1955. This increase is no more than what is required to cover additional allocations of coal for domestic fuel. At the same time, allocations for industry and transport have had to be increased. As a result, exports of hard coal have been reduced to a level almost 4 million tons below that 1955. Even so, the supply situation in Poland remains precarious and the Government has issued an appeal for economy in the use of fuel and created a special commission to deal with the energy problem. The difficulties in coal production in the main producing countries had serious effects on the fuel situation also in Hungary, the more so because the delays in deliveries of Czech and Polish coal and coke coincided with the decline in oil output due to the flooding of the Nagylengyel oilfields early in 1956. The deficit may be put at about 500,000 tons of hard coal equivalent. On 1st October, total stocks equalled only 18 days consumption and these stocks were very unevenly distributed. The railways had fuel for only six days and some industrial concerns even less. Up to that date, practi-

cally no deliveries to households for this winter had taken place.

Employment and Wages

The review of employment and wages in eastern Europe and the Soviet Union notes that apart from coal mining, where the problem of labour shortage is worldwide, and the largely seasonal difficulties in agriculture and building, the overall manpower situation in eastern Europe, with the notable exception of Eastern Germany and Czechoslovakia, shows signs of over-saturation rather than of insufficient supply. There may well have been similar instances of insufficient utilisation of labour in previous years but the measures recently taken in Poland and Bulgaria suggest that this kind of employment problem has now become more widespread and important. The Bulgarian Government has already taken a number of measures designed to create additional employment outlets, such as the renewed efforts to step up production, the expansion of the staff of various State institutions, the replacing of prisoners by free workers in the mines, the release from urban enterprises of workers and employees who were formerly employed in agriculture, and the introduction of shorter working hours in some enterprises and institutions. The main causes of unemployment, according to the report, are the tightening up of management and administration and consequent release of workers from these branches, the large numbers of women seeking work to supplement the family income, irregularity in supplies of raw materials—which produces intermittent unemployment—and the special problems of small towns which have been deprived of their small industries and handicrafts, and also have lost their rôle as trading centres for the surrounding countryside. The new policies of decentralisation of economic development and of encouragement to artisans and small private enterprises are meant not only to improve the lot of that hitherto neglected sector of consumers but also to provide productive employment for the redundant or under-employed town inhabitants and to overcome the "crisis of small towns".

Foreign Trade

The review notes that plans for foreign trade in the eastern European countries in 1956 forecast considerable increases in total turnover. The data for actual trade, in current prices, in the first half of 1956 show, on the whole, a considerable increase, even in Poland, where foreign trade had been planned to remain at about the 1955 level. A particular effort was made to develop trade in Czechoslovakia, and turnover increased by as much as 20 percent compared with a year earlier. This increase is remarkable in itself, though Czechoslovakia's foreign trade has hitherto been extraordinarily low in relation to its high degree of industrial development. The Secretariat considers that the second half of the year cannot show an equally high degree of plan fulfilment in foreign trade. Export availabilities have been reduced by bad harvests in Bulgaria and probably Rumania, by the shortfalls, coupled with a rise in home demand, in Polish coal production, and even before the recent events, by reduced export availabilities of mineral oil in Hungary. More recently, the insurrection must have had disastrous effects on production and the normal flow of trade. In some of the countries, among them Eastern Germany, these adverse factors may be partly offset by an increase in Soviet orders for industrial products and by deliveries under recently granted Soviet loans. The strain which thus arose in the payments position of many eastern European countries, especially in the Soviet Union, was reflected, the Secretariat reports, in frequent Government statements to the effect that the new long-term plans could be successfully carried out only on the assumption that additional external resources would become available. Eventually a series of new long-term loans were negotiated with the Soviet Union, and it may be expected that in the near future, as these credits are drawn upon, the trade surpluses of eastern European countries will diminish or even turn into deficits. By the same token, the share of the Soviet Union in the total trade of the eastern European countries may be expected again to increase.



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BUOYANT CONDITIONS IN STOCK MARKETS HOPES OF EARLY BANK RATE REDUCTION

London, 23rd January.

VERY active and buoyant conditions have prevailed in the domestic sections of the London Stock Exchange during the past week. Business has been at a very high level with the turnover in the gilt-edged very large. The Funds have scored a further substantial advance. Industrial equities have also moved to higher levels in sympathy with the Funds, but elsewhere conditions have been generally irregular. The Government appointments were well received in the market, while the subsequent speeches by Mr. Macmillan and the Chancellor of the Exchequer also made a favourable impression. The main driving force in the market, however, was the rising expectation, reinforced by the further fall in the Treasury bill rate on Friday, that a reduction in Bank rate will not be long delayed. Other favourable factors included the cuts in defence expenditure and the strength of sterling in foreign exchanges. In industrials, atomic power shares have advanced prominently in anticipation of an early Government statement on plans to expand the atomic power programme. The premium in the Imperial Chemicals loan stock has increased to over £8. Foreign bonds and rails have generally held steady. Dollar stocks have lost ground in sympathy with the decline on Wall Street—a factor that had little effect on the markets generally. Gold shares have drifted lower in the absence of interest and recorded widespread falls. Coppers have moved irregularly and other base metals have been mixed. Leading oils have receded and other oils have reacted after earlier firmness. Rubbers and teas have been quiet.

The Money Market

Credit conditions were comfortable in the money market during the past week. Several factors were involved, the chief of which was the small number of bills which the market obtained in the previous week's tender due to an unchanged bid. There were also large government disbursements on the account of the education authorities and the nationalised industries, added to which, there were large excess bill maturities. As a result of these factors, heavy tax payments passing to the revenue department were countered easily and a good supply of credit was available to meet the market needs. The cost of money cheapened and there was an easier trend in bill rates. It was not unexpected, therefore, that under the influence of an easy cash position, the strength of sterling and British funds, the money market would adjust its ideas sharply to the week's offer of Treasury bills and bring a drop of approximately 1 percent in the Treasury bill rate.

Stock Market Prospects

The *Investor's Chronicle* market newsletter writes: After penetrating their September resistance level, the London gilts have continued upward to the best levels for over eight months. Industrials are still consolidating and some irregularity may be expected. Wall Street is testing

the recent resistance levels influenced mainly by international and domestic affairs and second-quarter prospects. The doubts about the recent widespread advance in London industrials have been justified as some irregularity has appeared. Buoyant gilts carried industrials up with them, but industry faces a difficult time during the coming months. The smooth restoration of political stability following Sir Anthony Eden's resignation has encouraged gilts, but the biggest influence was the growing hopes of an early cut in Bank rate. Gilts are likely to continue firm, but industrials are irregular. On Monday of last week, which was the London Stock Exchange's busiest day since July, 1955, the industrials actually eased.

Activity on Wall Street

In a slow-moving market for foreigners, German nationals and Italians generally showed only minor changes, while among German industrials, United Steel Works added a point or more. Danish were unchanged to a shade higher. Japanese issues were mostly lower. Chile 3 percents added a minor fraction with several Brazilians higher by a point. The recent upsurge in long-dated U.S. Government securities temporarily halted early in the week in response to reports that the U.S. Federal Reserve Board was considering new steps to restrict credit, including a possible further increase in selling prices and the market developed renewed firmness with prices moving up about a point in fairly active dealings. Investment quality corporates also moved higher after a spell of softness.

Hongkong Gold Quietly Steady

The Hongkong gold market has been quietly steady throughout the past week, but the trading volume has tended to decrease due to the approaching holidays and the lack of incentives in the way of political news from abroad. Opening the period at \$(H)268, values at one stage reached \$(H)270½, but reacted to close finally at \$(H)268½. With the market closing from 29th January for almost a week, bullion traders anticipate only very small changes except on sharp fluctuations in sterling. The official offtake was 5,230 tael and the unofficial 13,100 taels. Arrivals in Macao were estimated at around 40,000 ounces. Forward contracts were quoted at \$(U.S.)37.73. Carry-over charges were 10 cents a ten tael in sellers' favour.

Price Reduction in U.S. Platinum

Two leading U.S. refiners last week reduced their officially published prices for platinum by \$5 an ounce to \$98 an ounce in bulk quantities, and \$4 to \$101 for retail lots. This compares with the former range of \$103 to \$105, and reflects lower rates which are prevailing for some time on the outside market for smaller amounts of the metal. The decline stems from increased imports and higher offerings to the United States from overseas, which it is believed originate largely in Russia.

U.K. Iron and Steel Exports

The U.K. Board of Trade announced that licences for future export to be required for export to all destinations of all types of iron, steel, rails and alloy and non-alloy steel sections, bars and rods. This decision follows the recommendations by the Iron and Steel Board to safeguard the supplies of steel for the U.K. engineering and shipbuilding industries.

Books and Publications

CO-OPERATIVE BANKING PROBLEMS

Co-operative Banking in India. By G. M. Laud. (Published by the Co-operators' Book Depot, Bombay. Price Rs. 27-8).

The literature on co-operative banking in this country is meagre, and Mr. Laud's 718-page work fills an important need well. His discussion of the aims and methods of co-operative banking is characterised by a welcome sobriety. It does not pretend that the problem of small-scale industrialists and agriculturists can be magically solved by setting up a whole lot of co-operative banks, surfeiting them with money, and then allowing them to meet their clients' needs lavishly without regard for purpose or security. It is pointed out that a progressive policy requires that the expansion of co-operative credit keep pace with the growth of economic activity. Members of co-operatives have to develop a capacity to accept calculated risks, modernise their functions and build a structure which may enable them to operate economically without jeopardising the safety of the funds in their custody. Mr. Laud emphasises that no short cut in the development of co-operatives is to be found by resorting to political expediency or deviating from sound banking practices. The importance of sound policies and techniques is especially great at a time when there is likely to be a rapid increase in the resources of co-operative banks, and in the opportunities for using those resources. On the whole, Mr. Laud is optimistic about the future growth of the co-operative banking system, although, as one who has been closely associated with it, he recognises the limitations under which it has to work at present. His book will be valuable not only for those whose interest in co-operation is mainly academic, but also for others whose involvement in its problems is more practical.

GANDHIAN TRADE UNIONISM

Gandhian Technique and Tradition. By R. N. Bose. (All-India Institute of Social Welfare and Business Management, Calcutta. Pages 228. Price Rs. 5.)

This book is a comprehensive and able exposition of the Gandhian technique in trade unionism. As those acquainted with the Mahatma's labour welfare activities know, this technique draws its strength from the Bible, Ruskin and the cardinal Buddhist doctrine of ahimsa. He, of course, proved through his own work in this sphere that, if correctly applied, the technique could produce happy results. The Ahmedabad Union, built by him, was a resounding success. But it is well to remember that he worked at a time when the Marxist theory of the class struggle had not yet gained a foothold in this country. After all these years, although one may feel sorry about it, one cannot get away from the fact that the Marxist poison has so infected the air that the Gandhian view of capitalists as the trustees of the welfare of workers is already looking a little too idealistic and out-moded for practical application. All recent labour welfare legislation shows that the "trustees" themselves are not trusted to do their bit by labour any more, they are being coerced to provide benefits, and this on a scale that threatens the future of industry. But this is not to argue that the Gandhian technique has lost its validity, for it can always be employed to induce a climate of conciliation and, in fact, the law-makers can make better use of it by giving managements the rights that the Mahatma would not have denied them. Perhaps the time has come to emphasise this aspect of the Gandhian technique and tradition.

THEORY OF CAPITAL

Capital and its Structure. By L. M. Lachmann. (Published by the London School of Economics, London. Agents Orient Longmans, Calcutta. Pages 130. Price 15s.)

This book deals with the pure theory of economics, and is based on the process analysis method worked out by the continental economists, Lindahl and Lundberg. When classical economists spoke of the stock of capital, they conceived it to be homogeneous and measurable, like any other stock. But they, as well as the neo-classical school, were mainly concerned with income distribution; the theory of capital has relatively been neglected. Professor Lachmann's conception of capital is that it is a complex structure which is functionally differentiated since the various capital resources of which it is composed have different functions. The allocation of these functions and the changes which they undergo in a dynamic system is the main theme of this book. In the first chapter, the method of enquiry is presented, while in the second systematic generalisations about expectations are made. The third chapter shows how entrepreneurs react to unexpected changes in forming and dissolving capital combinations in the light of experience. The fourth studies capital under conditions of dynamic change. All these chapters constitute the theoretical nucleus of the book. In the next three chapters, the ideas set forth in the earlier part are applied to a variety of capital problems. There is an able and critical examination of various trade cycle theories. It is shown that if capital formation entails changes in the composition of the capital stock, it also entails certain consequences for the course of the trade cycle which is the result of inter-sectional maladjustments.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

A DULL WEEK FOR BILLS

Tuesday, 22nd January.

THERE has been no appreciable change in the upward trend of both bank advances and deposits during the past week. The various sources of demand have maintained their offtake of funds. Money appears to be rather easier to come by and banks are generally able to meet the calls upon them. The interbank market has eased considerably. The call rate is down to 3½ percent and business is reported to have been done at levels as low as 3¼ percent.

It has been a slack week for bills. For the third week running, activity in the exchange market has been down to a minimum; only a few tea documents have come to hand. Remittance has been moderate and below the usual seasonal level. Sterling continues firm. There has been a further increase in the forward quotation during the past few days.

Bullion was firm on sustained support. Silver advanced from the previous week's level of Rs. 180-12 to Rs. 181-4, quoted today. The rate for ready metal was quoted at Rs. 181-8. The London price has remained the same at 80½d. The price of foreign silver in New York was unchanged at 91½ cents.

Gold was steady in sympathy with silver and rose from Rs. 107-4 to Rs. 107-8. The sovereign at Rs. 69-15 showed a gain of 6 annas.

During the week ended 18th January, Government of India Treasury bills for Rs. 46,72,25,000 were sold in favour of the Reserve Bank.

A decline of Rs. 4.32 crores to Rs. 1,495.21 crores in active notes featured the return of the Reserve Bank of India for the week ended 18th January, 1957. The total note issue increased by Rs. 17 lakhs to Rs. 1,508.55 crores. A decline of Rs. 4.97 crores to Rs. 442.33 crores in foreign securities was offset by an equivalent increase in rupee securities to Rs. 825.22 crores. Deposits of the Government of India declined by Rs. 3.29 crores to Rs. 50.71 crores, while other Government accounts increased by Rs. 2.09 crores to Rs. 7.03 crores. Balances of commercial banks, at Rs. 52.98 crores, were Rs. 3.27 crores lower. Balances held abroad increased by Rs. 94 lakhs to Rs. 81.24 crores, presumably by a transfer from the Banking Department. Investments were Rs. 22 lakhs higher at Rs. 49.70 crores. Other loans and advances declined from Rs. 106.60 crores to Rs. 102.61 crores, of which advances to scheduled banks against usance bills amounted to Rs. 60.70 crores against Rs. 60.86 crores. Such advances totalled Rs. 34.41 crores since 1st January, 1957. Ways and means advances stood at Rs. 8.42 crores (Rs. 8.60 crores).

The return of the State Bank of India for the week ended 11th January, 1957, shows a rise of Rs. 7.17 crores in total deposits to Rs. 247.76 crores. Investments in Government securities are down by Rs. 2 lakhs to Rs. 95.57 crores, while other authorised investments remain unchanged at Rs. 11.46 crores. Advances including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 5 crores to Rs. 151.41 crores. Cash and balances are, in consequence, shown at Rs. 18.59 crores, or Rs. 7 crores higher.

The statement of the position of scheduled banks for the week ended 11th January, 1957, shows Demand and Time liabilities at Rs. 653.16 crores (Rs. 4.57 crores on account of borrowings from banks) and Rs. 456.84 crores (Rs. 2.07 crores), compared with Rs. 646.80 crores (Rs. 6.93 crores) and Rs. 457.79 crores (Rs. 2.34 crores), respectively, in the previous week. Cash has declined by Rs. 2.31 crores to Rs. 10.52 crores, while other balances with the Reserve Bank have advanced by Rs. 2.46 crores to stand at Rs. 50.72 crores. There is a drop of Rs. 2.04 crores in investments to Rs. 362.42 crores. Advances and bills discounted at Rs. 808.43 crores show an increase of Rs. 6.69 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 77.7 percent and 72.8 percent, against 7.8 percent and 72.6 percent.

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land customs revenue collected in the Indian Union during November, 1956, amounted to Rs. 1,529 lakhs, compared with Rs. 1,380 lakhs in the corresponding month of the previous year. The comparison in the following should be taken to refer to that of the current figures with those of the corresponding period of the preceding year. Of the total customs revenue collections, Rs. 1,078 lakhs, export duties for Rs. 267 lakhs against Rs. 276 lakhs and land customs and miscellaneous for Rs. 33 lakhs against Rs. 26 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,623 lakhs, compared with Rs. 1,167 lakhs. During the eight months, April to November, 1956, the grand total of gross Customs and Union revenue realised was Rs. 22,903 lakhs, compared with Rs. 20,365 lakhs, during the corresponding period of the preceding year. Of this amount, Rs. 1,109 lakhs, export duties for Rs. 1,828 lakhs, against Rs. 2,447 lakhs, land customs and miscell-

aneous for Rs. 233 lakhs against Rs. 117 lakhs and Union excise duties for Rs. 11,796 lakhs against Rs. 9,692 lakhs.

LONDON FINANCIAL LETTER

NEW OPPORTUNITIES

By Air Mail.

IN the City of London, the apprehensions arising from Sir Anthony Eden's resignation lasted only a few hours. Attention was then directed to the opportunities presented to, and provided by, a reorganised administration; and the Stock Exchange responded with vigour. The anxieties of recent months were almost forgotten when it was realised that the risk of an untimely general election had been removed and that the Conservative Government had still three years in which to regain its popularity before appealing to the country. What is awaited now is evidence of new policies. It is assumed that Mr. Harold Macmillan will assert his total authority as premier, and it is certain that his experience at the Treasury will be a useful basis for his policymaking. While Chancellor of the Exchequer he indulged in a "pipe-dream" in which he imagined the economy breathing freely again with its military burden halved. Mr. Harold Wincott (editor of *The Investor's Chronicle*) has lately commented (in *The Financial Times*) that the "pipe-dream" is the idea that we can go on supporting a military burden of some £1,500 million a year. With the lessons learned at the Treasury in mind, Mr. Macmillan may make positive moves to reduce this burden, thus enabling the new Chancellor to take full advantage of the easing of inflationary pressure.

The recent trend of financial policy has not been encouraging. In an economy that is obviously over-taxed, Mr. Macmillan (as Chancellor) has sharply raised duties on oil products (although supplies are rationed) and hinted at the possibility of raising income-tax next April. The reorganisation of the Government provides an opportunity to abandon such ideas and to restore economic health at a reduced level of taxes and prices. Mr. Macmillan's price-stabilisation policy has been sadly bungled, and the huge aggregate of wage-claims lately settled or still under negotiation or outstanding is mainly a reflection of recent increases in the cost of living. It is noted, however, that these claims are not being put forward so ag-

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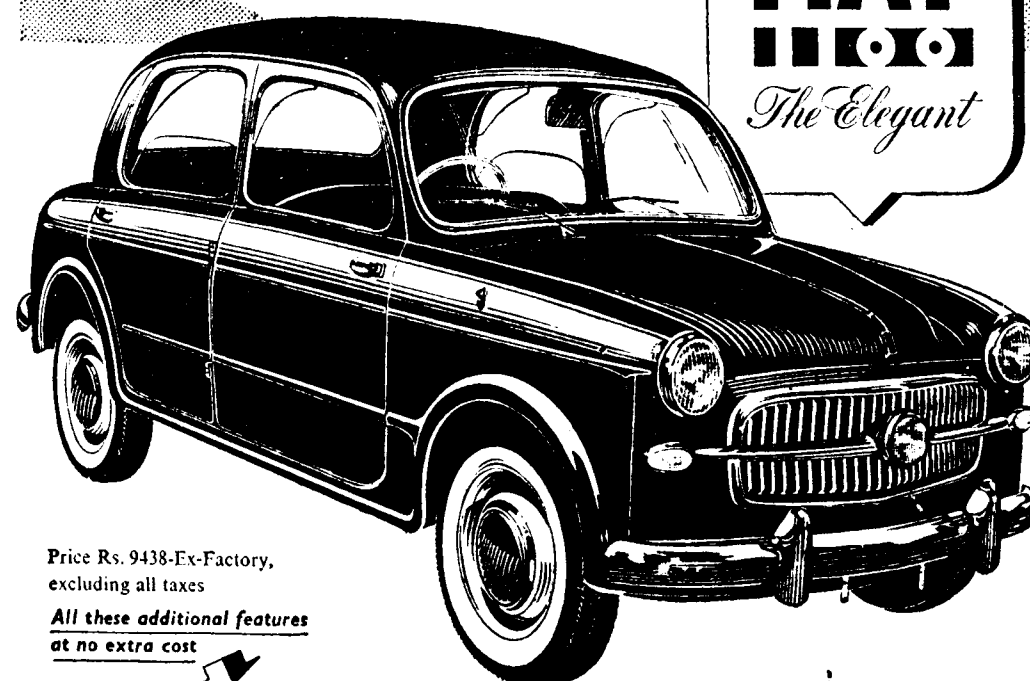
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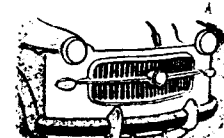
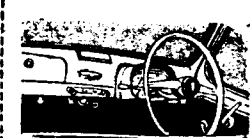
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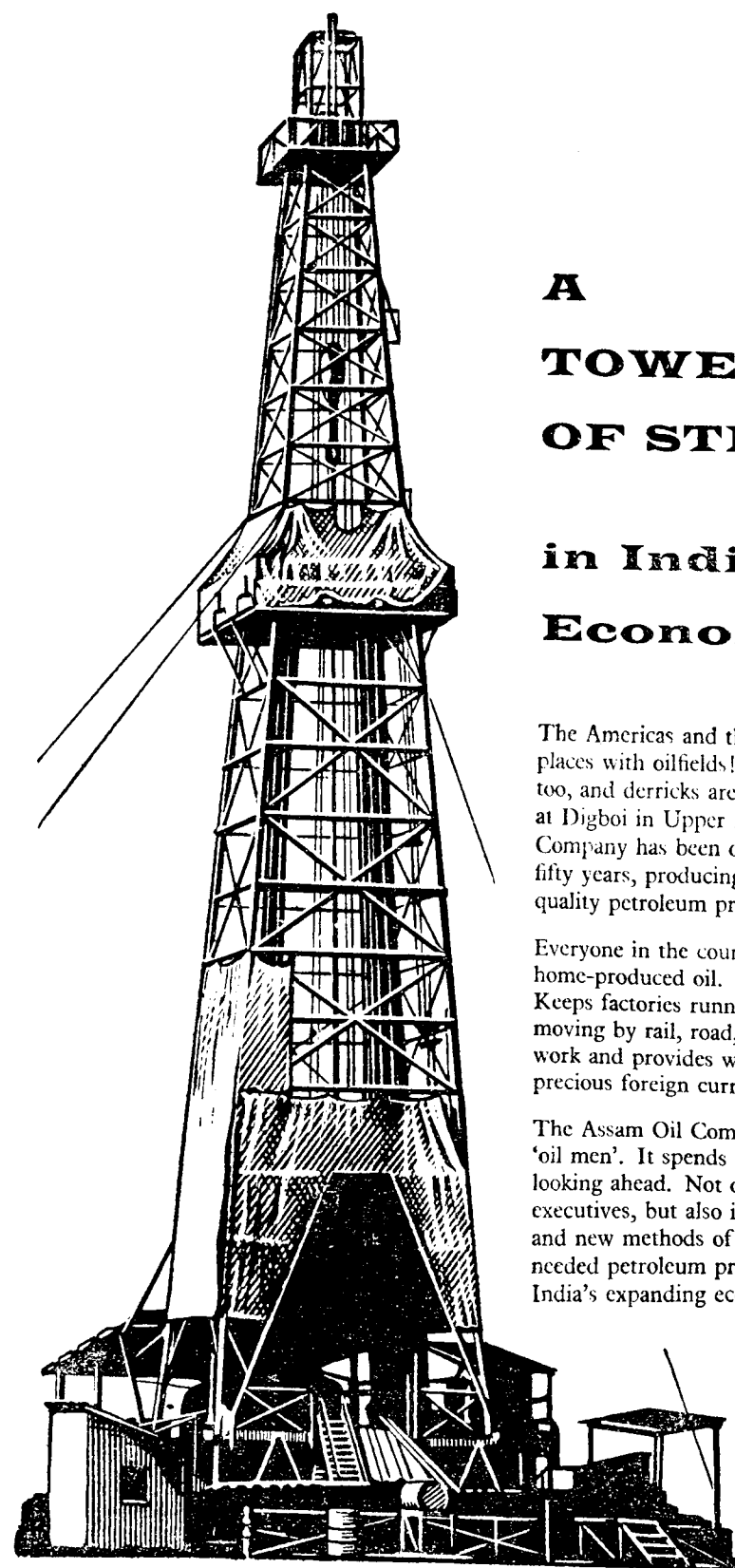
gressively as such claims have been in recent years. The labour market is perceptibly weakening and if this development proceeds it will play an important part in shaping policies. Mr. Macmillan, as Chancellor, was rather less reluctant than his predecessors to risk the effects of deflation, but he would certainly not, as Premier, view complacently the prospect of serious unemployment—and there are now, for the first time in nearly three years, more unemployed workers than vacant jobs. Production, moreover, has been running in recent months at a slightly lower level than a year previously. The task of maintaining full employment of resources (of physical resources considerably expanded by the capital investment of recent years), while relieving inflationary pressures on sterling, will require careful and flexible policies.

No Inflation of Bank Money

There is a widespread feeling that interest-rates in this country will soon be reduced. For instance, all of 25 economists who were asked to forecast the economic trends of 1957 expected that Bank rate would be reduced during the year; and most believed that the reduction would begin in the first half-year. Such ideas have been fortified by the reduction of the West German Bank rate this month. There is clear evidence that the Treasury, by maintaining comfortable conditions in the money market and so pressing down the discount on Treasury bills, is trying to effect an appreciable saving in the cost of the national debt and, particularly, in disbursements on overseas sterling balances invested in London. The Treasury bill rate fell rapidly between mid-December and mid-January, and its hesitation at the

latter point does not imply that the authorities are yet satisfied with the saving achieved. But there is a limit to the decline in the bill rate within the structure of deposit and loan rates fixed by Bank rate. The authorities would certainly prefer a lower Bank rate if it does not weaken sterling.

The question arises whether a reduction of Bank rate, and of other rates with it, would unduly stimulate demand for credit, and whether the discipline imposed on, and by, the banks would be sufficient protection against excessive borrowing. The latest quarterly analysis of bank advances, showing the position at mid-November last, provided further evidence that the credit-squeeze was working. Compared with a year earlier, personal and professional advances had been reduced 13 percent, advances to hire-purchase companies 38 percent, while iron and steel, engineering, chemicals, together took 26 percent more. The banks' resources have been diverted from inessential domestic purposes to essential export industries. And at the present stage, when even essential industries are reviewing their investment plans more cautiously, selective stimulation of borrowing would not necessarily be harmful. Superficially, the turnover of the Bankers' Clearing House in 1956 suggests that the credit-squeeze has been to some extent evaded by more rapid circulation of money. Closer inspection reveals, however, that about three-quarters of the year's increase of £8,300 million to £160,900 million in clearings of cheques, bills etcetera, occurred in the first half-year. In preceding years the turnover of the second half had been considerably more than that of the first half, but in 1956 it was considerably less. The velocity of circulation of money is evidently slowing down.



A TOWER OF STRENGTH in India's Economy

The Americas and the Middle East are not the only places with oilfields! Oil is produced here in India, too, and derricks are a familiar part of the landscape at Digboi in Upper Assam. The Assam Oil Company has been operating this oilfield for over fifty years, producing some 300,000 gallons of high quality petroleum products daily.

Everyone in the country benefits from this flow of home-produced oil. It speeds food production. Keeps factories running smoothly. Keeps goods moving by rail, road, sea and air. Takes people to work and provides work for them—as well as saving precious foreign currency.

The Assam Oil Company itself employs over 8,000 'oil men'. It spends much time and money in looking ahead. Not only in training technicians and executives, but also in finding new sources of oil and new methods of processing it into the much-needed petroleum products which are so vital to India's expanding economy.



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ASSAM OIL COMPANY

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	10-1-57	11-1-57	20-1-56
Liabilities—			
Notes in Banking Dept.	17,63.59	13,16.20	19,11.48
Notes in Circulation	14,90,85.08	14,95,21.33	13,92,71.46
Total Notes issued	15,08,48.67	15,08,37.53	14,01,82.96
Assets—			
A. Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,32,33.16	4,47,30.43	6,67,06.60
Total of A	5,50,09.19	5,65,06.46	7,07,08.31
B. Rupee Coin	1,23,23.19	1,23,16.15	1,06,38.59
Rupee Securities	8,35,22.19	8,20,25.32	5,88,36.66
Total	15,08,64.57	15,08,47.93	14,01,82.96
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	—
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	50,70.89	54,00.40	50,29.96
(b) Other Govts.	7,03.96	4,93.99	13,57.65
(c) Banks	52,98.34	56,24.69	67,50.69
(d) Others	13,28.98	13,11.04	21,41.31
Bills Payable	13,72.70	11,54.09	10,43.06
Other Liabilities	1,11,66.30	1,08,90.22	34,63.12
Total	2,75,40.27	2,74,74.33	2,07,66.59
Assets—			
Notes	17,65.59	13,16.20	19,11.48
Rupee Coin	1,23,23.19	1,23,16.15	1,06,38.59
Subsidiary Coin	11.43	10.94	45.50
Bills Discounted Int.	—	—	—
Govt of India Treasury Bills	90.80	1,96.63	6,43.15
Balances held abroad	81,23.64	80,30.30	72,55.30
Loans to Govt.	8,41.70	8,59.70	1,62.00
Other Loans etc.	1,02,61.63	1,06,59.89	42,59.07
Investments	49,70.17	49,47.91	51,23.84
Other Assets	14,66.75	14,44.27	13,31.21
Total	2,75,40.27	2,74,74.33	2,07,66.59

SCHEDULED BANKS

(In 000's of Rupees)			
	11-1-57	4-1-57	13-1-56
Liabilities—			
(a) Borrowings from Banks	4,56.78	6,93.30	6,35.09
(b) Others	6,48,59.25	6,39,86.73	6,26,75.94
Time Liabilities—			
(a) Borrowings from Banks	2,07.00	2,34.00	—
(b) Others	4,54,77.12	4,55,44.93	4,08,76.31
Borrowings from State Bank Demand Liabilities	10,51.92	10,21.15	11,33.23
Time Liabilities	—	—	—
Borrowings from Reserve Bank	70,10.42	73,19.49	28,44.60
Cash	35,20.90	37,51.95	35,95.41
Balances with the Reserve Bank	50,72.22	48,25.57	51,02.00
Balances with other banks in current account	10,41.09	11,53.76	11,80.46
Money at calls and short notice	6,92.54	9,06.15	9,59.34
Investments in Central and State Govt Securities	3,62,41.65	3,64,45.47	3,41,02.03
Advances	6,45,43.88	6,35,30.24	5,33,09.29
Indian bills purchased and discounted	1,11,39.28	1,13,34.68	82,51.12
Foreign bills purchased and discounted	51,57.59	52,45.48	47,45.17

CLEARING HOUSE RETURNS

Week ended			
	Rs. (thousands)	Calcutta	Bombay
18-1-57	71,27.37	—	—
11-1-57	64,29.45	73,11.71	—
4-1-57	57,60.12	58,03.53	—
28-12-56	61,86.15	61,25.34	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	week ended	week ended	week ended
	4-1-57	28-12-56	20-1-56
Liabilities—			
Notes in Banking Department	8,21.12	10,33.22	—
Notes in Circulation	3,26,36.79	3,26,45.63	—
Total Notes issued	3,34,57.91	3,36,78.85	—
Assets—			
A. Gold Coin and Bullion	11,33.41	11,33.41	—
Sterling Securities	82,02.81	82,02.81	—
Government of India Securities	23,63.47	23,63.47	—
India notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28	—
B. Rupee Coin	5,34.95	5,34.95	—
Govt of Pakistan Securities	1,65,30.93	1,65,30.93	—
Balance with Reserve Bank of India pending transfer to Pakistan	—	—	19.02
Gold and Silver	18.42	18.42	—
Sterling Securities	4,40.63	4,40.63	—
Govt of India Securities	1,00.00	1,00.00	—
Rupee Coin	29.51	29.51	—
Total	3,34,57.91	3,36,78.85	—

BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	—
Reserve Fund	3,00.00	3,00.00	—
Deposits—			
(a) Central Government	50,35.06	43,25.21	—
(b) Provincial Government	50.48	14,37.24	—
(c) Banks	14,37.86	3,17.42	—
(d) Others	75.73	10,78.83	—
Bills Payable	10,03.41	78,57.50	—
Other Liabilities	—	—	—
Total	85,19.96	78,57.50	—
Assets—			
Notes	8,21.12	10,33.22	—
Rupee Coin	—	—	—
(a) Pakistan	—	14	—
Subsidiary Coin	—	16	—
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	—	—	—
(b) Govt Treasury Bills	49.87	96.01	—
Loans and Advances to Govt.	90.00	—	—
Provincial Govt Debtor Balances	2,53.51	21,71.50	—
Other Loans and Advances	19,01.12	34,70.54	—
Investments	44,48.20	10,61.89	—
Other Assets	9,55.84	78,57.50	—
Total	85,19.96	78,57.50	—

Stocks and Shares

SHARE MARKET IN MORE CHEERFUL MOOD

INVESTMENT BUYING AT LOWER LEVELS: IMPROVED TECHNICAL POSITION

IT has been a short week in the share market; two holidays have interfered with normal trading routine. But it has still contrived to be the best one for business since the November interim Budget. Prices have risen in most sections and the speculative Indian Irons show an improvement of more than Rs. 1-8 on last Wednesday's quotation. The reason for the improvement seems to have been the wave of replacement buying which started in Bombay after the Life Insurance Corporation began to take an interest in selected investment scrip. This was helped by the buying of one large bull operator in Calcutta and the subsequent rise in the price of Indian Irons. Other speculative counters which have benefited from this buying are Orient Paper and Texmaco, both in the Birla group of companies. Burrakur and Indian Copper have remained fairly steady. The undertone of the market is now distinctly better. But the feeling seems largely based on the fact that equity values had already sunk lower than their prospects, or in the case of jute shares, their break-up values, warranted. Some consolation also appears, oddly enough, to have been taken from Mr. Krishnamachari's statement that most of the taxing required for the second plan will be introduced before February 1958. There is no more evidence of a return of long-term confidence in equities as investment assets than there was last week, or has been for the past six months.

Among the investment sections, engineering and miscellaneous appear to have benefited most from the recent revival. Selected shares in both these groups have enjoyed fair support, although prices are probably still well below intrinsic worth. Jute shares have been in surprisingly good demand in the past week, probably due to the bargain prices at which most of them are now standing. Teas have been quiet, while coal shares have changed little in price, although some enquiry has been reported. Government securities have improved.

Details of the week's trading follow.

The improvement reported in gilt-edged prices last week continued with 3% Conversion Loan 1986 improving further to Rs. 73-7 on replacement buying. Three percent Non-terminable Paper was also slightly better at Rs. 73-2. In short-dated issues, 3 percents 1957 and 1958 were unchanged at Rs. 99-12 and Rs. 99-9 while there were buyers for both 2½% 1960 and 2½% 1961 at Rs. 96-5 and Rs. 93-5 respectively. There was good inquiry for 3½% 1961 with the price improving from Rs. 99-4 to Rs. 99-6; 2½% 1962 was supported at Rs. 93-15. Among medium-dated loans 3% 1963-65 was better at Rs. 94-4, while both 3½% 1964 and 1965 were steady at Rs. 98-5 and Rs. 98-3 respectively. Three percent 1964 was unchanged at Rs. 94-3. In long-dated issues 3% 1966-68 was reported at the previous rate of Rs. 92-4 while there was a good inquiry towards the close for 3% 1970-75 with the price improving to Rs. 86-15; 3½% 1974 was unchanged at Rs. 98-8.

In Provincials, 4% West Bengal 1968 was placed at Rs. 99 as was 4% U.P. 1968 at Rs. 97-14-6. Four percent Madras 1967 improved by one anna to Rs. 98-3.

Among miscellaneous preference shares, Allahabad Bank were crossed at Rs. 114 and Aluminium Corporation 5% and 6% were done at Rs. 74 and Rs. 97 respectively. Associated Hotels met with interested support and rose sharply from Rs. 63 to Rs. 74, but at the close there were sellers at Rs. 65. Dalmia Cement Rs. 100 paid-up were marked at Rs. 94 and Calcutta Electric were done at Rs. 10-6 cum-dividend. British Ceylon Corporation were reported at Rs. 8-2 and British India & Steel changed hands at Rs. 118. Indian Iron Industries "B" at Rs. 64-8. A small lot of Shaw Wallace was crossed at Rs. 67. No business was reported in preference shares of jute companies.

Bank shares continued to meet with good support with Punjab National improving further from Rs. 53 to Rs. 56 and Hind Bank from Rs. 36 to Rs. 37. United Commercial were well maintained at around Rs. 59. United Bank of India "D" class shares were unchanged at around Rs. 4-8.

No business was reported in railway shares. In Cottons, Elgins reacted from Rs. 28-8 to Rs. 15-8. Muir Mills were marked down sharply from Rs. 93 to Rs. 76. Cawnpore Textiles were shaded at Rs. 7-13 while Bowreah and Dunbar were both unchanged at Rs. 127 and Rs. 202 respectively.

In the coal section, Amalgamated were marked down from Rs. 20 to Rs. 19 while Bengal were shaded at the higher rate of Rs. 449. Borra tained at around Rs. 21-4. East Indian were crossed at Rs. 26-8 and were later quoted at Rs. 27. Ranapura Collieries were offered at Rs. 100. Kat-

ras Jherriah, on the announcement of a rights issue, improved sharply from Rs. 53-8 to Rs. 57. New Beerbloom were better at Rs. 15-8 while Pench Valley, despite the publication of a disappointing report, were unchanged at Rs. 19-8. South Karanpura were enquired for and improved from Rs. 9-4 to Rs. 10-4.

The improvement in jute shares reported last week continued, as will be seen from the following table:—

	Opening 17-1-57	Closing 22-1-57
Anglo-India	136	140
Auckland	87	94
Birla	15 12	16
Caledonian	118	125
Cheviot	142	150
Delta	133	—
Ganges	52	55
Howrah	18	20
Kelvin	180	200
Kinnison	126	132
Megha	68	75
National	18 15	20

Electric supply shares were subdued with Agra being marked down from Rs. 148 to Rs. 145. Calcutta Electric were depressed at Rs. 13 and Jubulpore were crossed at Rs. 14-5. U.P. were shaded at Rs. 147.

In the sugar section, Balrampur were marked back from Rs. 6-4 to Rs. 5-12 while Cawnpore improved from Rs. 17-8 to Rs. 19-12. Champaran were unchanged at Rs. 23-12 as were Durbhanga at Rs. 22 and Carew at Rs. 7-4. Ramnugger improved by Re. 1 to Rs. 24 while U.P. dropped from Rs. 17-8 to Rs. 16-8.

Engineering shares, under the leadership of Indian Iron & Steel, recorded some improvement.

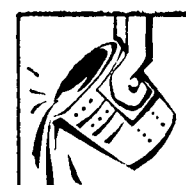
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B. PARKER
Manager

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to August, 1956. Compared with the preceding month, there were decreases in jute manufactures 4.4 points, steel ingots 6.1 points, pig iron 3.6 points, cements

3.8 points and papers 9.3 points, while increases occurred in cotton consumption 7.5 points, coals 7.8 points, wagons loaded 6.4 points and electricity 1.6 points.

The indices for cheque clearances and notes in

circulation also dropped by 6.7 points and 9.2 points, respectively.

Correlating all the factors, the Capital Index of Indian Industrial Activity declined by 1.2 points during August, 1956.

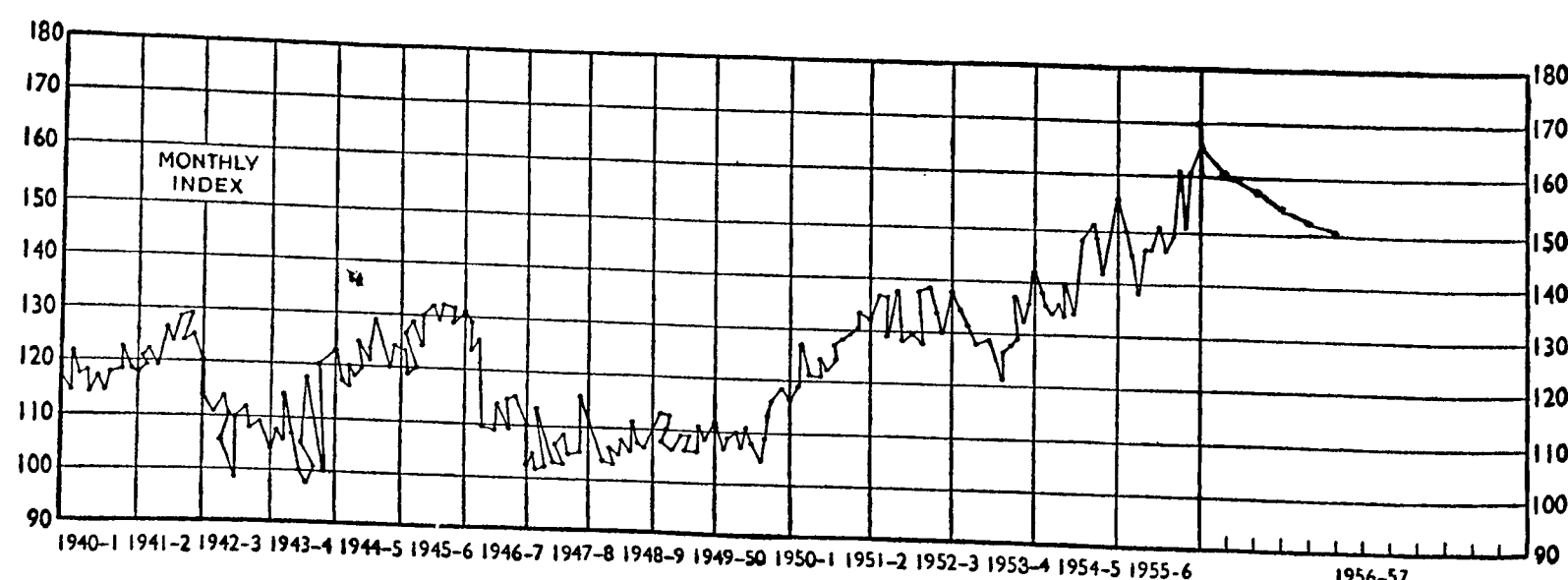
		Industrial Production.						Mineral Production	Total Number of Wagons Loaded (f)	Financial Statistics	Trade, Foreign & Coastal.		Trade, Foreign & Coastal.		General Monthly Index	
		Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper	Coal		Cheque Clearances	Exports	Imports	Fonnage Entered	Fonnage Cleared		
		9	3	3	3	3	3	7	24	20	4	3	3	3		
1940-41		128.2	110.8	139.1	136.5	*	183.6	124.5	118.9	91.2	...	107.3(c)	...	138.1(d)	117.3	
1941-42		150.3	122.1	157.3	141.6	*	193.2	116.6	117.0	94.0	...	109.2(c)	...	166.5(d)	122.7	
1942-43		154.4	117.8	144.2	130.6	*	153.9	114.7	103.1	70.7	...	135.5(c)	...	...	108.8	
1943-44		167.3	99.7	149.2	136.2	*	148.0	109.7	104.8	71.7	...	137.7(c)	...	...	109.2	
1944-45		159.2	103.2	128.0	125.6	*	155.9	112.1	112.4	95.4	...	180.9(c)	...	...	120.7	
1945-46		161.0	106.0	151.8	96.9	*	151.3	127.0	112.2	112.6	...	126.5(c)	...	...	125.5	
1946-47		127.5	100.7	139.8	95.5	*	141.2	123.0	101.6	104.5	...	199.8(c)	...	...	115.0	
1947-48		126.2	102.1	140.7	105.4	97.6†	125.1	127.7	96.7	82.6	...	178.9(c)	...	130.7	107.0	
1948-49		149.7	101.8	138.7	99.2	100.1	136.6	126.2	98.6	79.5	...	166.2(c)	...	108.7	107.6	
1949-50		123.5	90.2	157.9	116.4	143.4	146.1	146.0	114.5	67.3	...	140.6(c)	...	114.9(d)	109.4	
1950-51		113.1	82.1	165.7	112.4	168.7	155.9	154.9	125.3	64.7	...	122.4(c)	...	121.6(d)	110.8	
1951-52		126.6	93.2	175.9	125.4	207.8	170.6	169.5	134.1	83.1	...	129.5(c)	...	137.6(d)	125.7	
1952-53		141.7	91.0	184.0	119.5	223.6	169.2	172.5	139.6	88.9	...	154.6(c)	...	145.7(d)	130.4	
1953-54		145.9	86.5	178.1	115.5	251.4	166.1	170.8	137.0	83.1	...	145.8(c)	...	159.5(d)	136.4	
1954-55		152.3	97.2	196.2	112.2	275.9	206.0	179.4	144.2	91.8	...	158.5(c)	...	179.5(d)	141.3	
1955-56		157.6	105.2	193.4	122.7	281.2	221.1	184.0	156.4	101.5	...	178.9(c)	...	203.7(d)	151.2	
												Notes on Circulation Weights		Consumption of Electricity Weight		
1952-53		147.1	85.2	192.2	129.7	219.3A	165.3	177.4	150.3	86.9	154.2	146.8A	136.5			
January		147.1	85.2	192.2	129.7	219.3A	165.3	177.4	150.3	86.9	154.2	146.8A	136.5			
February		136.8	89.3	179.9	121.1	204.6A	156.2	163.2	140.5	81.1	153.9	145.3A	128.9			
March		137.8	93.9	189.8	121.1	221.8A	159.4	165.1	150.7	97.0	157.6	150.3A	137.0			
1953-54		142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	147.4A	134.4			
April		142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	147.4A	134.4			
May		146.2	83.3	179.6	130.1	242.9A	181.2	179.5	137.4	81.5	153.9	152.6A	132.0			
June		146.4	88.3	169.2	107.9	239.2A	185.1	170.8	125.9	80.4	146.5	151.7A	126.2			
July		148.3	87.9	142.7	87.5	252.0A	202.3	169.0	129.9	82.5	136.9	159.3A	125.2			
August		145.0	76.5	135.9	83.0	230.5A	190.8	168.3	129.9	70.1	135.6	162.1A	118.4			
September		144.3	89.1	144.5	94.0	233.2A	192.2	172.6	131.5	78.1	137.4	161.9A	124.6			
October		148.0	79.6	181.2	120.6	247.0A	177.2	171.4	134.6	75.7	138.3	156.9A	127.6			
November		136.4	82.1	204.7	131.3	253.6A	151.2	162.6	133.5	79.2	141.6	162.4A	128.9			
December		150.1	91.3	200.1	127.1	277.4A	150.8	179.3	147.3	91.1	137.3	166.7A	138.9			
January		148.7	78.4	206.6	133.9	272.2A	123.6	165.5	146.7	83.2	147.2	166.7A	134.3			
February		146.8	89.0	189.0	128.9	264.0A	116.9	163.2	137.2	86.7	156.4	160.0A	132.4			
March		147.1	95.3	205.7	125.0	291.8A	141.6	164.8	140.6	98.3	158.1	165.8A	142.1			
1954-55		150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	154.7	170.3A	137.7			
April		150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	154.7	170.3A	137.7			
May		150.2	81.9	183.6	124.4	280.1A	214.7	166.9	137.0	82.2	158.3	174.7A	134.5			
June		150.7	90.5	192.1	120.4	264.4A	208.7	169.3	133.6	81.0	160.3	174.0A	133.7			
July		154.1	90.7	195.2	117.6	273.9A	176.9	181.2	137.4	89.7	160.1	171.9A	137.9			
August		152.1	88.6	200.5	122.3	256.4A	167.4	180.4	137.4	84.4	154.7	175.2A	134.7			
September		152.9	96.2	187.3	115.8	271.2A	178.1	184.1	134.4	90.7	150.0	181.6A	147.8			
October		145.6	89.6	125.3	120.3	279.3A	194.3	170.5	137.6	81.2	150.2	174.5A	153.3			
November		156.7	105.6	199.8	126.6	275.9A	227.2	199.6	145.7	100.6	154.2	182.8A	135.7			
December		157.8	110.7	207.2	130.3	298.6A	238.3	198.8	156.4	101.7	159.1	188.9A	147.4			
January		149.8	98.2	211.0	127.6	282.0A	227.2	179.8	159.1	93.0	161.5	183.7A	144.2			
February		149.2	105.2	196.5	123.9	272.8A	210.6	174.2	150.1	93.1	164.3	181.5A	144.2			
March		158.0	111.4	208.1	120.1	285.3A	218.7	178.3	161.1	116.0	174.6	194.9A	156.7			
1955-56		154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	191.9A	149.4			
April		154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	191.9A	149.4			
May		151.1	94.4	205.1	130.3	281.6A	206.3	178.3	146.0	100.0	186.0	193.2A	147.5			
June		154.4	103.7	195.0	125.5	247.2A	208.4	180.3	140.2	96.7	183.3	198.2A	139.0			
July		160.4	94.7	189.7	119.4	262.0A	222.2	180.7	147.0	98.5	178.5	197.3A	146.4			
August		155.3	92.4	195.4	118.3	280.3A	224.3	189.6	148.4	100.6	177.1	195.7A	146.8			
September		164.9	106.3	191.2	114.6	255.0A	231.8	196.0	146.9	107.8	177.1	201.5A	151.0			
October		165.6	94.1	177.7	100.7	293.7A	209.3	179.9	151.6	95.1	172.4	200.6A	144.7			
November		151.6	107.7	186.3	113.6	293.3A	222.2	186.7	157.3	99.7	170.1	201.9A	150.0			
December		167.3	114.7	214.6	130.6	317.6A	232.2	192.2	169.9	106.4	172.4	217.3A	161.5			
January		151.0	101.2	208.1	133.9	300.6A	221.2	182.3	171.8	86.9	175.1	208.3A	151.8			
February		159.2	118.4	205.4	131.6	295.0A	228.6	179.8	167.9	110.6	181.8	215.1A	160.9			
March		155.9	124.0	215.5	125.0	320.5A	229.9	181.3	178.3	114.8	190.6	223.1A	165.8			
1956-57		154.5	120.1	203.7	124.3	296.5A	217.3	189.8	166.9	109.7	198.3	216.3A	160.8			
April		154.5	120.1	203.7	124.3	296.5A	217.3	189.8	166.9	109.7	198.3	216.3A	160.8			
May		158.6	118.4	201.4	125.9	314.6A	221.9	186.4	160.6	104.5	196.8	226.3A	158.5			
June		160.8	119.6	196.8	117.3	317.0A	223.5	187.1	152.4	99.4	193.4	220.5A	153.8			
July		153.1	106.8	200.8	120.6	302.1A	223.2	192.7	153.8	99.1	188.0	217.6A	152.4			
August		160.6	102.4	194.7	117.0	298.3A	213.9	200.5	160.2	92.4	178.8	219.2A	151.2			

(a) April 1935 to March 1936-100.
(b) Average of eleven months, April to February.
(c) Notes in Circulation.
(d) Electricity Consumption.

(e) Estimated.
(f) Railway Earnings before April 1952
† Figures not available
‡ Official year

† Average of February and March ** For construction and earlier figure
‡ Annual indices represent averages of monthly figures.
† Provisional.
A Base January 1948.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



New Delhi

REACTION TO FIXING OF CEILINGS ON FOREIGN EXCHANGE EXPENDITURE

MEASURES EXPECTED TO BE TEMPORARY

(FROM OUR NEW DELHI CORRESPONDENT)

THE decision of the Finance Minister, Mr. T. T. Krishnamachari, to fix a ceiling for the foreign exchange expenditure of each Ministry and for projects in the private sector has generally been well received here. It has indicated the Government's determination to put its own house in order. According to some, the Finance Minister's action will retard development. But, as a French saying quoted by Andre Gide puts it, "even the handsomest woman cannot give more than she has." Nor can a Finance Minister. He can only allocate foreign exchange from the amount that is available. Incidentally, people who have for ideological reasons been hampering exports and thus restricting foreign exchange earnings should not complain if ceilings have been placed on their expenditure of foreign exchange.

The ceilings are expected to be of a temporary character. It is hoped that by July, 1957, the position will have greatly improved. For one thing, the impact of the new import policy will be felt by then and it will reduce the expenditure of foreign exchange. For another, the negotiations with the World Bank which are now in progress might be finalised by the end of May, bringing a loan for the railways. The allocation of Rs. 28 crores of foreign exchange made to the railways should then be available for other development projects. One reason for the present crisis is that, although imports of capital goods have risen according to plan, the expected rise in exports has not materialised. The case of cotton textiles indicates why.

Cotton Textile Exports

In a recent study of cotton textile exports, the Federation of the Indian Chambers of Commerce and Industry says: "In recent years, our exports of cotton textiles have been showing a downward trend and both quantity as well as value have been declining. While in the financial year, 1954-55, exports of mill-made and handloom cloth amounted to 819 million yards valued at Rs. 63.2 crores, in 1955-56 exports declined to 740 million yards valued at Rs. 66.6 crores. In the current year, the rate of exports has further dwindled and during the period, April-September, 1956, we were able to export only 349 million yards valued at Rs. 26.3 crores. But in the present conditions of world markets it is not an easy job to increase exports. International trade in cotton textiles is declining and competition among the countries is becoming keener and keener. New textile mills are being established in a number of raw cotton producing countries which formerly imported the bulk of their requirements, and imports are being replaced by home production. Consumption of rayon and artificial silk goods is increasing, and is affecting the offtake of cotton textiles. Moreover, new countries, particularly from the Communist group, are entering the field of export trade and business is being done on a barter basis. The only hopeful aspect of the problem is that it is likely that with an improvement in the economic condition of the underdeveloped countries, consumption of cloth may increase.

"Another difficulty which the Indian industry has to face arises from the policy of the Government on the licensing of new looms. Since 1955, practically no additional looms were permitted to be installed in the mills in the interest of the handloom industry. It was only last month that the Government of India decided to allot 10,512 automatic looms to cotton textile mills for the production of 350 million yards of cloth for export. This step may to some extent help the industry, though in course of time only, in increasing exports of cotton textiles. It may be noted that a considerable proportion of the machinery installed in the Japanese textile mills in the post-war period is new and automatic. Indian machinery, on the other hand, is quite old. Moreover, it is mostly designed to produce cloth for internal requirements, such as dhoties and sarees, etcetera, and is not suitable for manufacturing standard cloth of the required breadth and length for meeting the needs of external markets. If India is to be in a position to capture the leading position in the export markets, it is necessary that the mill industry should be given the freedom to install the latest machinery of its choice.

Large Internal Demand

"Another factor which hinders our exports of cotton textiles is the lack of export consciousness on the part of the industry. This is due to the large internal demand for the products of the U.S.A. In this respect, India is more akin to the industries of Japan and the U.K. While the demand for their earnings to a large extent on which have the largest textile industries in the world, the export market is only of subsidiary importance. The Indian industry has so far taken little pains to study the requirements and the changing tastes and likes of overseas customers. In fact, Indian mills do not cater to the individual

requirements of colours and designs among overseas buyers and also do not entertain small orders. The position is the reverse in the case of Japan, our main competitor.

"Some of the complaints received against Indian goods are that they lack standardisation, packing is not satisfactory, finishing is not as attractive as of the goods of other countries, and orders are not executed with promptness. In this connection, it has to be pointed out that Indian exporters sometimes have to face difficulties in obtaining shipping space. In the case of exports to some countries, there is no direct shipping service and higher freight rates have to be paid. Another fact to which attention has to be invited is that the bulk of our exports consist of grey (unbleached) piecegoods which are processed by the importing countries and exported to other destinations.

Lucky Ministries

There is some weight in the criticism that the ceiling for foreign exchange expenditure mainly affects development projects, but hardly applies to the External Affairs and Education Ministries. Here are some instances. According to an official hand-out issued on 15th January, "the third batch of 20 teachers selected by the Ministry of Education under its scheme for improving the teaching of science in secondary schools and training colleges is leaving for the U.S.A. on 17th January. Under the scheme, 40 teachers are to be sent to the U.K., the U.S.A. and Canada. Twelve teachers are at present under training in the U.K. and eight in Canada." It would be interesting if the Government published a statement giving details of the foreign exchange spent by the Ministry of Education since 15th August, 1947. The Ministry invited U.N.E.S.C.O. to hold its session in New Delhi last year. It was discovered that New Delhi had neither a conference hall nor adequate residential accommodation. Two hotels and a conference hall were built, costing the tax-payer over Rs. 3 crores. A fair proportion of the foreign exchange outlay in 1956 could be attributed to the

construction and furnishing of these three buildings.

While the shortage of cement and steel hampers railway development, building operations on a large scale are going on in New Delhi. At the same time, property worth hundreds of crores of rupees in Simla, Nagpur, Rajasthan and elsewhere is being wasted. While the price of property in the capital city of Nagpur has been slumping, a new capital in Bhopal has been ordered and a loan of Rs. 1 crore sanctioned for it. This will involve the use of more cement and more steel. Building operations were generally launched to relieve distress in lean years. But higher employment figures are needed now, particularly since the elections are approaching. Perhaps this is one explanation for the waste of public resources. The employment figures show that the total number of civilian personnel employed by the Government of India, excluding the railways, in September, 1956, was 663,485, compared with 590,632 in December, 1951—or an increase of 73,853 in five years. The number of clerks employed in September, 1956, was 211,607, compared with 142,850 in December, 1951—or an increase of 68,757. The number of skilled and unskilled employees has remained almost stationary during this period.

Determining Priorities

The Planning Commission has made a clear distinction between development and non-development expenditure. As far as the State is concerned, the idea is to discourage non-development expenditure. But it seems that the Planning Commission has no similar control over the expenditure of the Union Government. It will be an unpleasant task for the Finance Minister if he has to fix a ceiling on the total expenditure of each Central Ministry, including the Ministries of External Affairs and Education. Since planning implies the determination of priorities, the fixing of ceilings for foreign exchange expenditure is a part of planning. It means giving priority to

cluding the Cabinet Secretary, last week. He emphasised the need to transfer more and more of the administrative responsibility for expenditure to the Secretaries of the administrative Ministries, and to give them a certain amount of latitude provided the expenditure has already been budgeted for. The main features of the scheme to reorganise the present system of expenditure control which he is introducing in the Finance Ministry were explained. Broadly, the scheme is to post an Attached Financial Adviser in each Ministry (who may be an Under-Secretary or a Deputy Secretary); he will assist the Ministry from the very inception of a proposal. He will be available for advice on the financial aspects, and should be fully utilised by the administrative Ministry. He will also exercise functional control over the budget cell in each Ministry, particularly in the preparation of the budget, in receiving and reviewing reports on expenditure and in ensuring that expenditure does not outrun the allotments.

Apart from the Attached Financial Advisers, there will be two or three senior Joint Secretaries of the Finance Ministry to deal with major items of expenditure such as multi-purpose projects, public enterprises, important negotiations, etcetera. The representatives of the Finance Ministry in the Government's industrial undertakings will be so nominated as to ensure that they are officers who have experience of allied activities. In view of the shortage of administrators and the rapid expansion in Government activities, a senior Joint Secretary has been put in charge of personnel matters, including rules and regulations, scales of pay, the creation and manning of senior posts, etcetera.

Industrial Projects

Six major development projects are now being finalised. They relate to newsprint, raw film, dyestuffs-intermediates, an aluminium plant, synthetic rubber and carbon black. Project reports on all of them have been carefully drawn up by foreign experts and are being examined here. A West German firm is responsible for the project report on newsprint, an East German firm for the report on raw film and an American firm for the report on carbon black. Well-known Italian, West German and British companies have submitted reports on dyestuffs-intermediates. As far as foreign exchange is concerned, the initial requirements for these projects will arise after June 1957, by when the situation is expected to improve. Methods of obtaining long-term credits to finance the foreign exchange portion of the projects are being explored.

Iron Ore for Japan

A Japanese mission will be arriving here this week to finalise an agreement, talks on which

were initiated by the Deputy Secretary to the Commerce Ministry, Mr. B. K. Kochar, during his recent visit to Japan. The negotiations related to long-term arrangements for the supply of one million tons of iron ore a year to Japan. The coming talks will also cover the question of transport facilities. The development of Karwar, to facilitate the export of iron ore from the western region, is to be considered.

Foreign Companies in India

In all, 39 joint-stock companies incorporated outside India have opened branches in this country during the period from 1st April, 1955 to 31st August, 1956. Of these, as many as 18 companies are incorporated in the U.K. Fourteen companies have started branches in Bombay and ten each in Delhi and West Bengal. The following are some of the important ones:

State in which principal office is situated	Name	Nature of business in country of origin	Original country of incorporation
Delhi	A Brunnschweiler and Co.	Wholesale import and export trade.	U.K.
Delhi	Preussische - Bergwerk-Und Hutten-Aktiengesellschaft	Miners and smelters	Germany
Delhi	Bohr-Und-Ban Gesellschaft Mit Beschraekter Hasting Wietze Kr Celle	Drilling operators and builders	Germany
Delhi	Associated Electrical Industries	To acquire or hold shares, stocks, debenture stocks, bonds, etcetera, in any other company.	U.K.
Andhra	Lumus Company	Petroleum and petroleum products	U.S.A.
Bombay	Chase Manhattan Bank	Banking	U.S.A.
Bombay	Mitsui Bank	Banking	Japan
Bombay	Foster Wheeler Corporation	Manufacturers of machinery	U.S.A.
Bombay	Coultfield	Manufacturing of electrical appliances	U.K.
West Bengal	Holland	Carbonising coal, tar and benzol distillers	U.K.
West Bengal	Simon Carves	Iron founders, smelters and mechanical engineers	U.K.
West Bengal	Powell Duffryn Coppee	Iron and brass founders and mechanical engineers	U.K.
West Bengal	Torrance and Sons		

Revision of Indo-Nepalese Treaty

The Government of India, it is gathered, has accepted the Nepalese Government's suggestions for revising the Indo-Nepalese treaty of trade and commerce of 1950. The Nepalese Government has lately taken the view that clause 5 of the treaty should be deleted. It obliges the Nepalese Government to levy customs duties on imports

from and exports to countries outside India at rates not lower than those leviable for the time being in India. Under the clause, the Nepalese Government has also agreed to levy, on goods produced or manufactured in Nepal which are exported to India, export duty at rates sufficient to prevent their sale in India at prices more favourable than those of goods produced or manufactured in India which are subject to Central excise duty. The Nepalese Government apparently feels that the provision prevents it from giving the poor people of its country the benefit of lower customs and excise tariffs, and obliges it to keep the prices of imported and manufactured goods at a higher level than they can afford to pay. In the new treaty, it is expected that this provision will be replaced by one leaving the imposition of customs duties on Nepalese exports and imports to her unrestricted discretion. Another likely result of the

State in which principal office is situated	Name	Nature of business in country of origin	Original country of incorporation
Delhi	A Brunnschweiler and Co.	Wholesale import and export trade.	U.K.
Delhi	Preussische - Bergwerk-Und Hutten-Aktiengesellschaft	Miners and smelters	Germany
Delhi	Bohr-Und-Ban Gesellschaft Mit Beschraekter Hasting Wietze Kr Celle	Drilling operators and builders	Germany
Delhi	Associated Electrical Industries	To acquire or hold shares, stocks, debenture stocks, bonds, etcetera, in any other company.	U.K.
Andhra	Lumus Company	Petroleum and petroleum products	U.S.A.
Bombay	Chase Manhattan Bank	Banking	U.S.A.
Bombay	Mitsui Bank	Banking	Japan
Bombay	Foster Wheeler Corporation	Manufacturers of machinery	U.S.A.
Bombay	Coultfield	Manufacturing of electrical appliances	U.K.
West Bengal	Holland	Carbonising coal, tar and benzol distillers	U.K.
West Bengal	Simon Carves	Iron founders, smelters and mechanical engineers	U.K.
West Bengal	Powell Duffryn Coppee	Iron and brass founders and mechanical engineers	U.K.
West Bengal	Torrance and Sons		

revision is that Nepal's foreign exchange will come under her exclusive control. Under the 1950 treaty, it was controlled by India, although Nepal was allowed to draw freely from it.

Bayers Proposals on Dyestuffs Plant

Representatives of Bayers have arrived here from Western Germany and have submitted proposals for setting up a dyestuffs intermediates plant to the Government. German collaboration would include a financial contribution covering the foreign exchange part of the project. The proposals have been well received here.

Intentions of Finance Acts

Some comments have been made here on reports which are said to exaggerate the Finance Minister's intentions, as expressed in the two Finance Bills passed by the Lok Sabha recently. One report is about giving the Government power to increase excise duties without Parliament's prior approval, and the other relates to giving it a very tight control over banking companies. As far as the banking Bill is concerned, it is stated that it contains an old idea which was suggested by the Reserve Bank and the original provisions of which were far more stringent. It is claimed that they have been greatly modified by the Finance Minister. The Bill concerning excise duties is believed to be a creature of the peculiar circumstances prevailing in an election year. The elections will not be over before March and the new Parliament can be assembled before April. There will be only a very brief session of Parliament, some time in February, to vote money on account so that the Government can function beyond 31st March, 1957, when Parliamentary sanction to raise money by taxation expires. Through Parliament, the country has accepted the principle of raising money from excise duties. What the Government has done is to take the power to change the excise duties if it becomes necessary. The enabling Bill, moreover, is of a temporary nature and is intended to meet a particular situation, it is claimed here.

Pass Books for Deposited Reserves

Under the deposit scheme incorporated in the Finance Act passed during the recent session of Parliament, a suggestion to give a pass book to each depositor is being examined here.

Increasing Functions of Reserve Bank

Proposals are being examined here to increase the scope of the Reserve Bank's functions. The new functions might include advising the Government on the entire field of its economic policy. The Bank might also be asked to make an independent appraisal of some of the Government's achievements. An early announcement of the Government's decision is expected.

Expansion Programme of Tata Steel

The Tata Iron and Steel Company's programme to expand its steel production to two million tons is proceeding according to schedule, it is learned. But transport is a major anxiety, and it might cause some delay. The Suez crisis has had its repercussions, and in addition, internal transport bottlenecks are hampering the movement of plant and equipment from Calcutta to Jamshedpur.

Indian Tube Company

The Indian Tube Company has gone into production. It is expected to manufacture 2.5 million tubes within the next two months. This should make the Indian bicycle industry self-sufficient.

London

MR. MACMILLAN MAKES A GOOD START

SKILFUL REDISTRIBUTION OF PORTFOLIOS

(FROM OUR LONDON CORRESPONDENT)

THE new Prime Minister has had a busy week, but at the end of it can look back upon a job well done. He started off rather unfortunately in arousing the ire of the Sunday Observance Society by finalising his Cabinet list for approval by the Queen on a Sunday, and at least some of the political correspondents and other speculators by making hay of their "intelligent anticipations" as to how the various offices were to be distributed, and not least of all by his failure to relieve Mr. Selwyn Lloyd of the Foreign Secretaryship. The great majority of people, however, seem to feel that Mr. Macmillan has got together an excellent team and that under his leadership it will give a good account of itself. He has made a more thorough reconstruction than is generally appreciated without too much pruning, with the result that eight Ministers in addition to Mr. Macmillan himself have taken on new jobs. Sir Percy Mills, chairman of W. T. Avery and Mr. Macmillan's right-hand man when as Minister of Housing he was called upon to fulfil the Conservative pledge of building 300,000 houses in a year, has been brought in, and only eight Ministers carry on as before. There has also been some reassessment of the importance of different departments to fit in with the revised priorities, which it is apparently the Prime Minister's intention to emphasise in his re-vamping of the Party's policy.

On Thursday last Mr. Macmillan took advantage of a party political talk session on television to address the nation for the first time as Prime Minister. He made no policy forecast, but he went a long way to revive confidence in the Government's purpose and in the country's future, more especially by emphasising the rôle he visualises for Britain as a partner of Europe and the Commonwealth to attain with America on the one hand and with Russia in the international sphere on the other. On the home front also there is to be some revision of emphasis, with atomic and other power and education taking higher places to ensure our economic revival and its maintenance at the expense of spending on armaments.

Record Year for Exports

Last year Britain sold more goods overseas than in any previous year, the total value at £3,173 million being £267 million or 9 percent more than in 1955, the previous record year. The value of imports was £3,890 million, only £6.6 million higher than in 1955. Thus with re-exports £27 million higher at £146 million, last year's visible trade gap was reduced by £288 million to £571 million. Exports to North America for the year amounted to £338 million, an increase of 23 percent on 1955. This excludes the £22.4 million silver bullion repayments to the United States. Including these repayments, exports to the United States were £360.2 million higher at £243.1 million. Those to Canada rose by £366.9 million to £1,777.7 million. The trade position in 1956 was certainly most encouraging, for after allowing for all special factors it appears that the real increase in export values works out at 10 percent, of which about 6 percent represented an increase in the volume of shipments and about 4 percent an increase in prices. Import prices also rose by about 2 percent, so their volume actually fell slightly. Re-exports rose by as much as 23 percent. The Board of Trade figures issued just before last week's despatch was posted, to which only brief reference was possible, reveal that Britain's trade gap, as measured by the excess of imports over exports, widened last month to £42.9 million. This was £30 million up on November, but £5 million less than the average for the first 11 months of the year. December's exports at £253.7 million were £38.2 million below the previous month. But last month contained only 24 working days, against 26 in November. Re-exports were £3.6 million lower at £11.2 million. Imports in the early part of last month were again reduced by delays in the arrival of shipping diverted round the Cape. At £307.8 million, the second lowest figure for the year, they show a drop of £11.8 million on November.

Cost of Living Held

Despite the price rises occasioned by the Suez crisis, in petrol, bread, tea and medicines, reduction elsewhere had the effect of holding the index of retail prices on 11th December at 103, the same as in November, and at the same figure when Mr. Macmillan made his "plateau of stability" speech in the spring. That gives a 3 percent rise for the year, whereas it is expected that the index of wage rates will show an increase over the same period of nearly 6 percent. Not surprisingly, Whitehall and the employers are relieved at the outcome as an argument against the large number of wage claims awaiting settlement, for those which have been adjudicated upon recently have been based on the 3 percent rise, which is less than the trade unions had expected. Nevertheless, the claims are being vigorously pressed, and there are still some uncertainties ahead on the labour front. The first of these is that prices are expected to rise a little more than they usually do at this time of the year, and last year the index rose by two points between January and April. Secondly, there is the effect on produc-

tion of fuel rationing, especially if it has to be prolonged or made more stringent for one reason or another, which might well lead to greater unemployment and over a wider area. For the first time since early 1954, the 10th December figures of the Ministry of Labour disclose that there were more people unemployed than there were vacancies to be filled. The situation is not serious as yet, and indeed might be a healthy sign from the point of view of inflation, but it poses for the Government, and especially the new Chancellor of the Exchequer, the need for keeping a sharp eye on developments and to have available an economic policy which will counteract, and that without too much of a time lag, such possibilities as too rapid deflation, loss of business confidence and cancellation of investment orders, a serious fall in productivity and, most difficult of all, reactions abroad.

The Government's present confidence is not unjustified, but our "invisible" earnings must have dropped a great deal as a result of the Suez crisis. Mr. Thorneycroft, addressing the American Chamber of Commerce in his maiden speech as Chancellor of the Exchequer, claimed that our position "is one of fundamental economic strength" as for the twelve months to next June we will break even on our balance of payments, and went on to affirm that since 1943 the rate of increase of production in the U.K. had been as great as in the U.S.A., while since 1938 our increase in productivity had been the biggest in Europe—and much bigger than Germany's. His intention to make British industry competitive was evident in his comments on restrictive ring arrangements and the European free trade area, on which he had discussions with M. Spaak last week. He acknowledged the assistance from America in improving the strength of sterling. "That is help we expect to repay fairly soon," he concluded. "The Fund and the Export-Import Bank have invested in a growing concern. They have made a good investment." Mr. Thorneycroft is not lacking for advice as to his future policy. The Bank chairmen have emphasised again the need for reductions in Government expenditure. Sir Harold Bibby of Martins Bank, Sir Thomas Barlow of the District and Mr. Tuke of Barclays all plead for tax reductions. The National Union of Manufacturers has advised along similar lines, and it is interesting to find more or less general acceptance of participation in the European free trade area.

Steel Exports Licensed

The Board of Trade has decided to license exports of a wide range of iron and steel products. Licences will be required for the export to any destination of pig iron, steel rails and alloy and non-alloy sections, bars and rods. The objective is to safeguard supplies of steel for domestic constructional engineering and shipbuilding industries. Hitherto, these interests have been safeguarded by a mixture of official export control and voluntary restraint on the part of the industry, but the latter has been under considerable strain because of the difference between home and export prices of steel products, it being more profitable to sell abroad than on the home market, where prices are controlled by the Iron and Steel Board. As a result there has been a shortage of certain kinds of steel in Britain, felt particularly by heavy constructional industries and shipbuilders. The Government has attempted to deal with this problem in a variety of ways. Last July, import duties on foreign iron and steel products were suspended. Import licensing restrictions were eased in November, and in December the maximum permissible selling prices in the home market were raised by an average of 6 percent. They are still, however, appreciably below export prices, and this appears to be the reason for the decision to start export licensing.

World Tanker Fleets

During the past six months Liberia, one of the main "flag of convenience" countries, has increased its oil tanker fleet by 1,051,000 tons deadweight. This is almost 3½ times the increase achieved by the British tanker fleet in the same period. With a total of 8,516,904 tons deadweight, Britain still has the largest fleet of tankers, followed by Norway with 7,066,507 tons and Liberia with 6,323,565 tons. Panama now has 3,446,105 tons, so these two tax-free "flags" have between them a tanker fleet which exceeds Britain's by more than one million tons. These facts are disclosed in the latest half-yearly analysis of world tanker tonnage by Davies and Newman, the London shipbrokers. They estimate that if its current rate of growth is maintained the Liberian fleet could be the world's largest by about 1960. Britain has tankers aggregating 4,794,500 tons deadweight on order, of which 3,470,000 tons will be delivered from yards in this country. With contracts for 4,466,603 tons in hand, Japan still has the largest order book for tankers. Britain is second with 4,323,000 tons and Germany a close third with 4,289,000 tons. The analysis brings out the growing importance of supertankers. Out of the world total of 875 tankers for which contracts have been placed, 190 are of 40,000 tons deadweight and over, compared with 79 six months ago.

Brevities

Gold sovereigns to the value of over £1,000,000, of which only a few will be issued for the national collections and the rest will be retained in the nation's gold reserves, are to be minted shortly to give experience to the Royal Mint's workmen. This was last done in the winter of 1951-52, and apart from 3,500,000 minted in 1925 few have been minted since general circulation was ended in 1917.

Bombay

TEXTILE MARKET IMPROVES

BETTER EXPORT AND DOMESTIC DEMAND

(FROM OUR BOMBAY CORRESPONDENT)

THE Bombay textile market showed some signs of activity after a long dull period. Moderate enquiries were received from upcountry centres including Calcutta, Delhi and Kanpur. These were mainly for dhoties, sarees, mulis and dories in medium counts. There was also some demand for shirting and longcloth, but at lower prices. An encouraging feature was that superfine cloth, mostly bleached and dyed voile, was once again in demand. These qualities have been neglected for some time. It is believed that stocks in consuming centres are running low and further enquiries are expected in the near future. The price level, therefore, tended to remain steady. The export situation also seems to be hopeful. Moderate business was transacted with Indonesian importers in grey sheetings and drills. Thailand enquired for bleached longcloth and the cheaper varieties of poplins. Business with the Sudan has been somewhat limited, but a greater turnover is expected with that country in the near future. Ethiopia has purchased small quantities of grey sheetings and khaki mulis; business with Aden—one of India's traditional markets—has been dull.

The brightest factor is Burma. Mill circles believe that it will be possible to maintain regular shipments to that country averaging 3 million yards a month at least until the end of June. This optimism is based on the present cloth scarcity in Burma and reports that the Burmese Government intends to issue import licences for a total value of Rs 2 crores during the first half of this year. It is reported here that India has been able to bid successfully for a substantial quantity in the Burmese tender for grey cloth. This is not surprising considering that India is a supplier of long standing to Burma. But this lucrative market will one day have to be given up as lost. Burma is to install four cotton textile mills of her own in collaboration with Japanese interests. Each mill will have 40,000 spindles and 200 powerlooms and each will cost Rs 2 crores. These four mills, two in Rangoon, one in Mandalay and the other in Myit-yar, are expected to be completed by 1960. The financial arrangements seem to be particularly favourable from the Burmese point of view. Bo Khin Maung, the Burmese Minister for Industries, who led the Burmese economic mission to Japan, said that the Japanese had made two proposals for financing the venture.

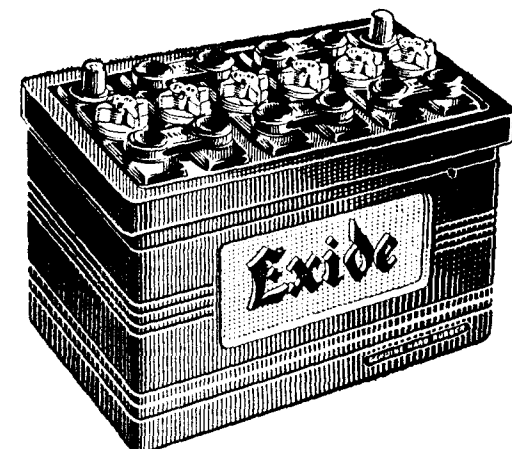
Aid to Burma

Under the first proposal, the Burmese Government will invest 90 percent of the capital and 10 percent will be subscribed by Japanese firms. The latter will provide technicians and managerial personnel. The Japanese will be entitled to 10 percent of the profits in addition to management and service fees. Of the Burmese Government's 90 percent investment, 30 percent will be in local currency. The remaining 60 percent will be advanced by the Japanese Government in terms of the Economic Co-operation Agreement signed between the two countries on 5th November, 1954. Thirty percent will be furnished in the form of long-term loans and 30 percent in the form of credit for the purchase of machinery. The second proposal envisages an investment of 92 percent by the Burma Government, the remainder being subscribed by Japanese interests. Under this arrangement, the Japanese will not levy service charges but will take 40 percent of the net profits. Of the Burmese Government's 92 percent investment, only 10 percent will be in kyats and the remaining 80 percent—40 percent loan and 40 percent credit purchases—will be advanced by the Japanese Government.

It is now for the Burma Government to choose between the two proposals, but whichever alternative is accepted, it is clear that Burma will have a textile industry of her own which will reduce, or perhaps wipe out altogether, the country's need to import. It is also possible that Burma might even make a bid for markets in the neighbouring countries. On the other hand, Japan offers a distinct possibility. Annual imports into that country are estimated at 20 million yards of which the Indian share so far has been 3,200,000 yards. But Japan, Syria and Yugoslavia offer stiff competition while the communist countries, in addition to the U.K., are also keenly interested in this market. There is some demand for Indian grey sheetings and certain qualities of bleached fabrics, but Indian exporters will have to watch fabrics, but Indian exporters will have to watch

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Economic Diplomacy of Japan

These tendencies underline the urgent necessity of modernising India's cotton industry. The Japanese deal with Burma is perhaps the first of several contemplated by the Tokyo Government. It is reported that the Japanese Government is now planning a new era of "economic diplomacy in which diplomats, in addition to propelling political niceties," will actively seek promising fields for capital investment, and the export of technical knowledge, from among the underdeveloped areas of the world. The Japanese Foreign Office is to be assisted in this task by the Ministry of International Trade and Industry and the Finance Ministry. These three departments are to work together in briefing Japanese diplomatic missions abroad. This search for fresh fields can refer primarily to south-east Asia—a traditional market for India. Since cloth is a basic requirement and these countries spend large amounts of foreign exchange each year, which they can ill afford, in importing it, it is reasonable to assume that many of them will think in terms of setting up their own mills. Furthermore, if the present United States aid policy continues, and there is no reason to believe that it will not, then raw cotton will present no problem to these countries in terms of United States Public Law No. 480. Clearly, a possible threat to the Indian industry exists and if the challenge is to be met, then action must be taken now. It is not in south-east Asia alone that this potential threat exists. West Asia and Africa, the other main markets for India, are equally threatened by competition from Pakistan and the communist countries. It would be a great pity if India, which now occupies a high position in the textile trade, should lose her place when domestic raw cotton resources are abundantly available to help her maintain her competitive strength.

Uttar Pradesh

PLAN TARGETS FOR COMING YEAR TO BE TRIMMED

ALLOCATION FOR FINANCIAL AID TO PRIVATE COMPANIES

(FROM OUR LUCKNOW CORRESPONDENT)

THE targets for the second year of U.P.'s current five year plan are likely to be trimmed by another 10 per cent as a result of the talks which a six-man team from the Planning Commission has had with the State Government in Lucknow. The programme, when pruned, will cost Rs. 53 crores, of which the Centre will contribute 56 per cent. Departmental ceilings have been fixed, and each department will adjust its plan accordingly. The conference decided on a number of priorities, such as the execution of continuing projects taken up under the first plan; projects which do not require foreign exchange; increasing agricultural production; and training scientific and technical personnel. The State's quotas for agricultural production has been raised to 2.4 million tons from the 2.2 million tons fixed earlier.

Meanwhile, the U.P. Government has earmarked Rs. 25 crores for loans to private companies, or for subscription to their shares, during the second plan period. The Government hopes that the Rs. 100-crore programme of investment will be made possible by the encashment of zamindari abolition bonds worth Rs. 130 crores and by funds from official institutional credit agencies. The Legislature's Standing Committee for Industries, which met in Mussoorie last week, it is reported, expressed the view that although the mechanism of financial control is in the hands of the Union Government, the State can take steps on its own

to attract private enterprise. The modernisation and expansion of existing industries has been hampered because their earnings have been declining and the ploughing back of profits has not been possible. The rate of increase in the employment of productive capital in 28 industries for which figures are available is the lowest in this State. The productive capital employed has increased from Rs. 63.61 crores in 1948 to Rs. 76.93 crores in 1952. This compares with an increase from Rs. 157.68 crores to Rs. 237.83 crores in Bombay, from Rs. 128.20 crores to Rs. 157.55 crores in West Bengal, from Rs. 48 crores to Rs. 93.26 crores in Bihar, and from Rs. 47.97 crores to Rs. 73.55 crores in Madras.

Settling Industrial Disputes

The rules for a new system of settling industrial disputes will be finalised within a month. At present, the State has combined conciliation-cum-adjudication machinery for less important disputes which, it is claimed, keeps the cost of adjudication low. In future, there will be separate adjudication machinery for all disputes. Left to itself, it is stated, the State Government would not have disturbed the existing machinery, but the passage of the Central Act has forced its hands. The State Industrial Tribunal in Allahabad will disappear, but the conciliation officers for the eight industrial regions will stay. They have proved their usefulness during 1954 and 1955 by bringing about compromises in 1,855 out of a total of 7,397 cases.

The experiment in co-operative farming which is being carried on by about 220 societies in the State is reported to be in a bad way. According to an official report on their working, "the co-operative farming societies are not able to obtain taccari loans in their corporate capacity and experience difficulty in securing long and medium term loans for their development. Priorities in irrigation, as envisaged under the Zamindari Abolition and Land Reforms Act, have also not been made available to the co-operative societies." The agricultural income-tax regulations of the State discriminate against co-operative farming societies. The tax is levied on an individual income of Rs. 4,200 or more a year. For the purposes of assessment, a co-operative society is treated as an individual person. The result is that the members of the society, who would not have been liable to tax individually, become subject to it when they team up and form a co-operative society. The co-operative department has been pressing the State Government to exempt societies from the tax, but so far there have been no indications that the Government will do so. It is believed that some Ministers are opposed to co-operative farming. Newspapers have strongly criticised a booklet attacking it which was printed at the Government press.

Administrative Reorganisation

The State Government has embarked on a large-scale reorganisation of the administration in the districts. The Reorganisation Commissioner, Mr. K. K. Das, in a comprehensive survey of the existing procedure, says that a letter normally has to move 41 distinct steps before it is disposed of. Papers move for 30 years before they are destroyed. His main recommendation aims at re-establishing the pre-eminence of the collector. "There is not, and there never has been," says the report, "an official quite like the collector anywhere else. He is a regional officer representing the Government in a district which, on an average, covers an area of 2,225 square miles and has a population of 1½ million." In the public eye, the collector's importance has considerably dwindled because of Ministerial interventions, not to mention pressures from local M.L.A.s. This, according to Mr. Das, must stop. The collector's work has greatly increased and in order to revitalise his frayed nerves, Mr. Das recommends a revival of clubs, games, shikar and compulsory holidays. He says: "Modern business firms which have had a close study of efficiency compel their executives to go away on fully paid vacations. The Royal Commission on the U.K. Civil Service, 1954-55, has also observed that the strain on the civil servant should be relieved before irreparable damage is done." The main problem of administration, Mr. Das says, is to communicate to the collector the Government instructions in a manner which would ensure compliance. But no compliance is possible when over 115 authorities of the State Government, besides various other Government agencies, daily issue instructions to the collector. In 1955, the Lucknow collectorate alone received 20,000 written orders, excluding instructions conveyed verbally or over the telephones.

Those Who Matter

The J. K. Institute of Sociology and Human Relations Lucknow University, has conducted an interesting survey of persons who matter in U.P. According to the survey, these men come from all levels and strata of society. About 98 per cent of the elite are males. Caste hegemony is very much in evidence as 75 per cent of the elite are from the ranks of the upper caste Hindus. The majority are university graduates, only 10 per cent being matriculates. Except for 10 per cent of them read English newspapers. About one-third have no radio receiving sets. Forty per cent of them consider the state of affairs in the country as less than satisfactory, but 8 per cent are very satisfied. Fathers are still the most widely consulted persons, even on such matters as whether the Government's policy in general is right or whether a report in the newspapers is correct. This reflects the traditional hold of the joint family system on society. The average income of the men covered by the survey is less than Rs. 500 a month. One-third of them have an income of less than Rs. 300 and only about 12 per cent have incomes of more than Rs. 1,000 a month.

Jute

THE PROSPECTS FOR RAW JUTE SUPPLIES

SUDDEN CHANGE IN GUNNY MARKET SENTIMENT

DURING December, 1956, 751,700 bales of raw jute arrived at mills by river, rail and road. Of these, 691,600 bales were from India and 60,100 bales from Pakistan. In December, 1955, the total was 777,600 bales, of which 628,900 bales were Indian and 148,700 bales were Pakistani. Total arrivals in the six months July-December, 1956, were 3,308,100 bales, against 3,168,500 bales in the corresponding period of 1955. Arrivals of Indian jute in July-December, 1956, were 2,936,800 bales, compared with 2,393,900 bales in July-December, 1955—an increase of 542,900 bales. In the same period of 1956, only 371,300 bales came from Pakistan against 774,500 bales in July-December, 1955—a decrease of 403,200 bales.

In each of the first three months of the season, arrivals fell short of consumption. But after the re-sealing of looms by the I.J.M.A. and with increased arrivals in October-December, they exceeded it. Over July-December, they exceeded consumption by 291,800 bales. There has, therefore, been a small increase in jute stocks in mills' godowns. While this is to the good, it must be observed that the surplus over consumption is entirely due to heavier arrivals of Indian jute, which suggests that the Indian crop will be exhausted sooner. If there were a prospect of increased imports from Pakistan, there would be no cause for anxiety. But the outlook for that is not reassuring. It may also be noted that during the last three months, when arrivals of Indian jute have increased sharply, reports from uncultivated areas have persistently complained of small imports in the mofussil centres. From the figures, as they now appear, it seems the problem is not so much that imports have been small as that they have fallen short of the increased demand.

The Mesta Crop

The second all-India estimate of the mesta crop says that the outturn will be 1,430,000 bales, against 1,101,000 bales mentioned in the first estimate. The new estimate thus shows an increase of 329,000 bales. It is stated that there has been an increase in all the mesta-growing States due to favourable climatic conditions during the sowing and growing periods, especially in West Bengal, Bihar, Bombay and Mysore. We are not in a position to make any comment on conditions outside West Bengal, but there is general agreement that although the seeds were sown in favourable weather in this State, they suffered badly later from excessive rain. The effects are showing now in the poor quality coming in from West Bengal districts. The area sown is, of course, bigger than in the previous year but that has been at the expense of jute, the area of which is less than in 1955. The present estimate does not include some districts where, because of weather conditions, sowings do not take place until later, when they get rain from the north-east monsoon.

The increase in the expected outturn of mesta necessitates a reappraisal of the outlook for supplies of raw material to mills. If the outturn of jute is taken as 4.15 million bales and that of mesta as 1.45 million bales, the apparent supply of fibre from Indian sources is 5.6 million bales. About 375,000 bales had arrived from Pakistan by the end of December. So it seems that there is a supply for 1956-57 of, roughly, 6 million bales, without taking into account future arrivals from Pakistan, which, it may be assumed, will be small unless there is a big drop in prices there. As the estimated consumption of the mills in 1956-57 is about 5.8 million, or 5.9 million bales, these figures appear to show that their requirements will be covered by the quantities now available in India. It must also be borne in mind that the mills started the season with about 1.1 million bales in their godowns. There are, however, certain factors which make the position less easy than would appear. The first is that all the mesta crop does not come to Calcutta. Some of the areas in which it is grown are very far from this city, so most of what is grown there is also a considerable domestic consumption of jute as well as of mesta, while the amount of mesta which the mills can take is regulated to some extent by the quantity of jute with which it must be mixed to produce good yarns. Lastly, it may be pointed out that a large proportion of the jute already imported from Pakistan consists of cuttings, and the switch-hessian has reduced the quantity of cuttings which can be consumed. Although the position now looks somewhat easier than it did some time ago, the possibility of scarcity developing later is not, therefore, entirely absent.

THE JUTE MARKETS

During the past week, there has been a definite change in the mood of the market. Although foreign enquiry for manufactures has been meagre since the beginning of the year, there was an unexpected turn of confidence that manufactured goods would be sustained by the firmness and scarcity of raw jute. In fact, it seemed that raw jute was the prop on which the goods market rested. Now that prop has been knocked away by the changed

outlook for fibre. Jute dealers were confident that the supplies available to mills would bring a squeeze before the end of the season unless the fall in the price of Pakistani jute was large enough to enable mills to buy it. Now this confidence has disappeared, but it is not very apparent what has caused the sudden change. Admittedly, almost all jute dealers are holding stocks, and those engaged in the trade in the mofussil areas are believed to be in the same position, while the growers are said to be feeding the markets slowly. That, of course, has made the position vulnerable as has been clear from the nervous selling which has always taken place after falls in the gunny fatka market. Nevertheless, it is difficult to specify any single factor as accounting for the sudden reversal which has now taken place. One thing that may have influenced stockholders is that heavy arrivals of Indian jute in the past three months have coincided with the reduced consumption of mills since the re-sealing of looms. Another may have been the increase in the estimated outturn of the mesta crop. Perhaps it is the realisation that, with sowing time approaching, given favourable weather conditions, growers will be more willing to part with their stocks.

Manufactured Goods: The past week has been a dull one for manufactured goods. Enquiries from abroad have been few and far between, and it looks as if the expected reaction to the heavy buying of October-December has set in. There has not even been the flurry of local covering which sometimes enlivens an otherwise dull market. The main activity has been in the speculative market, where bulls have been unloading and, more recently, jute merchants have been bear-selling as a hedge against their stocks of raw jute. For a time, the R Twill fatka rate hovered round Rs. 119, but on Tuesday, under bear pressure, it dropped as low as Rs. 116-12.

Prices at the close of business on Tuesday were:

	January	February	March
40in. 8oz.	36-4	36-2	36
40in. 10oz.	44-4	44	43-14
B Twills	117-2	117-12	118-2
Heavy Cees (Plain)	118-4	118	
A Twills	142-8	143	
Liverpools	137	136-8	
Cornsacks	118-12	119-4	

Raw Jute: Moderate business was done until Saturday at about the prices which had been prevailing for some time. But on Monday mills practically withdrew from the market and no business was reported until late in the afternoon, when small transactions were done at prices about 8 annas below those of Saturday. On Tuesday, there was heavy selling pressure by big stockholders but no business of importance was reported. Business was reported in Assam jute at Rs. 33 to Rs. 32-8, with ready bills of lading at Rs. 12-8 basis Bottoms. Assam and Agartala Tossa were done at Rs. 33-8 basis Bottoms. Daissee mesta at Rs. 28 and Western Mesta at Rs. 27-8 basis Bottoms. There were transactions in Juneli Middlees at Rs. 31-12 to Rs. 31-8, Daissee jute at Rs. 35 basis Bottoms, and Kalimpong Tossa at Rs. 34 basis Bottoms.

Quotations at the close of business on Tuesday were as follows:

Indian Jute:	Landed at Mills	Rs. a md. basis	Shipment.
	Bottoms.		
Northern	32		Jan.-Feb.
Assam	32		"
Murshidabad Jute	30-8		"
Murshidabad Tossa	33		"
Daissee Jute	34-8		One month
Daissee Mesta	27-8		"
Western Mesta	142-8		Jan.-Feb.
Local Packing	30		"
Northern ex Calcutta	31-8		"
Bimil	27-8 F.A.Q.		"

Mill buyers have been less active in the Cossipore market and prices have eased. There has been some increase in stocks.

Mofussil: Some stations have reported an increase in imports and a slight lowering of prices. Others report that prices are unchanged but imports are in a better condition. Generally there is not much change, except in the bigger places affected by the fatka quotations in Calcutta.

THE PAKISTANI JUTE MARKETS

ARRIVALS OF LOOSE FIBRE STILL SMALL

(FROM A CORRESPONDENT)

LOOSE jute arrivals in Narayanganj are still very small and as wet as ever. Prices have increased to about Rs. 35 for B Bottoms 100 per cent Export Firsts, Rs. 33 for C Bottoms and Rs. 31 for X Bottoms, with Tossa also slightly steadier and equally wet. This rise has taken place in spite of the fact that overseas prices are unchanged, or if anything, a little lower, with little or no interest showing. Although there has been some increase in arrivals of kutcha bales from upcountry

agencies, the strength of the loose jute market is surprising. It will be some time before it weakens, and there is some doubt as to whether overseas buyers can exist on their allotted jute position for very long. It only requires evidence of Russian and Chinese buying for both local and overseas prices to rise again. There has been very little inter-baler trading in pura bales. This is partly because demand is poor, except for the lower grades, such as Outport Tossa and Export Hearts. There is also some demand for Jat Tossa.

It is reported that the Export Corporation might begin operating on a trial basis next season under Government auspices in competition with London agents, rather than to the exclusion of the latter, as was originally suggested. A German jute delegation is at present in East Pakistan, visiting the ports and baling centres. It has complained about Clause 3 of the London Jute Association's contract, which allows for continual extensions subject to delay certificates, or else cancellation. It says that in a rising market, the cancellation of a contract is as unprofitable as deliveries coming five or six months later. Since this is the London Jute Association's contract, there is very little the local authorities can discuss with the Germans. Discussions with them show that their views are very bearish and they look for a respectable carry-over into next season.

Because of better arrivals of freight in Karachi ex East Pakistan, the local gunny market has eased somewhat. Quotations ex mill, to which must be added 10 per cent sales tax, are Rs. 128 for B Twills and Rs. 57 for 45in. 10oz. Some think that prices will rise shortly as very little freight is available for Karachi in the near future. There is some reluctance among Pakistani mills to offer sacking, partly due to the fact that the Controller in South Africa is expected to buy shortly.

GUNNY SHIPMENT STATISTICS

The figures below include coastal shipments and relate to manufactured jute goods for shipment from the port of Calcutta. They are gross figures based on shipping bills presented.

	Hessian	Cloth	Total
	(Tons)	(Tons)	(Tons)
1st to 15th January,	3,667.0	19,884.5	23,551.5
1st to 15th December	1,949.1	19,839.4	21,788.5
1st to 15th November	3,658.5	21,802.1	25,460.6
	Sacking		
1st to 15th January	16,259.4	1,145.7	17,405.1
1st to 15th December	13,974.8	1,399.4	15,374.2
1st to 15th November	24,336.9	1,023.3	25,360.2

THE FOREIGN JUTE MARKETS

LITTLE FORWARD BUYING

(FROM OUR DUNDEE CORRESPONDENT)

THE aftermath of the activity in the jute markets during the last quarter of last year is now being felt. Consumers of yarns and cloth bought large quantities for delivery some months ahead, and now that there is more likelihood of prices going down than up, buyers are not prepared to purchase for forward despatch. Raw jute has been much quieter lately and shippers have not been able to do business with spinners. In some cases, offers are being made for forward shipment at a discount of £2. Grade Tossa-2/3, for instance, is quoted at £118 for February-March and four at £111, but for March-April sellers are willing to accept £116 and £109 respectively, c.i.f. U.K. Mill Firsts have been sold at the lower rate of £121, that being accepted in counter of a bid of £120 for a good mark, while Mill Lightnings are offered at from £111, Mill Hearts from £106 and grade Hearts from £100, with good marks of Daissee-2/3 from £111 and grade from £108, c.i.f. U.K., February-March. The impression is gaining ground that values of raw jute will become steadily cheaper as the season progresses. Looking back, one finds that prices for the fibre at the beginning of each of the past three seasons, in July, have not been far away from the fixed minima. These are £91 for Mill Firsts, £81 for Mill Lightnings and £71 for Mill Hearts. The last-named have been dearer because of the sustained demand for light-coloured hessian yarns. If the new crop prospects are good, then we may see a recurrence of the past few seasons, with a substantial fall to bring the level down to minima by July.

Calcutta goods have again been somewhat irregular, with a wide margin between sellers' quotations. The lowest for 40in. 10oz. hessians has been 68s 6d and for 7½ oz. 52s January, 68s and 51s 9d February and 68s and 51s 6d March, with B Twills quoted from 181s 3d, January and 180s 6d February and March all f.o.b. Calcutta. Jute yarns are really dull so far as new business is concerned, but spinners are very busy and unable to enter fresh orders for delivery before mid-April. Prices rule firm on the basis of 17.08d for Common 8lb. cone and 17.66d for 8lb. spools. Cloth is also virtually idle but prices are firm at 14.36d for 40in. 10oz. hessian and 11.73 for 8oz.

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Plantation Topics

COFFEE CROP LIKELY TO EXCEED ESTIMATES

SELLING PROGRAMME FOR JANUARY

THE Indian Coffee Board has just started to review coffee affairs in a monthly newsletter. The first issue, for January, 1957, says that the picking of Arabica coffee, which started in November, will be practically over by the end of this month. Robusta picking, which commenced in December, will be completed in March. According to present reports, the pre-harvest estimate of the current crop at 36,000 tons is likely to be bettered. However, a more accurate estimate will be available next month. The new season's coffee has been arriving in the collecting depots and curing works over the past two months. Arrivals up to the end of December were 4,333 tons—4,120 tons of Plantation, 193 tons of Arabica Cherry and 30 tons of Robusta. But it will be another six to eight weeks before sufficient quantities of this season's coffee are cured and ready for sale in the internal market. Meanwhile, home requirements will be met out of the stock of 6,956 tons of last season's crop carried over from December 1956.

Pool Releases

At the pool sales to be held this month in Coimbatore, Kozhikode and Mysore, 2,050 tons of coffee are to be offered—850 tons of Plantation, 450 tons of Arabica Cherry and 750 tons of Robusta. The total quantity of coffee released in the internal market during the calendar year 1956 was just under 23,600 tons. The first export sale of the new season's crop was held on 22nd January in

Mangalore, the quantity offered being 591 tons of Plantation. On the same day, 279 tons of Arabica Cherry coffee from the 1955-56 crop were also offered. Recently, 275 tons of Arabica Cherry from the 1955-56 was sold to Russia. The total quantity released for export out of the 1955-56 crop, including this quantity, would be 7,475 tons.

Coffee Development Scheme

Investigation of applications received from growers up to 15th December, 1956, for the grant of loans under the development plan is going on apace. The Board's Regional Officers expect to complete the investigations and submit their reports not later than 15th February, 1957. Applications received after 15th December, 1956, will be considered for the grant of loans next year. Arrangements are being finalised for offering small coffee growers their requirements of fertilisers and pesticides from Government or other depots nearest to them. A further announcement on this subject will be made shortly.

LONDON TEA SALES

AT last week's London tea sales, the 60,654 packages on offer realised an average price of 5s 9.64d a lb., against 6s 0.33d in the previous sale and 4s 5.36d a year ago. Plain broken pekoe was quoted at 5s 2d a lb., against 5s 3d in the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average per lb.
Amalgamated	534	5/5 1/2
Amgoorie	552	6/4 1/2
Anglo-American	1,032	5/8 1/2
Assam Doonars	678	5/7
Assam Frontier	1,234	5/11 1/2
Borhat	467	5/7 1/2
Budha Beta	654	6/

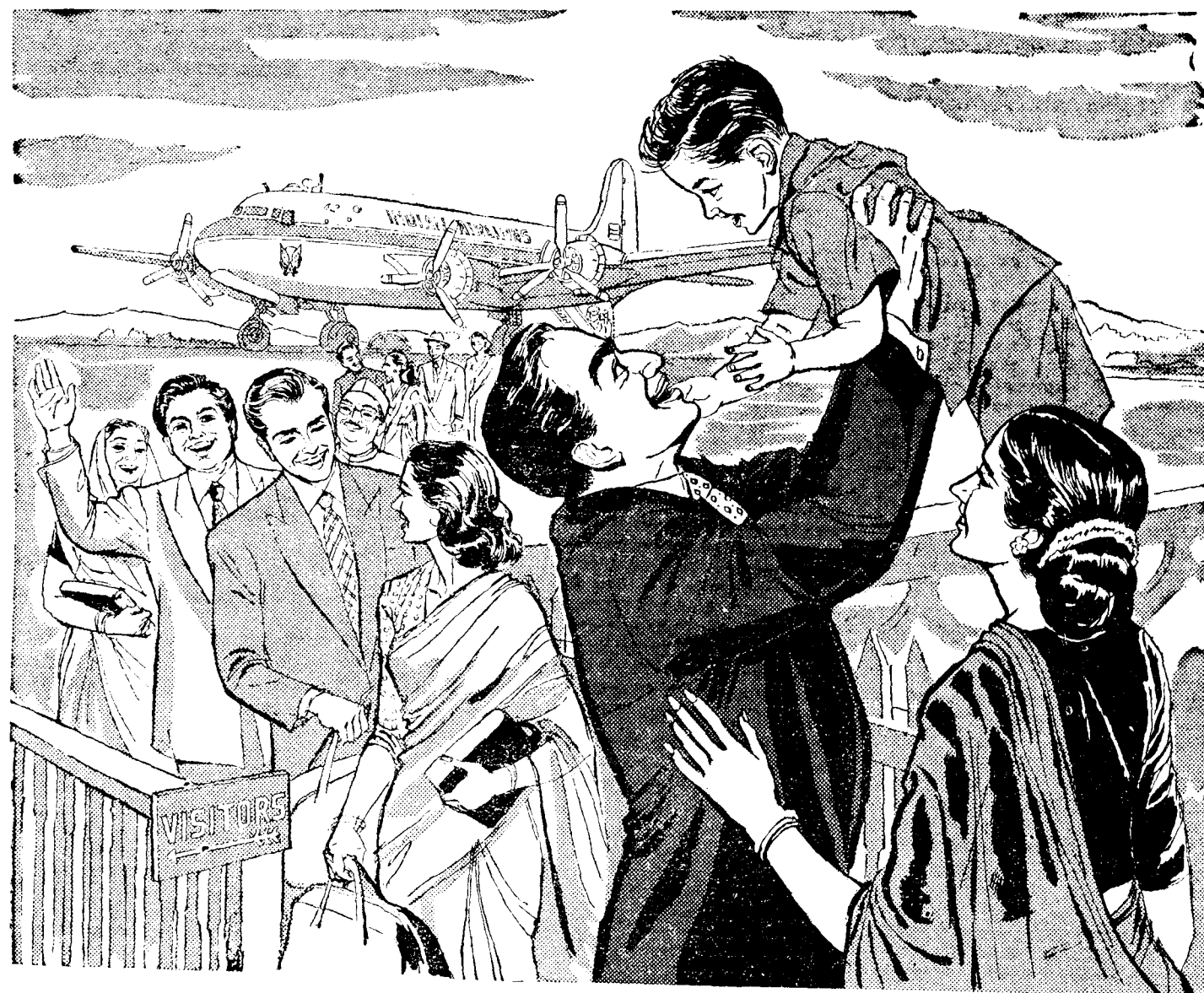
Buxa Doonars	625	5/6
Central Province	534	6/0 1/2
Chubwa	1,062	5/6 1/2
Chulsa	374	5/6 1/2
Consolidated Estates	403	6/1
Cons. Tea and Lands	2,238	5/6 1/2
Doom Doonars	928	6/3
Eastern Assam	689	6/0 1/2
Eastern Produce	552	6/5 1/2
Imperial	1,313	5/8 1/2
Jetinga Valley	210	5/5 1/2
Jhanzie	523	5/10
Jokai	1,475	5/9 1/2
Jorchaut	1,396	6/0 1/2
Kanan Doonars	2,236	5/10
Lungla	756	5/4 1/2
Malayalam	2,962	5/8 1/2
Namdang	330	6/2
Pabbajan	516	6/4 1/2
Rajawella	774	6/3 1/2
Scottish Ceylon	474	5/11 1/2
Standard	390	6/7 1/2
Travancore	1,277	5/8 1/2
United Planters	336	6/4
Upper Assam	408	5/10 1/2

U.K. Tea Stocks

U.K. stocks of tea on 11th January amounted to 112.2 million lbs against 115.5 million lbs a year ago (converted at 110 lbs a package).

COCHIN TEA SALES

At Sale No. 2, some 2,200,000 lbs of tea were on offer. There was a good general demand from exporters, but internal buyers were very quiet. Low and Low Medium types declined irregularly 2 annas. Mediums were 1 anna to 2 annas lower and the better sorts were 4 annas to 6 annas softer. Whole Leafs were generally 2 annas to 3 annas down.



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Engineering and Transport

SKILLED PERSONNEL FOR STATE STEEL WORKS

TRAINING AND RECRUITMENT

SCHEME OF UNION MINISTRY

(FROM OUR NEW DELHI CORRESPONDENT)

UNDER the scheme now brought into force by the Ministry of Iron and Steel, over 21,000 men, skilled, semi-skilled and unskilled, will be employed in lucrative jobs by 1961. The manpower section in the Ministry has worked out the plan in great detail. The manpower requirements of the projected three one-million ton steel plants have been assessed according to 27 categories, such as sintering plant, coke ovens, blast furnace, steel melting shop, etcetera, and thereafter the requirements in each category have been carefully worked out. According to this plan, the three steel plants will need 120 highly qualified personnel for top-ranking places, 2,100 men for the officer grades, and about 16,000 skilled and 36,000 unskilled workers. The exact requirements of each plant will be as follows:

Highly qualified specialists	40
Officer class of technicians	739
Skilled workers	5,321
Unskilled workers	1,200
Total	7,300

Having assessed the requirements of the three plants, the next job is to get the personnel and arrange for their training. In the nature of things, the top-ranking specialists will have to be recruited from the existing steel or engineering works in the country. The Government has no intention to start a race with the private sector and by offering better terms lure away its trained personnel. Apart from other considerations, it will defeat the Government's own objective of all-round planned development. But as a matter of policy, recruitment from the private sector will be made with the consent of the employers. Engineering graduates will be trained as technicians and 3,500 applicants will have to be interviewed by the Union Public Service Commission before they are sent for training. There has so far been no difficulty in finding suitable people in India. As a matter of fact, 500 engineering graduates have already been recruited through the proper channels.

Foreign Help

Where they are to be trained is the next question. The U.K. has offered training facilities for 300 Indian engineering graduates at its own cost. The U.S.A., through the Ford Foundation, is providing facilities for 900 Indians free of cost. There is reason to hope that the men so trained will be kept in employment in the U. S. A. until they are called back to India for employment in the steel works. Russia has provided training facilities for 686 Indians and the U.N. is to meet training expenses. Eighty Indians are already under training there, 480 will be sent in 1957 and the remainder in 1958. Eighty-nine Indians are under training in Germany. Twenty-four trainees will be sent to Canada and an equal number to Australia under the Colombo Plan.

Surplus D.V.C. Workers

The Ministry has thus been able to get the entire training scheme financed by friendly outside agencies. Each trainee, before he is accepted, has to sign a bond that he will serve the Government of India for a minimum period of five years after he has completed his training. The skilled workers will be largely recruited from the existing training institutions in India and given 18 months' intensive training in engineering works. The necessary facilities have been secured. Each trainee will be given Rs. 100 a month during his training period. Skilled workers are also being recruited from the surplus personnel of the D.V.C. and the ordnance factories. About 350, including 150 from ordnance factories, have already been recruited. Each steel plant will need a number of metallurgists for whom training facilities have been arranged in Banaras, Bangalore, Kharagpur and Poona.

EXPANSION OF CALTEX TANKER FLEET

Fifteen tankers totalling 485,100 deadweight tons were either delivered to or placed on order by the Caltex group of companies in 1956. The vessels, turned out in the shipyards of the U.K., Holland, Belgium, Scotland, and Japan will increase the size of Caltex fleets to more than 100 owned and chartered ships. In January, 1956, Caltex Trading and Transport Company Limited of London, placed an order with the Cockerill-Ougree yard, Hoboken, Belgium for two 32,000 deadweight-ton tankers to be delivered in 1958 and 1959. Later in the same month the 32,000 deadweight-ton Caltex Rotterdam was launched at the Wilton-Fijenoord yard, Schiedam, Holland. This increased the Caltex fleet under the Dutch flag to seven owned tankers totalling more than 127,000 deadweight tons. Also in January, four more 32,000 deadweight-ton ships were ordered for the Caltex Dutch fleet: one from the Mitsubishi yard in Kobe, Japan, one from the Hitachi yard in Inosshima, scheduled for delivery in 1957 and 1958, and two from Wilton-Fijenoord scheduled for 1960 delivery. In March, an order was placed with Ateliers et Chantiers de la Seine Maritime, Le Trait, France, for an 18,000-ton ship for Outremer de Navigation Petroliers S.A.F., a Caltex affiliated company. Delivery is expected in 1959. In August, the 32,000 deadweight-ton Nikko Tokyo Tanker Company Limited, a Japanese firm, associated with the Caltex group. The ship was

constructed in the Nagasaki yard of Mitsubishi Shipbuilding and Engineering Company and is now engaged in transporting crude oil from the Persian Gulf and Sumatra to refineries in Yokohama, Kudamatsu, and Iwakuni. Meanwhile, in July, the 18,000 deadweight-ton Caltex Edinburgh, built by Scots' Shipyard and Engineering Company Ltd., Greenock, Scotland completed her maiden voyage. The keel of her sister ship, the Caltex Newcastle was laid in September at the Hawthorne-Leslie yard in Newcastle. This vessel is scheduled for completion early in 1958. Also in September, two tankers, one of 39,100 tons, the other 46,000 tons were ordered for Tokyo Tanker Company. The first is to be built by Kawasaki Dockyard, Limited, Kobe and completed in 1959; the second, contracted to Mitsubishi Shipbuilding, will be delivered in 1960. In September Netherlands Pacific Tankvaart Mij., an affiliate of the Caltex group placed an order with Cockerill-Ougree for two 45,000 dead-weight ton tankers, the largest ever to be built in Belgium and the largest to fly the Dutch flag. These ships, scheduled for delivery in 1960-61, will have an overall length of 735 feet, 36 feet 5 1/2 inches draft and cruising speed of 17 knots. These additions to Caltex fleets are in line with the postwar expansion of the Group, which now consists of 94 companies doing business in 87 countries of the eastern hemisphere.

SCIENTISTS INVESTIGATE ATOMIC RADIATION EFFECTS

Investigation into the effects of atomic radiation on all forms of living and inanimate matter is at present being carried out in Britain by a group of scientists of the Atomic Energy Authority. The scientists concerned have been formed into a technological radiation group. One of the objects of this research is to speed up known chemical processes and to use nuclear radiations to rearrange links between groups of atoms, thus making new reactions possible. Tests have already been started to sterilise potatoes, meat, and other foods by irradiation. Lengthy tests will thus be introduced by feeding this food to animals and noting the reactions. A number of experiments have already been carried out on flowers. By using irradiation, scientists have produced stemless daffodils. Irradiation is believed to contain the promise of important developments for industry, and several leading firms in the U.K. are conducting independent research in this field.

T.W.A. TO EXTEND INTERNATIONAL ROUTE

T. W. A. has been granted the licence to operate its service to Bangkok and Manila by the United

States Civil Aeronautics Board, with the approval of President Eisenhower. The extension of its present international route beyond Bombay and Colombo creates a round-the-world service that T.W.A. and North West Airlines will now be able to provide by the connection in Manila. Announcing this in Bombay recently, Mr. Jules C. Gindraux, T.W.A.'s Sales Manager in India, said that the action of the C.A.B. in providing a second round-the-world air service offered an enormous potential in future travel. In 1952, only about 6,000 persons travelled round the world. Currently that number has grown to nearly 15,000 a year. By 1960, the volume of such travel should be doubled, for travel round the world is the ultimate goal of all tourists. The present extension adds 2,900 miles to T.W.A.'s current routes totalling 12,150 miles from San Francisco to Colombo.

NEW BRITISH AIRCRAFT TO VISIT INDIA

The unique capabilities of a new British aircraft, the Scottish *Twin Pioneer*, are to be demonstrated to countries in the Middle and Far East, including India and Pakistan, in the near future as part of an 18,000-mile flight to Australia. The first plane designed and built in Scotland (by Scottish Aviation Ltd.) to undertake a trip of such magnitude, its route will cover Europe, the Middle East, south and south-east Asia, and Australia. Another *Twin Pioneer* is being prepared for the North Atlantic crossing. Although the aircraft will have to fly over some mountainous country on its way to Australia, it is not expected that this will present any problems, for it can climb to a height of 21,000 feet. On the other hand, the aircraft requires only the minimum length of runway for take-off, and can use the smallest of airfields. After visiting centres in France and Italy, the *Twin Pioneer* will show its paces in Athens, Ankara, Baghdad, Teheran and Kuwait, and then fly on to Karachi, New Delhi, Rangoon, Bangkok, Kuala Lumpur, Singapore, Sarawak, North Borneo, Manila, New Guinea, Brisbane, Sydney, Melbourne and Adelaide. The whole journey is expected to take two or three months. The *Twin Pioneer* is a fixed-wing monoplane with two British Leonides engines. It can carry a crew of two and 16 passengers, and sufficient fuel to fly 500 miles out of a field less than 150 yards long; it can land at only 50 miles an hour in an equally small space. As an alternative to passenger accommodation, the *Twin Pioneer* can be equipped to carry cargo.

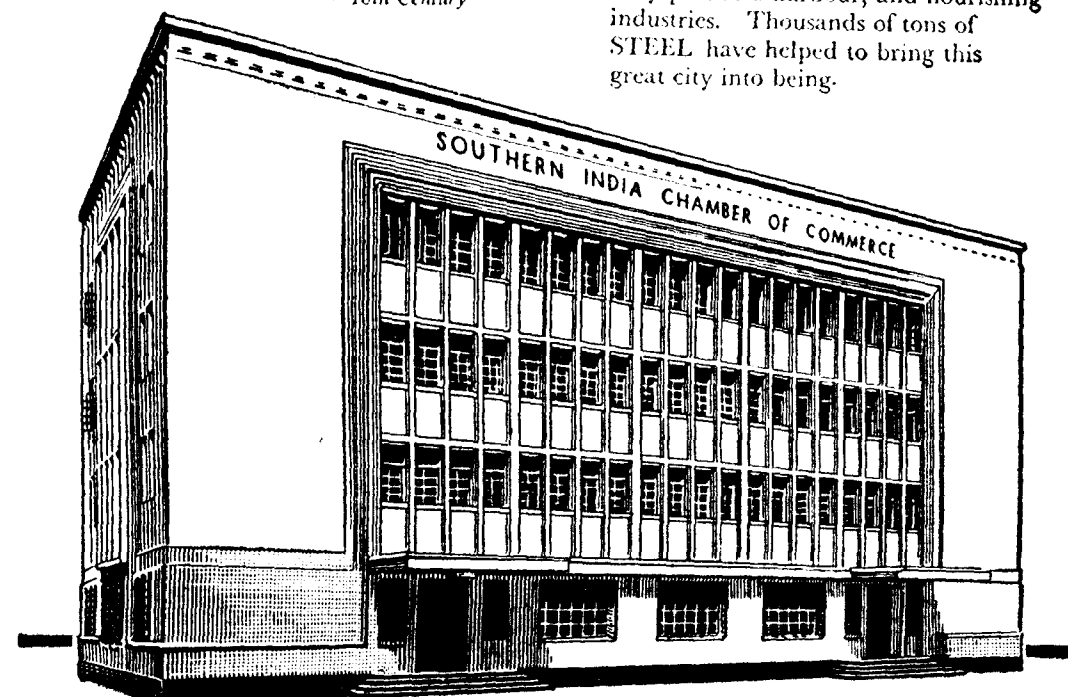
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Madras street scene — 18th Century

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Commodity Markets

PLANS TO INCREASE PAPER PRODUCTION
SCOPE FOR MORE NEWSPRINT FACTORIES

THE Union Minister for Heavy Industries, Mr. Manubhai Shah, said in New Delhi last Friday that the Government of India had given permission for setting up 22 new paper mills in the country. This, together with a substantial expansion in the existing 21 paper factories, would raise the present capacity for the production of paper and paper boards from 210,000 tons a year to 540,000 tons a year by the end of the second plan. The Minister, who was inaugurating the first meeting of the Panel for Paper and Pulp Industries set up by the Government, said that schemes for increasing the capacity further by 140,000 tons a year were being considered. With newsprint, he stated, consider-

able progress was being made. In addition to the Nepa factory in Madhya Pradesh, another newsprint factory was being established in the public sector by the National Industrial Development Corporation in Shakarnagar, near Hyderabad, with a capacity of 30,000 tons a year. There was still scope for two more newsprint factories with a capacity of 30,000 tons each so as to reach the country's requirements of 120,000 tons by the end of the second plan. "We should endeavour to establish the required capacity", he declared.

The Government had approved the scheme for an industrial concern for setting up a plant in Assam to manufacture chemical pulp, required for paper, at the rate of 100 tons a day, i.e., 30,000 tons a year. In addition, two proposals for the establishment of rayon grade pulp plants, with a total capacity of 50,000 tons a year, were being considered. If both these projects materialised, the requirements of rayon grade pulp for the next five years would be satisfactorily provided for. As the country had already gone ahead in the manufacture of rayon silk, to cope with the capacity of 100 million lbs of rayon a year, about 50,000 tons

of rayon grade pulp would be required. There was a great need for rapid increase in the production of all varieties of paper and paper boards, newsprint and pulp, for both the paper and the rayon industries.

Rising Consumption

The per capita consumption of paper in India was among the lowest in the world, averaging about 2 lbs. a year, compared with over 400 lbs. in the United States, about 100 to 200 lbs. in almost all European countries, and over 50 lbs. in Japan. Mr. Shah said that the consumption of paper and paper products, including newsprint, was about 269,000 tons in 1950-51, and had gone up to 317,000 tons in 1955-56. The production had risen from 114,000 tons in 1950-51 to 202,000 tons in 1955-56—a rise of about 80 percent. But although production had almost doubled, in view of the growing demand the country was still importing 49,000 tons of paper, 80,000 tons of newsprint and 12,000 tons of rayon grade pulp, valued at about Rs. 15 crores, annually.

The consumption of paper, paper boards, newsprint and rayon grade pulp would increase considerably in the second plan period. According to the present estimates, by 1960-61 it would rise to 350,000 tons of paper, 120,000 tons of newsprint and 50,000 tons of rayon grade pulp a year. This would mean that, in terms of value, as against a total consumption of about Rs. 29 crores worth of these products at present, the annual consumption by 1960-61 would be around Rs. 69 crores a year. Thus, the increased annual production of paper, newsprint and pulp to be aimed at in the next five years would be of the value of Rs. 40 crores a year. The Minister stressed the need for reorienting the paper industry by the establishment of more pulp plants, so that bamboo, sabai grass and other cellulosic raw materials could be converted into pulp near the site of raw materials. The pulp could be conveniently utilised by paper factories at their location, and this would considerably save haulage and the transport of bulky raw materials for paper manufacture. He, therefore, emphasised the need for the industry and the Panel to look into the question of establishing a large number of pulp units in the country.

Referring to the raw material position, Mr. Shah stated that an *ad hoc* committee under the chairmanship of the Inspector-General of Forests, Government of India, had already been appointed to examine cellulosic raw material resources such as bamboo, fir, spruce, bagasse, sabai grass and other grasses. It was hoped that the findings of the *ad hoc* committee would be soon available. The present consumption of bamboo by the paper industry was estimated at 300,000 tons a year. It was likely to go up to 600,000 tons in the second plan period. The Minister, therefore, emphasised the need for intensive efforts to develop the cultivation of bamboo, eucalyptus, wattle and other woods. The development of forests had to be considered from this angle also. Broadly speaking, the present resources of bamboo could be safely estimated to be of the order of 18 million tons on the basis of a felling cycle of four years. This had to be more than doubled as early as possible.

Paper from Bagasse

Stressing the need for utilising bagasse for the manufacture of paper, Mr. Shah stated that the existing 143 sugar factories with their expansion programmes and the 57 new sugar mills would produce about 3.75 million tons of bagasse on a dry basis. This bagasse could easily yield 1 to 2 million tons of paper. It should not be difficult to organise the replacement of bagasse by coal as fuel. It would be wrong to burn away as fuel an important cellulosic raw material like bagasse, when it was far more profitable and suitable to convert it into paper and boards.

Pointing to the need for small one-ton to five-ton factories for paper manufacture, particularly for the inferior grades of paper, the Minister said that at present over 50 percent of imports were of cheap wrapping papers which could easily be manufactured by small-scale plants dispersed throughout the country. They could utilise the small quantities of cellulosic raw materials available in different regions. Such plant would only cost Rs. 5 lakhs to Rs. 15 lakhs, and would be as economical as big plants in cost of production. The machinery for them could also be manufactured more conveniently in the country itself. The Panel should, therefore, draw up programmes for setting up such small and medium sized plants for the utilisation of local raw materials, to be converted to cheap wrapping and other qualities of paper.

Referring to the manufacture of paper plant machinery in India, the Minister stated that the present position was very unsatisfactory. Total requirements of machinery for paper, newsprint and pulp plants during the second five year plan period were expected to be about Rs. 30 crores to Rs. 40 crores. At the moment, there was practically no capacity in the country for manufacturing machinery and equipment required by the paper industry. Therefore, the target for 1960-61 for the indigenous production of machinery was placed at Rs. 4 crores a year. Engineering firms and industries running paper plant should come forward to establish units for the manufacture of machinery and equipment for the paper industry. Although paper machinery was complicated, it should not be difficult to establish plant for its manufacture. This was the most vital need as far as the paper industry was concerned.

CHANGING TRENDS IN COTTON TEXTILE TRADE
INFLUENCE OF RAYON PIECEGOODS

COTTON yarn production in those countries for which regular figures are available, including all the principal non-Communist exporters of cotton textiles, was seasonally less in the third quarter of 1956 than in the second quarter, according to the Cotton Board's Quarterly Statistical Review for December, 1956. Compared with output in the corresponding period of 1955, yarn output in the third quarter showed an increase of about 2 percent, as against increases of 1½ and 3½ percent in the first and second quarters, respectively. Once again it was in Japan that the greatest expansion in comparison with a year ago occurred, but the figures also reveal increases in the rate of activity of the cotton industries of Hongkong, France, Western Germany, Italy and, to some extent, the Netherlands and Belgium. On the other hand, third quarter cotton yarn output in both U.K. and the United States was appreciably less in 1956 than in 1955.

There was a further sharp, probably more than seasonal, decline in world trade in cotton piecegoods in the third quarter of 1956. Indian and West German exports in particular were well below the second quarter level, and there were moderate decreases in the volume of exports from the U.K., the United States, France, the Netherlands and Portugal. Japanese exports remained more or less unchanged at the comparatively low second quarter level, as did also exports from Belgium and Italy. Hongkong was the only country to record an appreciable expansion in exports in the third quarter. In the first nine months of 1956, total world trade in cotton piecegoods was about 5 percent less than in the same period of 1955, which suggests that the total for the year will not be appreciably greater than that for the depression years 1952 and 1953. Japanese exports in the first nine months of the year were about 13 percent greater than in the corresponding months of 1955, the only other important non-Communist exporting countries to record an increase in shipments are the Netherlands, Belgium and Switzerland.

There is little doubt that the massive increase in international trade in rayon piecegoods—principally Japanese—in the last few years has contributed to the shrinkage of world trade in cotton cloth. Exports of fabrics of man-made fibres from almost all the main trading countries were less in the third quarter than in the second, but during the first nine months of 1956 total world trade in these fabrics was about 12 percent greater than in the same period of 1955. Japan has made by far the greatest contribution to this increase, but Austria, Belgium and, to a lesser extent, Italy and the Netherlands have also shared in the expansion, while the U.K., France and Germany have lost ground.

Shortage of Labour

Since about the beginning of August, and particularly in the last two months, a remarkable change has taken place in the state of the cotton trade in the U.K. Spinners and manufacturers have booked orders in such volume that order books have been lengthened by many weeks, and many mills now appear to be acutely short of labour. Many factors have contributed to bring about this state of affairs. In the first place, the running down of stocks and the shortening of commitments could by a reverse movement as soon as confidence in the raw cotton price level was restored. This reversal seems to have occurred some time during the summer. Secondly, the stabilisation of American-type raw cotton prices was achieved at a level which substantially eliminated the price advantage enjoyed by Indian mills; hence Lancashire cloth became more competitive vis-à-vis Indian cloth. The fear of hostilities spreading induced a desire to secure supplies of cloth; the diversion of shipping round the Cape led to an expectation of rising prices, and possibly interrupted supplies, of Egyptian far more likely that prices would rise rather than the production and distribution chain to place orders well in excess of immediate requirements. The effect on mill activity has been limited by the labour situation. August was the lowest point of the recession as regards both yarn and cloth production; the subsequent recovery has so far been more pronounced in the case of spinning than of weaving, principally because of happenings in the man-made fibre field. Yarn output in November was at the highest level since May, 1955, the improvement in cotton yarn production being reinforced by an expansion in the output of spun rayon yarns, particularly coarse yarns for the tufted carpet trade. Cloth output in October was still appreciably below the level reached in earlier months since about July in the production of all types of rayon fabrics with the exception of the long-staple spun rayon woven in Northern Ireland.

Exports of cotton piecegoods declined in July-September, 1956, for the fourth quarter in succession. There was little change in the quantities shipped to individual markets, British and French West Africa taking a little more, South African and New Zealand a little less, and Australia about the same as in the preceding quarter. Some improvement in the rate of shipment is expected in the near future; indeed, the October figure of 43 million square yards compares well with the monthly average of 37 million square yards in the

third quarter. This decline was spread over most of the main markets, including Australia, New Zealand, Rhodesia and Nyasaland, and the Irish Republic. Trade with South Africa was well maintained, however, and the rapid increase in exports to Indonesia is worth noting. There was a moderate decrease in imports of cotton piecegoods during the first quarter; imports from India declined appreciably, but imports from Hongkong continued to increase and Pakistan has become a growing source of supply for both cotton yarns and piecegoods. Imports of piecegoods in October totalled 31 million square yards, well above the monthly average of 26 million square yards for the first nine months of the year. Imports of towels were maintained at a high level in the third quarter, but there was a substantial fall in the number of shirts entering the country.

U.S. Recession

From the beginning of 1956 until the autumn, the U.S. cotton industry experienced a marked recession in demand. New orders booked were the lowest for several years, stocks of finished products increased and prices sagged. The recession is not reflected in the cotton cloth production figures for the second quarter, which show an increase of about 6 percent compared with a year earlier, but output of fabrics of man-made fibres declined by 12 percent, the decrease being almost entirely in spun rayon and in nylon fabrics and tyre fabric production showed a drop of about 16 percent. On the spinning side cotton consumption in the third quarter was 5 percent less than in the corresponding period of 1955, and consumption of rayon and nylon staple was 14 percent less. More recent reports speak of a revival of business and a tendency for prices to rise. Cotton consumption in October was not far short of the October, 1955, level. Exports of fabrics of both cotton and man-made fibres from the United States tend to be low in the third quarter and, judging by the figures for July and August, 1956 was no exception. Compared with 1955, the reduction in shipments of cotton piecegoods to the Philippines seems to be the most significant change. Since the beginning of August, the Government has been paying a subsidy on exports of cotton products; this is designed to compensate American manufacturers for the higher price they have to pay for American cotton as compared with foreign manufacturers. Subsidy payments have increased sharply since August, which seems to suggest that there has been a marked expansion in the level of shipments of cotton products. Imports of cotton piecegoods into the United States have fallen markedly since the early months of 1956 as a result of the export restrictions operated by the Japanese. It is reported that the Japanese have now agreed to continue these restrictions indefinitely, to extend them to cover other categories of made-up goods, to impose subsidiary "ceilings" on individual products, and to ensure that the goods are shipped at a uniform rate throughout the year. Nevertheless, American manufacturers have asked for increased tariff protection on velveteens and ginghams, two of the items most severely affected by Japanese competition.

Japan's Record Production

The removal of the restrictions on cotton yarn output in Japan from July resulted in a new post-war record level of production being established in the third quarter. Cotton cloth output was fractionally less than in the second quarter, but the rapid increase in the production of spun rayon yarns and fabrics continued. The number of spindles installed has increased very rapidly since about June, at the end of October, there were 900,000 more operable spindles than 12 months previously. Apparently there was a rush to have spindles installed before the official registration day, 20th October.

At 258 million square yards, Japanese exports of cotton piecegoods in the third quarter were virtually unchanged at the relatively low second quarter level. The October figure of 122 million square yards suggests, however, that there has since been a recovery to something like the record first quarter level. There was a big increase in shipments in the third quarter to Indo-China, largely as a result of American aid. This was the second largest overseas market during the quarter after Indonesia, which also took larger quantities of Japanese cloth. Increased shipments were recorded to Siam, the Philippines and Ceylon. In contrast, exports to Hongkong again declined heavily on account of the drying up of the re-export trade, and shipments to the U.S.A. were again reduced voluntarily. Britain, British West Africa and Burma also took less Japanese cloth than in the second quarter. Exports of rayon cloth in the third quarter were slightly less than the record second quarter total. At 281 million square yards, however, they exceeded cotton cloth shipments for the second quarter in succession, and it is reported that figures for October and November indicate a resumption of the upward trend. Markets which expanded in the third quarter include Indonesia, in particular, and also British West and East Africa, Western Germany and Indo-China. On the other hand, shipments to Singapore, Hongkong, Iraq and the Philippines contracted.

Indian Cloth Production Up

During the third quarter of 1956, cotton yarn production in India was about the same as in the corresponding period of 1955, whereas mill production of cotton cloth registered a considerable increase. The Government has attempted to limit by regulation the volume of stocks held by mills and merchants, and has encouraged mills to increase their output quickly, presumably by extension of shift-working, by reducing the excise duty on any increased production. However, it is reported that domestic demand has been slack, and mill stocks

have been increasing. Exports of cotton piecegoods by sea from India suffered a sharp contraction in the third quarter, the drastic narrowing of the gap between the Indian and the world price of raw cotton must have seriously impaired the competitive position of the Indian mills vis-à-vis their Japanese counterparts. Shipments to almost all the main markets were at a reduced rate in July and August, the only exception being British West Africa and, to a lesser extent, Indonesia and Ceylon.

West European Recovery

Those European countries principally affected by the 1955 textile recession, France, Italy and Belgium, appear to have recovered more swiftly than the U.K. Thus in the third quarter of 1956 the rate of output in almost all the countries of western Europe was greater than in the corresponding period of 1955, probably the lowest point of the recession, in contrast with the position in the U.K. Cotton yarn output in western Europe as a whole in the third quarter was perhaps about 5 percent greater than a year earlier, although less than in the corresponding period of 1954. There appears to have been some expansion at last in the output of the cotton sector of the Italian industry, matching the previous improvement on the rayon side; the reason appears to have been an increase in domestic sales occasioned by stock rebuilding. The French recovery has continued, the expansion of output in Western Germany has been maintained, and the Dutch and Belgian industries are still operating at levels somewhat higher than in 1955. Western European exports of cotton piecegoods normally fall off in the third quarter but in 1956 the drop was unusually great, principally because of a sharp contraction in deliveries from Western Germany. In the first nine months of the year, exports of cotton piecegoods from western Europe as a whole were about 7 percent less than in the same period of 1955. The main reason for the decline in West German exports has been the disappearance of the large improvement trade with Turkey.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August 1939=100) declined by 1.0 percent to 417.6 during the week ended 5th January, 1957, compared with 421.9 for the previous week. The index was 2.2 percent lower than in the corresponding week of the previous month, but 11.2 percent higher than a year ago. The index for Food Articles moved down by 2.4 percent to 382.4, because of a decline in the prices of *gur* in Ahmednagar (—9%), rice in Patna (—3%), coffee (—2%) and *jowar* (new crop) in Amravati, despite a rise in the prices of *gur* in Muzaffarnagar and *bajra* (+% each), rice in Vijayawada (+3%) and in Calcutta (+1%) and wheat and gram (+1% each). Lower prices of manganese ore (average export price) (—26%), rapeseed in Kanpur (—6%), castor-seed in Madras, linseed and gingelly seed (—3% each) and raw cotton (—1%) brought down the index for Industrial Raw Materials by 0.5 percent to 517.6, although prices of rapeseed in Calcutta and copra (+5% each), castorseed in Bombay and groundnuts (+4% each) and raw silk (+3%) were marked up. The index for Semi-Manufactures declined by 1.1 percent to 411.2, compared with 415.8 (revised) for the previous week. Items which showed significant variations were groundnut cake (—9%), cow hides (—6%), gingelly cake (—5%), gingelly oil (—4%), buffalo hides, castor oil and copra cake (—3% each), linseed oil in Calcutta (—2%), sheep skins (—3%) and coconut oil (+2%). The index for Manufactures stood at 386.9, compared with 387.1 for the earlier week; the price of rayon and silk manufactures rose by 2 percent while cotton manufactures were slightly lower. An increase in the prices of betelnuts (+9%), black pepper (+4%), and chillies in Patna (+1%) raised the index for the Miscellaneous group by 0.8 percent to 594.1. The price of chillies in Calcutta (—6%), however, fell.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS

Groups and Sub-Groups	Week Ended			
	5-1-57	29-12-56	8-12-56	7-1-56
I Food Articles :	382.4	392.0	420.0(R)	331.3
Cereals	476	497*	543	397
Pulses	424	422	432(R)	258
Others	252	252*	264(R)	236
II Industrial Raw				
Materials :	517.6	520.2	510.5(R)	456.0
Fibres	502	505	493	455
Oilseeds	572	564*	557*(R)	460
Minerals	509	540	532	445
Others	437	437(R)	432	463*
III Semi-Manufactures :	411.2	415.8(R)	418.6	351.9
Leather	433	445	448	412
Mineral Oils	210	210	207	202
Vegetable Oils	620	625(R)	267	426
Cotton yarn	490	492	504	433
Metals	328	328	328	280
Oilcakes	439	490	491	360
Others	362	363	364	330
IV. Manufactures :	386.9	387.1	386.1	373.6
Textiles	417	418	417	406
Jute	456	457	452	424
Cotton	414*	416*	415*	403*
Rayon and Silk	436*	429*	429*	486*
Woolen	266	266	266	278
Metal Products	390	390	390	371
Others	298	298	298	285
V Miscellaneous :	594.1	589.3	591.7	548.7
All Commodities :	417.6	421.9	429.7(R)	375.7

R - Revised

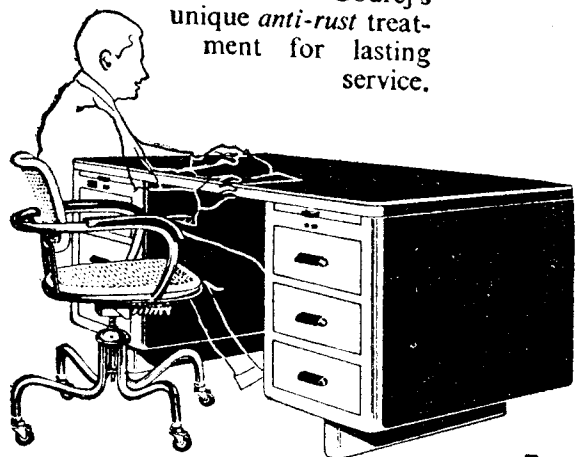
* = Estimated

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Calcutta Markets

FAIR DEMAND AT TEA EXPORT SALE

PRICE FALLS IN MOST GRADES

AT Sale No. 30, held on 21st January, offerings at the Export auction consisted of 76,000 packages for which there was fair demand, but the market for the majority of the offerings was 2 annas to 3 annas weaker. Once again the few bright liquoring teas were well supported and were firm to occasionally dearer, while tippy teas were also in strong demand. All other kinds were an irregular 2 annas to 3 annas easier, although Fannings grades were in better demand than Broken. Whole Leaf grades were the weakest feature of the Sale and were a full 3 annas lower, while Darjeelings with very few exceptions also sold at easier rates. The number of withdrawals was greater than in recent weeks.

	1956	1955
Clean Black Pekoe	2 3 0	2 0 0 to 2 1 0
Plain B.P.	2 1 0	1 8 6
Medium Assam B.P.	2 2 0 to 2 3 0	1 10 0 to 1 11 0
Best C.T.C. Assam B.P.	2 9 0 to 2 10 0	2 3 0 to 2 4 0

FREIGHT RATES STEADY

A FAIR miscellaneous enquiry was handled last week with rates fairly steady. Ore fixtures from India included 220s to Poland, 210s to Yugoslavia, 210s to Genoa and \$(U.S.)23 to the U.S.A. Mormugao-Genoa, on the other hand, was done at 185s the difference being accounted for by the crippling tax on freight earnings in this country. American coal paid 104s 6d for a single voyage to the Continent and there were numerous enquiries for long-term contracts. Renewed interest has been shown in Indian coals and several cargoes have been arranged to Japan at around 118s. How the transport system will react to increased export demands is uncertain since considerable delays are already being experienced at the present rate of export. Shippers say that demurrage is likely to accrue. Various time charters were arranged at rates ranging from \$(U.S.) 7 for a Liberty for five to seven months to \$(U.S.) 4.30 for a similar ship for four years.

SUGAR MARKET UNCHANGED

During the week ended 22nd January, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 3,000 bags and stocks totalled 85,000 bags. Rates for ready sugar, ex-Kantapur delivery, were Rs. 31.2 for ordinary grain and Rs. 33.4 for big grain. The market was unchanged.

LINSEED SOFTER

Prices have declined slightly during the past week due to a slackening in demand; ready stocks have been scarce as sellers have been fairly reserved. Trading has been poor. In the oil section, shippers have been rather less active because of a small decline in overseas prices; sellers have, however, been pausing in expectation of a further rise in prices. Latest quotations were as follows: January Rs. 25.4 a maund; April-May Rs. 22.6 a maund.

HIDES AND SKINS EASIER

The market ruled easier and prices showed a downward tendency. Stocks were higher than in the previous week.

Bazaar Sales

(Between 15th January and 21st January, 1957)
Cowhides: Wet salted (Ord.) 400,000 pcs. on the basis of Rs. 7-12 to Rs. 8-14; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 12-8 to Rs. 22.

Goatskins: Wet salted (Daissee, Killed) 72,570 pcs. on the basis of Rs. 260 to Rs. 270. Rs. 280 to Rs. 320 and Rs. 365 to Rs. 375; Assam-Dinajpur 5,000 pcs. on the basis of Rs. 280 to Rs. 305; Muzafferpore-Patna 30,800 pcs. on the basis of Rs. 290 to Rs. 310.

Bazaar Stocks

(21st January, 1957)
Cowhides: Wet salted 2,49,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 26,000 pcs.; Assam-Dinajpur-Murshidabad 108,000 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kissen-ganj 219,500 pcs.

SHELLAC MARKET QUIET

During the week ended 21st January, the market was steady at the beginning, and quiet at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 118 buyers; 118 value.
Lemon No. 1 Shellac	Rs. 118, 116-8 buyers.
Lemon No. 2 Shellac	Rs. 113-8, 114, 112 buyers.
F.O. Std. 1 Shellac	Rs. 108-8, 110, 107-8 buyers.
Pure TN Shellac	Rs. 103, 105 basis done buyers; 102 buyers.

4% I.T.N. Shellac	Rs. 98, 99, 95 buyers.
No. 1 Kusmi Seedlac	Rs. 110, 111-8, 111 buyers.
No. 2 Kusmi Seedlac	Rs. 105, 107, 106 buyers.
Fine Bysaky Seedlac (Manbhum)	Rs. 98, 100, 99 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 93, 94-8, 94 buyers.

Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 85, 86-8, 86 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 80, 81-8, 81 buyers.
Kireelac	Rs. 32-8 to 33-8 buyers.

Shipments during January until the 14th were 16,438 packages.

COMPANY AND PUBLIC NOTICES

DARJEELING TEA & CHINCHONA ASSOCIATION LTD.
CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

INLAND CARRIERS PRIVATE LTD.
CHANGE OF ADDRESS.

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By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

PAHARGOOMIAH TEA ASSOCIATION LTD.
CHANGE OF ADDRESS.

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By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

INDIAN CARDBOARD INDUSTRIES LTD.
CHANGE OF ADDRESS.

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By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

SYLHET LIME CO. PRIVATE LTD.
CHANGE OF ADDRESS.

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By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

KILBURN PROPERTIES PRIVATE LTD.
CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,
KILBURN PROPERTIES PRIVATE LTD.,
J. M. SWEET,
Director.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

PASHOK TEA COMPANY LIMITED
CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

SINGRI PANCHINOI RIVER TRAMWAY CO. PRIVATE LTD.
CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

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By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

KODALA LTD.
CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

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By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

OODALEAH LIMITED
CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

MAJERHAT PROPERTIES PRIVATE LTD.
CHANGE OF ADDRESS.

IT is hereby notified that the registered office of the Company is now situated at No. 2, Fairlie Place, Calcutta-1.

All correspondence should henceforward be addressed to the Company at its registered office as stated above.

By Order of the Board,
MAJERHAT PROPERTIES PRIVATE LTD.,
J. M. SWEET,
Director.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

KILBURN & CO. PRIVATE LTD.
CHANGE OF ADDRESS.

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By Order of the Board,
KILBURN & CO., PRIVATE LTD.,
A. N. MITRA,
Secretary.

2, Fairlie Place,
Calcutta-1, 15th January, 1957.

THE HIND BANK LTD.
Working Results for 1956.

The Profit of the Hind Bank Ltd. for the year 1956, subject to audit, including the amount brought forward (Rs. 1,66,000/-) from last year's accounts is Rs. 13,77,000/- Out of this sum, the Directors have made the following appropriations:—

Provision for Taxes	Rs. 4,50,000/-
Transfer to Reserve Fund	Rs. 3,75,000/-
Bonus to staff	Rs. 90,000/-
Balance	Rs. 4,62,000/-
	Rs. 13,77,000/-

Out of the above balance, the Directors propose to recommend to shareholders at the next General Meeting the payment of a Dividend at Rs. 3/- per share, free of income-tax which will absorb Rs. 3,00,000/- leaving Rs. 1,62,000/- to be carried forward to the next year's accounts.

The securities and investments of the Bank appear in the accounts on December 31, 1956 at/or below the market rate ruling on that date.

DUNCAN BROTHERS & COMPANY, LIMITED.
DIVIDEND ON PREFERENCE SHARES.

NOTICE is hereby given that the Board of Directors has sanctioned payment on 31st January, 1957 of a dividend on Preference shares for the year ended 31st December, 1956 of 4 per cent. without any deduction for income-tax paid by the Company.

The Preference share register will be closed from 28th to 31st January, 1957 both days inclusive.

Warrants will be issued to shareholders whose names appear on the Company's register on 31st January, 1957 or in accordance with their registered mandate instructions.

DUNCAN BROTHERS & CO., LD.
31, Netaji Subhas Road,
Calcutta-1, 15th January, 1957.

BIRDS INVESTMENTS LIMITED.

NOTICE is hereby given that the Twentieth Ordinary General Meeting of the Shareholders of BIRDS INVESTMENTS LIMITED will be held at the Registered Office of the Company, at 4, Lyons Range, Calcutta, at 12 noon, on Friday, the 15th day of February, 1957, for the purpose of receiving the Directors' Report, passing the Audited Accounts for the year ended 30th September, 1956, declaring the dividends recommended by the Directors, electing Directors in place of those retiring and appointing Auditors.

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

The Share Transfer Registers of the Company will be closed from 1st February, 1957 to 15th February, 1957, both days inclusive.

By Order of the Directors,
LOVELOCK & LEWES,
Secretaries.

Note: Dividends will be paid to registered shareholders or their mandatees only.
4, Lyons Range,
Calcutta, the 22nd January, 1957.

THE DUFFLAGHUR TEA CO. LTD.

NOTICE is hereby given that an Interim Dividend of 15% for Season 1956 has been declared payable on or after 8th February, 1957.

Shareholders whose names will appear in the books of the Company on 1st February, 1957, will be entitled to this distribution and Dividend Warrants will be issued to them or in accordance with their instructions.

The Share Transfer Books of the Company will be closed from 1st to 7th February, 1957, both days inclusive.

By Order of the Board,
For WILLIAMSON MAGOR & CO., LTD.,
Sd/- V. S. VIJI,
Secretary,
Managing Agents.

Calcutta, 22nd January 1957.
N.B. Shareholders are requested to notify any change of address.

THE ATTOCK OIL COMPANY LIMITED
(Incorporated in England)

AT a Board Meeting held in London on 17th January, 1957, the Directors declared an Interim Dividend for the year 1956 at the rate of 8d (eight pence) free of United Kingdom Income Tax on the 21 unit of Stock payable on 1st March, 1957 to the holders on the Registers on 31st January,

United Bank of India Ltd.

Head Office:
4, CLIVE GHAT STREET, CALCUTTA

TOTAL ASSETS
OVER Rs. 43,40,00,000/-

Foreign Trade...

Extensive international trade is essential for the development of national economy. A country's foreign trade largely depends on efficient banking service. With a network of correspondents at all important trade centres of the world the United Bank is equipped to render adequate service and give expert guidance in matters of foreign trade.

Foreign Agencies

ENGLAND, U.S.A., AUSTRALIA,
CANADA, FRANCE, BELGIUM,
HOLLAND, GERMANY, NORWAY,
SWEDEN, SWITZERLAND, ITALY,
AND JAPAN.

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A SCHEDULED & CLEARING BANK
(Established 1940)

Head office:
7, Wellesley Place, Calcutta.
Phone 23-3481 & 23-3482.

BANKING BUSINESS OF
ALL DESCRIPTIONS TRANSACTED.

Chairman:
Sri JADU NATH ROY

Branches:
Burra Bazar, Shambazar, Hatkhola, Ballygunge,
Dum Dum (Calcutta), Patna and Narayangunge.
M. K. BHATTACHARYA, C.A., I.B. (Lond.),
General Manager.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in Rs.	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in Rs.	Rate per cent	Paid-up per Share	Market Quotations	
					22-1-57	A year ago						22-1-57	A year ago
					Rs.	Rs.						Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	114 1/2	135	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	80
COAL.													
1903	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1895-99	Bombay Steam Navigation (July)	15.00	6 1/2	250	15	15
1895-97	Borra (June Dec.)	4.00	6 1/2	100	103	119	1918	Britannia Biscuit (Feb. Aug.)	15	8	10	15 1/2	111
1901-21	Burrakur (June Dec.)	22.98	7	100	114	122 1/2	1920	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	8 1/2	136
1948	Burrakur (June Dec.)	4.50	6 1/2	10	83	84	1895-99	British India Corporation (Feb.)	81.00	8	100	120	139 1/2
1895	Equitable (May Nov.)	4.00	6	100	104	117	1903-50	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	109	124
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5	2	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	109	124
1920	New Beerboom (Jan. July)	2.00	7	10	12	13 1/2	1937	Calcutta Electric Supply (Mar. Sept.)	21.900	5	21	10 1/2	12 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	115	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1936-24	Calcutta Tramways (Jan. July)	2.500	5 1/2	21	8 1/2	9 1/2
1884	Bangalore (Jan. July)	6.00	6	100	125	128 1/2	1946	Carew & Co. (January)	8.00	6 1/2	100	99 1/2	106
1938	Basanti (Oct.)	5.00	6 1/2	10	8	7	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	146
1898	Bengal Nagpur (Apr. Oct.)	3.00	7	100	99	116	1937	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	51 1/2	51 1/2
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1937	Dacca Electric Supply (July)	6.00	6	100	94	99
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	314 1/2	1945	Dalmia Cement (Bharat)	3.500	6	100	37 1/2	38 1/2
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	144	133 1/2	1945	Dalmia Cement (Bharat)	2.372	6	40	37 1/2	38 1/2
1912	Cambodia (July)	1.00	7	100	122 1/2	125	1945	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1928	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1916	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	102	91 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1935	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	71 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	136	1940	Duncan Brothers & Co. Ltd.	45.00	4	100	60 1/2	60 1/2
1943	Elgin "B"	4.20	5	10	9 1/2	9 1/2	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	119	126
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	87 1/2	91	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	60	101 1/2
1919	Kesoram (June Dec.)	20.00	7	100	113 1/2	137	1928-29	East India Distilleries (Jan. July)	2.200	7	100	171	171
1925	Khatu Makani (Nov.)	10.00	6	100	88	88	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	70	70
1937	Kothari (Nov.)	12.00	6	10	103	104	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	77 1/2
1909	Muir (Feb. Aug.)	30.00	6	100	81 1/2	89	1946	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	65	70 1/2
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	185	185	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	60 1/2	66
1929	New Victoria (Apr. Oct.)	2.00	6	5	4 1/2	3 1/2	1947	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	72 1/2
1935	Palani Andavar (Mar.)	15.00	5	100	115	115	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	68 1/2
1927	Swadeshi (Bombay) (May)	35.00	6	100	90 1/2	90	1946	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	68 1/2
1931	Swadeshi (Cawnpore) (Mar.)	3.00	6 1/2	100	113	120	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	68 1/2
1908	Vishnu (Apr.)	16.00	7	500	550	550	1940	Humayan Properties Ltd. (Nov.)	12.00	6	10	9 1/2	10 1/2
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	101	116	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	77	108 1/2
1905	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	105	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	101	81
1896	Alliance (Mar. Sept.)	15.00	6	100	97	102	1927	Indian General Navy & Railways	2.244	6	10	70	27
1917	Anglo-India (May Nov.)	40.00	7	100	100 1/2	118	1899	Indian Cable Co. (Nov.)	12.88	6	10	33 1/2	140
1908	Auckland (July Jan.)	10.00	5 1/2	100	80 1/2	96	1936	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	102	110
1918	Bally (Jan. July)	15.00	4 1/2	100	60	74	1946	Indian Iron & Steel	2.69.95	5	100	75	77 1/2
1896	Barnagore (Oct. Dec.)	2.00	7	100	101 1/2	115	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	70
1906	Beldere (Jan. July)	1.00	5 1/2	100	41	46	1945	James Wright (Jan. July)	1.30	6	50	41	39
1940	Bengal (June Dec.)	10.00	7 1/2	100	111	125	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	61	78 1/2
1919	Birla (June Dec.)	23.64	5 1/2	100	90	97	1946	Jessop & Co.	10.00	5	100	95 1/2	105 1/2
1896	Budge Budge (May Nov.)	9.00	7	100	111	120 1/2	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10	10
1914	Calcutta (Jan. July)	5.00	6 1/2	100	78	90	1916	Kumardhubi Engineering (June)	12.00	5	100	101	108 1/2
1919	Caledonia (June Dec.)	10.00	7	100	109	118	1915	Do. Fireclay & Silica (June)	2.00	7	100	100	106
1928	Cheviot (June Dec.)	10.00	7	100	111	117 1/2	1915	Martin Burn Ltd.	30.00	5	100	69	73
1900	Chitavalah (Mar. Dec.)	8.00	7	100	108	115	1946	McLeod & Co.	10.00	5 1/2	100	69	88
1905	Clive (First) (May Dec.)	8.00	6	100	98	101	1930	McLeod & Co.	40.00	5	100	75	88
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	116	1936	Metallurgical & Industrial (Sept.)	20.00	6	100	99	97
1897	Delta (June Dec.)	5.00	5	100	105	94	1936	Metal Box Co. of India Ltd.	30.00	6 1/2	100	92	92
1912	Empire (Jan. July)	10.00	7	100	102	120 1/2	1938	Midnapore Zemindari (Feb.)	8.75	5	100	92	92 1/2
1890-98	Fort Gloster (Jan. July)	14.00	7	100	76 1/2	86	1930	Mysore Chemical Mfg. (Sept.)	2.00	5	10	9 1/2	10 1/2
1948	Fort Gloster (2nd)	7.00	5	100	74 1/2	86	1946	National Insulated Cable	10.00	5 1/2	100	67	68
1911	Fort William (May Nov.)	10.00	7	100	115	128 1/2	1942	National Tobacco (June Dec.)	25.00	5	100	62 1/2	70
1916	Ganges (June Dec.)	6.00	8	100	112	133	1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	62 1/2	66
1895-94	Gouropore (June Dec.)	26.50	6	100	80	105	1946	Northern India Oil (Jan. July)	2.00	6	100	48	56
1935	Hastings (Aug. Feb.)	25.00	6	100	82	107 1/2	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	108 1/2
1912	Howrah (July)	11.00	10	10	13 1/2	14 1/2	1936	Premier Construction "First" (Apr.)	10.00	6 1/2	100	99 1/2	99 1/2
1890	Howrah (Jan. July)	17.50	7	100	102 1/2	123	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	14 1/2	16
1919	Howrah "A" (Jan. July)	40.00	7	100	102 1/2	118	1936	Purabore (Sugar) (Oct.)	6.00	10	100	100 1/2	105 1/2
1898-94	Kamathatti (Apr. Oct.)	16.00	6	100	80 1/2	114	1936	Ramnagar Cane & Sugar (Aug.)	4.00	7	100	124 1/2	135 1/2
1900	Kankannarah (Apr. Oct.)	10.00	6	100	87 1/2	105	1933-36	Rohas Industries (Apr.)	20.00	7	100	64 1/2	69 1/2
1935	Kardamath (Jan. July)	2.00	7	100	95	95	1936	Rohas Industries "B" (Apr.)	88.00	4 1/2	100	64 1/2	69 1/2
1907	Kelvin (Mar. Sept.)	10.00	7	100	108	121	1946	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	67 1/2	68
1895-99	Khardah (May Nov.)	9.00	6	100	89 1/2	106	1937	Shree Gopal Paper	7.50	6	100	119 1/2	126 1/2
1910	Kinnison (Jan. Jan.)	15.00	7	100	108	118	1938	Shree Krishna Granoday Sugar "A" (Oct.)	6.00	6	100	101	101
1912	Landedowne (July Jan.)	5.00	7	100	103	117	1936-38	Shree Krishna Granoday Sugar "B" (Jan.)	6.00	6	100	101	101
1906-07	Lawrence "A" (July Jan.)	10.00	5 1/2	100	76	95 1/2	1906	Smith Stanistreet (Chemists) (Nov.)	12.00	5	100	64	68 1/2
1905	Naihati (July Jan.)	7.50	7	100	110	121	1905	Son Behar Sugar (Oct.)	5.00	10	50	161 1/2	161 1/2
1945	Naihati (July Jan.)	10.00	4 1/2	100	73	82	1936	Spencer & Co. "A" (Provisions) (Jan. July)	5.00	7	100	91	98
1939	National (May Nov.)	5.00	7	100	112	125	1936	Spencer & Co. "B" (Provisions) (Jan. July)	5.00	6 1/2	100	91	98
1915	Nellimarla (Apr. Oct.)	33.00	6	100	105 1/2	114	1937	Star Paper (Apr. Oct.)	10.00	5	100	82	82
1908-09	New Central (Jan. July)	15.00	7	100	79	93	1937	Star Paper (Apr. Oct.)	5.00	6 1/2	100	131	131
1935	Northbrook (July Jan.)	7.00	5 1/2	100	106	118	1937	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1906-12	Reliance (Jan. July)	20.00	7	100	86	112	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	161 1/2	167 1/2
1901	Sannugger (Feb. Aug.)	8.00	8	21	sh 21/6	sh 21/6	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	118 1/2	127 1/2
1928	Shree Ambica (Mar. Sept.)	11.70	7 1/2	100	104	105 1/2	1918	Tata Iron & Steel (Second) (May)	63.82	7 1/2	100	127 1/2	127 1/2
1920	Soorah (Feb. Aug.)	9.00	7	100	86	101	1918	Tata Power (May Nov.)	96.97	7 1/2	100	127 1/2	127 1/2
1897	Standard (July Jan.)	£150	6	6	sh 21/6	sh 21/6	1919	Tezpor-Balipara Tram (1) (June Dec.)	11.50	8	100	139	151
1901-02	Titagarh (Feb. Aug.)	6.00	6	21	sh 21/6	sh							

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	22-1-57	16-1-57	A year ago
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
25,50,000	26,43,478	24,50,000	6,60,370	Amalgamated	3-9	236	6,83,393	26,953	31-5	61-71	..	10	19	21
1,00,00,000	1,96,15,288	1,40,49,223	18,35,659	Bengal P	1-10	2	26,18,986	7,31,563	71-71	61-83	..	200	459	445
4,93,350	3,88,193	70,000	2,24,303	Bengal Bhatdee	5-12	2	15,149	..	..	..	..	10	6	6
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Naxpur P	6-12	2	-50,568	-1,07,984	..	..	..	10	6	6
15,37,000	14,16,666	5,91,476	13,32,767	Bhaigora	9	152	8,13,899	39,978	..	..	..	10	16	16
40,00,000	58,01,474	20,23,235	32,65,321	Bharat Collieries P	6-12	6	-2,52,221	27,433	..	..	..	10	61	51
7,15,000	15,63,291	14,29,045	68,704	Bhokarc & Ramgur	6-12	106	-20,810	-1,87,446	..	..	..	10	14	14
16,00,000	38,87,275	16,18,636	7,185	Borera P	5-12	315	1,21,936	-79,196	..	..	..	10	121	111
7,50,000	18,56,889	24,29,026	11,60,066	Burrakur P	5-12	106	2,14,682	84,207	10-10	10-10	..	10	204	248
90,92,480	2,39,17,614	1,75,02,136	28,93,839	Central India	6-12	21	7,43,659	36,168	24-34	34-34	31-..	10	211	214
49,97,000	34,53,430	756	3,69,960	Central Kurkud P	6-12	323	34,743	82,768	21	21	5	10	62	61
8,00,000	16,67,572	13,30,519	15,152	Churulia	6-12	106	2,129	..	..	..	..	10	24	24
6,00,000	24,00,428	1,43,676	7,32,536	East Indian	6-12	19	-60,039	-1,83,318	..	..	..	10	51	51
2,240,000	2,239,116	2,313,125	24,17,690	Equitable P	6-12	128	2,96,155	4,58,922	181	224	181	10	272	263
29,83,760	1,15,25,712	83,55,049	3,32,971	Ghusick & Muslia	6-12	3	8,87,453	82,379	71-71	71-71	..	10	252	254
10,00,000	6,74,708	2,07,486	4,95,544	Hazrat Kajora	6-12	20	12,979	2,401	..	..	..	10	15	15
6,50,000	5,08,856	33,155	7,92,425	Hazrat Kajora	6-12	20	24,150	2,401	..	..	..	10	15	15
8,00,000	3,17,780	7,25,000	1,407	Kalaphari	6-12	19	2,70,524	45,985	..	..	..	10	11	234
3,50,000	6,31,200	5,66,816	1,407	Kalaphari	6-12	2	1,38,130	-2,21,237	..	..	..	10	224	224
15,00,000	31,71,936	24,32,336	25,61,314	Karanpura Development	6-12	21	49,116	17,839	..	..	..	100	141	141
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	6-12	21	2,26,982	6,965	..	..	..	100	119	119
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	6-12	326	5,92,347	1,33,475	28-28	25-30	35	100	531	531
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	..	..	..	10	94	91
5,65,750	10,84,977	85,000	9,599	Mundulour	6-12	326	-79,868	-79,868	..	..	..	10	91	91
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	6-12	326	92,517	31,201	..	..	..	10	61	61
7,00,000	5,13,418	26,617	10,14,803	New Bansdeopur	6-12	326	59,911	6,071	..	..	..	10	61	61
17,76,230	31,15,787	20,01,763	3,78,538	New Beerboom P	6-12	326	2,716	94,353	..	..	..	10	14	14
6,00,000	11,71,307	75,000	40,447	New Wandboom	6-12	326	-25,330	..	..	..	..	10	11	11
2,50,000	7,69,623	1,75,506	10,12,916	North Damuda	6-12	326	7,954	-32,184	..	..	..	10	21	21
1,15,000	4,42,488	2,85,193	1,53,246	North West	6-12	326	51,420	15,950	..	..	..	10	171	171
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	..	..	..	10	171	171
4,34,000	9,21,342	10,862	4,36,011	Paras P	6-12	207	1,08,575	3,343	..	..	..	10	154	154
12,50,000	12,40,000	16,00,000	12,21,654	Penar Valley	6-12	207	4,18,450	3,343	..	..	..	10	154	154
2,90,000	2,92,408	7,901	11,337	Pure Sitapur	6-12	207	2,008	-18,581	..	..	..	10	154	154
29,95,000	36,99,424	27,10,105	67,993	Raneegunge	6-12	207	3,67,448	23,188	..	..	..	10	154	154
13,50,000	7,98,001	9,28,382	14,29,643	Rewa	6-12	207	4,96,775	26,029	..	..	..	10	154	154
20,00,000	23,74,261	7,52,027	1,01,427	Samia	6-12	207	1,80,680	31,543	..	..	..	10	154	154
2,50,000	1,56,194	1,34,374	11,356	Searsole	6-12	207	1,07,078	25	..	..	..	10	154	154
2,80,000	10,92,193	8,36,598	7,87,726	Seccore P	6-12	207	2,42,112	49,299	..	..	..	10	154	154
8,00,000	3,36,24	5,29,306	6,32,757	Sendra	6-12	207	-4,098	-51,533	..	..	..	10	154	154
17,50,000	22,81,905	10,75,016	63,654	South Karanpura	6-12	207	-59,079	-51,533	..	..	..	10	154	154
8,00,000	1,43,000	15,69,398	21,89,890	Standard	6-12	207	47,444	17,347	..	..	..	10	154	154
10,00,000	15,58,085	15,075	7,913	Taicher	6-12	207	22,689	-3,85,056	..	..	..	10	154	154
3,50,000	4,62,900	3,47,000	12,890	Union	6-12	207	-54,089	-9,559	..	..	..	10	154	154
49,98,000	33,66,550	80,000	2,17,164	Western Bengal	6-12	166	4,09,468	7,262	..	..	..	10	154	154
7,00,000	32,65,173	21,569	61,480	West Januria	6-12	166	-2,72,772	-1,46,650	..	..	..	10	154	154

N = Nominal

COTTON MILLS

COTTON MILLS																
Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Portefolio Shares, if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per shares	Latest Market Quotations as available until			
Rs	Spindles	Looms	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227				10	513	513
32,12,340	22,197	505	27,69,576	23,18,909	24,331	Benares P	3-9	120	-1,21,187	-4,79,347	**	**	**	10	1	1
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3	27	1,05,176	47,818	10	**	**	10	40	38
27,00,000	31,476	624	23,53,000	15,50,000	384,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	Nil	**	**	40	40	106
15,00,000	38,764	624	28,31,200	88,48,538	31,22,417	Birla Cotton	5	22	16,69,225	2,76,936	Nil	**	**	10	91	91
6,00,000	42,872	912	51,54,142	22,72,588	1,44,348	Bowmer P	6-12	138	84,028	23,47,936	Nil	30	15	10	304	304
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	6-12	138	5,73,253	36,767	10	Nil-5	**	100	123	385
1,00,563	1,01,808	4,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl P	6	231	1,81,412	82,759	9	9	**	25	712	381
19,00,000	42,944	318	14,12,181	25,71,925	1,53,894	Dunbar	6-12	138	9,92,376	1,37,951	Nil-5	Nil-5	**	21	199	204
63,00,000	34,000	1,200	22,44,751	68,33,360	13,06,983	Elgin P	9	25	32,80,464	3,38,886	10	10	**	100	199	391
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Resoram P	9	22	37,41,719	2,45,435	81	81	**	10	27	282
6,00,000	35,804	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	**	**	**	20	154	154
33,96,288	39,000	1,825	47,44,546	52,19,601	32,65,055	Muir P	12	208	-18,77,941	-7,77,290	**	**	**	10	**	**
30,00,000	1,825	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473	**	**	**	10	75	81
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	5	6,16,936	1,094	61	10	**	210	199	118
1,50,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	Nil	34	**	1	151	151
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	71	71	**	100	121	121
40,50,000	48,754	1,310	31,31,708	1,89,73,217	13,89,979	Bangalore W C Silk F	12	26	56,34,938	2,38,649	30	30	**	100	5421	5421
1,78,57,800	1,20,012	2,770	5,20,71,600	1,87,39,278	23,99,214	Bukingbam Carnatic F	12	26	1,01,66,075	2,38,445	10	10	**	100	188	174
20,00,000	38,000	603	18,03,003	20,32,574	11,26,236	Cambodia P	12	26	1,01,66,075	2,38,445	30	30	**	100	188	174
12,00,000	38,000	603	18,03,003	20,32,574	11,26,236	Combaratore Cotton	12	26	1,01,66,075	2,38,445	10	10	**	100	188	174
20,76,900	72,632	407	5,41,305	9,90,000	38,53,902	Kateeswarar	12	18	5,53,750	27,593	Nil	5	**	100	188	174
6,00,000	10,840	295	47,91,212	7,98,581	22,227	Combaratore Spd & Wvg	6	46	-7,52,342	61,408	**	**	**	100	1413	1413
24,00,000	30,512	200	69,93,329	17,90,000	8,77,434	Kothari Textile P	6	139	2,05,780	1,677	**	**	**	50	385	90
23,94,000	48,756	**	15,01,051	21,70,200	78,350	Lakshmi	6	141	6,24,560	42,912	5	10	10	100	335	378
1,75,02,480	4,63,374	**	2,15,02,107	4,13,81,878	31,04,981	Madura	12	186	31,41,248	2,209	**	**	**	50	151	151
12,00,000	1,15,561	**	3,43,189	10,32,698	1,91,153	Madurai Spg & Wvg	12	108	77,86,500	18,85,831	**	**	**	50	254	246
60,00,000	44,422	603	20,43,893	69,00,000	1,91,153	Mettur Industries	12	240	-85,193	-84,009	20	20	**	100	483	473
1,01,178	1,00,000	**	14,13,892	3,91,279	34,563	Moreon Spur Silk	9	142	48,44,883	45,825	**	**	**	200	108	108
43,00,000	20,137	Nil	3,36,008	3,00,000	2,42,408	Palani Aravay P	12	40	1,753	3,986	Nil	**	**	100	4221	420
7,79,700	15,540	416	3,42,118	1,43,421	2,65,311	Sitarang Spg & Wvg	12	40	87,724	2,687	**	**	**	10	81	81
7,00,000	18,104	270	12,93,563	18,23,501	11,71,324	Vasanta P	12	164	16,37,450	3,083	**	**	**	50	150	150

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accounts under Tea	Current and Average Price realised for crop				Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.	Rs.	Lbs.	As P.	Lbs.	As P.	Lbs.				Rs.	1952	1954	1955	Rs.	Rs.	Rs.	Rs.	
CACHAR																				
3,00,000	4,40,897	1,75,000	862	2,89,040	39-11	..	..	..	Arcuttipore	12	38	1,72,877	Nil	Nil	..	10	12	12	12	
4,00,000	4,26,259	49,878	466	..	..	..	..	..	Baitakhal	12	35	43,901	..	..	..	10	103	103	103	
10,00,000	17,71,849	1,13,800	1,480	3,90,263	10-10	..	..	..	Central Cachar	12	128	5,98,000	Nil	73	..	100	643	643	101	
2,50,000	37,753	Nil	794	1,00,450	4-2 2/5	..	..	..	Chandypore	12	128	66,346	Nil	Nil	..	100	68	68	116	
7,00,000	7,07,190	11,000	649	3,91,440	23-6	4,40,000	..	..	Eastern Cachar	12	202	33,600	Nil	Nil	10	9	91	256	9	
12,00,000	17,92,437	1,50,000	1,132	17,99,920	15-0	16,36,400	24-1	16,00,000	Hatikihra	12	202	2,46,355	25	40	71	10	151	151	10	
4,50,000	3,12,914	1,65,222	586	..	..	..	..	..	Kalimukkar Khoreal	12	313	91,071	Nil	15	..	100	102	102	130	
3,80,000	3,12,914	3,21,391	603	4,40,507	16-8	2,48,445	27-6	3,26,000	Kuncuzore	12	32	3,63,193	Nil	274	Nil	100	104	104	194	
7,00,000	6,20,000	5,50,000	1,368	1,33,267	47-6	7,86,033	26-7	8,00,000	North Western Cachar	12	32	3,63,193	Nil	274	Nil	100	204	204	204	
2,50,000	3,18,608	Nil	599	3,58,950	38-0	3,58,950	23-11	4,00,000	Pathemara P.	12	202	2,49,491	Nil	Nil	10	11	11	104	104	
2,00,000	5,90,357	5,16,392	518	5,04,400	36-4 1/2	..	..	..	Roopacherra	12	165	4,33,786	Nil	10	..	10	22	22	24	
5,25,000	8,87,291	10,42,956	888	5,76,800	41-11	7,25,980	29-3	6,00,000	Rungmattee	12	53	2,38,825	20	35	20	50	114	114	138	
4,00,000	6,88,316	1,52,313	662	4,49,336	36-7 1/2	..	..	..	Sohar River P.	12	14	3,73,677	Nil	123	..	10	15	15	206	
3,75,000	5,02,307	4,31,257	1,050	4,63,321	..	..	..	..	Tilak	12	35	5,22,670	Nil	20	..	10	12	12	106	
DARJEELING																				
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	Bloomfield	12	101	-99,904	Nil	Nil	10	2	2	47	47	
2,79,900	3,07,509	1,25,000	407	1,41,174	32-0	1,44,772	46-8	1,76,000	Lhamong	12	279	-40,551	Nil	20	Nil	10	15	15	143	
3,75,000	3,07,509	1,11,928	901	..	..	..	..	..	Darj Ie Chinchona	12	139	1,15,398	74	40	..	100	175	175	290	
2,00,000	1,81,414	1,62,639	488	1,35,760	32-5	1,27,760	38-9	..	Dumai	12	100	-27,865	Nil	21	Nil	100	190	190	250	
2,00,000	5,08,900	3,44,549	900	2,04,200	49-13	2,35,761	33-9	2,61,000	Heble P.	12	14	..	Nil	25	Nil	10	25	25	432	
7,00,000	6,59,090	2,60,770	1,049	5,33,740	39-31	6,18,739	42-31	6,72,000	Jangla P.	12	279	1,52,945	Nil	50	25	10	301	304	304	
10,32,000	1,57,576	1,11,311	761	1,57,576	38-8	..	..	..	Loneview	12	165	3,04,193	10	7	..	10	112	112	104	
2,00,000	3,12,914	4,00,225	816	3,39,040	37-11	3,53,520	36-7	3,68,000	Margaret's Hope	12	53	-36,658	74	30	Nil	10	163	163	184	
1,50,000	2,06,770	3,50,239	463	1,82,380	32-11	1,65,440	30-6	1,84,000	Mim	12	12	..	10	15	..	10	255	255	300	
2,99,900	3,67,500	2,95,000	985	3,35,016	33-43	3,44,342	36-03	4,40,000	Nagri Farm	12	279	91,100	20	50	15	10	273	273	273	
1,00,000	2,23,710	97,615	406	1,81,157	35-3	1,68,126	38-4	1,80,000	Okayu P.	12	53	-55,985	Nil	374	Nil	100	600	600	600	
3,00,000	5,02,468	2,61,112	776	5,02,468	37-11	5,02,468	37-11	5,02,468	Phobong	12	139	-982	10	30	..	10	141	141	242	
3,00,000	3,83,607	4,09,567	500	1,68,697	30-8	1,64,324	35-11	1,76,000	Pumoling P.	12	62	-69,882	24	15	Nil	10	10	10	15	
2,05,000	4,30,000	2,07,813	570	1,58,741	38-8	1,27,541	37-11	1,60,000	Rungla Runglitol	12	14	-15,193	Nil	10	Nil	10	103	103	16	
1,60,000	1,69,002	4,65,653	341	1,80,720	38-4	1,67,840	41-4	1,76,000	Seevok	12	63	33,435	174	50	20	100	408	408	390	
1,40,000	3,33,822	1,86,462	389	1,77,704	33-3	1,59,385	35-0	1,68,000	Singell	12	113	-1,07,336	24	15	Nil	10	173	173	200	
6,25,000	3,98,415	1,33,941	144	2,05,335	37-11	..	..	..	Singtom P.	12	101	39,380	Nil	5	11	10	6	6	7	
9,00,000	9,08,551	1,54,418	683	3,24,490	41-00	3,24,490	41-00	3,24,490	Sungma	12	279	1,56,163	Nil	50	30	10	30	30	304	
3,00,000	3,24,490	4,10,000	554	3,24,490	41-11	3,24,490	41-11	3,24,490	Teesta Valley	12	165	-37,882	Nil	74	Nil	10	107	107	104	
6,25,000	12,36,873	10,74,583	332	3,76,000	34-5	3,76,000	34-5	3,76,000	Tukvar	12	279	-3,06,869	Nil	10	Nil	10	384	384	444	
3,20,000	4,70,000	10,86,284	718	4,40,947	34-43	7,09,403	34-43	8,80,000		12	14	..	Nil	10	Nil	10	144	144	144	
8,01,350	11,54,000	2,62,417	1,666	7,11,945	50-53	..	..	..												
DUARS																				
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,360	31-9	33,20,000	Banarhat P.	12	4	11,23,882	45	120	25	100	313	313	328	
6,00,000	26,30,782	19,29,000	1,105	13,91,320	43-7	14,32,132	32-1	14,00,000	Baradighi	12	128	3,17,553	30	55	30	100	493	493	624	
9,00,000	9,80,500	16,33,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	Bhatkawa	12	165	3,78,003	30	65	25	10	261	261	31	
6,00,000	8,43,704	7,74,643	802	10,41,164	35-10	6,10,033	29-7	5,60,000	Birpara P.	12	35	1,07,497	Nil	20	..	100	160	160	176	
3,00,000	4,47,806	3,00,102	500	10,59,597	49-4	11,60,000	31-11	11,60,000	Chunabhatti P.	12	4	3,90,498	25	25	72	100	175	175	199	
1,20,000	1,95,171	2,64,004	285	1,01,294	43-1	3,84,267	30-7	4,48,000	Chunabhatti	12	53	-51,639	Nil	15	Nil	100	301	301	335	
3,50,000	5,70,433	3,00,000	441	7,75,347	39-6	4,65,428	30-3	5,40,000	Enzo	12	3	-48,282	..	110	Nil	100	272	272	272	
10,00,000	7,87,015	8,00,000	1,253	1,26,097	47-11	1,20,168	27-11	..	Ethelbari	12	354	-59,765	Nil	30	Nil	100	425	425	577	
21,00,000	17,49,536	22,55,502	1,022	37,95,527	49-07	30,88,842	41-1	30,88,842	Gairkhat	12	38	-2,51,774	20	70	Nil	100	268	268	297	
32,00,000	35,05,959	44,68,285	1,256	53,11,275	41-11	60,72,776	36-2 3/5	62,56,000	Gopatpur	12	38	1,39,195	16	30	..	100	234	234	241	
8,25,000	10,98,000	17,14,718	1,452	16,37,681	42-1	17,67,246	26-11	17,67,246	Hatibara P.	12	14	2,53,973	25	24	12	25	234	234	297	
7,00,000	5,18,809	5,15,000	607	1,85,400	54-3	1,85,400	28-7	1,85,400	Hudibari	12	14	5,25,271	25	60	10	100	183	183	286	
9,00,000	12,50,526	13,23,818	937	11,46,814	39-4	10,26,832	30-10	10,00,000	Jaybirpara	12	14	2,77,456	224	30	123	10	273	273	324	
2,00,000	1,50,000	3,50,411	972	..	..	..	..	..	Killcot	12	3	-213,207	25	55	Nil	10	274	274	274	
9,00,000	12,50,526	13,23,818	937	11,46,814	39-4	10,26,832	30-10	10,00,000	Manabarrie	12	21	2,74,849	20	413	10	10	191	20	201	
14,00,000	15,71,305	18,15,032	1,125	15,71,305	41-8	9,78,908	28-1	10,00,000	Nagarisurree	12	63	3,69,181	10	65	..	100	793	793	793	
3,00,000	6,26,902	4,80,000	578	6,26,902	41-2	6,26,902	27-1	6,40,000	Net Dooars P.	12	63	2,55,071	25	40	73	100	174	174	235	
2,50,000	3,14,964	3,59,080	348	2,56,007	42-0	2,56,007	28-5	2,56,007	Oodabari	12	202	1,29,376	20	100	25	100	309	309	192	
7,85,000	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,729	39-11	11,08,000	Phakewa	12	63	-29,439	10	30	Nil	100	30	30	98	
7,48,100	22,86,483	31,30,000																		

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & securities	NAMES	Accounts closed	Managing agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	22-1-57	16-1-57	A year ago
SUGAR BREWERIES ETC.															
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	3	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	6 1/2
9,00,000	1,28,559	17,64,369	58,734	Purabpur Sugar P.	10	25	5,08,440	8,871	7 1/2	..	..	10	17 1/2	17 1/2	17 1/2
16,59,826	26,52,127	35,00,000	4,84,350	Ramnagar Cane & Sugar P.	3	1	18,11,364	20,350	15	20	..	10	24	22 1/2	25 1/2
19,99,600	25,62,553	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	10	10	20 1/2
8,00,000	1,42,169	6,54,762	1,85,115	Ryan Sugar P.	10	25	1,43,798	24,340	5	..	..	10	22	20 1/2	14 1/2
11,99,000	15,94,631	18,37,529	98,312	Samastipur Central Sugar	5	25	—79,022	8,477	5	Nil	..	10	13 1/2	13 1/2	13 1/2
20,00,000	72,62,286	36,86,702	1,63,444	Shree Krishna Gyanoday Sugar P.	1	335	12,99,571	34,046	15	17 1/2	..	10	11 1/2	13	14 1/2
7,94,500	13,54,858	11,65,175	11,16,388	Shree Sitaram Sugar	4	140	1,90,057	7,991	..	..	..	10	13	13	4 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	—1,39,515	—1,39,515	Nil	Nil	..	10	4 1/2	4 1/2	4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,380	39,961	12 1/2	..	..	10	16	17 1/2	23
8,00,000	38,92,308	21,57,557	3,60,236	Upper Ganges Sugar P.	5	227	10,24,525	82,931	25	25	..	10	9 1/2	9 1/2	12 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,886	86,393	15	20	..	100AC 12 1/2BC	28 1/2	28 1/2	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	4 1/2
1,20,00,000	1,40,80,394	6,21,715	51,631	Air India Ltd.	12	269	—6,02,785	—14,30,401	..	..	..	100	..	..	..
2,90,00,000	2,58,59,656	68,01,534	50,022	Air India International Ltd.	12	322	—10,51,340	30,205	..	..	..	100	..	..	..
47,30,000D	1,31,03,534	15,00,000	5,97,941	Aluminium Corp. P.	3	132	12,82,024	32,582	Nil	Nil	..	100	11 1/2	10 1/2	9 1/2
20,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright, Ltd. P.	12	1	—99,042	18,284	7 1/2	Nil	..	100	6 1/2	6 1/2	11 1/2
30,00,000	10,11,675	37,63,779	14,41,315	Angelo Bros.	3	268	11,84,131	3,43,961	12 1/2	20	..	10	22 1/2	21 1/2	28 1/2
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	3,35,902	1,18,395	12 1/2	20	..	10	20 1/2	20 1/2	19 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	—97,045	—514,537	Nil	Nil	..	3	3 1/2	3 1/2	6 1/2
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	3	204	8,82,993	32,683	2	4	..	10	10 1/2	10 1/2	6 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	152	152	194
12,00,000	2,65,000	8,24,890	1,80,323	Bararee Coke	3-9	128	2,16,123	22,708	7 1/2	7 1/2	..	100	17 1/2	17 1/2	41
6,00,000	78,411	Nil	30,72,417 1/2	Bengal Timber Trading P.	9	128	—6,43,164	—1,19,103	..	..	..	100	41	51	44
50,00,000	19,53,822	Nil	19,59,539	Bharat Airways Ltd.	6	22	—3,19,589	..	..	..	..	100	6 1/2	6 1/2	..
45,07,020	76,85,085	31,11,814	2,09,476	Birds Investments P.	3	180	5,89,372	1,15,707	12 1/2	12 1/2	..	10	17 1/2	17 1/2	19 1/2
22,77,700	13,98,796	43,18,775	3,38,973	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	10	10	14 1/2	14 1/2	15 1/2
3,25,00,000	59,89,738	1,18,80,524	2,50,83,659	British Ceylon Corporation P.	12	8	27,75,295	1,85,955	..	..	..	7 1/2	9 1/2	8 1/2	11
				British India Corporation P.	12	33	—30,23,338	—27,36,584	14	Nil	..	5	8 1/2	8 1/2	..
32,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propri.) Ltd. P.	9	235	60,996	1,550	6	6	5	10A	6 1/2	7	8 1/2
32,50,000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	Nil	10B	..	..	..
90,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	121	121	134
1,60,00,000	2,94,69,046	3,14,86,174	4,94,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	..	100	26 1/2	25 1/2	34 1/2
51,26,000	14,52,212	14,52,212	14,52,212	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	..	100	129 1/2	129 1/2	153 1/2
75,00,000	13,79,357	4,33,826	1,02,21,271 1/2	F & C Oster (India) Ltd. P.	3	94	—4,26,249	—52,694	..	..	..	100	8 1/2	8 1/2	14 1/2
30,00,000	12,88,300	21,97,641	86,55,369 1/2	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	20 1/2	20 1/2	..
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	..	100	186	186	195 1/2
2,25,000	58,893	58,893	5,26,762	General Investments Trust P.	2-8	21	26,644	8,637	2 1/2	2 1/2	3 1/2	75	43	43	15 1/2
65,00,000	34,18,813	42,00,000	1,09,15,328	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	7 1/2	14	..	10	11 1/2	11 1/2	..
20,00,000	27,68,049	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	25 1/2	25 1/2	19
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	25 1/2	25 1/2	240
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250	..
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	1 1/2	1 1/2	..
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	6 1/2	6 1/2	14 1/2
15,16,00,000	7,42,66,399	1,88,86,788	5,90,32,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	..	10	14 1/2	14	..
1,60,00,000	2,41,97,983	53,39,998	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,18,074	Nil	9	..	10	14 1/2	14 1/2	..
1,52,89,220	1,27,87,378	1,37,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	32 1/2	32 1/2	..
83,75,000D	22,07,260	2,21,286	11,69,467	Indian National Airways	12	93	36,302	—12,62,971	..	..	..	100PO	6 1/2	6 1/2	5 1/2
1,25,00,000	7,44,338	5,38,000	17,67,876 1/2	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	100	61	61	..
8,27,970	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	98	17,28,038	2,76,619	5	5	..	10	24 1/2	23 1/2	13 1/2
20,00,000	15,362	4,46,244	3,20,757	Investments and Finance P.	2-8	21	27,880	51,001	2 1/2	3 1/2	3 1/2	100	65	65	59
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	21	21	..
5,87,970D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	5	..	50	4 1/2	4 1/2	4 1/2
1,17,50,000	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	7 1/2	7 1/2	7 1/2	100	80	80	106 1/2
6,34,000D	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	—14,078	—4,849	..	..	..	50	3 1/2	3 1/2	..
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2	7 1/2	11	100	..	..	..
1,37,53,000	36,41,510	54,56,063	1,85,74,331	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	13 1/2	18 1/2	..	100	23 1/2	22 1/2	26 1/2
40,00,000	37,46,252	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17	22 1/2	..	1000	240	240	..
1,15,00,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	12 1/2	16 1/2	10	27 1/2	26	..
40,00,000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,72,160	1,44,443	10	15	20	10	27	26 1/2	21 1/2
40,00,000	72,01,932	15,00,000	33,035	National Rolling & Steel Ropes	3	7	3,79,123	75,726</							

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	22-1-57	15-1-57	1956
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CEMENT														
12.97.59.333	16.16.27.689	5,15,51.096	5,99,26,918	Associated Cement	7	53	4,71,77,966	3,62,770	8	10	..	100	186 1/2	184 1/2
ELECTRICITY & POWER														
6.99.95.600	11.08.94.307	89.91.218	20.82.140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	..	100	96 1/2	95 1/2
2,92.83.500	1,18.62.358	52,44,507	65,39,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,232 1/2	1,210
1,74.99.700	2,14.85.121	39,32.48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,733	45	7	7	..	100	109 1/2	109 1/2
38.08.200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	130	146
3,34,45,225	1,37,65,356	58,39,875	68,39,875	Tata Hydro Elec Power sup F	6	267	47,75,587	21,171	7 1/2	7 1/2	..	100	126 1/2	123 1/2
6,02,78,750	5,93,37,408	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,247 1/2	1,242 1/2
ENGINEERING & METAL														
33,42,200	17,06,292	44,16,374	1,54,03,311	Alcock Ashdown	12	268	8,79,566	1,35,820	12 1/2	..	..	100	277 1/2	273 1/2
5,00,000	29,341	4,43,904	59,338	Joint Engineering	3	115	62,291	1,598	15	5	..	50	69	96
40,00,000	11,28,513	10,09,000	9,74,894	Larsen & Toubro P	3	351	14,60,736	28,740	10	10	10	10	16 1/2	19
40,05,100	81,25,753	2,02,500	49,135	Machinery Mfgs Corp Ltd P	3	330	2,02,006	84,076	..	..	..	100A	..	..
10,00,000	15,00,978	16,68,194	7,06,200	McKenzie	7	283	1,49,085	64,938	..	..	..	100	88	96 1/2
2,50,000	..	..	..	Premier Construction P	12	284	3,35,178	59,102	25 1/2	28 1/2	..	300	190	185 1/2
1,31,250	..	..	..	Tata Locomotive & Eng P.	3	269	3,303	50,350	..	..	..	31 1/2	153 1/2	158
4,18,72,400	1,80,59,980	26,78,352	44,49,439	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	182 1/2	175 1/2
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510		3	269	9,26,44,872	4,04,945	14	14	14	750	182 1/2	175 1/2
INSURANCE COMPANIES														
20,00,000	..	32,84,913	95,96,333	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13 1/2	13 1/2
5,15,000	..	11,04,54,687	1,35,49,481	Empire of India Life	12	253	..	..	..	..	..	100	350	675
8,46,120	..	16,33,998	16,33,998	Indiar Mercantile	12	75	..	1,13,100	..	..	..	20	45 1/2	45 1/2
18,74,940	25,01,134	2,68,61,155	2,61,49,142	Jupiter General P.	12	35	38,351	4,65,316	..	..	..	15	6 1/2	9 1/2
1,06,81,590	..	1,08,81,793	1,25,16,352	New India	12	179	13,58,652	71,250	16 2/3	..	..	15	44 1/2	44
6,00,000	..	57,83,74,430	57,83,74,430	Oriental Life	12	298	..	..	..	..	..	200	3,655	3,675
15,99,270	..	29,41,860	59,88,789	Vulcan	12	255	6,09,803	2,81,242	10	..	..	10	15 1/2	15 1/2
MISCELLANEOUS														
90,79,065	31,95,468	3,97,408	12,51,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,49,334	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	50	234 1/2	233 1/2
50,00,000	2,20,64,303	1,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	721 1/2	693 1/2
42,00,000	..	..	..	Bombay Steam Navigation P	6	256	4,54,215	30,135	..	..	..	50	272 1/2	262 1/2
45,00,000	1,21,04,053	31,74,431	31,74,431	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 1/2	4 1/2	..	100	187 1/2	215
99,95,250	1,28,00,992	1,94,431	1,94,431	Kemur (Chemists)	3	87	68,232	16,942	6	..	..	200	240 1/2	213 1/2
1,57,71,400	1,74,93,779	1,81,13,445	1,81,13,445	National Dyeing Corp	12	352	53,19,604	3,72,076	20	20	..	100	240 1/2	213 1/2
9,39,98,069	18,36,63,413	12,46,31,677	12,46,31,677	Scindia Steam Navigation	6	198	12,72,555	22,72,555	10	..	..	100	187 1/2	187 1/2
7,00,000	27,45,055	57,30,000	11,27,080	Shivraj Synd (Manganese)	11	146	35,49,059	21,561	80	80	..	10	90 1/2	89 1/2
1,39,95,990	2,25,39,547	32,22,272	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	..	..	..	10	16 1/2	16 1/2
70,07,475	75,25,791	34,38,586	22,83,813	Tata Oil P	3	269	3,00,461	11,453	9	8	12	25	45 1/2	44 1/2
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,35,281	5,61,984	11	11	..	100	171 1/2	170 1/2

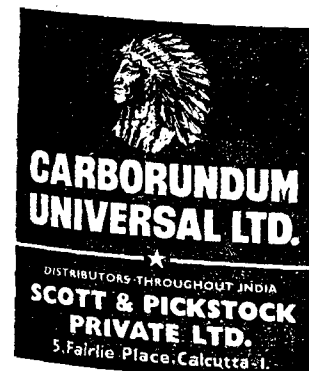
*1956 Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	22-1-57	16-1-57	A year ago
Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	61 1/2
21,69,300	33,40,889	6,09,702	Arrar Sasaram D.B.G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	71 1/2	71 1/2
34,00,000	41,30,202	3,11,443	Bankura Damodar River S.S.G	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	58 1/2	58 1/2
19,00,000	29,09,643	4,91,171	Barasat Basirhat D.B.G	3-9	331	18,844	1,18,863	..	..	..	100	10	10 1/2
17,90,000	21,78,786	2,20,871	Burdwan S.S.G	3	165	78,839	..	2 1/2	2 1/2	2 1/2	100	59	59
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G	3-9	32	62,834	10,849	1-29	1-29	1-11	100	52 1/2	52 1/2
4,75,000	3,20,040	4,75,000	Cherra Chhatrak Roadway	3	88	7,071	9,917	1-11	1-11	1-11	100	7 1/2	7 1/2
2,47,650	2,75,015	65,328	Darjeeling Roadway	3	101	18,097	4,549	1-11	1-11	1-11	100	7 1/2	7 1/2
22,50,000	62,20,813	13,52,600	Dehri Rohtas	3	335	6,42,311	37,814	10-12 1/2	10-12 1/2	10-12 1/2	100	13 1/2	13 1/2
11,49,700	1,68,143	1,68,143	Putwab Islampur S.S.G	3-9	32	-33,016	5,917	..	..	..	100	63 1/2	63 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	62 1/2	62 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhah D.B.G	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,689	4,47,139	Kalighat Falte S.S.G	3	165	-1,89,473	..	2 1/2	2 1/2	2 1/2	100	60 1/2	60 1/2
8,91,100	15,16,175	10,551	Katakhat-Lala Bazar S.S.G	3	165	31,257	..	..	..	..	100	72	72
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129 1/2	129 1/2
1,75,000	5,41,779	2,04,341	Tepore Balipara Tramway F	3-9	165	-43,574	5,944	..	..	..	100	..	..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1	329. Sri G. D. Bhagat—15, Shib Thakur Lane Calcutta	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay	348. Sahu Jain. Ltd.—11, Clive Row, Calcutta
321. J. Williams—14 Old Court House St. Calcutta	330. Manindra & Manindra Ltd.—Gateway Building Apollo Bunder Bombay	340. K. J. Chennay—Travancore, Calcutta	349. Chandmull Batia—7, Canning Street, Calcutta
322. Messrs Tata Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Rd., Fort Bombay-1	331. N. Roy & Sons—Canning St. Calcutta	341. James Finlay & Co. Ltd.—2, Netaji Subhas Road Calcutta	350. K. S. Agarwal—Empire House, Road Fort Bombay
323. Anderson Wright & Co.—4 Wellesley Place Calcutta	332. M. Paspatti—21 Ravelin Street Fort Bombay	342. U. N. Chatterjee—2, Royal Exchange Place Calcutta	351. L. & T. (Management) Road, Ballard Road Calcutta
324. Indo Corporation Private Ltd.—5, Swinhoe St. Calcutta-19	333. Jaipuria Bros. Ltd.—33 Netaji Subhas Road Calcutta	343. Eastern Smelting & Refining Co., Ltd.—10 Clive Row Calcutta	352. C. G. Mahant—Ewart House, Street Fort Bombay
325. John Rutherford Blake—Virginia House, 7, Chowringhee Calcutta	334. J. Atmaram—2, Fairlie Place Calcutta	344. V. I. Pillai—Victoria Bunder Colaba, Fort Calcutta	353. N. K. Shastri—14, Netaji Subhas Road Calcutta
326. Beriwal Bros.—53 Netaji Subhas Rd., Calcutta	335. Sanu Rao Ltd.—Dalmianagar, Fulsida Calcutta	345. The National Tea Corporation—130, Cotton Street Calcutta	354. L. C. Kanoo—P.S. Mission Row Rd., Calcutta
327. Marwar Textiles (Agency) Ltd.—Waudby Road Fort Bombay-1	336. Douglall Road Bombay	346. Sanasayee Brothers (Travancore), Ltd.—Elloor Factory Alwaye	355. G. Robertson—16 Strand Road, Calcutta
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram South India	337. Beriwal & Co.—63 Netaji Subhas Road Calcutta	347. Associated Commercial Co. Ltd.—161/2, Harrison Road, Calcutta	356. B. Bajoria—10, Clive Row, Calcutta



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CARBORUNDUM UNIVERSAL LTD.
Grinding Wheels AND SPECIALTIES
SCOTT & PICKSTOCK PRIVATE LTD.
5, Fairlie Place, Calcutta-1.

THE RENAISSANCE OF CAPITALISM IN EUROPE

AN "OUTDATED" SYSTEM THAT WORKS BETTER THAN SOCIALISM

ONE of the difficulties of all ventures in contemporary economic history is that in this field men are less concerned with the facts than with using selected ones to prove something. In other words, it is hard to know what is happening in the capitalist, socialist and communist economies of our world because most of the information is being collected and presented by people who want to prove that capitalism, socialism or communism do or do not "work". The vice is common to politicians, financial journalists and professional economists. Thus, West Germany is exempted from rearmament and achieves a favourable trade balance—and this is advertised as a victory for "liberal capitalism"; or China has a bad rice crop because of floods—and this is given out as the failure of communist agriculture. Worse, a condemnation of Conservative economics, and every fall in the sterling area reserves is reputed to be a semi-planning. Now plainly, in order to avoid this sort of nonsense, our judgments on contemporary economic systems have to be based on fairly long periods of development, but if they are to be too long, we do not have to wait two millennia to be able to say that slavery in ancient Rome was uneconomic; and we can already say that from the post-war achievements of communism in eastern Europe must now be subtracted all the immense cost of the Hungarian revolution which followed directly from it.

Moreover, if we are to use the facts of current economic history to prove anything about the rival systems of capitalism, socialism and communism, we need to be sure that there is some connection between the achievements in question and the supposed system. Closer enquiry will often show that many of the economic achievements have been obtained by old-fashioned private enterprise, as in India where socialist planners (but are careful to put the blame on private enterprise) are blamed for the results of inflationary monetary policies. Similarly, many of the supposed achievements of modern capitalism are precisely the consequence of the fact that capitalism is no longer what it was: managed currencies, protectionism and the nationalisation of basic industries nowadays provide the context for many of the achievements of "private enterprise", even in the United States.

So nothing of what will be said below about the renaissance of capitalism in western Europe can be used as propaganda in favour of that old-style liberal capitalism which still numbers a few supporters in India (more especially on the occasion of annual general meetings and chairmen's speeches). Nor can it even be used as a stick to beat the planners and regulators of New Delhi, because the sort of successful neo-capitalism we are talking about bears as many resemblances to liberalism. But the successes of this European neo-capitalism are too substantial, and far superior to the sadly mixed results of socialist planning, to permit any further declamations about capitalism. One has only to listen to a few Congress speakers, from Mr. Nehru down, to see that the conviction that capitalism and all its works belong entirely to the past, is a powerful influence in the making of current policy. Capitalism is dead, so the field is free for all the fancies and quirks of the first socialist planner that comes along.

On the contrary, the fact is that capitalism has had a face-lift, it has become a lot more public

and a lot less private—but it is still very much alive and is indeed the most vigorous economic system at work in the world today. We will leave aside here the case of the United States and the British Dominions. It would be just too easy to prove our point on that evidence. We shall take instead the harder case of the economies of western Europe, because the political eclipse of these former imperialist powers is so often taken, in Asia, as proving that they must be suffering economic degradation also. The reality is that this group of countries, where capitalism was so deeply discredited in the 1930's, where moral and material war damage was so severe and whose colonies have been lost and are still being lost—in this group of countries wealth per head is greater than ever before in history and all of them are engaged on doubling their living standards in periods varying from ten to twenty years. And all of them live under an economic regime that is considerably "to the Right" (i.e. freer) than India's, a regime which is in fact capitalism in its new form.

We could adduce as evidence of the economic progress of western Europe a mass of figures for production indices prices and investments. But statistics are seldom read in this country and never remembered; besides, all the relevant ones are readily available in the periodical publications of such organisations as E.C.E. or O.E.E.C. Nobody denies the facts about the economic progress of neo-capitalist Europe; they are just conveniently forgotten when the forged death certificate of capitalism is produced to support socialism's claims to the inheritance. The figures can be summarised in the assertion that between 1952 and 1956 the economies of West Germany, France, Italy, Benelux and Scandinavia all expanded at a higher rate than any of the communist or Asian economies, and some of them at a higher rate than

is simple blindness to frame India's economic future in the middle-1950's on the same assumption when the only prosperous peoples in the world from Denmark to New Zealand are following a policy that would be regarded as "outdated" by New Delhi. Private enterprise and the private taxpayer (the private tourist also, we might add) get a better deal today in western Europe than they do in India or anywhere else in Asia, and we are entitled to connect this fact with another: that the gap between the developed and under-developed countries, which planning is supposed to fill, is not being filled but is widening every year.

CHANGES IN INDIA'S BALANCE OF PAYMENTS

FOREIGN EXCHANGE STRINGENCY INCREASES

LATEST figures indicate that India's foreign exchange reserves are now down to about Rs. 521 crores. The rapid decline which began some months ago seems to have slowed down recently, but there is as yet no reason for complacency. The cuts in consumer as well as capital purchases abroad which have become necessary imply that the second five year plan will have to be implemented at a slower pace. In the circumstances, it is paradoxical to recall that a mere couple of months ago the proposed outlay for the plan, on paper, was actually increased. A detailed and valuable survey of India's balance of payments position between 1948-49 and 1955-56, issued by the Reserve Bank of India this week, suggests that the relative comfort which this country enjoyed in its foreign exchange dealings during the first five year plan is now probably over. In a terse, if incomplete, summing up of the situation, it is stated that "the need for export promotion can hardly be over-emphasised. At least for the few years ahead, economic development will necessitate a continuing high level of imports, thus emphasising the urgency for an adequate increase in exports." The summing up is incomplete because even export promotion by itself will not be enough, given the competitive conditions of international trade today. It will have to be supplemented by vigorous efforts to attract foreign investment, which the Reserve Bank survey does not stress, but which is nonetheless one of the major conclusions to be drawn from its findings.

The survey offers a fairly detailed and more up-to-date picture of what happened to India's foreign exchange reserves during the first plan. Between 1951 and 1956, it is pointed out, the expectation was that there would be a total current deficit of Rs. 667-727 crores on the basis of the 1948-49 terms of trade. During the last three years of the plan, the terms of trade worsened by about 7 percent, compared with the 1948-49 level, so the deficit should have been even bigger. In fact, it turned out to be much smaller—at Rs. 125 crores. This was because much less food and machinery was purchased from abroad, not because exports showed an unexpected increase. Total food imports amounted to 3 million tons, against an estimate of 9 million tons, as a result of which more than Rs. 300 crores of foreign exchange were saved. Projects for the manufacture of iron and steel, and heavy electrical equipment, also made poor progress; so less machinery was purchased abroad. Finally, the level of actual investment under the plan remained below expectations, so its full impact on the balance of payments was not felt. Official donations and official loans amounted to the substantial sum of Rs. 196 crores, but the capital deficit was no less than Rs. 106 crores.

The survey points out that during the second plan, exports are expected to run at the slightly lower level of Rs. 593 crores a year, on an average. This is largely because of the lower estimates for vegetable oils, raw cotton and jute manufactures. Imports, however, are expected to reach the very much higher level of Rs. 868 crores annually; more machinery, vehicles, iron, steel and other metals will be needed since there is a greater emphasis on heavy industries and railway transport in the current plan. There is likely, therefore, to be an annual average trade deficit of Rs. 275 crores, as against the actual one of Rs. 103 crores during the first plan. Meanwhile, receipts from net invisibles are also expected to be lower at Rs. 51 crores annually, on an average, as against the actual figure of Rs. 77.5 crores during the first plan. (This, it is thought, will be due to a fall in investment income resulting from a reduction in official holdings of foreign assets, together with an increase in interest and dividend payments resulting from the rise in private foreign investment and official borrowings). The annual average current deficit, excluding official donations, during the second plan is, therefore, estimated at Rs. 224 crores, as against the modest deficit of Rs. 25 crores during the first plan.

The comparison between the estimates for the second plan and the actuals for the first, such as the Reserve Bank's survey makes, gives only a

brief glimpse of the difficulties which lie ahead. An important aspect which it is now seen had been neglected by the planners is the phasing of foreign earnings and expenditure. The Rs. 200 crores out of the exchange reserves which it was intended to spend over five years have vanished in less than nine months. Adequate foreign assistance is still to come and exports have hardly increased. In spite of domestic stability and international economic prosperity in recent years, the payments position is prone to wide fluctuations, as may be found when the impact of the Suez crisis on India's trade is more accurately gauged. The statistics in the Reserve Bank's survey show that since 1949-50 the balance of payments on current account (excluding official donations) has annually fluctuated between a deficit of Rs. 168 crores and a surplus of Rs. 49 crores. With a heavy import programme promising even greater adverse trade balances, the need for vigorous action to maintain the reserves is clear.

A NEW CHARTER FOR THE AUTOMOBILE INDUSTRY

HIGHER PRICES AND FEWER CARS

THE Government's decision on the recommendations made by the Tariff Commission for the motor-car industry must mean, inevitably, higher prices to the consumer. The introduction of a more flexible system appears, on the face of it, unlikely to encourage competition between the various manufacturers; which is not, of course, its object. The impression gained from the announcement of the new system is simply that the Government has given up all hope of being able to keep prices down by restrictive order, and is now willing that the manufacturers should charge what they like provided they can make out a reasonable case for doing so. This is a disappointing outcome indeed from four years of import restrictions, half-hearted attempts to encourage the use of motor vehicles by keeping their prices down and glowing promises about the future on wheels. Now, apparently, all pretence at promoting the use of passenger cars is to be abandoned. That side of the industry is to be neglected in favour of commercial-vehicle output and the companies are to get further protection by the exclusion of all other makers from the country. It is odd how, when the goal of socialism is accepted, the rejection of modern aids to higher productivity and a better life presents so little difficulty, especially when they can be identified as largely the possessions of the better-to-do.

The new policy towards passenger-car manufacture has followed logically from the early decisions about import restrictions and the progressive narrowing of the market through taxation and high prices. India cannot, for the time being, support an indigenous motor-car manufacturing industry operating at economic levels of price and output, no matter how strong the protective wall. If foreign cars must be excluded to save valuable exchange, the only way the market can be expanded is through years of subsidy to an uneconomic industry. No doubt this is impossible for political reasons, but the alternative is that the market in India will have to grow at a snail's pace and this country must reconcile itself to falling behind the standards of the rest of the world, and, incidentally, abandon all hope of ever establishing an export market in passenger cars. The present policy of high prices and scarce motor-cars is inseparable from socialism. But it is not one which need be expected to do the country any good, or attract the thanks of the people and firms—not all of them rich—who might have been persuaded to buy a car if prices had been lower and quality higher. The Government might reflect before it relapses into complacency about its current attitude towards the possession of a motor-car, that to attempt to build a modern economy without this indispensable item of transport is to plan for Hamlet without the Prince.

The problem of commercial vehicles is rather simpler. The market can be expected to expand during the next few years in direct proportion to the failure of the railways to achieve their targets for the second plan. At almost any price, the transport of goods by road will be profitable and necessary. The limit to the number of vehicles is likely to be set by the policies of the State Governments on the one hand, and the capacity of the manufacturers on the other, rather than by the economics of road haulage in India. Certainly in this field, the makers can look forward to a steadily expanding off-take of their products and, given the present state of demand for passenger cars, they would be foolish not to concentrate on it. It is in this field of manufacture that the flexible price system will have to be watched most carefully if its abuse is not to increase the costs of the economy and put windfall gains into the pockets of manufacturers. One loophole in the Government's present methods of regulating the industry immediately suggests itself. It is that of quality. There is no denying that with a few notable exceptions, the standards

to which India's commercial vehicle manufacturers work are as low as those obtaining for the production of motor-cars. And that is very low indeed. Without a comprehensive system of Government inspection, it is difficult to see how manufacturers can be discouraged from diluting quality to run up costs or increase profits. The new system of review for these two items still gives ample scope for the unscrupulous or lazy manufacturer to manoeuvre. The unfortunate fact is that, considering the likely demand for commercial vehicles in the next few years, competition is unlikely to impose any checks of its own.

CURRENT COIN

Higher Wages for Mine Workers.—A special Bench of the Labour Appellate Tribunal has announced its decision on the 14 appeals lodged against the provisions of the award of the Majumdar Tribunal in May last year. The chairman of the Tribunal is Mr. F. Jeejeebhoy and the two members are Mr. A. Das Gupta and Mr. Salim M. Merchant. Copies of the judgment are not yet available, but a number of its features are now known to the coal industry. It appears at first sight that the judgment provides for a substantial increase in the wages of most categories of workers, and, although no accurate computation has yet been made, an average of about 15 percent over and above the 40 percent increase granted by the Majumdar Tribunal, may not be far short of the mark. Some of the main points about the judgment may be enumerated as follows: (1) The new award will be retrospective from 26th May, 1956; (2) there will be no disparity of wages between male and female workers in the same category; (3) free housing to those already enjoying the facility and fixed house rent to be shared among the occupants; (4) for piece-rated workers in Bengal and Bihar, the work-load has been fixed at: pick miners 1 tub of 36 cft; C.P. miners reduced to 1½ tubs from 1½ tubs; and machine miners and loaders reduced to 2 tubs from 2½ tubs; (5) basic wages of wagon loaders increased from annas 4 to Rs. 0-4-6 a ton; (6) monthly-rated trammers placed in category IV; (7) piece-rated trammers placed in category V; (8) clerical staff in market collieries brought more into the line with similar category in State collieries; (9) some advance in the pay of mining staff; and (10) overtime rates fixed at the usual wages plus 1½ times usual wages. The cost of the appeals, estimated at Rs. 4,500, has been awarded in favour of the labour unions, of which the I.M.A.'s share will be Rs. 2,250. The balance will be shared equally between the I.M.F. and I.C.O.A.

Indian Aluminium Stock.—An attractive investment opportunity offers itself next week when the Indian Aluminium Co. Ltd. puts on the market Rs. 56 lakhs worth of 5 percent Convertible Loan Stock, 1971-81, at the par value of Rs. 200 each. (Details appear on a later page). This offer is part of an issue of Rs. 2.68-crores worth of Loan Stock which is intended to finance large development plans. The company's existing shareholders, directors and their friends have subscribed to Rs. 212 lakhs, so the remainder is now being offered to the public. (Aluminium Ltd., which is Indian Aluminium's majority shareholder, has already subscribed to 50 percent of the whole Loan Stock issue). The terms are that each unit of the Stock can be converted into 15 ordinary shares up to 15th December, 1957; into 14 ordinary shares between 1st January, 1958, and 30th June, 1960; or into 12 ordinary shares between 1st July, 1960 and 15th December, 1970. After the last of these dates, the company can redeem at par part or the whole of the outstanding Stock, according to a specified procedure. Any Stock which remains outstanding on 2nd January, 1981, will be redeemed at par. Investors' interest in the issue is likely to centre on two points. Firstly, those who like a fair and steady return of 5 percent can assure themselves of it by not converting into ordinary shares. Secondly, subscribers have the opportunity to jump on the band-wagon of the equity promise at any time during the next 13 years. Indian Aluminium is an expanding company and the prospects for the metal are good, so there may be an early inclination to participate in the equity structure. The ordinary shares have recently been moving around Rs. 14-6; if a Loan Stock of Rs. 200 is converted into 15 ordinary shares, the price of each of the latter would work out to Rs. 13-4.

State Trading in Cement.—Mr. Dharamsey M. Khatau's speech from the chair at the annual general meeting of the Associated Cement Companies Ltd. (extracts from which are published elsewhere in this issue) contained a strong protest on behalf of free enterprise against what he called a "serious infringement of the right of freedom of trade in a democratic society." The "onward march of State capitalism", he said, had been continually suppressing free enterprise and of this the nationalisation of life insurance and the resort to State trading in cement were "the two most outstanding examples." These two industries, he declared, had made notable contri-

butions to India's economy over the past 20 years. Yet life insurance was nationalised on grounds which did not "bear dispassionate scrutiny" even at that time, and now the result was one of "an alarming drop in the volume of new business since nationalisation." Mr. Khatau's efforts to discover the real reason for the extension of State trading to cement have apparently not yet proved successful. It remained, he said, "to this day a mystery." If the purpose was to ensure the distribution of cement at an equalised price to the consumer, then he found no reason why the A.C.C. scheme submitted to the Government should not have been accepted in full. Mr. Khatau disclosed that, anticipating the "cement gap" long before the Government did, the industry offered to import foreign cement and to sell it to the consumer at cost. "We suggested that price equalisation should be done without profit, by raising the price of Indian cement by just so much as would be necessary to meet losses on the sale of imported cement at a common delivered price applicable to both," he said. A.C.C. had further suggested that this could be done either through an enhanced excise duty, or by imposing "a price equalisation pool," or with a "trust fund" which could be either voluntary or statutory. It had also offered to work out a pattern of distribution which would involve only the minimum rail movement. "But the disappointing outcome of all this," he said, "was that while the Government accepted our main proposals, they rejected all the alternative price equalisation mechanism we had suggested." As a result of State trading, the Corporation acquires all the indigenous cement to pool with its imports, and sells it at the new equalised price of Rs. 102-8 a ton f.o.r. destination, inclusive of duty and handling charges, against Rs. 90 a ton f.o.r. destination charged by the industry before State trading was enforced. Mr. Khatau said that the issue affected the very principles of a democratic Constitution, and implied a repudiation by the Government of the Industrial Policy Statement issued last year.

Prosperity in Canada.—The rate of Canada's economic expansion remains high. In 1956, the gross national product surpassed the \$(C)29,500 million mark and was 11 percent higher than in the previous year. Making allowance for the price increases which occurred in 1956, the rise in income amounted to 7 percent, which was more than in any postwar year except 1955. A remarkable feature was that while the economy devoted a very high proportion of its income to capital development, consumption standards increased appreciably. Also, the per capita real income went up by 5 percent. Canadians, on an average, continued to buy 15 percent more goods and services than they did five years ago. The explanation for this is to be found in the fact that the flow of foreign capital into the economy continued on a substantial scale. Official statistics show that in spite of a big deficit in the country's balance of payments, the Canadian dollar actually sold at a premium of 4 percent over the U.S. dollar. This was because the capital inflow in 1956 was at such a high rate that it actually exceeded the deficit on current account during the year's latter half. Obviously, investment in Canada is very attractive to the foreigner, particularly the U.S. investor. The high rate of investment was fully reflected in the country's production—industrial mainly, and to a certain extent agricultural. All major segments of industry contributed during the year to the increase in the national product. Grain crops and dairy products exceeded the previous year's very high level. The strong demand of a fast expanding economy resulted in a record output of most of the country's mineral, forest and chemical products, including petroleum, nickel, copper, iron ore, cement and newsprint. Steel mills increased their output by about one-fifth during the first nine months, bringing the annual rate of production to 5.2 million tons. Yet the steel scarcity persisted. Some of the sharpest rises were in electrical, industrial and office equipment production. Employment during the year increased by 4 percent, or 200,000 in absolute terms—and unemployment declined to the lowest level since the summer of 1953.

Research in Oilseeds.—The Technological Research Sub-Committee of the Indian Oilseeds Committee, which held a meeting on 22nd January in Hyderabad, recommended nine new schemes for consideration by the full Committee. The schemes include pilot plant studies on optimum conditions for groundnut milling at the Oil Technological Institute, Anantapur; the preparation of useful chemicals from castor oil at the National Chemical Laboratory, Poona; research for proper storage of seed and cake of groundnuts in the Madras State; preparation of activated carbon for bleaching purposes from waste materials and shells of neem and mowha at the Technological Institute, Kanpur; the manufacture of edible proteins from carefully prepared commercial oilcakes, such as groundnut and sesamum at the Central Food Technological Research Institute, Mysore; and the study of new anti-oxidants related to plant pigments at the Chemistry Department, Delhi University. The meet-

ing of the Sub-Committee, which was presided over by Dr. M. S. Randhawa, Additional Secretary, Union Ministry of Agriculture and Vice-President, Indian Council of Agricultural Research, examined the various recommendations made by the Oilseeds Crushing Industry Inquiry Committee.

Cloth Exports to Britain.—An understanding is reported to have been arrived at between the leaders of India's textile industry and the British textile delegation led by Sir Cuthbert Clegg, on the export of Indian textiles to Britain. No details are to be released until the British team completes its visit to Hong Kong. This agreement may remove much of the misunderstanding that exists about the import of Indian cloth into Britain. The future outlook for the Lancashire industry depends on the success or otherwise of the anti-dumping measures which have been taken, and also whether Sir Cuthbert Clegg's delegation to India and Hong Kong will achieve any reduction in the exports of cloth from these countries to Britain. But certain sections of the Lancashire trade, especially the finishing and merchandising sections, appear to doubt whether any agreed reduction in India's cloth exports to Britain would, in fact, be of any material benefit to Lancashire. These interests point out that cloth which is not exported to Britain will most certainly be shipped into other markets, where the two countries will have to face more severe competition. Do these doubts suggest that by Britain allowing India to send its maximum quantities of selected varieties of goods that the processing industry in Britain needs, the Indian industry might not immediately care to look for more new markets abroad, at least for so much of its export allotment, allowing Britain to be free from Indian competition elsewhere? Again, Indian grey cloth is an essential raw material for the processing and printing industry in Lancashire. That is probably why some interests in India doubt whether the Indian textile industry will agree voluntarily to restrict cloth exports to Britain without obtaining an assurance from the U.K. that its place will not be taken by duty-free goods from other sources. If a curb on shipments from India will enable Lancashire to sell more of its own production within Britain, then the Indian industry will only be happy at the sacrifice. But if, instead, Hong Kong is to take the place of India as a major supplier of duty-free grey cloth to Britain, the Indian industry and even Britain may have cause for regret.

Insurance for Radio-Activity.—An insurance policy can now be taken out at Lloyd's against liabilities arising out of atomic energy operations. A technical committee of underwriters has drawn up a special form of policy which was circulated to underwriters at Lloyd's recently. It is understood that there has been a demand from certain industries for insurance cover against claims that might arise out of the use of radio-isotopes. The policy that has now been drawn up will indemnify the insured person or firm on any claims arising from "nuclear fission, nuclear fusion, or radioactive contamination." The policy does not apply to claims arising from the operations of any nuclear reactor. Negotiation of a suitable premium has been left to the underwriters.

MINERALS OF BENGAL

WE have obtained a copy of Mr. J. A. Phillips' well-known "Treatise on Ore Deposits", enlarged and re-written by H. Louis, M.A., A.R.S.M., etc. We were not interested therein, until we lighted on the chapter devoted to India. Even this failed to attract; we read the record of success of Wynaad and Mysore, and in our heart bewailed the fate of Chota Nagpore in the matter of gold. On page 574 it states: "It is rumoured in 1896 that a payable reef has been found in Chota Nagpore." How often we heard similar rumours in 1890!!! We were no further roused at silver and lead at "Mahabag." Was it not the *Indian Daily News*' special correspondent who "busted" Mr. Archer's scheme in 1880-81, but not until that enterprising gentleman had gone off with some of the shareholders' cash to start a swindle in the west of England with a Cornish tin mine? We were interested, finally, in Baraganda; two paragraphs on pages 582 and 583 describe all that is known to the authors about that place, and the second paragraph sums up in five lines the history of Baraganda from 1882 to 1892!! Yet this mine turned out 1,100 tons of copper, which was sold in India, and many a pious Hindoo quaffs cooling water, or eats deftly-prepared Kedgeree from vessels made therefrom. Baraganda is a real place that failed from bad management. The notice of tin is the Narungo deposit. We disagree with the description of the rock. It is a "greisen" friendly to tin. The Bengal Iron and Steel Company, Limited, is ignored altogether, but a concern called the Bengal Iron Company, Limited, is said to have closed its existence in 1879. We have considered the metals of Bengal in a small compass, and bar copper and iron—and maybe tin—what else is there valuable in Bengal in the metal line?

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SOME CASES IN THE ENGLISH COURTS

DIVORCE AND DESERTION
(FROM OUR LEGAL CORRESPONDENT)

CONTINUING this short series of comments on English cases and other matters legal during the year just completed, we now come to the thorny subject of divorce. A hundred years ago, almost to the month, was passed the Matrimonial Causes Act of 1857; and it may be said that in that year started the conflict carried on ever since between Church and State over the remarriage of divorced persons, both former spouses being still living. Parliament is, of course, and has always been, above the law in this respect, and even prior to 1857 could, by a Bill of the Legislature and the Royal Assent, annul a marriage completely. But except in the cases of a few, a mere handful in fact, great nobles, such as Lord de Roos in 1669 and—strange in regard to the head of the Roman Catholic laity—the Duke of Norfolk in 1692, the jurisdiction of Parliament to grant absolute divorces had in 1857 been exercised since the Reformation, one believes, less than a dozen times. Separation, yes; the Ecclesiastical Courts would grant that in Canterbury and York at enormous expense. Divorce *a mensa et thoro*, it was called. But never in any circumstances whatsoever would the church grant divorce *a vinculo matrimonii*. The fetters must remain on high and low alike. No remarriage if the original spouse was still alive, whether in jail for life on a commuted sentence for murder, or transported beyond the seas, or a violent lunatic in an asylum. The Act of 1857 was a timid but momentous step forward; or backward, if you chance to have strong religious convictions on the subject. It allowed a civil remarriage, but left the spouse whose partner was in jail or incurably insane still in chains; likewise it left in bonds him or her who had been permanently deserted or whose opposite number was an habitual drunkard, or a wife-beater or refused to maintain her. For, to obtain an absolute divorce, proof of adultery was a *sine qua non*, otherwise no remarriage.

Looking back to pre-1925 days, it seems marvellous with what pathetic submission the public

put up for some 70 years with this state of things, and even, as to a large and influential minority, stoutly and successfully resisted any change in the law. "Hard cases make bad law", the latter would say blandly oblivious to the fact that it was the law itself which was bad. It could not last, and in 1909 a Royal Commission on Divorce got to work, and three years later produced a report recommending vast additional grounds for divorce constituting virtually those which now exist. But there was a strong minority report signed by people held in great respect such as Dr. Lang (Archbishop of York), that great constitutional lawyer, Sir William Anson, and the Judge of the Court of Arches, Sir Lewis Dibdin, and the well organised and implacable opposition was able to hold things up for another 15 years or so. Then in 1925 came the adoption of the majority report by the Act of 1925 with its immense extensions in the grounds for complete divorce. And that brings us to the report of the latest Royal Commission published last year, which recommends further extensions in the grounds for divorce, such as sodomy and bestiality, and makes important suggestions for legislation with the object of putting husband and wife on terms of absolute equality in matrimonial disputes. A husband, at present, can claim damages from his wife's paramour, but a wife has no such equivalent right to claim damages against an adulteress. The 1956 proposal is that this right should be conferred on the wife. At present, a husband suing an allegedly guilty wife for divorce has to lodge security for his wife's costs of defending the proceedings; but, in reverse, the wife suing is under no such obligation. Now it is proposed that this liability on the husband should no longer exist. A High Court or County Court Judge is to have powers in relation to the matrimonial home and its contents where either the husband or wife has left the other in possession of them.

Now the wheel has gone full circle and divorces, especially undefended ones, are turned out with monotonous regularity as from a penny in the slot machine. Anyone can get a divorce for almost anything. The opposition has been completely routed with the paradoxical result that some of us who heartily supported and welcomed the 1925 Act are beginning to wonder whether the opposition was not, after all, right and we wrong; especially when one considers the hordes of knife-

slashing young hoodlums and *demi-mondaines* their teens, the products of homes broken up by divorce and consequently deprived of all parental control and discipline.

Nevertheless, it is not, it is submitted, the Divorce Act which is at fault, but—writing with great and sincere respect—the modern view taken by the judiciary of its intention and interpretation. It was not the object of the 1925 Act to make divorce easier in particular cases. The object of the Act was to recognise that grounds may exist quite apart from adultery, such as to render the continuance of the marriage tie, its duties and obligations impossible, and to afford relief accordingly by divorce; to end, in short, an unbearable state of things. But the judges of the 'thirties in mind that marriage is, in law, a life contract and they examined with care the actual words of the statute under which they were empowered, that contract aside. They interpreted meaning their ordinary, everyday, colloquial meaning of the succession of later judges have imposed on it of today what one submits are forced and unnatural meanings to plain words with the result that the intention of making divorce easy if not the intention of making divorce easy. Let us take an illustration or two from the cases. A divorce can be granted nowadays on a ground of cruelty. What do you understand by that last word? To be on the safe side, the writer has consulted a dictionary. To be cruel means to be "merciless, fierce, hard-hearted, unrelenting and cruelty is defined as 'inhumanity', 'savagery'. The earlier divorce judges adopted the same interpretation, though, in more detail, "Cruelty" was defined as "conduct of such character as to have caused danger to life, limb, health or so as to give rise to a reasonable apprehension of such danger." Up to the 'thirties, a degree of savagery, fierceness, hardness of heart had to be proved as an essential element in cruelty.

It is not so now. The Times reported a case last year in which the grounds on which a husband sought a divorce were his wife's cruelty to him. The cruelty alleged was the wife's failure to perform her household duties. Lord Strachan, said the High Court of Sessions, Edinburgh, said though he granted the decree with some hesitations he was satisfied on the evidence that the wife's conduct in failing to do her household duties in fact, injure the husband's health both mentally and physically. That conduct was held to be cruelty. Law Notes guardedly comments on the writer, amazing interpretation of the meaning of a simple word as follows. "Neither the troubled state of our matrimonial law nor the subtleties of the 'aimed at' doctrine embolden to express an opinion whether Lord Strachan's marks are in harmony with the decisions, or any of the decisions, of our courts." Personally, the writer feels "emboldened to express an opinion" that a lady was divorced for laziness and not for cruelty and laziness is not yet a ground for divorce.

Consider another word completely distorted to its original meaning so as to make divorce easier—"desertion". Under the 1925 Act, desertion for three years is in itself a ground for divorce. What do you understand to be the meaning of the verb "to desert"? It means to leave, to abandon, to run away from, to give up, does it not? If a husband desires to divorce his wife on the ground that she has deserted him, surely that must mean that he has left A, not that A has left B. A may be perfectly justified in leaving B in the matrimonial home, but if she does, one would have thought that she cannot be heard to say that it is B who has left her. Well, this is the latest case.

A wife left her husband because of his association with another woman. The husband then admitted adultery and asked his wife to turn back. This she did and the husband ceased his adulterous association. His attitude towards his wife was one of indifference and taciturnity. He ceased to have intercourse with her and stayed out late. His wife thereupon left him. Did the husband's conduct amount to desertion of his wife by him? "Yes," said Divisional Court (Merriman P. and Collingwood J.). The original adultery was revived, the wife's departure was justified and the husband had constructively deserted her. Under the new dispensation, a clumsy fellow with no manners should not maintain at all as he may find himself divorced for his humanity in not possessing them.

In this case, *Waters v Waters*, a husband's conduct, alleged by his wife to be cruelty and constructive desertion, amounted to boorishness and indifference to its effect on his wife's health and the protests she made. The magistrates found that the husband had no case to answer and that he had no intention to injure his wife. His conduct resulted from his natural disposition which he could not help. They dismissed the case. The High Court, on appeal by the wife, remitted the case back to the justices for reconsideration holding that there had been insufficient grounds for their dismissing the case. If the husband was holding that a continuance of his course of conduct would have an injurious effect on his wife's health, that would be sufficient for a change of constructive desertion and cruelty, which would maintain, not understanding the same, we pass to the reader without comment.

¹ 75 Law Notes, 80.
² 75 Law Notes, p. 299. (*Roe v Roe*).
³ 75 Law Notes, 89.

A DITCHER'S DIARY

In a way, I suppose, national celebrations may be accepted as a reflection of a people's tastes in enjoyment. The uninhibited way in which the French commemorate their *Quatorze Juillet* is after all no more than a faithful extension of the habit prevalent among even the more philosophical of them of flinging wine-glasses at the end of an inconclusive discussion on the Meaning of Meaning. The Americans, escaping from their cities and always in a hurry, are probably relieving a suppressed wanderlust that used to be described as pioneering enterprise. The Siamese, I am told, make national festivals the excuse for prolonged slumber—from dawn to dusk. In India, the scale of the Republic Day celebrations this year seems to have been more appropriate to the occasion. By all accounts, the pageantry was more impressive than on previous anniversaries, and the homilies of the defence services are given such a prominent rôle in pacifist India. Perhaps the sight of marching uniforms gives an object lesson in discipline and harmony; perhaps it is simply that parades traditionally have a popular appeal, and if they have to be held at all, it is necessary to rely on soldiers and sailors. Thinking of alternatives, it occurred to me that Mr. Ajoy Ghosh's minions have long experience in a slightly similar line. New Delhi's idea of having a cultural pageant is, possibly, a good one, although I am still old-fashioned enough to believe that the essence of real culture is its modesty and exclusiveness. Those who witnessed last year's ceremonies there were most impressed, and I am sure that Saturday's will prove just as memorable. One wishes something of the same sort could be done in the State capitals as well. There is a sufficient diversity of visual art forms, in dress, dancing and for the composition of tableaux, to offer interesting possibilities. If, in addition, the annual doses of sermonising were cut, instead of being merely diluted, the spectacle might be more rewarding in terms of popular satisfaction, participation and enjoyment.

To the layman, the proposal for absorbing the Society of Incorporated Accountants with the Institute of Chartered Accountants seems to have much to recommend it. There is tidiness for one thing. There is less confusion for another. And few will deny that in these days of free articles, or even salaried ones, the old distinctions are out of date. But I cannot help feeling this amalgamation has its dangers. For example, it is going to consolidate the private-practice side of the profession just when a firmer emphasis on the importance of industrial and modern management accounting is most needed. I have always had the greatest respect for the "wizard with figures" buried in his dusty office behind a brass plate and sheet of frosted glass. But it seems to me that the up-and-coming side of the profession is really the one employed in industry, especially where it deals with costing. If this aspect is now to be differentiated even more sharply from the "traditional" practice of what is, after all, the same profession no matter what the conditions of entry and qualification, then industrial progress will be the loser. There is no inescapable reason why this should happen. But the enlarged Institute will have to show rather more imagination and tolerance than is usual in bodies of its kind, if it is not to. No doubt I will shock the purists among the custodians of professional standards, but it seems to me that the time has arrived for a more general set of qualifications, of a certain recognised standard, for all candidates to the profession, whether intended for industry or private practice. Specialisation in the various aspects of modern accounting would be possible from that point. The whole system of training might, with advantage, be redrafted on lines already adopted for such professions as medicine, and there seems to be no reason why universities should not treat it as a suitable subject for conferring a general degree. For those who cannot afford full-time university attendance, there would always be a way up through external studies or night-classes. I can see many a sage accounting head being wagged over this idea, and for all I know it may not even be original. But if the profession is not to be split into two irreconcilable halves by this merger, something of the sort may have to be devised.

I wonder how many democracies have announced an election, only to find all political parties save one confidently asserting that they are going to lose it. Yet this is the substance of what the Communists, the Praja Socialists, and the Jan Sanghis have been doing. The fact might help to rehabilitate one's faith in their realism and foresight, except that those qualities seem to vanish when their other pronouncements are made. The Communists have not had a leg to stand on since the Bulganin-Khrushchev duet tour-

ed the country shouting "Hindi Russi Bhai Bhai"—and then rushed back to murder a few thousand Hungarians. The Praja Socialists still seem to be lost in the cloud-cuckoo land where wealth need only be distributed, not produced, and where the soul-searing issue of the day is a choice between Mr. Jaya Prakash Narain and Dr. Ram Manohar Lohia. While the Jan Sanghis are merely the admiring anthropologists of an imaginary civilisation upon which Mahatma Gandhi has, one hopes, firmly and finally persuaded India to turn her back. I agree with Mr. J. P. Narain, when he says that what this country needs is a strong parliamentary Opposition. But the exhortations which Mr. Narain and his anti-Congress compatriots make from time to time should, I feel, be directed not outwards to the people, but inwards to themselves. The failure is with the leaders, not with the led. Although the example is as yet hardly worth emulating, Pakistan has shown that this sub-continent's electorate possess the political maturity to judge the precise moment when national endeavour turns into private bickering, policy into pocket-lining, and outworn shibboleths into a substitute for intellectual vigour. It is charming, for instance, to tell an industrialising economy, as Mr. Narain does, that the real power should lie in village *panchayats*. But the modern voter is sober enough to realise that political parties cannot be allowed to win elections purely on their output of poetic fantasy.

Apart from the price of liquor, the main subject for cocktail-party gossip nowadays seems to be the foreign exchange travel allowance. My Indian friends are still trying to swallow their disappointment, while cherishing the hope that something will be done for them soon. They might be lucky, although why they should consider the elections have any significance in all this, beats me. Among the European community there seems to be some confusion about the facts. The general feeling is "Well this is not aimed at us, so there must be some way out". But is there? I know that many of my British friends who are planning their leaves are banking on getting the £100 allowance to which everybody in the U.K. is entitled. And that is a pity, because they are not going to get it. Last week, the Bank of England issued a notice stating that no basic allowance would be granted to British nationals on leave in the U.K. without the consent of their "local Control". For British residents in India, that means the Reserve Bank. As things stand at the moment, the ban on foreign exchange for "travel abroad for pleasure or personal convenience", applies to foreigners as well. So those who are planning a holiday on the Continent when they go on leave this year had better forget it. They can still have their salary remitted to the U.K., but it will have to be spent there and nowhere else. The inference would seem to be, "Work in India and forfeit your right to travel abroad". It is to be hoped something is done about this soon. A British national in India is surely entitled to foreign exchange privileges at least as generous as those he would enjoy at home, otherwise it will not be long before he finds the monotony of India-U.K.-India just the least bit intolerable. There is not even the consolation of extra petrol while on leave this year. At the moment, if one is unable to flourish the almighty dollar, one must buy a new car for subsequent export to get a bigger ration. Thanks to the recent ban on the import of motor-cars as personal baggage into India, that is out of the question too. May I wish my British readers a very happy leave.

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This is an advertisement and not a Prospectus. A formal Prospectus dated 20th December, 1956 has been prepared and filed with the Registrar of Companies, West Bengal.

Consent of the Central Government has been obtained to this issue by an Order, of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent the Central Government does not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed in regard to them.

A licence has been obtained from the Central Government for the establishment of the new industrial undertaking described in the Prospectus and a copy of the licence is open to public inspection at the Head Office of the Company. It must be distinctly understood that in granting this licence the Government of India do not take any responsibility for the financial soundness of this undertaking or for the correctness of any of the statements made or opinions expressed in regard to it.

THE SUBSCRIPTION LIST WILL OPEN ON THE 4TH OF FEBRUARY, 1957, AND WILL CLOSE ON 15TH FEBRUARY, 1957, OR EARLIER OR LATER AT THE DISCRETION OF THE DIRECTORS.

SHAREHOLDERS, DIRECTORS AND FRIENDS HAVE ALREADY SUBSCRIBED TO RS. 212 LAKHS OF THIS ISSUE.

INDIAN ALUMINIUM COMPANY, LIMITED

(Incorporated under the Indian Companies Act, 1913)

SHARE CAPITAL

AUTHORISED

Rs. 5,60,00,000	in Ordinary Shares of Rs. 10 each	...
Rs. 40,00,000	in 5% Cumulative Redeemable Preference Shares of Rs. 100 each	...
Rs. 6,00,00,000		

ISSUED

SUBSCRIBED AND PAID UP	
Rs. 2,01,10,000	
Rs. 40,00,000	
Rs. 2,41,10,000	

LOAN CAPITAL

AUTHORISED

Rs. 2,68,13,200	5% Convertible Loan Stock
-----------------	---------------------------

NOW BEING ISSUED

Rs. 2,68,13,200

Out of this issue, the existing Ordinary shareholders of the Company, Directors and friends have subscribed to Rs. 212 lakhs Convertible Loan Stock. (Aluminium Limited, the Company's majority shareholder, has subscribed to 50% of the issue and in order to permit increased Indian participation, has renounced, with the approbation of the Government of India its right to subscribe in excess of 50%.) The remaining Rs. 56 lakhs Convertible Loan Stock is available for allotment to the public.

AVAILABLE FOR PUBLIC SUBSCRIPTION

Rs. 56 LAKHS

5% CONVERTIBLE LOAN STOCK 1971-81 AT PAR

PAYABLE IN FULL ON APPLICATION

Applications must be for multiples of Rs. 200 with a minimum of Rs. 200.

The Convertible Loan Stock now offered for subscription was created by a Resolution passed at an Extraordinary General Meeting of Shareholders held on the twelfth day of November 1956 and is constituted by a Deed Poll as an unsecured obligation of the Company. Interest at the rate of 5% per annum (less tax) will be payable on the 1st January each year for the year ending on the preceding 31st December, except that the first payment to be made on the 1st January, 1958, shall be nine rupees and four annas (less tax) for each unit of Stock of Rs. 200 outstanding on 31st December, 1957.

The following is a summary of the principal terms and conditions upon and subject to which the Rs. 2,68,13,200 Convertible Loan Stock is being issued:

CONVERSION RIGHTS:

Stockholders will be entitled on the terms and conditions mentioned in the Deed Poll, by giving written notice to the Company, to convert every Rs. 200 nominal amount of Stock held by them into fifteen fully paid Ordinary Shares of the Company up to 15th December, 1957, and into fourteen such Ordinary Shares during the period from 1st January, 1958, to 30th June, 1960, inclusive, and into twelve such Ordinary Shares during the period from 1st July, 1960, to 15th December, 1970, inclusive, after which date the conversion rights shall cease to be exercisable. After the 15th December, 1970, the Stockholders will be subject to and entitled to the benefit of all the conditions endorsed on the Stock Certificates except the option to convert. The Ordinary Shares into which the Stock is converted will rank "pari passu" in all respects with the then existing Ordinary Shares of the Company and will be entitled to participate in any dividend that may be declared after receipt by the Company of notice of intention to convert.

REDEMPTION:

On the 2nd January, 1971, and on the same date in each succeeding year the Company will redeem at par Stock amounting to Rs. 25,00,000 until all the Stock has been redeemed. The Stock to be redeemed will be selected by drawings. In addition, the Company may redeem at par all or any of the Stock outstanding at any time after 31st December, 1970, upon giving three months' notice in writing and if the Company elects to redeem part only of the Stock, the part to be redeemed will be selected by drawings. The Company will redeem at par any Stock which remains outstanding on the 2nd January, 1981.

DIRECTORS

KAILASH CHANDRA MAHINDRA,
"Mont Blanc," Dadyseth Hill, Bombay, 26.
Industrialist and Chairman of the Company.

ERIK SPENCER GREENWOOD,
7, Mayfair Road, Calcutta. Managing Director of the Company.

LAWSON GREENE BASH,
Apt. 19D, Hotel Ten Park Avenue, New York, 16, U.S.A. Merchant.

JAKOB BOETSCH, Alternate for Mr. Bash,
9, Dover Park, Calcutta. Merchant.

JAMES WILLIAM CAMERON,
146, Easton Avenue, Montreal West, P.Q. Canada. Engineer.

MUTHIAH ANNAMALAI CHIDAMBARAM,
Chettinad House, Raja Annamalaiapuram, Madras, 28. Industrialist.

JAMES ATWOOD DULLEA,
Dogwood Lane, Westport, Connecticut, U.S.A. Senior Vice-President, Aluminium Limited, Canada.

SIR UDAY CHAND MAHATAB, K.C.I.E.,
Maharajahiraja Bahadur of Burdwan,
"Aftab Villa," 14/1, Burdwan Road, Alipore, Calcutta. Landlord.

DR. PARAMESWAR VELAYUDHAN NAIR,
"Saraswathi Sadan," Cotton Hill Road, Trivandrum. Additional Director of Industries & Commerce, Kerala State.

WILLIAM ARCHIBALD RUSSELL, M.C.,
1, Minto Park, Calcutta, 27. Stockbroker.

MANU SUBEDAR,
Lotus House, Marine Lines, Bombay. Businessman.

REGISTERED OFFICE

31, Chowringhee Road, Calcutta, 16.

BANKERS

LOYDS BANK LIMITED,
41, Chowringhee Road, Calcutta, 16.

THE FIRST NATIONAL CITY BANK OF NEW YORK,
9, Brabourne Road, Calcutta, 1.

SOLICITORS

SANDERSONS & MORGANS,
5 & 7, Netaji Subhas Road, Calcutta, 1.

AUDITORS

PRICE, WATERHOUSE, PEAT & COMPANY,
B-4, Clive Buildings, Calcutta, 1.

HISTORY AND BUSINESS:

The Company was incorporated in Bengal on the 17th December, 1938, under the name Aluminium Production Company of India Limited as a private limited company. On the 21st June, 1944, the name of the Company was changed to Indian Aluminium Company, Limited, and on the 28th March, 1945, the Company was converted into a public limited company.

The Company undertook the construction of a rolling mill at Belur, Calcutta, in 1939 for the fabrication of aluminium and its alloys and operations commenced mid-1941 with an initial capacity of 2,500 tons per annum which has since been increased to 7,000 tons per annum. This rolling mill was at first entirely dependent upon the importation of aluminium ingot. However, by 1943, an aluminium smelter was constructed and completed at Alupuram, near Alwaye, Travancore. When this smelter commenced operations in 1943 it was dependent on imported alumina but by 1946 the Company was operating its own bauxite mines at Lohardaga, Bihar, and producing alumina at Muri also in

Bihar and about 80 miles from the bauxite mines. The capacity of these mining, alumina and aluminium smelting facilities was subsequently increased to produce 5,000 tons of aluminium ingot per annum at which level the smelter is now operating. However, due to recent improvements in operating techniques and the installation of additional furnaces pots, it is expected that the smelter will operate at approximately 5,600 tons per annum commencing 1957.

In addition to the above smelting and fabrication facilities, in 1951 an aluminium powder and paste plant was completed at Kalwa, near Bombay, with an annual capacity to produce 600 tons of aluminium powder and 250 tons of aluminium paste, in respect of which India was formerly dependent upon imported supplies. During 1955 the Company completed the installation of a modern extrusion press capable of producing 1,000 tons of extrusions per annum. This extrusion press is located adjacent to the smelter at Alupuram, Travancore.

DEVELOPMENT PLANS:

With the evidence that India is becoming increasingly dependent upon the importation of aluminium ingot, and since technological developments in the industry are creating greater demands for aluminium, the Company has decided to construct at the Hirakud power project site an aluminium smelter with an initial capacity to produce 10,000 tons of aluminium ingot capable of easy expansion to 20,000 tons or more per annum in the future. The necessary licence has been granted by the Government of India under the Industries (Development & Regulation) Act of 1951.

Simultaneous with the construction of the new smelter at Hirakud, the Company's bauxite mines and alumina producing facilities will be suitably expanded and subsequent further expansion will provide sufficient bauxite and alumina for all the Company's expanded smelting operations. Completion of the necessary bauxite and alumina producing facilities, arrangements are being

REFINING CRUDE OIL FROM ASSAM

WEAKNESSES IN PROPOSED SCHEME

(FROM OUR NEW DELHI CORRESPONDENT)

OIL in general and oil refining in particular have for some time been in the limelight. But messages published during the past week indicate that there will be a further delay in reaching a decision on the location of the proposed refinery for the Assam Oil Company's new oil find in Nahorkatiya. The background to this controversy is as follows. Assam's requirements can be adequately met by the small refinery in Digboi. So the new oil has to be sent outside the State. A committee with foreign experts was set up to recommend the location of the proposed refinery. This committee has already made its report, but that is still "confidential", although some of the contents have leaked out. According to these unauthorised disclosures, the committee's first preference goes to Calcutta and the second preference to a town in Bihar by the name of Barauni, near Mokameh Ghat. It may, however, be added that while the committee was still formulating its findings, some Congress leaders gave assurances to Assam that the proposed refinery would be located in that State. This supported the old theory that the committee was a mere substitute for action.

Meanwhile, the proposal for a refinery in Assam is taking shape. Crude oil from Nahorkatiya will have to be carried to the refinery, and inland water transport will have to play an important part.

It is suggested that crude oil be carried by specially-constructed flat-bottom steel barges. Some of the inland steamer companies were approached. They have given their "blueprint." River training authorities, such as the Central Water and Power Commission, were also approached. According to reports, the Commission might take about seven years to train the river. Meanwhile, the scheme for carrying crude oil in steel barges, it is believed, has been favoured. According to these reports, the refinery will be located somewhere on the banks of the river Brahmaputra. There will be a 50-mile pipeline over the dry bed of a small river on the banks of which Nahorkatiya is situated in order to take crude oil to a place on the Brahmaputra to be pumped into flat-bottom steel barges. The oil so refined will be carried by railway to Calcutta for which purpose special railway wagons will have to be manufactured. This refinery, it is proposed, will be of 1 million tons capacity, while the anticipated output of crude oil from Nahorkatiya is 2.5 million tons. In other words, either another refinery will have to be put up in Calcutta to refine the remainder of Nahorkatiya's output, or the surplus crude oil will have to be exported, or it will go to one of the other refineries in India. In any case, some method of transporting crude oil to the second refinery near Calcutta or to the port of Calcutta for export outside the Assam-Bengal region will have to be worked out. A pipeline is the most economical method of transport, it is suggested.

Public Sector Refineries

According to some Union Ministers, no new refinery will be allowed in the private sector. The first issue is, why has this scheme for pipelines, river barges and railways been drawn up? One

explanation might be that the Government, on the eve of the elections, wants to show a "get-on-with-the-job" attitude. The scarcity of foreign exchange could be another reason. It would be interesting to know how much foreign exchange would have been saved if a final decision had been reached on the formation of the Nahorkatiya oil company. It is almost four years since the Assam Oil Company struck oil in Nahorkatiya. Since then, negotiations have been dragging on, with the directors of the Assam Oil Company moving back and forth between New Delhi and London.

Foreign Exchange

Secondly, the construction of barges, special oil wagons and a 50-mile pipeline will create the need for steel and, therefore, foreign exchange. Additional foreign exchange will also be needed if there are to be two refineries instead of one. Thirdly, is the carrying capacity of the Assam link railway adequate to carry this additional load of oil, refined and crude, to Calcutta? According to reports, it is not. Fourthly, has the economic aspect of the proposed refinery been properly examined in a non-political atmosphere? According to New Delhi reports, the Assam oil refinery will be as economical as the Government's housing factory in New Delhi. Lastly, why is a refinery being located in Assam, if a second one is to be set up in Calcutta?

The State-owned character of the refinery or refineries might be one explanation for these oddities. The advantage of a unit in the public sector is that it can be operated at a recurring loss. Its main function is not to balance its budget, but to provide employment. In the case of a refinery, the target of employment is 1,200.

INDIAN ALUMINIUM COMPANY, LIMITED—Cont'd.

made, with Government approval, to import alumina to ensure full use of the new smelter.

Negotiations with the Government of Orissa for the supply from the Hirakud Power Project of sufficient electric power to enable the new smelter to produce 10,000 tons of aluminium ingot per annum and for a lease of the necessary land at Hirakud for the establishment of the smelter have reached an advanced stage and it is expected that such negotiations will be successfully concluded in the very near future.

MARKET POSSIBILITIES:

The Tariff Commission enquiry into the aluminium industry held in 1955 determined that the then prevailing demand for aluminium was about 20,000 tons per annum and it was expected to increase at the rate of approximately 5,000 tons per annum so that by the end of 1958 it would reach about 35,000 tons as follows: utensils 10,000 tons; electrical conductors 14,000 tons; transportation 5,000 tons; foil, canning and packaging 3,000 tons; engineering, building construction and other uses 3,000 tons.

However, consumption of aluminium in India in 1955 was about 27,000 tons of which approximately 10,000 tons of semi-fabricated products and 4,100 tons of ingot were imported. Since India's present capacity to produce primary aluminium ingot only approximates 7,200 tons there is an obvious and urgent need to expand ingot producing facilities and when the proposed new smelter is in operation it is expected that the new production will be promptly absorbed. Furthermore, since the Tariff Commission estimates that the demand for aluminium will increase at the rate of 5,000 tons per annum to those now planned facilities in addition envisaged that the capacity of the proposed Hirakud smelter may eventually be doubled from 10,000 to 20,000 tons per annum.

TECHNICAL AND RESEARCH FACILITIES:

The highly complicated operations of smelting and fabricating aluminium in this relatively new industry, must necessarily be supported by extensive and unceasing efforts in exploration, engineering and research. Fortunately, due to close affiliation with its principal Shareholder, Aluminium Limited, Montreal, Canada, this Company is, by agreement able to use and benefit from the research and technical facilities of Aluminium Laboratories Limited, which is a fully owned subsidiary of Aluminium Limited, and is thereby provided with technical information, engineering services and advice regarding all developments in the aluminium industry and guidance on operational problems and the development of new products.

The research facilities of Aluminium Laboratories Limited are located in Canada and the United Kingdom, and are probably the most extensive of their kind. Aluminium Laboratories Limited's annual budget for research and development exceeds \$4 million dollars.

FINANCING:

The amount required for the expansion programme and for additional working capital is estimated to be Rs. 8.65 crores, part of which will be financed by the proceeds of the recent new and fully subscribed issue of 4,11,000 Ordinary Shares and this issue of Convertible Loan Stock; the balance will be financed by bank loans, depreciation reserves and undistributed earnings. Part of the proceeds of this issue will be utilised for the

purpose of repaying the sum of Rs. 50 lakhs which the Company has borrowed from Aluminium Limited.

The financial information included herein reflects the effect of the increased aluminium ingot capacity which commenced in the second quarter of 1955 when the capacity of the Alupuram smelter was increased from 2,500 tons to 5,000 tons per annum. The increased ingot production was most rewarding and it will be noted that profits of Rs. 20,44,011 in 1955 and Rs. 23,57,567 for the nine months ended 30th September, 1956, were recorded, compared with Rs. 2,69,243 in 1954.

The new ingot capacity of 10,000 tons per annum now envisaged by this Company together with India's existing capacity of approximately 7,200 tons per annum is, as previously indicated, substantially below the Tariff Commission's estimate of an overall demand of 35,000 tons per annum by 1958. Consequently, it is expected that production from the new smelter will be marketed at profitable levels and will provide a reasonable return on the new capital invested as well as sufficient funds to service and repay loans which will become necessary during the construction period.

FINANCIAL INFORMATION:

The following is a condensation of the accounts of the Company which have been audited by the Company's Auditors, Price, Waterhouse, Peat & Co.

	Sales	Net Profits before Depreciation and Taxation	Net Profits after Depreciation and Taxation*
	Rs.	Rs.	Rs.
Year ended September 1951	...	1,20,62,170	38,60,187
15 months ended December 1952	...	1,61,46,021	35,20,673
Year ended December 1953	...	1,17,85,372	10,106
Year ended December 1954	...	2,37,62,809	14,89,019
Year ended December 1955	...	3,65,66,903	48,39,370
9 months ended September 1956	...	3,13,07,499	52,61,884
*Figures as adjusted by the Auditors to reflect Normal Depreciation and Taxation.			
ASSETS AND LIABILITIES as at 30th September 1956:			
	Rs.	Rs.	Rs.
Fixed Assets—At Original Cost less Depreciation	...	...	2,43,73,182
Investments—At Cost	...	...	16,854
Current Assets	...	...	2,33,61,438
		Total Assets	4,77,51,474
Less Liabilities and other Provisions	...	...	1,96,87,222
Net Assets as at 30th September, 1956	...	...	2,80,64,252

DIVIDENDS ON PAID-UP CAPITAL:

Dividends paid on Ordinary shares were 3% for the year ended September 1950, 5% for the year ended September 1951, Rs. 5 per share for the 15 months ended December 1952, 9% for the year ended December 1955 and an interim dividend of 5% was paid in respect of the year 1956. Dividends on the 5% Cumulative Preference Shares have been paid regularly.

GENERAL INFORMATION

MANAGEMENT:

The Management of the Company is vested in and exercised by the Directors. The Company has no Managing Agents.

INTEREST OF DIRECTORS:

Mr. K. C. Mahindra is the Financial and Technical Adviser of the Company and receives remuneration for his services as such.

Mr. E. S. Greenwood is the Managing Director

official forms issued by the Company, and sent together with a remittance for the full amount payable on application to one of the undermentioned Brokers, or a branch of Lloyds Bank Ltd., in India, or a branch of The First National City Bank of New York, in India. Copies of the official application forms and of the formal prospectus may be obtained from the Registered Office of the Company at 31, Chowringhee Road, Calcutta, 16, the Company's Bankers and the following Brokers:

MANAGING BROKERS:

Place, Siddons & Gough, 6, Lyons Range, Calcutta, 1.

BROKERS:

Batlivala & Karani, Union Bank Buildings, Dalal Street, Fort, Bombay, 1.
Lewis & Jones, Bank of Baroda Building, Apollo Street, Fort, Bombay, 1.
Paterson & Co., Badsha Building, 22, Errabalu Chetty Street, P.O. Box 48, Madras, 1.
Harbans Singh Mehta & Co., 33, Regal Buildings, Parliament Street, P.O. Box 300, New Delhi, 1.

THE ASSOCIATED CEMENT COMPANIES LIMITED

MR. DHARAMSEY M. KHATAU'S REVIEW

The following is an abstract of the speech delivered by Mr. Dharamsey M. Khatau at the Twentieth Annual General Meeting of The Associated Cement Companies Limited held in Bombay on 25th January, 1957:—

"Following upon drastic amendments to the Constitution enabling outright nationalisation, or the assumption by Government of complete managerial control over private property upon such terms as to compensation as the Government of the day might think proper, there have been enacted a series of laws of the most far reaching character. Taken together with the previously existing restrictive laws and the voluminous labour legislation already on the statute book, they furnish such a complete range of weapons in the Government's armoury that it seems pointless to talk any longer of freedom for the private sector. The issue must be joined hereafter on the broader base of preservation of freedom and democratic institutions, because what is now in danger of being smothered is not just the private sector in the industrial field, but Free Enterprise generally."

State Capitalism

Mr. Khatau mentioned the nationalisation of Life Insurance and the resort to State Trading in cement as the two most outstanding recent examples of the suppression of Free Enterprise and the onward march of State Capitalism. He referred to the notable contribution of these two industries and their achievements over the last twenty years and observed that in the case of Life Insurance, the grounds on which that vast and growing industry was nationalised, did not bear dispassionate scrutiny. Nor had the results been conspicuously successful or demonstrably in the larger public interest. In fact there had been an alarming drop in the volume of new business since nationalisation.

State Trading in Cement

"As for State Trading in Cement," the Chairman continued, "the Government's reasons for resorting to this remain a mystery to this day. The Government's decision is all the more inexplicable because the conditions obtaining in the cement industry did not warrant any such measure. The cement industry had on the basis of its performance and record, honourably justified its stewardship."

Referring to the 'cement gap' which existed in the country despite the industry's impressive production efforts and performance, Mr. Khatau pointed out that the ACC was the first to foresee the gap which was likely to develop due to the requirements of the Second Five Year Plan. The ACC brought this to the notice of the Government as far back as September, 1955, and offered to import cement and to distribute it to the consuming public without profit. "After taking little or no notice of this suggestion for some months," the Chairman continued, "the Government seemed suddenly to feel the urgency to resort to State Trading in cement and sought to justify this step on the following grounds:—

- The need to import substantial quantities of foreign cement to meet the current 'cement gap'
- The need to sell both indigenous cement and imported cement (which would cost about Rs. 40 to Rs. 45 per ton more than indigenous cement) at an equalised price
- The need to rationalise all railborne cement movements so as to impose the minimum strain on the transport system in the country.

The Chairman met these points by stating: "We had already the existence of the 'cement gap' and had offered to import foreign cement and to sell it to the consumer at cost. We suggested that price equalisation should be done without profit by raising the price of Indian cement by just so much as would be necessary to meet losses on the sale of imported cement at a common delivered price applicable to both. We suggested that this could be done either through the medium of enhanced excise duty, or by imposing a 'price equalization pool' or 'trust funds', either voluntary or statutory. We also offered to evolve a pattern of distribution which would involve only the minimum rail movement. But the disappointing outcome of all this was that while the Government accepted our main proposals they rejected all the alternative price equalisation mechanism we had suggested. And so the country was launched upon State Trading in cement."

The Chairman then examined the mechanism of State Trading in cement. The entire production is sold to the State Trading Corporation of India and the Corporation pays to the producers of cement the old ex-works price which in the case of the ACC is Rs. 54/8 per ton for naked cement, plus packing charges (varying from Rs. 13/8 to Rs. 14/8 per ton) to be determined by Government each quarter. "But the State Trading Corporation in turn sells the cement to the public at the new equalised price of Rs. 102/8 per ton F.O.R. destination, inclusive of excise duty, selling expenses, freight and other handling charges, all of which are borne by the Corporation. As against this, our selling price F.O.R. destination before the advent of State Trading was approximately Rs. 90/- per ton. The purchase and sale of cement is arranged by the State Trading Corporation through the existing selling agencies of the cement manufacturers, who were appointed as Agents of the State Trading Corporation for this purpose. The Agents' remuneration for their services comes out of the ex-factory prices originally fixed for the manufac-

turers. The Cement Marketing Co. of India Private Ltd. is accordingly the agent of the State Trading Corporation since 1st July, 1956 for the sale and distribution of A.C.C. cement at a commission of Rs. 1-8-0 per ton."

Free Enterprise and the Freedom to Trade

Stating that the cement industry's objection to State Trading was fundamental, the Chairman stated: "We believe that all forms of State Trading constitute a serious infringement of the right of freedom of trade in a democratic society. The mere fact that State Trading can resolve a given problem in terms of agreed objectives is not, by itself, a sufficient justification for its adoption if other solutions of equal, or superior or even slightly inferior validity, are available, which do not involve state interference. Moreover, State Trading lops off the essential sales function from a basic productive industry—a function laboriously built over the years by Free Enterprise, thereby causing grave injury to it. I would also emphasise that State Trading in cement runs counter to the declared policies of Government itself as enunciated in the Industrial Policy Resolution early last year and in which an attempt was made to strike an admirable balance between State and Free Enterprise. The continual maintenance of such a balance is of the very essence of a socialistic pattern of society, if it is to be built on the foundations of a democratic constitution."

"In this context, the recent assurances of the Prime Minister in respect of the urgent need for India's adherence to democratic processes in Planning and of evolving a balanced approach between State and Free Enterprise are indeed welcome. Experience has shown that the concentration of economic power in the hands of Government, backed by monolithic majorities in the legislatures and operated through a well organised bureaucracy must, in course of time, result in whittling down both individual freedom and liberty. It is with this larger objective in view that one must repeatedly warn the Government against adopting a doctrinaire and unrealistic approach to problems of planning and in the techniques for achieving industrial development. Issues like Nationalisation and State Trading should be conceived only as the means to an end, and not as ends in themselves."

"Enlightened Free Enterprise working within the framework of planned development is an indispensable part of the democratic set-up, for there is a close inter-relationship between socially regulated Free Enterprise and Democracy. Free Enterprise should therefore be positively encouraged to thrive by appropriate incentives and reliefs whenever needed, because it had a legitimate and vital function to perform in national planning and development so long as democracy is the foundation upon which our Constitution rests."

Production and Sales

Turning to the affairs of the Company, the Chairman reported another year of successful working for the ACC. Both production and sales of cement were satisfactory. Yet the results were less profitable than for the preceding year, due to repeated increases in freight rates, the price of coal, imported stores and spares, royalty on limestone, etc. The Chairman felt that this trend of rising costs was likely to continue, and that the Company would have to face up to a substantially higher cost of production in the future. This would be further aggravated by the irresponsible demands for wage increases which were being sponsored by the INTUC, and the threat of hasty legislation to enhance the rates of Provident Fund contribution which was being pressed for by Government.

Plant Rehabilitation and Expansion

Reviewing the Company's programme of modernisation and expansion, Mr. Khatau reported that it was progressing according to schedule and that the Company had formulated plans to expand its installed capacity over the next five years to a total of 5.2 million tons per annum as its contribution to the national target of 12.5 million tons of cement under the Second Five-Year Plan. During the year the modernisation and expansion of the Company's Bhupendra, Kishta, Chalbasa and Kymore factories continued satisfactorily. The Chairman also announced the Company's intention to install a third unit at the Sindri Works, "provided that a satisfactory price for the additional raw material (calcium carbonate sludge from the Sindri Fertilizer Factory) required can be negotiated with the Fertilizer Factory."

New Projects

The Chairman stated that satisfactory progress had been made in the construction of the Company's new cement factories at Manicheral and at Portbandar and that work on the construction of a new plant at Drug would be started in the near future. All these three factories would operate the dry process, instead of the wet process employed at other ACC factories. The Company's newly constructed refractory plant at Katni was functioning satisfactorily and its output would steadily be stepped up to its rated capacity.

Finance for Expansion Projects

Speaking about the very heavy capital outlay entailed by the expansion programme, Mr. Khatau stated that the projects would be financed partly out of the proceeds of the recent issue of new shares and partly by borrowing against the Company's cash-

credit arrangements with the State Bank of India up to the full limit of Rs. 4 crores. He continued: "Despite this, however, substantial additional funds will obviously be needed. By far the largest portion of this extra finance will have to come out of the internal resources of the Company consisting of depreciation allocation and undistributed profits retained to the credit of various reserves. This process of ploughing back as large a portion of the profits as was possible is in serious danger of being prejudiced in the years to come by recent trends in bonus awards and in the taxation policies of Government. As for the former, there appears to exist no appreciation whatsoever of the need to plough back into industry an adequate volume of profits not merely for rehabilitation and modernisation of existing plant but also for expansion of capacity; with the result that these needs are virtually ignored and a substantial portion, if not the whole, of the so-called 'surplus' is cheerfully awarded as Bonus. The time has come for some realistic thinking in this matter with a view to evolving a fair and workable formula for the award of bonus so that industry may not be deprived of that steady volume of annual accretions to internal resources so essential to the financing of expansion and modernisation. If there must be a curb on industrial dividends, then there must also be one on bonus to industrial workers."

Dealing next with the effects of the recent Finance Act upon industrial development, the Chairman observed: "The Act directly impinges upon industrial development in two ways. In the first place there can be no doubt that with the existing confiscatory level of personal taxation, the Capital Gains Tax and the heavy additional Corporation Tax on dividends in excess of 6% can only act as decisive disincentives to new investment and to ploughing back profits into industry. On the other hand, the deposit scheme for canalising in approved directions the utilisation of corporate funds represented by undistributed profits and the tax saved on depreciation allowances are, not in itself, give cause for anxiety. But the effect of the whole scheme will depend entirely upon the flexibility and consideration with which it is operated in practice. In particular, Companies such as ours which may have already used their funds for approved purposes should not be required to make any deposits, and 'approved purposes' should include not merely the full range of Fixed Capital and Working Capital requirements of a Company, but also the repayment of moneys borrowed and utilised for those purposes. There is every reason to hope that the Rules which are now being framed will fulfil these expectations. And if the deposit scheme is so operated, it need cause no undue concern; but otherwise, it may precipitate a major crisis in the money market and bring all significant industrial development to a grinding halt."

The ACC-Vickers-Babcock & Wilcox Project

The Chairman reported that satisfactory progress had been made in the Company's negotiations with Messrs. Vickers Ltd. and Messrs. Babcock & Wilcox Ltd. for the establishment of an up-to-date heavy engineering plant, which within a few years, would make India largely self-sufficient in the whole range of cement-making machinery. The new project would also provide a substantial proportion of the country's requirements of water tube boilers and mining machinery.

Pakistan

The Chairman stated that the ACC's two factories in Pakistan were operating satisfactorily. As anticipated, prices of coal, stores and other materials had risen sharply in that country, with the devaluation of the Pakistan rupee. But the price increase granted by the Government of Pakistan covered only a portion of the actual increase in costs, and unless production costs declined, Mr. Khatau felt that the Company would have to approach the Government there for an upward revision again. Mr. Khatau also reported that as a result of the representation by the Company the Pakistan Government had since rescinded certain restrictive clauses in the Cement Control Order which were not warranted in view of the supply position there.

Labour-Management Relations

Turning to labour-management relations the Chairman observed: "I am very glad to report that the present year has been one of distinct improvement in our relations with our employees. I am heartened to think that the enlightened and progressive policy which your Company has always followed in promoting the welfare and well-being of its employees is not without its due response from them. And I would like to congratulate my labour friends and officials of the trade unions at the various factories for the generally realistic attitude which they have adopted in solving problems of common interest and for showing an increasing awareness of their responsibilities in our common endeavour. Unlike in past years, there was no strike or stoppage of work to mar the growing accord and understanding based on good faith and goodwill."

"In my report last year I had referred to the unanimous decision of the Industrial Committee on Cement to abolish the contract system wherever possible in the normal working of our factories. With the co-operation of the Unions we were able to implement this decision during the year under review. This provides an excellent example of the Company's workmen and management striving together with singleness of purpose to achieve satisfactory results in solving important issues."

Bonus and Appreciation

The Chairman announced that the Board had recommended this year the payment of a bonus equivalent to three months basic earnings to all employees at the Head Office, the Works and Branch Offices, including those employed in the Cement Marketing Company, and concluded by recording the Company's warm appreciation of the unstinted co-operation and unremitting hard work put in by all members of the Company's staff during the year.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting which will be sent separately to Shareholders.

LLOYDS BANK LIMITED

INCESSANT DEMAND FOR ACCOMMODATION

SIR OLIVER FRANKS'S STATEMENT

The annual general meeting of Lloyds Bank Limited will be held on 15th February, 1957 in London.

The following are extracts from the statement by the Chairman, The Rt. Hon. Sir Oliver Franks, G.C.M.G., K.C.B., C.B.E., circulated with the report and accounts for the year 1956:—

The profit for the year, at £2,541,793, is £219,354 higher than last year and in conformity with the intention announced in the circular letter to shareholders dealing with the subject of capital reorganisation, since carried into effect, we propose a dividend of 13% per annum, an increase of 1% compared with 1955. Our business in general continues to expand year by year, as evidenced, for example, by the growth in the number of accounts.

The Credit Squeeze

Throughout the year, our lending operations have been governed by the principle of the so-called "credit squeeze" initiated by the Chancellor's appeal for credit restraint originally made in July 1955 and reaffirmed, among other occasions, as recently as November last.

We continue to give effect to the Chancellor's wishes. In June 1955 our normal advances to domestic customers, falling within the purview of the Chancellor's directives, amounted to £298.5 millions. By December last, their total had been reduced to £278.4 millions. This contraction masks a substantial increase in our lendings to customers in a group of industries—engineering, iron and steel, shipping and chemicals, whose contribution to exports and to the strength of the economy in general has justified larger borrowings from the banking system.

These figures, of course, relate only to part of our total business. At each of the dates mentioned, the aggregate figure of loans and overdrafts appearing in our published statements was about £50 millions higher than those I have just quoted.

The margin of £50 millions was made up of three special categories of lendings falling outside the scope of the directives. One of these is advances to the nationalised industries. As is well known, finance for these industries is being provided as a temporary measure by the Treasury. Our own lendings have thus fallen substantially, and in November last amounted only to about £10 millions. For the rest, the margin is accounted for by two other categories of lending, both of which have been expanding during the period of the squeeze.

Eastern Branches

First, it happens that alone among the clearing banks we have a number of branches in three overseas countries, whose figures are included among our balance sheet totals. These are our twenty offices in India, Pakistan and Burma. The lendings of these Eastern branches naturally fall outside the ambit of the United Kingdom credit squeeze, since these are rupee advances made against rupee deposits. In India especially, with an economy expanding so rapidly, there is an incessant demand for bank accommodation which, owing to tightness of funds, banks do not always find easy to meet to the full. This demand is reflected in our own advances, which show material expansion.

The increasing business is being handled in a most satisfactory manner by our staff in the East, both European and Asian, and to them I would express our appreciation of their good work.

The second special category of lendings consists of a relatively new form of accommodation, namely medium-term credits extended to overseas buyers to enable them to purchase capital equipment manufactured in this country.

We have made facilities available in this form to assist the export of capital equipment for such projects as power stations, railways, steelworks and hydro-electric schemes overseas, and in some cases this has enabled British manufacturers to secure valuable contracts that would otherwise have gone elsewhere. Among the more important transactions of the kind have been medium-term credits to finance the export of large numbers of civilian jet air-liners to dollar markets.

Approach to Monetary Stability

The "credit squeeze" is, of course, only one strand in a far wider programme of disinflationary measures. Prior to the crisis in the Middle East, these seemed steadily to be achieving their aim. Indeed, in one most important respect they had already brought satisfactory results, namely in swinging our balance of payments back from a deficit of £107 millions in the second half of 1955 to a surplus of £144 millions in the first half of 1956.

This movement is one more convincing demonstration of the truth that our recurring overseas crises since the war had their origin in an excess of demand at home. The favourable turn in the balance of payments could not have come about but for the disinflationary measures.

The New Phase

It is clear that the events in the Middle East have opened a completely new phase in our economic affairs. Our long-term problems are unchanged; we still have to maintain the value of sterling and to speed up the rate of accumulation. What has gone is the prospect of a smooth transition to a state of monetary equilibrium in the course of the next few months.

A new chapter has been opened. At best, we must reckon with an interruption of some months in the advance towards our long-term objectives. Fortunately, American co-operation has been forthcoming in the measures taken to avert some of the more serious possibilities that were at one time feared. We can now count upon a sizeable flow of oil across the Atlantic and also upon dollar facilities to help in paying for it. Moreover, the danger to sterling

SOUTH EASTERN RAILWAY

TENDERS

The General Manager, Garden Reach, Calcutta-23 invites tenders for supply of the following items:—

1. Tender No. GM1/57/64CS(57) for supply of 45,000 gallons of Paint Black ready mixed quick hard drying for wagons to the Railway's Specn : in 40/45 gallons sound S/H non-returnable drums.

2. Tender No. GM2/57/CE(C)/WP/8/B(57) for supply of 7 Air-cooled Diesel Engine Driven Air-compressor, Free Air delivery—250 CFM, Piston displacement 310 CFM, normal working pressure 100 lbs. per sq. inch. Maximum pressure 125 lbs. per sq. inch mounted on a trailer with 4 pneumatic tyres similar to Atlas Copco type "Monobloc" complete with spares, instruction book, tools in box etc.

3. Tender No. GM3/57/65CS(57) for supply of 1416 T.W. Chairs, 804 T.W. Tables and 486 T.W. Stool oval to the Railway's drawings.

Tender forms are obtainable from the Controller of Stores, Garden Reach, Calcutta-23 (I. B. Section) on remittance of Rs. 5/- per copy per tender (not refundable) by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, Garden Reach, Calcutta-23 by local firms. Earnest money against the tenders is Rs. 2500/-, Rs. 2000/- and Rs. 1000/- respectively. Closing date of all tenders is 26-2-57 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid income tax clearance certificate and the earnest money receipt along with the tenders.

what the eye doesn't see...

There are some things you don't see disappearing. You don't see the loss of heat from a badly-insulated steam pipe—but you see the bills, because heat costs money. So it is well worth having your steam systems properly insulated. The best insulating medium for this purpose is undoubtedly Newalls 85% Magnesia, produced by our associates Newalls Insulation Co. Ltd. But it's not just a good product we have to offer... we can offer free technical advice on any insulation problem. Heat or cold insulation is a science. Our highly trained staff can advise you exactly on the thickness to which insulation material should be applied. Too little or too much insulation means less economy—and it is our job to save you money. Practically every industry uses asbestos in one form or another. In our new factory at Chhatkopar, we make a wide range of technical asbestos goods to satisfy the varying needs of India's economy. The increasing use of Asbestos is an index to India's industrial progress.



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TAXATION REFORM IN INDIA COPING WITH REVENUE NEEDS FOR PLANNED DEVELOPMENT

By P. C. Jain

THE Taxation Enquiry Commission, Dr. Nicholas Kaldor and the Finance Ministry have suggested a number of reforms in the Indian tax system. Some of these "reforms" have already been introduced in the last two Budgets of Mr. Chintaman Deshmukh and in the supplementary Budget of Mr. T. T. Krishnamachari. It has been indicated that the remaining ones will be introduced by March 1958. The important question is whether the proposed reforms will make the Indian tax system more balanced and equitable, and whether the present time is opportune for introducing them. The Taxation Enquiry Commission has recommended a widening and deepening of the tax structure in India. Although it suggested an increase in some direct taxes, its main emphasis was on increasing revenue through indirect taxes. The Commission was definite in its recommendation that the maximum rate of taxation on incomes above Rs. 12 lakhs should not be allowed to exceed the then prevailing rate of 13½ annas in the rupee. Against this, the main emphasis of the Kaldor report was on raising more revenue through direct taxation by taxing capital gains, personal expenditure, gifts and the net wealth of certain categories of people. The Kaldor report also emphasised the need to reduce the maximum rate of income tax while introducing the expenditure tax. The object of both these expert enquiries was, firstly, to make the Indian tax system more equitable and progressive, secondly, to reduce tax evasion, and, thirdly, to increase the revenues of the Government.

What has actually happened so far is that the Government has implemented some of the suggestions of the Taxation Enquiry Commission but ignored others. It has introduced the capital gains tax on the recommendation of Dr. Kaldor and is thinking of levying the other taxes he suggested without at the same time reducing the maximum rate of income tax. In the Central Budgets for 1955-56 and 1956-57, the income tax rates were made steeper on certain income groups and a number of indirect taxes such as import, excise and other duties, were imposed as recommended by the Taxation Enquiry Commission. But the maximum rate of taxation on incomes, contrary to the recommendations of the Commission, was raised to 14 annas in the rupee; this, with a 5 percent surcharge, exceeds 14 annas 8 pies in the rupee and is only slightly less than the penal rate of 15½ annas in the rupee in the Liaquat Ali Khan Budget of 1947-48, which produced very harmful results. There was a certain amount of balance in the Commission's recommendations, but it has been lost by accepting some parts and rejecting others. The net result is that the reforms so far introduced have merely increased Government revenues without making the system more equitable and without reducing tax evasion.

Taxable Capacity

The first question which has to be examined is whether an increase in taxation is really needed for implementing the second five year plan, and whether the Indian people are in a position to bear it. In raising taxation during the past two years and in contemplating a further increase soon, the Government has considered the facts that: (a) in India, as found by the Taxation Enquiry Commission, the total revenue (including tax and non-tax revenue) of all the Governments together constitutes only 8½ percent of the national income, which is much lower than in most advanced countries of the world; and (b) with an increase in the national income every year as a result of the first and second plans, the taxable capacity of the people is increasing. This means that there was already an unutilised taxable capacity in India, that it has increased with a rise in the national income, and that the Government is, therefore, fully justified in imposing heavier taxation. This reasoning is based on a wrong understanding of the concept of taxable capacity. Taxable capacity is not a matter of averages. It depends to a large extent on the distribution of wealth. In India, a vast majority of the people have had much too low an income to have any taxable capacity at all. This is not the case in advanced countries, where the total revenue of the Government often exceeds say, 16 or 18 percent of the national income. In a backward country like India, total revenue, at 8½ percent of the national income, is a much greater burden than the 16 or 18 percent in advanced countries, where even the poorest have a fairly high income judging by Indian standards.

This leads to the point that taxable capacity does not depend only on a person's income, but on his income taken along with his basic minimum requirements of food, clothing, etcetera, which are vital for his health and efficiency. It depends, to a large extent, on the price level, and decrease if prices rise faster than incomes. This has actually been the case in India with the index number of wholesale prices at 431 for the week ended 22nd December, against 360.3 in 1955-56 and 377.5 in 1954-55. It is unfortunate that sufficient statistical information is not available to estimate correctly the people's taxable capacity. But the high level of unemployment, a declining standard of living among a large number of the people, and a fall in the rate of savings of the lower and middle classes, suggest that the limit of taxable capacity has been exceeded. In such conditions, further in-

crease in taxation would drastically reduce capital formation and undermine initiative and enterprise. India cannot afford this if the objectives of the second plan are to be achieved.

The Alternative

But the Government need more revenue to finance the plan, and if additional taxation is not imposed how is it to get the money? Some have argued that it is better to demand additional sacrifices from the people, even if they are not, perhaps in a position to bear them, rather than to endanger the plan by the lack of funds. Actually, it is possible to make a substantial plan succeed without increasing taxation. For one thing, the present plan is too big and it would be much less dangerous if the desired rate of progress is obtained in, say, eight years instead of five. Until recently, the difficulty has been that no one has planned deliberately to fill gaps in India's economic development, so she has remained a backward country. But now, since efforts are being made in this direction, the process of development is bound to be accelerated. If the total outlay under the plan is curtailed, it would save the unduly heavy sacrifice which is involved in increasing taxation beyond the people's capacity to bear it. It is quite reasonable to expect that at the 1956-57 level of taxation, the surplus from current revenues would amount to Rs. 400 crores in five years, instead of Rs. 350 crores in the second plan. The plan visualises deficit financing of Rs. 1,200 crores in five years. This is too high a level but deficit financing of Rs. 100 crores a year, or Rs. 500 crores in the plan period might be safe. If to this is added Rs. 1,200 crores from borrowings, Rs. 400 crores from "other Budgetary sources" and Rs. 800 crores from external sources as mentioned in the plan, the total developmental outlay would be Rs. 3,300 crores instead of Rs. 4,800 crores. In meeting it, the Government need not impose new taxes of any kind. In this way, the plan would be financed without having to tax the people at penal rates. It may be emphasised here that it should be possible to increase the developmental outlay to the extent to which the commercial services, State corporations, etcetera, yield more revenue, and to the extent to which more foreign aid is available.

The Government has found it necessary to increase taxation to finance the plan because it made the initial mistake of reducing the share of the private sector. In the first plan, the private and public sectors had an equal share of investment; in the second plan, the public sector has two-thirds and private enterprise only one-third. If the share of the private sector in the second plan is increased, it will not be necessary to increase taxation, while at the same time a suitable rate of economic progress will be achieved. Private enterprise in India has done well so far as is shown by the increase in the paid-up capital of joint-stock undertakings, the increase in production and the high rate of investment which it has been able to maintain during the first five year plan. It would be a pity if for purely ideological reasons in favour of State enterprise, which are of doubtful validity, the people are called upon to pay taxes beyond their capacity.

(To be continued)

AUSTRALIAN TRADE MISSION TO INDIA AND CEYLON

The Australian Government is sponsoring a trade mission to India and Ceylon. It is expected to arrive in Calcutta on 23rd March, spend five weeks in India and leave for Colombo on 30th April. The mission will consist mainly of manufacturers, exporters and representatives of Australian banks. They will visit Calcutta, Madras, Bombay, Delhi and such other places as may be of special interest to particular members. Australian exports to India, valued at £A11,966,204 in 1955-56, were made up of nearly 300 separate categories, including foodstuffs, wheat, wool and manufactured goods. The Australian Government is hoping to increase the volume of trade with India. An additional Australian trade representative will be appointed in India when a Commercial Counsellor takes up duty at the Australian High Commission, New Delhi, in a few months' time.

ELECTRICITY OUTPUT INCREASES

In September, 1956, 737 electricity undertakings in India produced 311.1 million kWh of power, of which 666.4 million kWh were sold to ultimate consumers. Power output during August, 1956, was 792.1 million kWh. Six diesel generating undertakings and two purchasing undertakings were the new additions during the month. The generating undertakings are in Dhubri in Assam, Pusa in Bihar, Umerkot in Pipariya in Madhya Pradesh, Bhadrak in Orissa and Mundra in Kutch. The purchasing undertakings are in Barnala and in Rajpur township in Punjab. The output and sale of power stood at 717.6 million kWh and 587.1 million kWh in September, 1955, and 209.1 million kWh and 175.9 million kWh in September, 1956, respectively.

Mr. H. S. Malik, lately Indian Ambassador to France, has been appointed Special Director (India) of Simon-Carves Ltd., who have important interests in India and maintain a permanent staff here. Mr. Malik will be resident in Delhi.

RESERVE BANK

(ISSUE DEPARTMENT)

	(In 00's of Rupees)	Week ended 25-1-57	Week ended 18-1-57	21-1-57
Liabilities—				
Notes in Banking Dept.	...	23,56,33	17,65,59	22,56,98
Notes in Circulation	...	14,35,51,88	14,90,88,98	13,78,07,34
Total Notes issued	...	15,09,08,21	15,08,54,57	14,02,04,32
Assets—				
A Gold Coin and Bullion	...	1,17,76,03	1,17,76,03	40,01,71
Foreign Securities	...	4,27,42,53	4,27,33,16	6,01,06,60
Total of A	...	5,45,18,56	5,60,09,19	7,07,08,31
B Rupee Coin	...	1,23,76,83	1,23,23,19	1,06,59,95
Rupee Securities	...	8,40,12,82	8,25,22,19	5,88,36,06
Total	...	15,09,08,21	15,08,54,57	14,02,04,32

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	5,00,00	5,00,00	5,00,00
Reserve Fund	...	5,00,00	5,00,00	5,00,00
National Agricultural Credit (Long term) Fund	...	15,00,00	15,00,00	—
National Agricultural Credit (Stabilisation) Fund	...	1,00,00	1,00,00	—
Deposits—				
(a) Central Govt.	...	51,45,67	50,70,89	54,01,74
(b) Other Govts.	...	13,33,23	7,05,06	18,47,38
(c) Banks	...	51,75,57	52,98,34	65,23,86
(d) Others	...	12,98,30	13,28,98	17,10,00
Bills Payable	...	13,02,83	13,72,70	10,89,29
Other Liabilities	...	1,13,61,43	1,11,66,30	30,23,33
Total	...	2,81,87,03	2,75,40,27	2,05,64,61
Assets—				
Notes	...	23,56,33	17,65,59	22,56,98
Rupee Coin	...	9,48	9,16	6,45
Subsidiary Coin	...	12,33	11,43	4,50
Bills Discounted Int.	...	—	—	—
Govt. of India Treasury	...	1,10,75	90,80	4,46,29
Bills	...	83,18,09	81,23,64	67,04,71
Balances due abroad	...	7,47,70	8,41,70	1,79,00
Loans to Govt.	...	1,02,18,89	1,02,61,03	44,32,69
Other Loans etc.	...	49,61,65	49,70,17	51,77,30
Investments	...	14,51,61	14,66,75	13,27,30
Other Assets	...	2,81,87,03	2,75,40,27	2,05,64,61

SCHEDULED BANKS

	(In 00's of Rupees)	11-1-57	20-1-57
Demand Liabilities—			
(a) Borrowings from Banks	...	6,08,49	4,36,78
(b) Others	...	6,00,29,55	6,48,59,25
Time Liabilities—			
(a) Borrowings from Banks	...	2,46,60	2,07,00
(b) Others	...	4,56,44,85	4,54,77,12
Borrowings from State Bank Demand Liabilities	...	11,80,37	10,51,92
Time Liabilities	...	—	—
Borrowings from Reserve Bank	...	75,12,07	79,10,42
Cash	...	36,48,14	35,20,90
Balances with the Reserve Bank	...	48,31,61	50,72,22
Balances with other banks in current account	...	10,20,85	10,41,09
Money at call and short notice	...	9,04,30	6,92,54
Investments in Central and State Govt. Securities	...	3,62,12,11	3,62,41,65
Advances	...	6,49,67,69	6,45,45,88
Advance bills purchased and discounted	...	1,13,21,25	1,11,30,28
Foreign bills purchased and discounted	...	52,98,89	51,37,59

CLEARING HOUSE RETURNS

	Rs. (thousands)	Calcutta	Bombay
Week ended			
25-1-57	58,48,70	—	—
18-1-57	71,27,31	77,60,84	—
11-1-57	64,29,45	73,11,71	—
4-1-57	57,00,12	58,05,53	—

STATE BANK OF PAKISTAN

(ISSUE DEPARTMENT)

	(In 00's of Rupees)	Week ended 11-1-57	Week ended 4-1-57
Liabilities—			
Notes in Banking Department	...	10,24,18	8,21,12
Notes in Circulation	...	3,30,28,60	3,28,36,79
Total Notes issued	...	3,40,52,78	3,36,57,91
Assets—			
A Gold Coin and Bullion	...	11,33,41	11,33,41
Sterling Securities	...	82,48,28	82,48,28
Government of India Securities	...	23,63,47	23,63,47
India Notes representing assets receivable from the Reserve Bank of India	...	43,02,28	43,02,28
Bank of India	...	5,20,82	5,20,82
Rupee Coin	...	1,68,55,49	1,65,30,93
Govt. of Pakistan Securities	...	19,02	19,02
Held with Reserve Bank of India pending transfer to Pakistan	...	4,40,63	4,40,63
Gold Coin and Bullion	...	1,00,50	1,00,50
Sterling Securities	...	29,51	29,51
Govt. of India Securities	...	—	—
Rupee Coin	...	3,40,52,78	3,36,57,91

BANKING DEPARTMENT

Liabilities—				
Capital Paid-up	...	3,00,00	3,00,00	3,00,00
Reserve Fund	...	3,00,00	3,00,00	3,00,00
Deposits—				
(a) Central Government	...	51,90,86	50,03	50,03
(b) Provincial Government	...	14,47,47	14,47,47	14,47,47
(c) Banks	...	3,18,20	3,18,20	3,18,20
(d) Others	...	24,25	24,25	24,25
Bills Payable	...	10,37,12	10,37,12	10,37,12
Other Liabilities	...	86,67,93	85,19,96	85,19,96
Assets—				
Notes	...	10,24,18	8,21,12	8,21,12
Rupee Coin	...	—	—	—
(a) Pakistan	...	14	14	14
Subsidiary Coin	...	—	—	—
(a) Pakistan	...	17	17	17
(b) India	...	—	—	—
Bills Purchased and Discounted—				
(a) Internal	...	—	—	—
(b) Govt. Treasury Bills	...	1,74,00	1,74,00	1,74,00
Loans and Advances to Govt.	...	20,980	20,980	20,980
Provincial Govt. and other advances	...	21,39,40	21,39,40	21,39,40
Other Loans and Advances	...	40,98,04	40,98,04	40,98,04
Investments	...	10,13,09	10,13,09	10,13,09
Other Assets	...	86,67,93	85,19,96	85,19,96

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

DEPOSITS RISING

Wednesday, 30th January.

BANK advances have continued to rise during the past week led by the requirements of the sugar industry, which has now taken first place from the cotton industry in demand for funds. The money position has, however, not deteriorated too appreciably because there has been an accompanying increase in the volume of bank deposits. This is probably due to recent cuts in imports and to subsequent depletion of stocks, especially those of steel. The demand for funds from the jute industry has continued at a high level. The interbank market has continued easier during the past week and the call rate is unchanged at 3½ percent, although business has been reported at 3½ percent.

There has been some life in the market for export documents this week, with fair-sized tea bills passing and a number of small gunny bills coming to hand. Remittance has improved slightly. The rate for sterling has been fully maintained during the past week against both Continental currencies and the dollar.

Bullion was firm on strong bull support followed by frantic bear-covering. Silver soared to Rs. 182-4 and gold increased to Rs. 108-5.

During the week ended 25th January, Government of India Treasury Bills for Rs. 50,64,50,000 were sold in favour of the Reserve Bank.

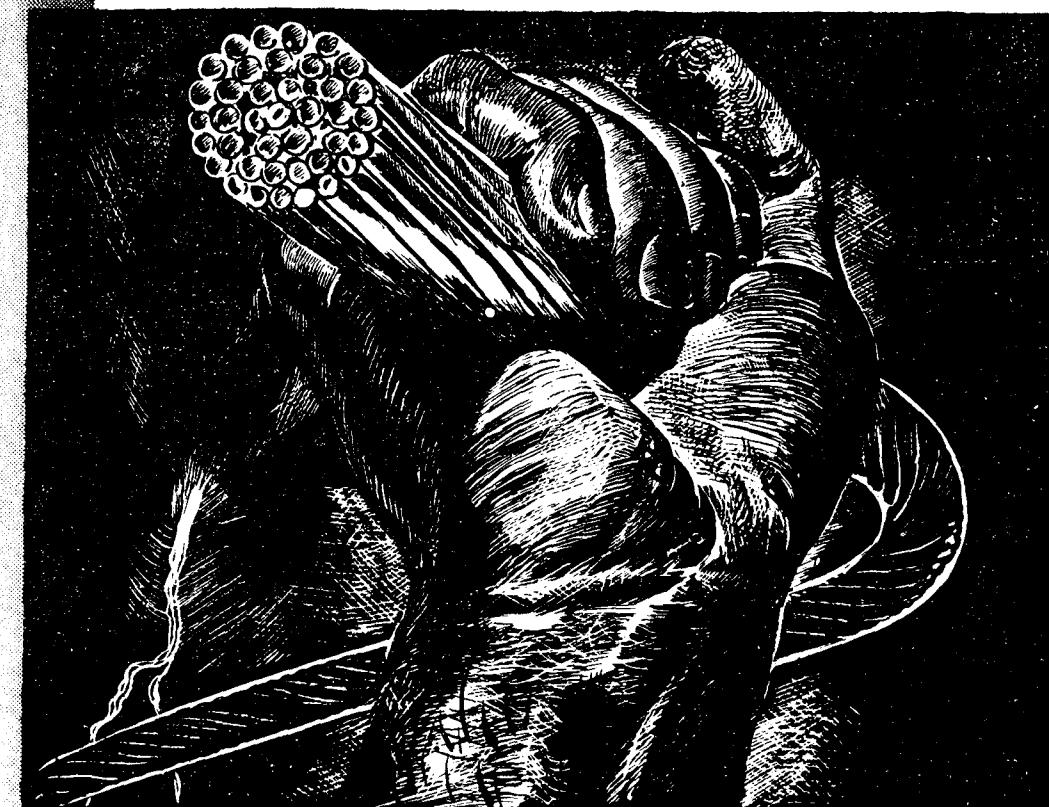
A decline of Rs. 5.37 crores to Rs. 1,485.52 crores in active notes was the notable feature of the return of the Reserve Bank of India for the week ended 25th January. The total note issue was Rs. 46 lakhs lower at Rs. 1,509.08 crores. A decline of Rs. 14.90 crores to Rs. 427.43 crores in foreign securities was offset by an equivalent increase of Rs. 840.13 crores in rupee securities. An increase of Rs. 1.94 crores to Rs. 83.18 crores in balances held abroad was presumably made by a transfer of securities from the issue department. Deposits of the Government of India and other Government accounts increased by Rs. 75 lakhs and Rs. 6.30 crores to Rs. 51.46 crores and Rs. 13.33 crores, respectively. Balances of commercial banks at Rs. 51.76 crores, showed a decline of Rs. 1.22 crores. Investments dropped by Rs. 3 lakhs to Rs. 49.62 crores. Other loans and advances declined from Rs. 102.61 crores to Rs. 102.19 crores, of which advances to scheduled banks against usance bills amounted to Rs. 59.31 crores against Rs. 60.70 crores. These advances totalled Rs. 45.62 crores since 1st January, 1957. Ways and means advances stood at Rs. 7.48 crores (Rs. 8.42 crores).

The statement of the position of scheduled banks for the week ended 18th January, 1957, shows Demand and Time liabilities at Rs. 666.38 crores (Rs. 608 crores on account of borrowings from banks) and Rs. 458.91 crores (Rs. 246 crores), compared with Rs. 653.16 crores (Rs. 457 crores) and the previous week. Cash has increased by Rs. 1.27 crores to Rs. 36.48 crores, while balances with the Reserve Bank have decreased by Rs. 2.40 crores to Rs. 48.32 crores. There is a drop of Rs. 30 lakhs in investments to Rs. 362.12 crores. Advances and bills discounted, at Rs. 815.87 crores, show an increase of Rs. 7.44 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 7.5 percent and 72.5 percent, against 7.7 percent and 72.8 percent.

The return of the State Bank of India for the week ended 18th January, 1957, shows a drop of Rs. 2 crores in total deposits to Rs. 245.76 crores. Rs. 3 lakhs in Government securities are up by Rs. 95.60 crores, while other authorised investments remain unchanged at Rs. 11.46 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 3.36 crores to Rs. 154.77 crores. Cash and balances are, in consequence, shown at Rs. 180.28 crores, or Rs. 55 lakhs less.

The enhanced rates of stamp duty on Bills of Exchange prescribed in the Indian Finance (2) Act 1957, will come into effect on 1st February. The effective rates, however, are being reduced by executive notification to half the rates prescribed in the Finance (2) Act.

The profit of the HIND BANK LTD., for the year 1956, subject to audit, including Rs. 1,06,000 brought in, has amounted to Rs. 13,77,000. Taxation provision absorbs Rs. 4½ lakhs, reserve fund Rs. 3.75 lakhs and bonus to staff Rs. 90,000. The dividend has been declared at Rs. 3 a share, leaving a carry-forward of Rs. 1,62,000.



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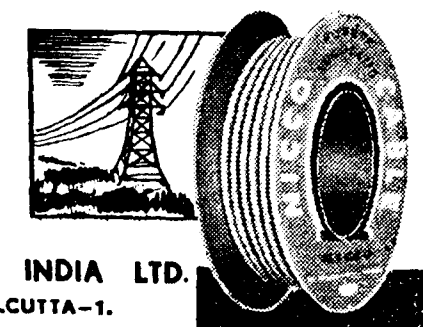
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FUNCTIONS OF REINSURANCE CORPORATION

CONFORMING TO STRICT BUSINESS PRINCIPLES

By A. C. Guha Ray

THE supposedly large amount of reinsurance business available overseas has been offered as the main reason for floating the Reinsurance Corporation of India. It has been formed after an evaluation of the revenue accounts in the export and import of insurance. The findings of the "gains and drains sub-committee" of the Executive Committee of the General Insurance Council have, it is reported, led to the view that insurance remains essentially an import. It is to be hoped that the body took all factors into consideration before arriving at this view; in insurance, unlike in most other materials of export and import, the final profit is the correct measure of the inflow and outflow of insurance, but statistical material on that basis, as far as can be gathered, has never been compiled. Whether, therefore, the reported findings of the sub-committee are in fact correct, is not yet certain. The Reinsurance Corporation is considered as fulfilling an economic necessity, although the promoters obviously cannot be sure, in the absence of correct statistical data, whether on the whole the basis of its formation is correct. It is one thing to treat the Corporation as an aspect of export promotion, and quite another to make of it a truly professional reinsurer.

Professional Reinsurer

A professional reinsurer, in conception, is different from a body of the character of the Reinsurance Corporation. The trading ethics of a pro-

fessional reinsurer build into a tradition which is universally accepted. It trades on the service it provides, without compulsion of any kind. Its international character is its security, and its service its best justification. The Indian Reinsurance Corporation has started trading with a subsidy given in the form of compulsory cessions. Such procedure is basically in conflict with the trading ethics of a professional reinsurer. The latter solicits business under the stimulus of competition by rendering the best possible service. The company making cessions thus has freedom of choice, and it can sell to the best advantage. Since it is also the privilege of the reinsurer to exercise a choice in selecting accounts, this automatically acts as a corrective to the ceding companies in building the direct portfolio. An unsatisfactory account will not sell, and if it does, will not do so at an advantage.

Compulsory cessions and acceptances do not act as a corrective to bad underwriting. On the contrary, they are likely to load the Corporation with many accounts which, if freely examined, might not have been accepted. The articles of association of the Corporation have been so drafted that it can hardly adopt the normal trading ethics of a professional reinsurer. Its hide-bound constitution is a disadvantage. Its norms of trading have been outlined in such a way that although it will get a certain amount of business from the Indian market, it will be labouring under a major disability. A number of companies might heave a sigh of relief at the opportunity of unloading on to the Corporation a part of their unsatisfactory accounts. They will then get reciprocity for their cessions up to at least 50 percent, composed of a mixture of good and bad business. This reciprocity could not have been obtained with a professional reinsurer, since international reciprocity is a sensitive instrument, and is very evenly weighed. It is too early to

assess the value of the Corporation's reciprocity, but the subsidy in the form of reciprocity composed of better accounts representing India's general experience to the failures is not good. Nor is it good for the Corporation to be bound under its own terms to accept anything that may be offered by members.

Prospects Overseas

A Corporation with such norms of trading can hardly hope to expand sufficiently abroad. In the first place, Indian insurance as a trade is suspected in many places overseas. The drastic act of nationalising life insurance has damaged confidence in the Indian market. The political climate and ideological trends are, in many ways, at variance with those in the west. There is likely to be, in some form or other, a psychological hostility to a venture of this kind among foreign operators, particularly so because the Indian Reinsurance Corporation represents a country which has barred trading in life insurance in India for foreign companies and also because the Indian Corporation itself has commenced trading with unfair advantage by soliciting off compulsorily part of the business available to reinsurers. It would have been welcome as a trader competing fairly for business, but it is welcome when it has a subsidy to back it. Also, it will not be able to make a competitive sale of its own surplus, for it can hardly vouch for its accounts. It will not be able to put forward the normal argument that it has selected its accounts with great diligence and care.

A reinsurance company thrives on the averages achieved by participation in numerous selected accounts in many parts of the globe. The law of averages enables the reinsurer to produce balanced results by ensuring that bad results in one territory are offset by good results in another. A reinsurer trades on averages and is therefore very anxious to widen the ramifications of its business to all parts of the globe. Experienced salesmen are sent to far-flung areas. The result is a pool of experience, which has inestimable value for the management. By making correct choices and negotiations, a spread is obtained where the law of averages has the fullest scope for operation, thus ensuring balanced results without extreme fluctuations.

Fire Business

Can the Indian Reinsurance Corporation hope to penetrate foreign markets? Perhaps, in time, it could do so in Asian countries. But for many years the instability of these countries will make them a doubtful underwriting area. The Corporation's progress in the western hemisphere would have been easier if it had not started with a subsidy and with the threat of nationalisation hanging over Indian general insurance. Many foreign accounts, of course, be offered to the Corporation, particularly in fire, for Indian fire business has generally been satisfactory. But the same accounts could have been offered, or have already been offered, to the companies. In the case of the latter, acceptance is made by direct sale and purchase, based upon experience and on the value of the accounts. For the Reinsurance Corporation, there can hardly be a direct account. All it can have are retrocessions from the market of retrocessions overseas. As an account, retrocessions are hardly sufficient, just as retrocessions to companies from the Corporation can hardly be of the level generally expected.

Lack of Experience

The management of a reinsurer should inspire international confidence. In India, for a first venture of this kind, there is no pool of experience to fall back upon. The board, composed of eminent men, must be technically advised. No emotional bias based on nationalist sentiments should stand in the way of obtaining experience from overseas. In the long run, the investment will pay for itself. Membership of the Corporation is limited to general insurers, with an agreement limiting shareholding and the exercise of voting power. The latter limitation has been devised so as to ensure that no general insurer or group can control the policy of the Corporation. It has, however, been so qualified that by a notification the whole agreement can be abrogated. The complex and long-winded agreement may thus prove largely theoretical in nature. It is unwise to have too close an intermingling of financial interests between the direct writing company and the reinsurer. The aims of the two are not the same; they are distinct and separate wings of insurance. Should a group of direct underwriters be able in some way to control the policy of the Corporation, the development will so undermine its value that it might become worthwhile for other underwriters to re-examine their attitude towards it.

GIFT OF U.K. EQUIPMENT FOR INDIAN FOOD INSTITUTE

Orders have been placed in the United Kingdom for £14,500 worth of equipment which the British Government is giving to India for use at the Central Food Technological Research Institute in Mysore. The equipment is being supplied under the Technical Co-operation Scheme of the Institute Plan, in response to a request from the Institute. Included in the equipment is laboratory apparatus, testing equipment, and a farm tractor with plough, cultivator and other attachments. Last year, the British Government supplied over 50 books and technical journals to the Institute in Mysore.

Stocks and Shares

QUIETER TREND IN THE STOCK MARKET

OPERATORS DISAPPOINTED OVER INDIAN IRON RIGHTS ISSUE

Wednesday Evening.

LAST week's hectic rise in share prices has not been maintained. Selling pressure developed before the week-end and by yesterday the Indian Iron quotation had fallen to Rs. 28-12. Other speculators have been weaker in sympathy and most investment counters are now below the levels they attained last week. The reason for the setback is the disappointment over the Indian Iron rights issue, although prices had begun to move back before yesterday's announcement. Why the news should have come as a surprise to the market is difficult to understand, because the facts were known as far back as last November. The main cause for disappointment seems to have been the news that the rights shares will not qualify for the dividend earned in the year ended March 1957. Two prices are being quoted in unofficial dealings: Rs. 20-8 for the new shares and Rs. 21-8 for the old. The undertone of the market is now distinctly quieter, although Irons have been quoted unofficially at Rs. 29-3 this evening.

There has been little life in investment counters during the past few days. Engineering scrip are generally quieter in sympathy with the lower trend of Indian Irons, while miscellaneous shares are largely unchanged. There has been scarcely any movement in coals in spite of the Appellate Tribunal's judgement announced yesterday. Burakurs have moved back to Rs. 21-3, but it is reported the price is only nominal. Tea shares have improved slightly, but the turnover has been limited. Government securities are quietly steady.

Details of the week's trading follow.

The Government securities market continued steady, with 3% Conversion Loan 1946-86 being marked up further to Rs. 73-9; in sympathy, 3% Non-Terminal Paper rose to Rs. 73-7. In short-dated loans, 3% 1957 was unchanged at Rs. 99-12, as was 3% 1958 at Rs. 99-9; 2½% Loan 1960 and 2½% 1961 were unchanged at Rs. 96-5 and Rs. 93-5 respectively. The enquiry for 3½% 1961 continued and the price improved further to Rs. 99-7 with buyers over, while 2½% 1962 was quoted at Rs. 93-15. There was a keen enquiry for 4% 1960-70 at Rs. 100-12 with no sellers to meet the market. Among medium-dated issues, 3% 1963-65 had buyers at Rs. 94-4 and 3½% 1964 and 1965 were marked up to Rs. 98-8 and Rs. 98-5 respectively. Three percent 1964 was one anna better at Rs. 94-4. In long-dated loans, 3% 1966-68 was unchanged at Rs. 92-4 and there was again a good enquiry for 3% 1970-75 which improved to Rs. 87-1 owing to shortage of scrip; 3½% 1974 was quoted at Rs. 98-8.

In provincials, 4% Rajasthan 1968 was officially supported at Rs. 97-14 and 4% West Bengal 1968 and U.P. 1968 were done at Rs. 99 and Rs. 97-15 respectively. Four percent U.P. 1963 had sellers at Rs. 99 without attracting buyers.

Business in preference shares was on a much reduced scale. In the miscellaneous group, Bathgate & Co., reported business after a long interval at Rs. 42 and Bengal Chemical 2nd Preference were marked at Rs. 82. Burrakur 1st changed hands at Rs. 114-8 and Burn & Co. 6% were done at Rs. 110. Brooke Bond changed hands at Rs. 83 and there were small buyers of British India Corporation at Rs. 119-8. Calcutta Electric were marked at par and Dalmia Cement Rs. 100 paid-up at Rs. 90. Gil-Aluminium at Rs. 77. Indian Iron & Steel were better at Rs. 105-8. Jardine Henderson were reported at Rs. 60-8 and Karanpura Collieries at Rs. 59. Box at Rs. 92-8. National Tobacco 2nd Preference came to hand at Rs. 62-4 and Richardson & Cruddas were offered at Rs. 75. In jute, Bengal were done at Rs. 77 and Belvedere at Rs. 105. Budge Budge were sold at Rs. 100 and Hastings at Rs. 90.

In the banking section, Punjab National turned sellers at Rs. 65-8 and United Commercial at Rs. 56-4 against opening quotations of Rs. 56 and Rs. 57 respectively. Hind Bank were unchanged at Rs. 37.

In the railway section, a small lot of Arrah-Sasaram changed hands at Rs. 50 and Dehri Rohtas were marked at Rs. 13-13.

Cotton textile shares showed little variation. Among the few transactions reported were Basanti Elgin Mills were done at Rs. 26-10 and Jayshree at Rs. 15-11. Kesoram were quietly steady.

With the exception of Katras Jherriah, which closed Rs. 3 higher at Rs. 63, there was little or no change in the prices of coal shares. Bengal were Boree were unchanged at Rs. 20-12. Burrakur at Rs. 21-3. Central India and Western Bengal came to hand at Rs. 6-11 and Rs. 6-3 and there were a few sellers of East Indian at Rs. 27-4. After a long lapse, Searsole were reported at Rs. 5, Samla Collieries were marked at Rs. 12-5 and Talcher at Rs. 2-8. Standard were unchanged at Rs. 20-14.

Except for a few selected jute shares whose prices were maintained, and in some cases were improved upon, the general trend was towards lower levels. Here is a chart showing representative price movements.

	Opening 24-1-57 Rs.	Closing 29-1-57 Rs.
Alexandra	180 0	160 0
Anglo-India	140 0	138 0
Barnagore	103 0	101 8
Cheviot	150 0	145 0
Birla	16 0	16 0
Budge Budge	110 0	110 0
Fort Gloster	320 0	310 0
Kelvin	200 0	202 0
Megna	78 0	78 0
Naskarpara	12 8	14 4
National	20 2	19 10

Prices of electric supply shares were unchanged. Bareilly were reported at Rs. 14-12 and Calcutta at Rs. 13-2.

In sugar, only two transactions were reported namely in Carew at Rs. 7-6 and U.P. at Rs. 15; the quotation of the latter share a week ago was Rs. 16-8.

The details of the Indian Iron & Steel rights issue (ordinary shares), one for one at a premium of Rs. 3-8 announced by the Board of Directors of the Indian Iron & Steel Co. at yesterday's meeting, were received with disappointment, although the terms were known in advance. Operators were particularly disappointed when it was confirmed that the new shares would not participate in the dividend for the year ended 31st March, 1957. From an opening price of Rs. 29-15 the shares were marked

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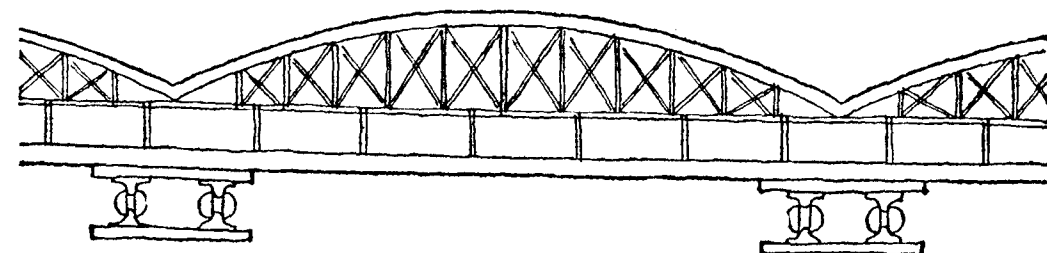
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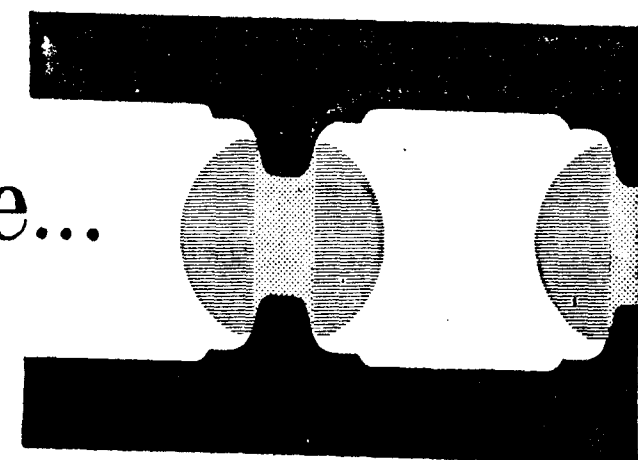
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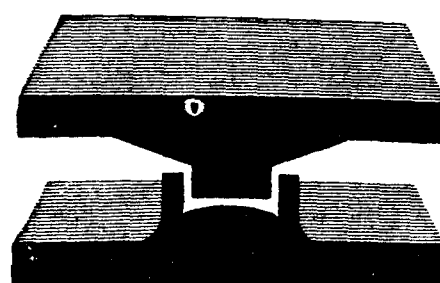
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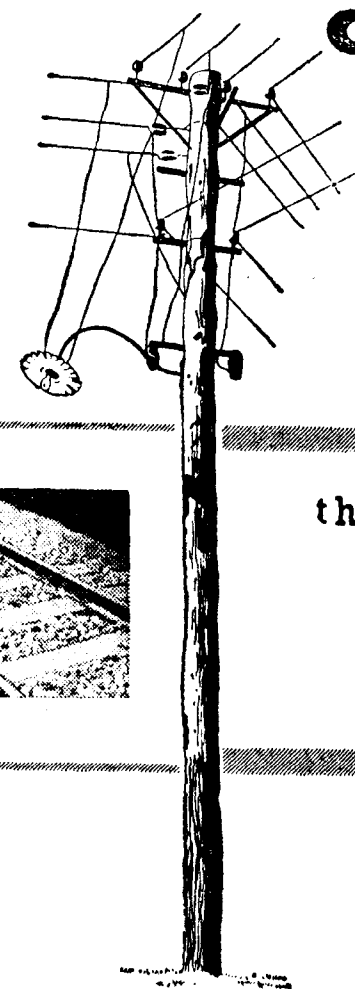
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The sustained activity of the wool textile trade has made big demands on the industry's finances, and the cost of borrowed money has been for a year past abnormally high. As the nation's premier dollar-earner, the industry can obviously obtain the advances to it from the banks as "in the national interest" and in the period of the credit squeeze (the relevant directive to the banks took effect 18 months ago) the banks have certainly not starved it of money. In the last November issue (the classified analysis is quarterly) we noted that the banks' total advances diminished somewhat, advances to the wool industry increased from £26 million to £30.7 million—from 1.3 percent to 1.6 percent of the total. (Over the same period, advances to the cotton industry remained at 1 percent of the total.) But borrowing on such a scale, it rates that were raised overnight in February 1956 from 5 percent to 6 percent for top-rank companies and from 5½-6½ percent to 6½-7½ percent

The production and despatches of sugar from indigenous factories amounted to 620,000 and 382,000 tons up to 15th January, 1957 in the current season, against 528,000 and 303,000 tons respectively in the corresponding period of last year. The stocks with the factories on 15th January, 1957 stood at 765,000 tons, compared with 637,000 tons last year.

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FURTHER ADVANCE IN STOCK PRICES

GILT-EDGED AND INDUSTRIALS BETTER

A FURTHER advance was recorded in very active conditions in the London Stock Exchange during the past week, but business contracted towards the end, and some irregularity developed on profit-taking. Interest was confined largely to gilt-edged and industrials. The general expectation of a reduction in Bank rate in the not-too-distant future continued to be the main influence, but there were a number of other favourable factors also. These included hopes that plans to cut defence expenditure would enable the Chancellor of the Exchequer to present a better Budget than had been anticipated earlier; and the strength of sterling. The sustained strength of gilt-edged was the outstanding feature and a very large turnover was reported. Although the buying eased off after the week-end, a further broad advance was recorded on balance, and gains extended to around a point. Foreign bonds and rails were generally out of the picture, while dollar stocks showed a lower trend in sympathy with the decline on Wall Street—a factor which had little effect on the markets generally. Extensive, and in some cases, substantial gains were recorded in industrials, although end-of-account profit-taking and some contraction in buying was responsible for irregularity on Tuesday. Virtually all groups participated in the advance, with atomic power, steel, shipping and engineering shares prominent. Gold shares reacted after early firmness to show little change on balance. Platinum shares fell back on the decline in the metal prices, while coppers lost ground and other base metal shares were irregular. Oils re-

ceded under the influence of Middle East uncertainties. Ceylon tea shares were marked down sharply on the news of plans to nationalise foreign-owned estates and other tea shares were dull in sympathy. Rubbers were quiet.

The Money Market

Monetary conditions in the London money market during the past week have been less comfortable than in the preceding one. The heavy Government disbursements of the previous week have not been available, while at the same time, discount houses have had to pay more for bills which brought money into keener demand. However, although there were occasional shortages, the overall supply of funds was sufficient to keep the market from running into difficulties, while the authorities were in the background ready to provide assistance when needed. As a result, money maintained its recent easier level of around 4½ percent. This week conditions should improve as the money market has secured only a small number of the reduced amount of Treasury bills offered during the past week. The market had tendered higher, but apparently not high enough. However, the Treasury was able to obtain its funds at 2s percent less than in the previous week, bringing the average rate for Treasury bills down to 9½ 0.81d percent.

Activity on Wall Street

U.S. Government obligations remained a feature in bond dealings on Wall Street. Long-dated Federals advanced reflecting increased buying by institutional investors, attributed in part to expectations of easier money conditions and also to favourable yields following sharp declines a few weeks ago. The demand, however, eventually tapered off and prices were shaded slightly from the 1957 recovery highs, with the market turning quiet. Investment quality corporates also forged ahead in active dealings, but the uptrend later slackened and prices finished below the best. Foreign dollar bonds were quiet and mixed. German Nationals and Italians generally showed only minor variations either way. Norwegians

were a shade higher. The Union of South Africa 4½ percents were lower, while Japanese Government bonds added small fractions.

U.S. Federal Reserve Return

During the week ended 23rd January, U.S. Federal Reserve gold stocks rose by \$1 million to \$21,951 million. Foreign deposits fell by \$8 million to \$318 million, while foreign investments fell by \$26 million to \$3,765 million. The Federal Reserve sold \$571 million worth of bills. Total discounts and advances rose by \$94 million to \$358 million, while aggregate excess reserves of member banks fell by \$93 million to \$388 million. Daily average excess reserves of member banks rose by \$34 million to \$559 million, while their daily average borrowings fell by \$1 million to \$322 million. Business loans of the New York city banks fell by \$58 million to \$11,030 million, compared with a fall of \$4 million to \$8,985 million in the corresponding week a year ago.

Strength of Sterling

Last week's advance in sterling (to above par with the dollar for the first time since June) follows the firm trend in America. There is substantial commercial demand and also some bear covering in transferable sterling and against the Continental currencies. The undertone is firm. Experts are optimistic about sterling. They feel that maturing bears will be covered and extended, now that there is no reasonable chance of devaluation in any foreseeable future. The wonder is only that the bears were so slow to cover after 4th December and 11th December when it became obvious that the devaluation for which they were operating was not going to occur. Much bear-covering may still be made. It has been calculated that with the full swing of the pendulum, leads and lags alone can amount to £400 million which is not unreasonable considering that the world annual turnover in sterling must be at least £20,000 million. Middle Eastern demand for gold has revived but on a small scale. As there is little private demand on the Continent at present, continued, though modest, Russian offers have gradually depressed the price to about \$(U.S.) 34.85/86.

U.K. Platinum Price Easier

The U.K. open market price of platinum is now at £34½ to £35½ a troy ounce, compared with £35 to £35½ previously. Some business, it is reported, has matured at £34½ and £35 on export account. As far as can be ascertained, Russian metal is not being offered competitively at the moment.

Vegetable Oils Dull

Generally dull conditions prevailed in most sections of the vegetable oil market with consumer demand negligible. However, Straits coconut oil was steadier reflecting better enquiry largely attributed to covering against recent business to Eastern Germany. Buyers of Straits 3½ percent bulk oil claimed around £53½ c.i.f., basis net freight or £1 a ton over the recent low level. Copra was neglected with buyers about \$2 below selling ideas. Linseed oil was at a standstill and prices were inclined to sag. U.S. groundnut oil continued to decline with March-April shipment obtainable at the parity of around £145½ c.i.f., while an afloat parcel of the Argentine oil was vainly offered in the region of £150 c.i.f., both a metric ton. Nigerian groundnut oil was less freely offered, but the indicated prices were lower reflecting the pressure of the American rate. Other oils were generally featureless with prices mostly repeated. Groundnuts were lacking support, but British East African castorseed was relatively steady with March-April shipments reportedly sold to Marseilles at £75½ c.i.f.

Downward Trend in Rubber

Rubber prices continued to move irregularly downward during the early part of the week ended 24th January, with trading dull for the most part and featured by short selling. A quick rally resulted from covering on local and Dutch account, but the recovery was lost following a sharp and unexpected fall in Singapore. Offerings were well absorbed, however, and a recovery movement ensued aided by renewed covering which was stimulated by the reports of expected resumption of Chinese buying in Singapore. Finally, quotations were ½d lower for near positions and ½d lower for distant. The decline in prices of sole crepe continued and the recently augmented supplies were slow to move. Smooth No. 1, ½ inch on the spot was offered freely at 45d a lb.

International Sugar Council Meets

The International Sugar Council met in London on 29th January, with Mr. G. Bishop of the British Ministry of Agriculture, Fisheries and Food, who is chairman for 1957, in the chair. This is the first meeting of the Council since the amendment by protocol of the 1953 International Sugar Agreement. The protocol came into force on 1st January and the Council will have to make arrangements for the running of the amended agreement. The protocol states that if the spot price of sugar is above 4 cents a lb. for 17 market days, the export quotas will automatically be removed.

Australian Freight Rates

The Australian Overseas Transport Association on 25th January ratified agreements with the U.K. and Continental shipowners increasing the shipping freight rates on most of Australia's exports to the U.K. and Europe by 14 percent from 1st February. The Association president announced this, saying that the commodities covered by the agreement included wool, general cargo, refrigerated cargo, meat, dairy produce, apples and pears. Exporters said that the freight increase would add about £A5 million to the cost of sending goods to overseas markets. Wool sources said that during a meeting wool buyers voted against wool growers who were against ratifying the freight agreements.

New Delhi

BUSINESS MEN TOLD OF PRIORITIES FOR CAPITAL GOODS IMPORTS

MAINTENANCE OF PRESENT LEVEL OF ACTIVITY EMPHASISED

(FROM OUR NEW DELHI CORRESPONDENT)

IN a letter to Indian and British chambers of commerce, Mr. L. K. Jha, Secretary to the Union Ministry of Heavy Industries, has outlined the principles and procedure for the allocation of foreign exchange to import capital goods during the six months to 30th June. After that date, the position will be reviewed afresh. He says: "When curtailment of overseas expenditure is necessary, priority must be given to those items whose import is essential for maintaining the economy at its present level of activity and schemes for new development, however important and desirable in themselves, must in general take second place. Having regard to the volume of outstanding licences for capital goods which constitute a first charge on the foreign exchange resources, the amount which has now been allocated for the import of capital goods for new schemes has been fixed at a very low figure. Import licences for capital goods will, therefore, be issued only in cases where the Government is satisfied that there will be no appreciable increase in foreign exchange payments for some considerable time to come."

Mr. Jha's letter emphasises that applicants for import licences should explore ways and means of reducing their immediate foreign exchange requirements. Three ways of doing this are suggested. The first is that entrepreneurs should secure foreign capital investment in their undertakings to the extent at least of the value of the plant and machinery which is to be imported. Secondly, they may negotiate for long-term credit from overseas suppliers of machinery and other similar sources. It is pointed out in this connection that to be acceptable to the Government, the period of deferred payment should be long. Ordinarily, the Government would expect that payment before the arrival of the machinery does not exceed 20 percent of its value; the balance should be payable in not less than seven years after arrival. Alternatively, when the product which is to be manufactured is essential and is now imported, the period of repayment may correspond to the period in which an equal amount of foreign exchange will be saved by the proposed plant going into production. In such cases, no payment should be made before the plant is actually in production. The third method suggested is that applicants should try to secure credit in the appropriate foreign currency from lending institutions which have been set up for this purpose in different countries.

Applications which do not fall into these categories can only be considered if the Government is satisfied that the expenditure of foreign exchange will bring an immediate improvement in the country's foreign exchange position. For example, the equipment needs of industries which are already exporting will be given special consideration where it is clear that the extra production will soon increase export earnings. Similarly, if foreign exchange for any project has already been released to the extent of about 90 percent, the balance of 10 percent may well be released so that what has already been spent may not be rendered infructuous.

The letter mentions two other points relevant to applications for the import of capital goods. The first is whether the raw materials needed by the project on completion will be available from indigenous sources, or whether they will have to be imported, necessitating further foreign exchange expenditure. The second is how soon the project can be completed so that it may start earning or saving foreign exchange.

Decision on Bonus Shares

The Government's decision on bonus shares will not be available until May next, it is learned here. Applications for bonus issues, if made meanwhile, will be kept pending. The intention is to announce a fool-proof decision which needs careful planning; hence the delay.

Ordinance on Unworked Coal Areas

The Government, according to reports, is planning to take over unworked coal-bearing areas in the private sector by an ordinance. A Bill for this purpose was being prepared, but it was crowded out during the last session of Parliament. The issue of an ordinance implies urgency. The Government will have to show, at least to Parliament, that there has been an emergency which has necessitated the ordinance. Law-making by ordinance is an old but regrettable habit. Its principal snag is the rigidity it introduces. The Government is always opposed to modifications of the provisions of a Bill which seeks to enact an ordinance into law. In other words, the opportunity for Parliament to modify a Governmental measure is curtailed. As far as the coal ordinance is concerned, it involves an important issue of constitutional morality. Before the Constitution was amended, the question of compensation was

determinable by the law courts. The amendment transferred this power to the legislature. In other words, as the Constitution stands today, compensation for acquiring coalfields from the public sector is determinable by Parliament. This power is being further vitiated by the tendency to leave the determination of the quantum of compensation to the executive, as would be the case under an ordinance.

There is also some talk of an ordinance to regulate mineral rights. The Petroleum Concession Rules are being revised further. A draft of the new Rules is being discussed here.

National Minimum Wage

A national minimum wage of Rs. 75 a month is included in the post-election plans of the Finance Minister, Mr. T. T. Krishnamachari. Those specially mentioned for it are policemen, teachers and other low-paid employees of the Central and State Governments. The Finance Minister's plan proposes a subsidy from the Centre which would gradually decrease. Another item in the plan relates to slum clearance in the urban areas, for which a Central subsidy on a performance basis is being considered. Subsidising the salaries of low-paid State employees was discussed at the last meeting of the National Development Council.

Carbon Black and Dyestuffs Projects

Mr. Cobbot, representing an American company, was here last week discussing details of the carbon black project. He has gone back to the U.S.A. with the Indian proposals. An Italian, a West German and a British company have submitted reports on dyestuffs intermediates; as matters stand at present, the German firm of Bayer has the best chance of securing this work.

Aluminium Expansion Plans

The Minister for Heavy Industries, Mr. M. M. Shah, speaking at the inaugural meeting of the Development Council for Non-ferrous Metals, said: "Out of the family of non-ferrous metals comprising aluminium, copper, lead, tin, zinc, etcetera, aluminium is the only metal of which we have extensive ore deposits in the country. Our total known reserves of bauxite ores are estimated at 250 million tons of all grades. Out of these, it is estimated that about 27 million tons are of high grade, very suitable for the manufacture of aluminium metal. In due course, with the aid of modern technological processes involving pressure digestion, etcetera, the other deposits of bauxites can also be used for the manufacture of alumina and aluminium. These known estimates of 250 million tons of bauxite would thus enable a production of about 40 to 50 million tons of virgin aluminium metal. These bauxite deposits, besides being large and of high grade, are fairly evenly distributed all over the country. Looking to the geological strata in different parts of the country, there is a great possibility of more bauxite deposits being found and proved. Thus, the raw material position of aluminium ores is highly satisfactory."

"There are two concerns which are producing aluminium in the country and their present combined installed capacity is about 7,500 tons a year. Up to the beginning of the second half of 1954, our total installed capacity was only 5,000 tons and by the expansion of these two units, the installed capacity is now 7,500 tons. Besides having facilities for the manufacture of virgin metal, both the units are also equipped for fabricating the metal into various types of semi-manufactures. As against the total installed capacity of 7,500 tons, our quantum of demand for aluminium in all forms has been steadily rising, which is borne out by the following figures for imports of aluminium:

	Imports Tons	Production Tons	Total Consumption Tons
1951-52	9,284	3,904	13,188
1952-53	6,069	3,620	9,689
1953-54	5,455	3,647	9,102
1954-55	12,380	5,476	17,856
1955-56	15,805	7,333	23,138

"Our current requirement of aluminium in various forms is estimated at about 25,000 tons a year, and by the end of the second plan period, the aluminium demand will be 35,000 to 45,000 tons. From these figures, it would be observed that there is a large gap between the installed capacity and the demand and, therefore, as you are already aware, a target of production of 30,000 tons has been fixed for the second plan period. I would, however, mention that this is the minimum and may be suitably revised in the light of increasing demand which may develop during these years. To achieve the production capacity of 30,000 tons a year, two licences have already been issued, one for the installation of a new unit of 10,000 tons in Hirakud and another for the expansion of an

existing unit to 5,000 tons per annum. This will bring the capacity to 20,000 tons.

"Further, in order to establish on modern scientific lines the balance of the target, a committee of experts for the aluminium industry was constituted for advising the Government *inter alia* on the suitable site or sites of new aluminium smelters and the minimum size of such smelters. The committee has recommended that two smelters of 10,000 tons capacity each should be established at suitable sites, provided with facilities for expansion to 20,000 tons in due course, and have indicated that the Mettur and Rihand Dam areas appear to be very suitable sites. It is expected that one of the 10,000 smelters will come into operation during the second plan period while the other might come into production during the early stages of the third plan period."

Synthetic Rubber Plant

It is proposed to manufacture 20,000 tons a year of GR-S synthetic rubber. A plant with this production capacity is considered an economic unit, particularly in the conditions prevailing in India. For the production of 20,000 tons of GR-S, about 15,000 tons of butadiene and 5,000 tons of styrene are required. As there is still no production of these two chemicals in India, it will be necessary to arrange for their manufacture as an integral part of the synthetic rubber project.

Butadiene can be manufactured either from petroleum refinery gases or from alcohol. The choice of the particular raw material for use in this process is determined by various factors which differ from country to country. In the prevailing conditions in India, alcohol appears to be a more suitable raw material than refinery gases. The plant set up for the manufacture of butadiene from refinery gases has to be very elaborate and the heavy investment required for it is justified only when the large-scale manufacture of various other products from refinery gases is undertaken, in addition to butadiene. For the manufacture of butadiene alone, it appears to be more economical, from the point of view of both capital costs and costs of production, to use the alcohol process in this country at present. Even in the United States, where adequate supplies of refinery gases are available, four butadiene plants using alcohol as a raw material have been in operation for several years.

About 10.8 million gallons of alcohol are required for the manufacture of 15,000 tons of butadiene. Alcohol production in the whole of India, by 1960, is placed at 30 million gallons a year, of which nearly half is expected from Uttar Pradesh. As alcohol production in the other States is inadequate to supply the requirements of the butadiene plant, this plant will have to be located in Uttar Pradesh. The Bareilly area, which is centrally situated in relation to the various alcohol distilleries, has been suggested. The capital cost of a butadiene plant with an annual production capacity of 15,000 tons is placed at Rs. 55 crores.

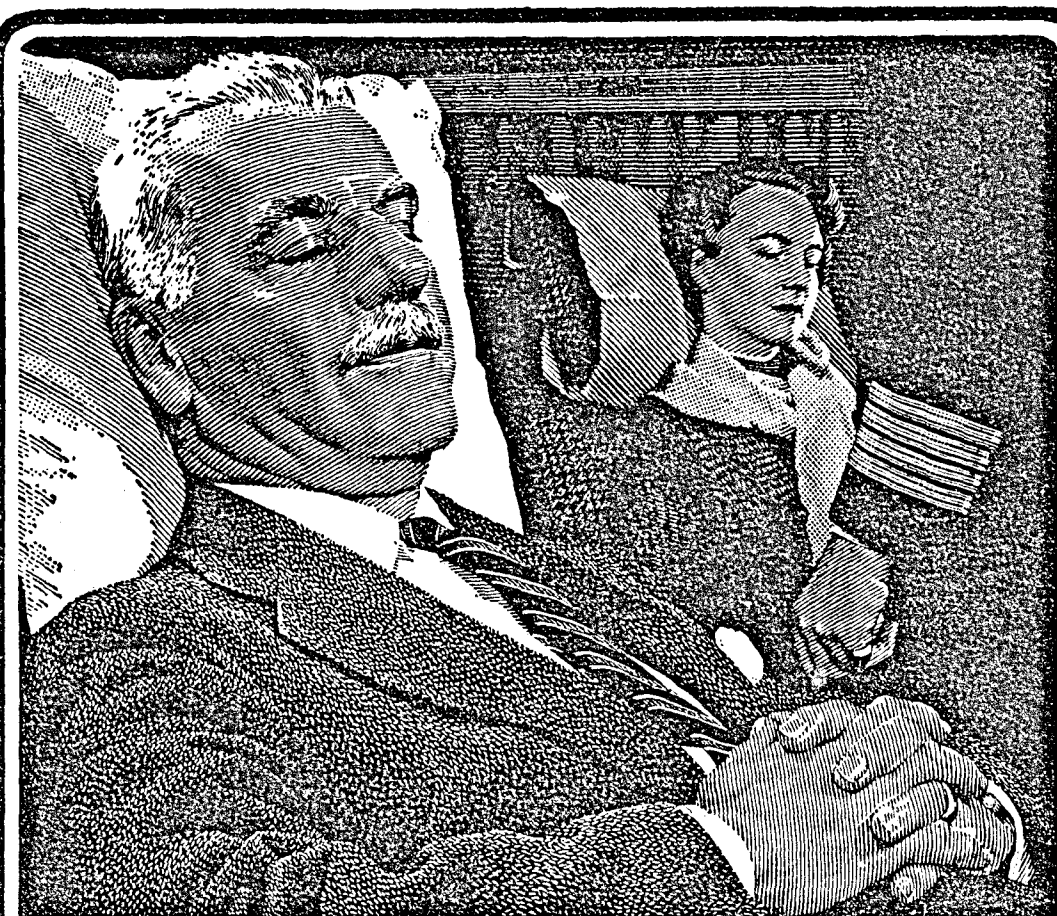
Styrene Supplies

About 5,000 tons of styrene are required for the manufacture of 20,000 tons of GR-S. The minimum production capacity of a styrene plant of an economic size is about 8,000 tons a year. A plant of this size can be put up if, in addition to supplying the styrene requirements (5,000 tons) of the GR-S plant, it also supplies the styrene requirements (3,000 tons) of the polystyrene plant which is being started in Bombay by Polychem Ltd. The aggregate styrene requirements in that case will be 8,000 tons a year. Taking into consideration the likely increase in demand for styrene and polystyrene in the near future, it is proposed that a plant with an annual production capacity of 9,000 tons of styrene may be put up.

Styrene is manufactured from benzene and ethylene. For the production of 9,000 tons of styrene, about 2 million gallons of benzene and about 108 million cubic feet of ethylene gas are required. Benzene is obtained from coke oven by-product recovery plants, while ethylene can be obtained from: (i) refinery gases; (ii) coke oven gases; or (iii) alcohol. Estimates indicate that the cost of production will be the lowest when ethylene is obtained from coke-oven gases, at a place where hydrogen is separated from them, by fractionation for the manufacture of synthetic ammonia.

According to present indications, there are only two places in the country where it may be possible to adopt this process for manufacturing ethylene—Sindri and Rourkela. Rourkela offers more attractive prospects for the location of the proposed styrene plant, since it has recently been decided to put up a fertiliser plant as an adjunct to the steel plant there. Another advantage of setting up the styrene plant in Rourkela is that the required quantities of nitrogen for it will be available from the "waste" nitrogen gases which come from the tonnage oxygen plant of the L.D. process. Considering these points, it is proposed that a styrene plant with a production capacity of 9,000 tons a year may be put up in conjunction with the new steel and fertiliser plant in Rourkela. Its capital cost is estimated at approximately Rs. 2.4 crores, and the reasonable selling price of styrene at about 8 annas a lb.

The GR-S plant has to be located at the same site as the butadiene plant, for the following reasons: (a) For every ton of GR-S, 0.75 ton of butadiene is required; furthermore, butadiene is a gas which cannot be conveniently transported in the required quantities to distant places. (b) Styrene requirements are only 0.25 ton a ton of GR-S, and styrene, being a liquid, can be conveniently transported in tank cars. On this basis,



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The Government of India has decided to set up a Central Wage Board for the cotton textile industry. The decision has been taken on the recommendation of the second five year plan relating to the establishment of tripartite wage boards for individual industries. After some experience has been gained with the working of the Board, the principle will be extended to any other industry for which such a board may be considered necessary. The Wage Board for the cotton textile industry will have, besides an independent chairman, six members—two each representing the employers and the workers connected with the industry and two independent members.

Bombay

INDIAN COTTON TEXTILE OUTPUT
IN PAST YEARMILL PRODUCTION INCREASES
BUT EXPORTS BELOW TARGET

(FROM A CORRESPONDENT IN BOMBAY)

PRODUCTION of cloth by the mill industry in India during 1956 reached the high record of 5,282 million yards, against 5,094 million yards in 1955. Yarn output has likewise risen to 1,652 million lbs. from 1,630 million lbs. in 1955. This performance of the mill sector, in the face of the restrictive Government policy, is commendable, considering that this has been achieved with out-moded equipment and frequent labour troubles. Production by the mill industry has been rising steadily year after year since 1950, when it declined to a low level of 3,465 million yards and 1,166 million lbs. of yarn.

Although activity in the textile export trade has picked up during the past few months after the marked decline in July and August, the total exports in 1956, tentatively estimated at 734,430,000 yards, obviously are far below the annual target of 1,000 million yards. Exports in 1956 comprised 191,220,000 yards of coarse cloth (against 176 million yards in 1955) and 505,380,000 yards of medium cloth (against 592,270,000 yards in 1955). But exporters continue to feel that better days are in store for the cloth trade if mills could assist in stepping down export prices to be in parity with those quoted by other competing countries, and some more care is exercised in adhering to quality standards and delivery periods.

Higher African Imports

There has of late been a distinct improvement in the off-take of Indian cloth by the African countries. November exports of Indian textiles are put at 70,670,000 yards, against 57,690,000 yards shipped in October, and African countries alone lifted 31,020,000 yards of the November shipments, against 21,090,000 yards in the previous month. Exports to Asian zones also rose slightly to 3,460,000 yards to 24,930,000 yards, and those to European destinations were higher by 1,560,000 yards at 8,530,000 yards. But exports to the United States have recorded a sharp fall of about 50 percent, having declined by 1,550,000 yards to 1,780,000 yards. Exports to Oceanic countries also declined during November by 440,000 yards to 4,360,000 yards.

Recently, enquiries from Hongkong have been very little. No business is reported with Iraq, although other Persian Gulf countries have lifted small quantities of bleached cloth, black dyed mulls and other usual styles. Ceylon and Thailand have been buying moderate quantities of their usual varieties, like Singapore, and Burma was able to buy only small quantities recently, that too against unutilised parts of the earlier import licences. Business from East Africa has been restricted to bookings by Dar-es-Salaam for early shipment. The Sudan has bought fair quantities of grey sheetings, voiles, sarees, dhoties and gadagat, while Ethiopia lifted some grey sheetings, khaki and mulls.

Possibilities in Jordan

The Indian Commercial Representative in Jordan says in a recent report that there is a promising market for Indian textiles in that area if Indian mills and exporters could pay more attention to packing, finishing of processed goods and delivery time. Jordan now imports about 19 million yards of cloth, and this quantity is supplied by as many as 18 countries. Despite the keen competition prevalent in that country, India shipped 3,129,000 yards to this destination in 1955 and this comprised glazed, grey, bleached, dyed and printed materials. Japan's contribution was higher at 3,330,000 yards, and other major suppliers to Jordan in 1955 were Yugoslavia (2,200,000 yards) and Syria (2,150,000 yards). In grey sheets, India has to compete with Syria, and China will be another competitor to India very soon. The U.K., Japan and Yugoslavia are competing in this market with India. Indian glazed fabrics appear to be wanting in "finish" and because of this, Jordan buys most of its requirements from the U.K., Belgium, Japan, Egypt, Russia and Yugoslavia.

Madras

PROSPECTS FOR CONGRESS IN
MADRASA RIFT WITHIN AND A CHALLENGE
FROM OUTSIDE

(FROM OUR MADRAS CORRESPONDENT)

IN spite of a long week-end, electoral candidates were eager to file their nomination papers. The outstanding feature of the election activity is not the rift in the Congress ranks, but the advent of the Dravida Munnetra Kazhagam. The leadership is new although a former Minister, Mr. P. T. Rajan, is standing against the Congress nominee in his home constituency as the sole member of the Justice Party, which was dissolved two years ago. The Dravida Kazhagam, from which the D.M.K. broke away, is in favour of Mr. Nadar's continuance in office though it is opposed to the Congress as a whole. The D.M.K. hopes to get a fair number of Assembly seats and in districts like Tiruch, the Congress is unable to secure candidates, even as in Raminad against Mr. Sethupathi, to take the field against the D.M.K. which has exploited agrarian discontent.

In the city, only five D.M.K. candidates are running, but one belongs to a scheduled caste. There is also a Muslim from Nagore with the D.M.K. label, to contradict the impression that the D.M.K. counts only on non-Brahmins to back its candidates. The D.M.K. is raising funds by dramatic performances and many stage and screen stars have been extending their support. Labour support is also counted upon, as the Socialist and Communist candidates are not numerous. A Tamil daily has been launched to help non-Congress candidates in the city, but if past experience is any guide, it may go the way of new papers with small capital and propaganda aims. The triangular contest in the southern parts of the city may give the Finance Minister an edge over his opponents and the Assembly candidates on the Congress ticket may assist him. The rift in the Congress party may affect the chances of Mr. Alagesan, the Union Deputy Railway Minister, as a dissident Congressman with vast influence is standing against him as an Independent who has been picked by the Congress Reform Committee. It may all help Dr. A. Krishnaswami whose parliamentary record in Opposition may also favour him.

Evidence Before Law Commission

The Law Commission was here busy taking the views of lawyers and judges, past and present, on the administration of law. A change-over to Hindi as the language of law appears remote, but the publication of unofficial law reports has been deprecated widely. The creation of a judicial service with provision for transfer from one State to another is not favoured by many. Dr. C. P. Ramaswami Ayyar made known his disapproval of any abrupt departure from the British Indian system and objected to judicial panichayats. He urged that lawyers should promptly accept judicial posts if offered and favoured the appointment of Supreme Court judges also from the Bar. The U.S.A. does not rely on promotion but on the legal profession so that notable judges such as Jackson and Frankfurter could be brought to the Supreme Court without previous experience. The age of retirement for judges should be raised to 70: that is the view upheld by many judges. The Law Commission complimented the Madras Bar which in recent years has undergone a great change with the former concentration of appellate work having disappeared and the lawyers having new tasks to perform. The right of audience before all tribunals has been claimed for the Bar by Mr. M. C. Setalvad. Greater opportunity and more scope in public life is expected, though the dominance of lawyers in politics has gone with the coming of adult suffrage in India. The absence of a legal profession in China is proof of the Party-State there according to Dr. C. P. Ramaswami Iyer. He referred to the lay tribunals in which both sexes were represented.

Indo-British Enterprise

In Nellikkuppam, there is a new factory of W. J. Bush and Company of London to produce essences and flavouring cordials. The sugar mill of E.I.D.

and S.F. run by Parry of Madras, long the agents of Bush and Company, explains the choice of site which is 90 miles from Madras. Extracts from ginger and essential oils for medicinal purposes will also be produced there. Indian capital will participate in the venture after five years. Mr. Noel-Tod pointed out that the factory would look for the aerated water factories which need not look for imports when local production started. Described as a fine example of Indo-British co-operation, the Parry's factory clearly needs no push as Parry would remain its selling agents. The growing of lavender in the lower slopes of the Nilgiris and the cultivation of cloves in the Nelliampathy hills are considered possible by Mrs. Chandrasekar, Union Deputy Minister of Health, who thinks that citrus oil and rose essences can also be prepared in south India. The cultivation of vanilla in Coimbatore has been successfully experienced. Mr. McIntyre, representing Bush and Company, held out the hope that the factory would keep in touch with research. Dealers in aerated waters in the south praised the enterprise of Bush in starting manufacture locally and there is even now a possibility of export since Parry's confectionery, an associated enterprise, has already acquired a valuable connection abroad.

Bad Years for Kips

For the tanning industry, the opening of the Central Leather Institute here has not proved a great help. The trade view is that diploma-holders are not keen on producing kips as a commodity for export. Though tanning in Madras started in 1880, and an export trade developed by 1880, the E. I. kip industry in the postwar period has been in a lull. The kip industry is not expected to produce a great change. Refresher courses for practical tanners rather than demonstrations by experts using new methods appear necessary in the average exporter's view. The Institute has been successful in producing suede and imitation crocodile. Dyeing and printing of leather has been carried far, but the Institute has not attained the Tangra standard. The tanning of reptile skins has been taken up and at the handicrafts exhibition, open to the public for over a week, there was a display of iguana skins. A distinct novelty is the conversion of tanned cobra skins into neckties which will stand out even more than handpainted silk ties. At the same exhibition, the traditional skill of image makers from pilgrim centres like Swamimalai was on view along with ivory-work from Kanyakumari. The manufacture of garlands with silver lace is peculiar to Tanjore, where the Maratha princes nourished luxury trades for long and princely dilettantism fostered a *papier mache* doll industry.

State of Sago Industry

The manufacture of sago from tapioca, imported from Travancore, is a protected industry, largely concentrated in Salem. The advisory board meeting before the Tariff Commission enquired about the Food Laboratory official describe the need for modernising the industry by using sawtoothed rasps to shred tapioca so as to get more starch out. Improvement in processing to avoid fermentation is also necessary. The colouring of sago to imitate the genuine Malayan product is undertaken, but appears undesirable. It is argued that only in Bengal is sago coloured pink to please consumers, not the have taken perforce to synthetic globules, not the original palm product. The complaint that the railway freight on tapioca is double that on sago was made by a merchant. A model laboratory to improve local methods is to be set up. The capital employed is small and changes in sago prices. The following changes in tapioca prices. The demand from the starch industry is still rising and sago manufacturers have also to contend with rising wages in what is still a cottage industry. The home demand for sago is rising and imports are difficult. Barley and oats from abroad are scarcely a rival at present.

GROUNDNUT ACREAGE AND PRODUCTION
INCREASE

The all-India second estimate of groundnut, 1956-57, puts the current year's area and production at 11,299,000 acres and 3,559,000 tons (of nuts in shell) as against 10,968,000 acres and 3,372,000 tons for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows an increase of 331,000 acres or 3.0 percent in area and 187,000 tons or 5.5 percent in production during the current year, compared with that of last year. The increase in acreage during the current year has been reported mainly by Bombay, Mysore and Andhra Pradesh and to a smaller extent by Madhya Pradesh, Madras, Punjab and Uttar Pradesh. It has been attributed generally to favourable climatic conditions and also sowing time. The increase in production has been shared mainly by Bombay, Andhra Pradesh and Mysore, and to a lesser extent, by Madras, Madhya Pradesh and Punjab. The increase in production has been attributed partly to increase in acreage and partly to timely rains during the growing period of the crop. This estimate covers the period generally up to the end of September of the beginning of October, 1956. Till then, the whole of the crop was reported to be, on the whole, satisfactory except in parts of Andhra Pradesh, Bombay, Rajasthan and Madhya Pradesh where it was affected by heavy and continuous rains during July-August, 1956. In parts of Kurnool district of Andhra Pradesh, the crop was reported to have been attacked by pests. The estimate does not cover the entire area sown to the crop during 1956-57. Past experience has shown that the area at the second estimate stage forms roughly about 84 percent of the area under the crop finally reported. The information given in this estimate relates to the set-up of States after their reorganisation.

Jute

CONTROVERSY OVER THE NEW FUTURES
MARKETRECOGNITION OF EAST INDIA JUTE AND
HESSIAN EXCHANGE OPPOSED

It will be recalled that, early in November, the Government of India issued a notification that it had accepted, with modifications, the recommendations of the Forward Markets Commission to bring into force certain provisions of the Forward Contracts Regulation Act. One of the recommendations was the recognition under Section 6 of the Act, of the East India Jute and Hessian Exchange as the body which would conduct futures trading in raw jute and jute goods for a period of three years. This proposal has met with strong opposition from the gunny trade. At a largely attended meeting held recently, it was resolved to protest to the Government against the recognition of the East India Jute and Hessian Exchange. It would be out of place here to discuss its merits and demerits, but it is quite obvious from the representative character of the meeting that the Exchange is not going to have the confidence of the gunny trade. This is an unfortunate start, since it is essential that the body which is to control futures trading should inspire the greatest confidence among those whose legitimate business will be affected.

In another part of the resolution passed at the meeting, it was stated that the Government had failed to appreciate the distinction between futures trading and forward trading in transferable specific delivery contracts. That is probably an exaggeration because, in the Government's resolution on the subject, provision is made exempting transferable specific delivery contracts from the provisions of the Act for stated periods after the coming into force of the relative Section. That there is a difference has, therefore, been realised by the Commission and the Government, but both of them have apparently failed to recognise that the prohibiting of transferable specific delivery contracts will disrupt established trade practices which have stood the test of time.

There are snags, too, in the case of raw jute. Already there are cases in the courts arising out of the notification of 29th October, 1953, which clearly shows that either the Commission or the Government, or both, had not understood the procedure under which jute was sold to mills. That notification was subsequently amended, but the amendment was not made retrospective, so a lot of unnecessary and expensive legislation has ensued. Moreover, the amendment itself is defective and seems likely to disorganise the trade in the Cossipore market, if it does not actually bring it to a standstill. These are only some examples of the difficulties which may arise through the enforcement of provisions which apparently have been drawn up by persons having only a hazy notion of trade practices. It would be well if no other provisions are brought into force until it is clear that the Act was intended to put a stop to malpractices and not to interfere with straightforward honest business.

THE JUTE MARKETS

Manufactured Goods: It has been a dull week for both hessian and sacking, so the tendency has been towards lower prices. Enquiry from overseas is reported to have been very meagre, and there has not been much local covering. Jute dealers have continued to sell B Twills in the fatka and rumours of a Government order, which still per-hedge against their holdings of raw jute, and sacking operations. Mills are not selling heavy sacking at the present prices and they prefer to wait. This has created an impression that there may be some substance in the rumours about Government orders. In some quarters, it is thought that in spite of the small stocks of hessian lying in mills, weaker than that of sacking. The opinion is based on the fact that heavy buying was done in con-order to build up stocks against delays in shipping during the Middle East crisis. It is now thought that overseas buyers will refrain from purchasing until their stocks come down to normal levels. In addition, hessian, sacking output will be correspondingly less and there are some who believe that internal demand will be sufficient to sustain the market. Others doubt this because they believe that the ready business of sacking for the winter crops has already been completed and normally sacking stocks the quotation for B Twills in the fatka market dropped from Rs. 117-12 to under Rs. 115. On Tuesday, there was a recovery to Rs. 117, but it was not maintained.

On Wednesday morning quotations were as follows:

	Ready	February	March	April-June
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	36-4	35-10	35-6	35
40in. 10oz.	43-14	43-14	43-12	43-8
B Twills	117-2	118	118	118-2
Heavy Cees				
(Plain)	119-8	118-12	118-12	118-2
A Twills	140-8	141-8	141-8	141
Liverpools	138	135-8	134-8	133-8
Cornusacks	119	120	120	119-4

Raw Jute: After a dull spell earlier, there was more buying of fibre in the past week. Mills took advantage of the keenness of sellers and the lower prices at which jute was being offered. Mesta was in good demand and sellers were offering freely at reduced rates. Considerable quantities changed hands at Rs. 26-8 basis Bottoms for the Daissee and Murshidabad varieties, against Rs. 28 basis Bottoms a week ago. White jute and Tossa did not record as great a fall; business was done in Murshidabad Tossa at Rs. 32-8, compared with Rs. 33 in the previous week, and in Northern jute ex Calcutta at Rs. 31-4, against Rs. 31-8.

In the early part of the period under review, a large transaction was reported in Northern jute ex Calcutta at Rs. 31-4. For the next day or two, business was mainly in mesta, which was bought by mills at Rs. 29 and Rs. 26-8 for Middles and Bottoms and also at Rs. 28-8 and Rs. 26-8. Murshidabad Tossa was sold at Rs. 32-8 basis Bottoms and Assam Tossa at Rs. 33 basis Bottoms. During the week-end a large amount of business was done in Daissee jute at Rs. 33 basis Bottoms and in Daissee and Murshidabad mesta at Rs. 28-8 for Middles and Rs. 26-8 for Bottoms. After the week-end there was a fair amount of business in Daissee mesta at Rs. 29 and Rs. 26-8 for Middles and Bottoms, respectively, and small transactions at four annas higher. Northern jute ex agency was done at Rs. 31-8 in small quantities. On Tuesday, some quotations were raised by four annas and sellers were more reserved with their offerings, but there was no response from mills. Jungli mesta was done at Rs. 26 basis Bottoms.

On Wednesday morning quotations were as under:

Indian Jute:	Landed at Mills	Bottoms.	Shipment.
	Rs. a md. basis		
Northern	31-12		Feb.-March
Assam	31-12		"
Murshidabad Jute	31		"
Murshidabad Tossa	32-8		"
Murshidabad Mesta	26-8		"
Daissee Jute	33		February
Daissee Mesta	27		"
Western Mesta	26		Feb.-March
Northern ex Calcutta	31		"
Jungli Jute	29-8		"
Bimil	26	F.A.Q.	"

During the week ended 29th January, 849 wagons were received in Cossipore. As buying was on a reduced scale, stocks increased and were reported to be nearly 725,000 maunds. Arrivals were mostly mesta and jungli jute, the prices of which eased considerably. There was little change in Northern jute and Tossa.

Mofussil: Some increase in imports into up-country centres was reported in Assam. In the jungli and western districts, arrivals of both jute and mesta were good. In Murshidabad, imports of mesta and tossa increased, and there was some increase in Daissee jute imports.

GUNNY SHIPMENT STATISTICS

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

	Hessian	Cloth	Total
	Bags (Tons)	(Tons)	(Tons)
1st to 20th January, 1957	3,962.5	20,943.3	24,905.8
1st to 20th December, 1956	2,212.2	22,654.5	25,866.7
1st to 20th November, 1956	3,767.5	22,973.6	26,741.1
	Sacking		
1st to 20th January, 1957	18,396.4	1,344.9	19,741.3
1st to 20th December, 1956	17,964.3	1,474.0	19,438.3
1st to 20th November, 1956	26,297.7	1,116.3	27,414.0

GUNNY SHIPMENTS DURING DECEMBER

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of December, 1956, after providing for short shipments. These figures include shipments to coastal ports.

	Hessian	Cloth	Total
	Bags (Tons)	(Tons)	(Tons)
Gross	4,373.0	35,246.1	39,619.1
Short shipped	513.7	1,432.2	1,945.9
December, 1956 (Net)	3,859.3	33,813.9	37,673.2
November, 1956 (Net)	5,430.4	41,962.5	47,392.9
October, 1956 (Net)	4,697.4	30,420.9	35,118.3
	Sacking		
Gross	32,236.3	1,855.3	34,091.6
Short shipped	2,469.8	3.4	2,473.2
December, 1956 (Net)	29,766.5	1,851.9	31,618.4
November, 1956 (Net)	41,817.2	1,718.2	43,535.4
October, 1956 (Net)	38,948.6	1,265.6	40,214.2

MODERNISING THE JUTE MILLS

IMPORT BAN ON WARP SLIVER
SPINNING FRAMES

SO much has been written and spoken in the last few years about the need to modernise the jute industry if it is to compete effectively with the more recently established manufacturing centres in other countries, that one hesitates to add to what has already been recorded. There remains however, a large gap between the realisation of this need and the proper planning and execution of the means to fill it. Too often in the past, Calcutta mills have prided themselves on their conservatism. Recently they have been credited by the Government and others with an elasticity of finance which would enable them to overcome all their difficulties unaided. Conservatism surely is an anachronism in textile manufacture. Any elasticity there may have been in the industry's financial resources, has, due to the economic condition of the past two years, largely disappeared.

An example of the retarding effect of a conservative policy and the strain it can put on finances has been brought to light recently by the discovery that treble-shift working of preparing and spinning machinery is not necessarily the prerogative of other textile industries but can also be a feasible proposition in Indian jute mills. Almost overnight—one mill presumably having had the courage to try the experiment—the long-awaited and much-talked-about modernisation came substantially nearer completion, at least for the more progressive units of the industry, and at no extra cost. As a result, the proportion of mills equipped with modern sliver spinning moved at least potentially from 40 percent to 60 percent.

The moral of this is surely that one should not hesitate to learn from the experience of others, and in setting out to modernise themselves, the Calcutta mills might have paid more attention to manufacturing practice elsewhere in the world, particularly in the United States where the minimum of machines is installed to work the greatest number of hours at the maximum speed. They must, of course, be depreciated more quickly, but this is relative. They also have to be replaced earlier, but this gives the advantage of enabling the user to make use of the inventive capacity of the machinery manufacturers who in their turn will have a steadier, though admittedly more limited, production. But the greatest and most immediate advantage to India is that the capital required for putting its jute industry in a competitive position is substantially reduced and the funds which have been made available by the Government for modernisation will now go much further in the required direction than can have been originally anticipated. It is to be hoped that the machinery for scrutinising applications and for granting these loans, which by all accounts has moved to date so slowly and with such attention to what appear to be unnecessary details, will be speeded up so that full advantage may be taken of this great step forward.

The import of warp sliver spinning frames—the centre-piece of all modernisation programmes—has just been banned. The reasons for this, both as a protective measure for the indigenous machinery manufacturers and as a means of conserving foreign exchange, are clear and appreciated. But if these reasons are to be justified and if India's principal dollar-earner is to be given the help it deserves, steps must also be taken to ensure that the local machinery manufacturers are able to produce as quickly as required machines of workmanship equal to those previously imported. Regrettably, this has not so far been the case.

THE FOREIGN JUTE MARKETS

FIBRE PRICES WEAKEN
(FROM OUR DUNDEE CORRESPONDENT)

RAW jute prices are now showing distinct signs of weakness and over the past week there has been a drop of from £3 to £5 a ton, according to grade. Shippers appear to be anxious to get on with business and it is said that arrivals of jute from the upcountry markets have increased in Pakistan. The financial aspect of the situation has also something to do with the pressure to sell. At these high prices, it is not so easy to hold on to stocks or paper purchases. Mill Firsts have been reduced to £118 a ton, with Mill Lightnings down to £106, Mill Hearts to £101 and grade Hearts to £97, February-March, c.i.f., U.K. or Continent. Dark jute has not shown so much weakness as white. Good marks of Daissee-2/3 are lowest at £108 and grade at £105, while grade Tossa-2/3 is now at £115 and grade fours at £106 for the same shipment. Spinners are holding off meantime, and it is unlikely they will buy so long as the tendency is easier. During the past several seasons we have seen opening prices reverting to the minimum rates, or very nearly down to that level. The fixed prices below which they are not allowed to fall are Mill Firsts £91, Mill Lightnings £81, Mill Hearts £71, good Daissee-2/3 £91, grade £81, grade Tossa-2/3 £100 and fours £90. If the usual pattern is to be followed it can be seen that a stiff decline has to take place over the next five months or so. Calcutta goods have also sharply dropped, with sellers naming 66s 6d for 40in. 10oz. hessian and 60s and 49s 6d April-June. B Twills are on offer at 176s for February and 178s March to June, all f.o.b. Calcutta. Jute yarns and cloth in Dundee are practically idle and buyers are awaiting a reduction in prices, which appears to be not far off.

THE UNITED COMMERCIAL BANK LTD.

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London Office: 12, Nicholas Lane, E.C.4

Paid-Up Capital
Rs. 2,00,00,000Reserve Fund
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Chairman: G. D. BIRLA

SHORT AND LONG-TERM DEPOSITS
RECEIVED AT ATTRACTIVE RATES

SAVINGS ACCOUNTS WELCOMED

Manager, Calcutta Branch:
K. R. K. Iyengar.General Manager:
S. T. SADASIVAN

These are regulated according to the rise and fall in the raw material.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption took a surprising dip in December, 1956. At an estimated 72 million yards, it was 2 million yards below December, 1955, and 9 million yards less than November, 1956. The total for last year, at 878 million yards, was 6.3 percent more than during 1955, and was the best year since 1948. U.S. burlap stocks for December, 1956, declined 1 million yards from November, 1956. At an estimated 267 million yards at the end of December, 126 million yards were spots and 141 million yards were floats. Appearing below are two tables which include the December figures: (1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (as reported to T.B.M.A.) (Million Yds.)		U.S. Burlap Consumption (estimated industry total) (Million Yds.)	
1956	1955	1956	1955
Jan. 68	58	Jan. 72	62
Feb. 64	61	Feb. 68	65
Mar. 67	68	Mar. 71	71
Apr. 65	60	Apr. 69	63
May 69	69	May 73	73
June 59	71	June 62	75
July 59	53	July 61	56
Aug. 79	69	Aug. 83	73
Sept. 77	68	Sept. 80	70
Oct. 79	70	Oct. 86	74
Nov. 75	67	Nov. 81	70
Dec. 66	70	Dec. 72	74
Total 827	784	Total 878	826
Mo.Av. 69	65	Mo.Av. 73	69

U.S. Burlap Stocks (As reported to T.B.M.A.) (Million Yds.)		U.S. Burlap Stocks (estimated industry total) (Million Yds.)	
1956	1955	1956	1955
Jan. 213	217	Jan. 243	245
Feb. 214	227	Feb. 245	256
Mar. 224	224	Mar. 253	254
Apr. 224	232	Apr. 255	258
May 216	230	May 247	261
June 216	221	June 240	252
July 219	223	July 244	245
Aug. 228	209	Aug. 259	237
Sept. 229	211	Sept. 258	235
Oct. 225	210	Oct. 262	240
Nov. 233	211	Nov. 263	239
Dec. 236	215	Dec. 267	247

THE PAKISTANI JUTE MARKETS

SLOW DECLINE IN FIBRE PRICES

(FROM A CORRESPONDENT)

TRADING conditions in Narayanjanj during the past week can only be described as dull and lifeless. Loose jute prices have very slowly and reluctantly come down by Re. 1, but imports have not increased at all. Prices have fallen because there is very little buying interest, and it is also reported that some of the Indian companies in Narayanjanj have temporarily stopped purchasing as their senior men have gone to Calcutta. Upcountry prices remain unchanged and arrivals are very slow. There has been a drop in pucca bale prices, which are now quoted at Rs. 207 for Export Firsts f.o.b. Narayanjanj, Rs. 198 for Export Lightnings and Rs. 185 for Export Hearts. Outport Tossas remain at a comparative premium, both overseas and locally. The biggest bear in the jute market at present is, of course, the London buyer, who has refrained from business as he is depending on the large afloat unsold position. During the first fortnight of January, total E.P.C. registrations amounted to only 100,000 bales. In this connection, it should be pointed out that, with the exception of India and the U.K., overseas countries have bought less so far during the current year than they did a year ago. It is hard to believe that their consumption this year will be less and if this is correct there still remain about 1.2 million bales to be bought for export overseas and to India. Prices for export are quoted at £106 a ton c.i.f. Continent, with 174s 6d freight, and there is a discount of about £1 for March-April shipment. Even at these levels, buyers are not interested. The views of balers in Pakistan are confused and it would be difficult to say that the majority have any specific ideas about the future. Undoubtedly, because of heavy losses in the past, many Narayanjanj balers look for better overseas prices, but they seem doubtful whether there will be any rise. If it comes, the rise should come soon or not at all this season.

Latest reports on the Jute Marketing Corporation for the local control of jute say that its purchasing and control will be restricted to the border areas. It has been suggested that the Corporation will be the only body in Pakistan which, during the next season, will be allowed to export kutchha bales to India. The amount involved will be about 500,000 or 600,000 bales. It appears that the Jute Marketing Board will not get any further than the planning stage. The trade has apparently convinced the Government authorities concerned that

it is impracticable. There is a chance, however, that, probably only to save face, it will be put into operation next season for India only as a trial. The theory behind this is that the scheme will be tried out on India before it is launched on the jute buying world.

The fall in gunny prices in Calcutta has, to say the least, disturbed Pakistani mills, and for the last few days, they have practically been out of the market. It is interesting to note that in spite of the gradual fall in prices in the overseas jute markets and in the Calcutta gunny market over the past month, local loose jute prices started this period by rising and have only just come down now to the level they were at a month ago. With most Pakistani mills the jute position is tight, and it is probable that all of them are looking for an opportunity to replenish their stocks. Since their average monthly purchases amount to about 80,000 pucca bales, it will certainly be a bullish factor if they decide to come into the market. In addition, there is always a possibility that China or Russia might buy raw jute.

The local gunny market has eased somewhat. B Twills are quoted Rs. 2 cheaper at Rs. 125, while 45in 11oz is Re 1 cheaper at Rs. 56. This is due to fairly large arrivals in Karachi, but as only one steamer is expected towards the end of next month, mills are looking for better prices shortly.

Plantation Topics

BETTER EXPORT PROSPECTS FOR PEPPER

FAIR BUSINESS WITH U.S.A. AND RUSSIA

(FROM A SOUTH INDIAN CORRESPONDENT)

FAIRLY large business in pepper has been reported with the revival of U.S. demand and substantial Russian purchases. Arrivals being heavy, there has not been a proportionate increase in prices; the average for the last two weeks was Rs. 575 a candy in Cochin. For some time past, New York had shown little interest in Indian pepper. But when the market reopened after the holidays, it bought several lots for shipment in January at the rate of 25 cents to 27 cents a lb. Some prominent dealers there have been showing interest in regular forward shipments for the first quarter of the year also. As is usual with them, after one or two weeks of hectic buying, they have again withdrawn, and are asking for further concessions in prices which the growers are reluctant to make. Another bullish factor has been short-covering by sellers to Russia. According to trade estimates, Russia has so far bought more than 2,000 tons, of which over 1,000 tons have already been shipped. The next shipment is expected to take place some time in February when a Russian steamer is scheduled to touch Indian ports. On the return voyage, she is likely to go via China, so market circles expect that China also will buy some parcels of Indian pepper for shipment by that steamer.

Pepper exports from India during December totalled 1,300 tons, according to a trade estimate. If the present tempo of purchases by foreign buyers continues, shipments during the first quarter of the year may well exceed 5,000 tons. Malabar black pepper being cheaper than red chillies, its internal consumption may go up further. At present, the price difference between these two is 8 annas a lb, the price of pepper being 12 annas a lb. The impact of internal demand will be felt from February onwards when the pressure of arrivals from central Travancore will decline. Crop reports from the Tellicherry area are not as good as those from the Travancore side, so the pressure of arrivals from that area is not likely to be so heavy as to depress the market at that time. In the Singapore market, Sarawak and Indonesian pepper are firmly held, so much so that there is a chance for the demand from Europe to be diverted to India. Viewed against these factors, trade sources expect that the price of Malabar black pepper is likely to go up slowly until the arrival of the new Sarawak crop in June.

Forward Trading

A significant development is the opening of forward trading in Cochin under the auspices of the India Pepper and Spice Trade Association. Although it is for the purpose of controlling unhealthy speculation that the Central Government has brought it under the control of a single association, a certain amount of speculation cannot be avoided, especially in the forward trade of a commodity like pepper which fluctuates widely in price. For instance, pepper prices, which were ruling about Rs. 4,000 four years ago, are today ceding at the low level of Rs. 500 to Rs. 600 a candy; surprisingly enough, the market has weathered these fluctuations without a crisis. Therefore, sudden fluctuations in pepper prices should not be considered as conclusive proof in assessing the tempo of speculation or used as a lever for closing the market.

Arecanut Marketing

Dr. Punjabrao S. Deshmukh, Union Minister for Agriculture, inaugurated the first conference of the Kerala Arecanut Growers' and Curers' Association recently in Trichur. Kerala has over 150,000 acres under arecanut, but production is very low at about 1,006,000 maunds. According to

experts, the yield should be 10 standard maunds an acre. One of the reasons why it is low is the unsatisfactory way arecanut is cultivated in Kerala. The Minister wanted arecanut growers to adopt the Japanese method of cultivation. He advised them to revitalise their existing gardens by the judicious selection of seeds, exchange of seeds with their neighbours, and raising a nursery on scientific lines. That alone, he said, would enable them to replace nearly 30 percent of the existing plants which were either sterile or poor bearers. He also suggested a mixed cropping programme by which a grower will be able to produce more pepper, cashewnuts and arecanuts in addition to other crops like plantains, betel leaves and pineapple.

Referring to marketing problems, the Minister said that he was aware that the marketing of arecanut, especially in the Kerala region, had to contend with serious handicaps due to the smallness of the holdings, growers' lack of resources and inadequate credit facilities. There are a number of intermediaries between the grower and the consumer and a substantial share of the price paid by the latter goes to these intermediaries. The Minister thought it desirable to bring the producers within the fold of a co-operative marketing organisation which could undertake harvesting, curing, grading and selling of arecanuts to the best advantage of its members. This would go a long way in reducing the burden on the consumer and also. The National Co-operative Development and Warehousing Board recently constituted by the Union Government will provide finance and storage facilities to the co-operative marketing societies of arecanut growers. The Minister suggested the establishment of a regulated market for arecanut in Kerala.

LONDON TEA SALES

AT last week's London tea sales, the 61,846 packages on offer realised an average price of 5s 9.59d a lb. against 5s 9.64d at the previous sale and 4s 4.40d a year ago. Plain broken pekoe was quoted at 5s 2.1d a lb. against 5s 2d at the previous sale. Prices obtained by some of the companies are given below:

	No. of packages	Average a lb.
Amalgamated	592	5/64
Angoorie	408	6/44
Anglo-American	677	5/9
Assam Consolidated	666	5/9
Assam Doors	1,233	6/24
Assam Frontier	1,246	6/12
Budlia Beta	773	5/12
Buxa Doors	630	6/02
Chubwa	660	5/84
Chulsa	556	5/62
Cons. Tea and Lands	3,909	6/2
Doom Doom	1,090	6/34
Eastern Assam	762	5/92
Eastern Produce	654	5/4
Imperial	625	5/83
Jetinga Valley	420	5/11
Jhanzie	312	6/12
Jokai	1,764	5/104
Jorehaut	1,590	6/1
Kanan Devan	2,460	5/84
Lanka Plants	318	5/32
Lankapara	588	6/04
Lungia	648	5/10
Lunuva	870	6/14
Malayalam	900	5/11
Ouvah	408	6/32
Rajawella	1,050	5/11
Scottish Ceylon	552	6/5
Scottish Tea and Lands	942	6/32
Southern India	580	6/32
Standard	342	6/32
United Planters	360	6/32

U.K. Tea Stocks

U.K. tea stocks in London and provincial warehouses for the week ended 18th January amounted to 68,484,020 lbs. against 69,847,380 lbs. in the previous week. The total amount to be landed on 18th January was 46,888,490 lbs. Deliveries during the week totalled 11,919,490 lbs. and landings 10,556,150 lbs. The total afloat on the same date was 65,567,680 lbs. including 41,427,320 lbs. from Calcutta, 2,537,530 lbs. from Chittagong, 2,944,330 lbs. from Cochin, 15,288,500 lbs. from Colombo and 3,370,000 lbs. from other ports.

COCHIN TEA SALES

At Dust Sale C. 400,000 lbs. of tea were on offer. This was a strong demand in the market which was irregularly dearer for everything except for the best liquoring sorts which were rather easier.

INDIAN RUBBER PRODUCTION AND CONSUMPTION IN DECEMBER

Indian rubber output in December, 1956 was 2,914 tons, according to the Rubber Board of India. Exports during the month were 14 tons and 1,960 lbs, while imports totalled 266 tons. Consumption by manufacturers was 2,647 tons. Stocks with estates and dealers on the last day of the month totalled 5,648 tons including 1,506 tons in transit. Stocks with manufacturers on the same date were 2,663 tons. Manufacturers also used 319 tons of reclaimed rubber of which their stock at the end of December amounted to 602 tons, and consumed 262 tons of synthetic rubber, their month-end stock of which was 844 tons.

Engineering and Transport

AIR INDIA INTERNATIONAL TO BUY BOEINGS

FLEET STANDARDISATION IN THE JET AGE

(FROM OUR NEW DELHI CORRESPONDENT)

THE management of Air India International, in its third annual report, says: "In order further to standardise the Corporation's fleet and to avoid the complications of three different types of aircraft and engines when the jet aircraft, to which a reference is made in the ensuing paragraphs, are received, the Corporation is considering the possibility of disposing of its three Constellation aircraft and replacing them by two Super Constellation aircraft when the completion of the extension to the Hongkong airport makes it possible to operate Super Constellations from that airport. A decision is expected to be taken in the current year. After a careful study of the long-range jet aircraft offered for delivery from 1959 onwards by the Douglas Aircraft Company and the Boeing Airplane Company, and of the two types of engines offered, an order was placed during the current year, with the approval of the Government of India, for three Boeing 707-420 jet aircraft equipped with British Rolls-Royce Conway engines for delivery in the first quarter of 1960."

The aircraft will, in the configuration selected by the Corporation, fly at about 550 miles an hour and have a range at full payload adequate for any sector on any route likely to be operated by the Corporation. The extremely high cost of these aircraft is reflected in the figure of \$23.36 million, or Rs. 11.10 crores, which is the estimated total cost of the project, including spare engines, spare parts, flight simulator, ground equipment, Customs duty, preliminary and training expenses and delivery flights.

Sale of Constellations

Since then, a decision to sell the three Constellation aircraft, it is believed, has been reached, and one of the aircraft is being sent to Kabul to provide a demonstration for their sale to the Afghan airline, Aryana. It will be recalled that, as a gesture to Afghanistan, three Dakotas were taken off the register in India and were expected to become part of Aryana's fleet. The issue is why these aircraft are not being sold to the Indian Airlines Corporation. If the I.A.C. is prepared to purchase Russian aircraft about which no Indian knows anything, and thereby add to its fleet of Skymasters, Vikings, Dakotas and Herons, it can safely acquire three Constellations to replace some of its "aerial tongues." There is a shortage of foreign exchange. Unless the sale of three Constellations is to yield dollars to pay in part for the Boeings, it would be futile to sell these aircraft to the Afghan airline and then to spend foreign exchange for the purchase of replacements for Dakotas by the Indian Airlines Corporation.

The report that Air India International will use San Francisco as the terminus for a new trans-Pacific passenger service has been confirmed here. Details of the service to be provided by the State-owned airline are still not known, although it is understood that flights will begin next summer. The airline's former Commercial Manager, Mr. Jermeja S. Hundal, is now taking a six months' training course in Bombay preparatory to his re-appointment to San Francisco to be the airline's representative there. A year ago Mayor George Christopher of San Francisco invited Mr. J. R. D. Tata, chairman of the airline, to examine the city's airport facilities with a view to making it the west coast terminus for Air India International.

Commercial Jet Age

The introduction of U.S.-built jet airliners on inter-continental services between 1958 and 1960 will mark the beginning of the commercial jet age. These four-jet transport planes—the Boeing DC-8 inter-continental Stratoliner and the Douglas DC-4 Clipper—will make the world 40 percent smaller for air travellers by cutting flight time on inter-continental schedules. The maximum speed of both planes is Mach 0.85 (Mach 1 is the speed of sound). The British Government's recent decision not to go ahead with the production of the Vickers Armstrong V-1000 jet transport, the only British jet plane with enough range to cross the Atlantic, evidently means that the two U.S.-built jet airliners will be the only commercial jet aircraft flying non-stop trans-oceanic routes. The British and French will concentrate on medium-range jet airliners.

Pan American World Airways made a concrete move into the commercial jet age last October by ordering 20 Boeing 707s and 25 Douglas DC-8s at a total cost of \$269 million, including spare parts. Twelve days later, the United Airlines purchased 30 Douglas DC-8s at a cost of \$175 million for use on its trans-continental and Hawaiian routes. Other airlines, including K.L.M. Royal Dutch Airlines, have announced purchase commitments or authorisations to purchase fleets of either or both of these new straight jet planes.

The Boeing company plans to deliver an experimental 707 jet transport to Pan American World Airways in June, 1958, so that the airline's operations and maintenance personnel may familiarise themselves for six months before they receive the first aeroplane for service on the line in December, 1958. There is a possibility that Pan American might be given use of a Boeing KC-135, the mili-

tary tanker-transport version of the 707, even in 1957. Pan American's contract calls for a cruising speed for both planes of 575 statute miles an hour at 30,000 feet altitude. Some of the flying schedule estimates for the new jet airliners are as follows:

	Statute Miles	Hours-Minutes
New York-Paris	3,750	6:35
New York-London	3,535	6:15
New York-Buenos Aires	5,415	11:15
Chicago-London	3,950	6:45
Tokyo-Seattle	4,770	8:32
Honolulu-San Francisco	2,420	4:30
Los Angeles-Guatemala City	2,270	4:15
Honolulu-Seattle	2,785	5:00

The prospective flying time of 6 hours 35 minutes from New York to Paris compares with the present fastest schedule of 11 hours. An even more spectacular reduction in flying time will be made by the jet airliners from Chicago to London. Flying the northern arc, they will cover the distance in 6 hours 45 minutes instead of the present schedule of 16 hours. San Francisco to Tokyo will take 12 hours 45 minutes instead of 25 hours. The Douglas Company points out that Americans will be able to spend week-ends in Paris, thanks to the new jet airliners.

The two new jet airliners promise not only to be quieter for passengers inside the cabin but also to have a noise level in the vicinity of airports considerably less than that of any present-day multi-engine transport aircraft. Equipping the jet engines with new silencer devices, it is reported, will reduce their noise level by at least 10 percent. A final comfort comes from the ability of jet aircraft to fly high in the stratosphere. At their normal altitude of 30,000 to 40,000 feet, they will fly above most bad weather conditions. Radar sets will steer them through the least bumpy sections of the clouds which cannot be surmounted.

Accommodation in Jet Planes

The approach of the jet age might make many of the existing aircraft obsolete. A very big problem for world airlines is what to do with these aircraft. An early step towards meeting this challenge is being made from next April as far as the Atlantic is concerned. Here air fares are being revised in order to fit in a new class of air travel, namely the "coach" class. There will be a super luxury or de luxe class, as provided, say, by Pan American on its "President Special". There will be an intermediate class—a little less luxurious than the present first-class and a little more luxurious than the tourist class. Then there will be the coach or the lowest class, which is a little less comfortable than the present tourist class. The super luxury class will provide everything, such as food, wines, cigarettes, etcetera. The middle class travellers will have to pay for their drinks but their fare will include food. The new air "proletariat" will have to pay for what it needs. While the railways are reducing the number of classes, it seems the airlines are increasing them.

Popularity of Air Travel

Worldwide air travel will increase from the present 40,000 million passenger-miles to 60,000 million passenger-miles by 1960, prior to the advent of the jet age. After 1960, when jet aeroplanes begin flying, an estimated increase to 90,000 million passenger-miles by 1970 is "well on the conservative side," according to Mr. A. E. Raymond, Douglas vice-president for engineering. Jet transports now in production, he said, would lift the aviation industry to a speed plateau which should remain constant for at least 10 years. Further increases in speed, he explained, were economically unjustified because they ran into the drag-rise associated with the speed of sound. Thus airline assets were protected against the greatest factor of technical obsolescence and the carriers had entered a period in which they could consolidate their gains and improve standards of public service. DC-8 productivity (payload times speed) he said, would in effect, give operators a cost level. Field-length requirements for jets were in line with those for current aircraft. For operating ranges of less than 2,500 miles, requirements for the DC-8 are determined by landing, not take-off, and are 6,400 feet—about the same as the DC6B requirement at that range. For longer ranges, field length is determined by take-off and reaches 8,750 feet at the maximum full payload range of 4,500 miles. The DC-8 will demand even less runway strength than the DC-7, because of multiple wheel loading, and will be able to take its place in line with present transport in holding patterns and at airport terminals. The jet noise suppression programme, he said, was advancing according to schedule.

Jet Fuel Consumption

According to Mr. C. F. Holloway, an oil company engineer, the rate of consumption of civil jet fuels would increase at a steady rate up to 1960, to a total of approximately 1.25 million long tons. After that year, demand would continue to rise, until in 1970, total consumption reached 8 to 9 million long tons. On the choice of fuels, the engineer says: "It is considered impossible at the present stage of development of the jet aircraft and its engine to consider fuels outside the range of JP-4 and A.T.K. (Aviation Turbine Kerosene), but within these narrow limits, aircraft operation can be carried out with either fuel in safety."

Tourist Concession by Pan American

Tourism is being boosted in India. Some newspapers are being encouraged to bring out special

supplements on it. Here is one example of how tourism is encouraged in the west. A Pan American hand-out says: "The Riviera still is the glamourland, but the clientele is no longer restricted to the rich, titled and leisured." A tourist, for example, with \$700 but no yacht, securities or diamond mine to call his own, can have the time of his life there for two whole weeks. The \$700 covers his trip back and forth across the Atlantic, room, meals, car rental and entertainment. Here is a break-down of the expenditure of \$700. The tourist will pay \$520 for a 17-day round-trip excursion from New York to Nice on Pan American World Airways. If he prefers, he can even finance the air fare for 10 percent down and the remainder in 12 monthly instalments under the "Pan Am Pay Later Plan."

B.O.A.C. Britannia

A B.O.A.C. jet-prop Britannia will be in Calcutta for a demonstration flight on 27th February. Earlier in the month, on 15th February, it will give a similar flight in Delhi. The Britannia will be on its proving flight from London to Sydney, leaving London on 14th February. On its return journey, it will halt in Calcutta. The first Britannia service, as already reported, will leave London on 2nd March and arrive in Calcutta on the following day to reach Sydney via Singapore on 4th March. In the reverse direction, the first Britannia service will leave Sydney on 5th March. Britannia on this route will leave London three times a week, on Mondays, Wednesdays and Saturdays, calling in Calcutta the following day.

Visit of B.O.A.C. Chairman

Mr. Gerard d'Erlanger, B.O.A.C. chairman, came last week to India on a five-day visit. He is flying across the world in easy stages to inspect the arrangements being made for the reception of the Britannia jet-prop services. During his stay in New Delhi, Mr. d'Erlanger discussed matters of common interest with the civil aviation authorities. He left Delhi on 30th January for Bangkok, from where he will go to Hongkong, and then on to Japan, Australia and New Zealand. On his return journey to the U.K., he will visit Malaya and Ceylon. He is due back in London on 12th March.

K.L.M. Tourist-class Service

As from 1st March, K. L. M. will introduce—besides the existing first-class fares which will be increased by about 7 percent—the tourist class accommodation on its services to Rio de Janeiro, Montevideo, Buenos Aires and Santiago. The difference between the tourist class fare and the first-class fare will then be 28.5 percent. In comparison with the old first-class fare, this tourist class fare is about 23 percent lower. The service in the tourist class on this South Atlantic route, namely, a free baggage allowance of 20 kilos, meals free of charge, whereas cigarettes and drinks will be available at reasonable prices. It is the intention to equip the DC-6B aircraft, with which these services are to be operated, with 25 tourist chairs and 22 de luxe chairs, the so-called "sleep" Airs. Upon the introduction of the tourist class on the services to South America, K. L. M. will provide tourist class accommodation to all parts of its world service. The old standard class will be re-introduced on the North Atlantic K. L. M. service, Amsterdam-New York, on 1st April, so passengers on this route will be able to travel in three different classes—tourist, standard and de luxe.

U.K. AVIATION EXPORTS IN 1956

U. K. aviation exports last year passed the £100 million mark for the first time. The December figure of over £7 million brought the year's total to nearly £104.5 million. It was an all-time record, and beat the previous year's total by no less than 58 percent. In an announcement on 24th January the Society of British Aircraft Constructors pointed out that exports of aircraft and parts, excluding engines, amounted to nearly £72 million, a figure far exceeding the total aviation exports of any previous year. Of this amount the U.S.A. took £17.2 million worth, confirming its place as the U.K.'s best customer. Australia was second with £11 million, and Sweden third with nearly £3 million.

BIG P. & O. LINER FOR FAR EAST ROUTE

A new 45,000-ton passenger liner designed for the Far East route and costing £12.5 million is to be built for the Peninsular and Oriental (P. & O.) line by the Belfast firm of Harland and Wolff. The order is the biggest placed by a British passenger line for a single ship since the building of the giant Queen Elizabeth (83,673 tons). The new liner will reduce from four to three weeks the time taken for a voyage from Britain to Australia via Suez and Colombo. The ship will then go on across the Pacific to Vancouver, Canada, and San Francisco, the U.S.A., and back to the U.K. Details of the new vessel were given in London on 24th January, by Sir Donald Anderson, deputy chairman of P. & O. The liner will be nearly all-welded, and will have a superstructure almost entirely made of aluminium. All propelling machinery will be placed aft to facilitate the fullest use of space amidships for public rooms, swimming-pools, and cabins. The vessel will be fitted with two sets of stabilisers. Accommodation will be provided for 1,650 tourist passengers, 600 first-class passengers, and a crew of 960. The vessel is expected to be completed in 1960. The keel is to be laid in September.

Calcutta Markets

GOOD GENERAL DEMAND AT
TEA EXPORT SALE

PRICES FALL IN DUSTS

AT Sale No. 31, held on 29th and 30th January, offerings at the Export auction consisted of 68,700 packages for which there was a good general demand at easier rates. Once again, bright liquoring teas were keenly competed for and these, together with good medium Assams, generally sold at dearer rates. The bulk of the common and medium offerings, however, were up to 2 annas easier and Fannings grades were again more popular than Broken. Thin liquoring and stalky B.P.'s were the weakest feature of the Sale and many lines were withdrawn. Although slightly easier, C.T.C. teas received better support than in recent weeks, and a few of the bright liquoring invoices sold well. Well-made whole leaf grades were a strong feature and were from 1 to 2 annas dearer while stylish B.P.'s were up to 2½ annas stronger. Tippy teas were in very strong demand and were generally selling 2 annas to 4 annas above last rates. Darjeeling teas on offer were again neglected.

Quotations		1957	1956
		Rs.	Rs.
Clean Black Pekoe	2 3 6 to 2 4 0	2 0 0	
Plain B.P.	1 15 6 to 2 0 0	1 7 6	
Medium Assam B.P.	2 1 6	1 10 0	
Best C.T.C. Assam B.P.	2 9 0 to 2 10 0	2 3 0 to 2 5 0	

At the Internal Sale Dust offerings consisted of 24,095 chests for which there was a fair general demand, but prices again showed a further decline. The only teas to sell at about valuations were the few lines of bright liquoring C.T.C. Assams, but the remaining offerings of this description were from 1 anna to occasionally 3 annas easier. All other kinds were up to 2½ annas lower, although the black leafy types were the strongest feature and were fairly well supported.

Quotations		1957	1956
		Rs.	Rs.
Medium Doars Dust	1 12 6	1 7 6	
Medium Assam Grainy			
Dust	1 13 0	1 8 6 to 1 9 0	
Medium Assam C.T.C.			
Dust	2 1 0		
Best Assam C.T.C. Dust	2 9 0 (nominal)	2 4 0 to 2 6 0	

Other grades offered were 2,950 chests, for which there was a fair general demand, but generally at 1 anna to 2½ annas below last rates.

At the Internal Tea Sale held on 24th January, 25,139 chests of Dust were on offer. There was a fair general demand at lower rates when the market opened, but demand weakened as the Sale progressed and at the close, many teas were up to 3 annas easier. The few lines of bright liquoring C.T.C. Assams received good support and sold at about valuations, but the more ordinary teas of this description declined once more and were up to 2½ annas easier. There was less demand for all except the best black leafy exportable kinds and these teas shared in the general decline. The market for Commons, Doars and non-C.T.C. Assams was irregularly 2 annas easier at the commencement of the Sale, but at the close was a full 3 annas easier and there were a number of withdrawals.

Quotations		1957	1956
		Rs.	Rs.
Medium Doars Dust	1 14 6	1 7 6 to 1 8 0	
Medium Assam Grainy			
Dust	1 15 0	1 8 6 to 1 9 0	
Medium Assam C.T.C.			
Dust	2 2 0 to 2 3 0		
Best Assam C.T.C.			
Dust	2 9 0 (Nominal)	2 4 0 to 2 6 0	

Other grades offered were 4,088 chests. There was a good general demand. Any clean teas sold well, although they were slightly easier, while the more residual offerings generally were selling above valuations. There was fair support for the green tea on offer.

FREIGHT MARKET QUIET BUT
FIRM

THE freight market during the past week has been fairly quiet, but quite firm. Coal from Hampton Roads to the Continent has been reported at 105s a ton for February, whereas a January-February loader has been fixed at 105s 6d. A fixture for barley from Australia to picked Port U.K. has been reported at 207s 6d., option of Antwerp-Hamburg range at 5s less. Barley shippers are in the market for cover to Japan. Grain shippers are seeking tonnage for Gulf-Bombay any size prompt at 245s a ton. Indian ore shippers paid \$ (U.S.) 26.25 Vizagapatam-Northern Range April position. Vizagapatam or Madras to North France March-April paid 215s option Boucan 217s 6d with 45s less via Suez. A fixture from Bombay to Rijeka with ore has been concluded at 208s f.i.o.; Calcutta-Colombo coal January-February has been fixed at 85s f.o.b., trimmed. In the Time Charter market, a Liberty-size has been fixed for four to five months' trading within U.K.-Continent at 40s. An oilburner 10,050 tons d.w. was fixed for a trip out Persian Gulf delivery Tyne at 62s 6d.

COMPANY AND PUBLIC NOTICES

HULDBARI TEA ASSOCIATION, LIMITED.

NOTICE is hereby given that an Extraordinary General Meeting of the abovenamed Company will be held at its registered office at No. 6, Church Lane, Calcutta-1, on Friday, the twenty-second day of February, 1957, at 11 A.M. for the purpose of considering and, if thought fit, passing the following Resolutions as Special Resolutions:—

- "That in accordance with Section 314 of the Companies Act, 1956, consent be and is hereby accorded, with effect from the date of commencement of the said Act, to J. Thomas & Company Private Limited, of which Mr. G. T. Routledge, a Director of the Company, is a member and Director, holding and continuing to hold an office or place of profit under the Company as Tea Brokers."
- "That in accordance with the provisions of Section 261 of the Companies Act, 1956, Mr. G. T. Routledge be and he is hereby appointed a Director of the Company, such appointment to have effect on and from the 9th November, 1956."

Notice of the intention to move the above Special Resolution relating to the appointment of Mr. G. T. Routledge as a Director has been received by the Company not less than twenty-eight days before the date fixed for the meeting and the said notice sets out the reasons which make the resolution necessary.

The Share Transfer Books of the Company will be closed from the 18th to the 22nd February, 1957, both days inclusive.

By Order of the Board,
DAVENPORT & CO. PRIVATE LTD.,
Sd/- R. G. WALLER,
Director,
Managing Agents.

Dated, Calcutta, 25th January, 1957.

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

EXPLANATORY STATEMENT.

For many years past your Company has sold its tea crop exclusively through J. Thomas & Co. Private Ltd., Tea Brokers, although neither the latter Company nor its predecessors has ever been appointed as such Tea Brokers and in fact your Directors maintain, as the fact is, that the Company is at liberty to sell its tea crop through such Tea Brokers as it may decide. In spite of this, doubts have been raised on the question whether J. Thomas & Co. Private Ltd., in the circumstances mentioned above, do or do not hold an office or place of profit under the Company so as to attract the provisions of Sections 261 and 314 of the Companies Act, 1956. Your Directors feel that, in view of these doubts and in fairness to J. Thomas & Co. Private Ltd. and to Mr. Routledge, a Director and Manager of J. Thomas & Company Private Ltd., and purely as a precautionary measure, it is desirable that the resolutions set out above should be passed. The first resolution is framed so as to have retrospective effect on and from the passing of the Companies Act, 1956 but in case it should hereafter be held that J. Thomas & Co. Private Ltd. do hold an office or place of profit under the Company, then Mr. Routledge would, notwithstanding the passing of the first resolution, cease to be a Director on and from the date of the last Annual General Meeting. In view of this it is necessary that the second resolution should also be passed so as to have retrospective effect from the date of the last Annual General Meeting. It is, of course, of great advantage to the Board of your Company to have readily available at Board Meetings the expert advice and assistance of a representative of the Tea Brokers through whom the Company sells its tea.

STATE BANK OF INDIA.

NOTICE

THE Second Annual General Meeting of the Shareholders of the State Bank of India will be held at the Local Head Office of the Bank, Apollo Street, Bombay, on Thursday, the 28th February, 1957, at 4 P.M. (Standard Time) for the transaction of the following business:—

To receive the Central Board's Report, the Balance Sheet and Profit and Loss Account of the Bank made up to the 31st December, 1956, and the Auditors' Report on the Balance Sheet and Accounts.

H. V. R. JENGAR,
Chairman.

Bombay, the 25th January, 1957.

TEZPORE TEA COMPANY, LIMITED.

NOTICE is hereby given that the period for submission to the Company of Fractional Certificates for allotment of fully paid Ordinary Shares in lieu thereof in regard to the issue of Bonus Shares on 12th December, 1955, has been further extended to 11th April, 1957.

By Order of the Board,
SHAW WALLACE & COMPANY LTD.,
Managing Agents.
Calcutta, 28th January, 1957.

TEESTA VALLEY TEA COMPANY, LIMITED.

NOTICE is hereby given that an Extraordinary General Meeting of the abovenamed Company will be held at its registered office at No. 6, Church Lane, Calcutta-1, on Thursday, the twenty-eighth day of February, 1957, at 11 A.M. for the purpose of considering and, if thought fit, passing the following Resolutions as Special Resolutions:—

- "That in accordance with Section 314 of the Companies Act, 1956, consent be and is hereby accorded, with effect from the date of commencement of the said Act, to J. Thomas & Company Private Limited, of which Mr. G. T. Routledge, a Director of the Company, is a member and Director, holding and continuing to hold an office or place of profit under the Company as Tea Brokers."
- "That in accordance with the provisions of Section 261 of the Companies Act, 1956, Mr. G. T. Routledge be and he is hereby appointed a Director of the Company, such appointment to have effect on and from the 5th October, 1956."

Notice of the intention to move the above Special Resolution relating to the appointment of Mr. G. T. Routledge as a Director has been received by the Company not less than twenty-eight days before the date fixed for the meeting and the said notice sets out the reasons which make the resolution necessary.

The Share Transfer Books of the Company will be closed from the 25th to the 28th February, 1957, both days inclusive.

By Order of the Board,
DAVENPORT & CO. PRIVATE LTD.,
Sd/- R. G. WALLER,
Director,
Secretaries.

Dated, Calcutta, 25th January, 1957.

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

EXPLANATORY STATEMENT.

For many years past your Company has sold its tea crop exclusively through J. Thomas & Co. Private Ltd., Tea Brokers, although neither the latter Company nor its predecessors has ever been appointed as such Tea Brokers and in fact your Directors maintain, as the fact is, that the Company is at liberty to sell its tea crop through such Tea Brokers as it may decide. In spite of this, doubts have been raised on the question whether J. Thomas & Co. Private Ltd., in the circumstances mentioned above, do or do not hold an office or place of profit under the Company so as to attract the provisions of Sections 261 and 314 of the Companies Act, 1956. Your Directors feel that, in view of these doubts and in fairness to J. Thomas & Co. Private Ltd. and to Mr. Routledge, a Director and Manager of J. Thomas & Company Private Ltd., and purely as a precautionary measure, it is desirable that the resolutions set out above should be passed. The first resolution is framed so as to have retrospective effect on and from the passing of the Companies Act, 1956 but in case it should hereafter be held that J. Thomas & Co. Private Ltd. do hold an office or place of profit under the Company, then Mr. Routledge would, notwithstanding the passing of the first resolution, cease to be a Director on and from the date of the last Annual General Meeting. In view of this it is necessary that the second resolution should also be passed so as to have retrospective effect from the date of the last Annual General Meeting. It is, of course, of great advantage to the Board of your Company to have readily available at Board Meetings the expert advice and assistance of a representative of the Tea Brokers through whom the Company sells its tea.

INDIAN COPPER CORPORATION LIMITED.

THE following are the returns for the quarter ended 31st December, 1956:—

Ore treated	Short/Tons	111,894
Average grade of Ore treated		2,072%
Refined Copper produced	Long tons	1943
Refined Copper issued to Mine		1846
Rolled Brass produced		62
Yellow metal circles produced		71
Rolled Copper produced		carried out during the quarter

The results of development work on the properties of the Corporation quarter under review are as follows:—

	Footage developed	Footage sampled	Footage payable
Mosaboni	2675	2523	1568.5
Badia	348	348	208.5

By Order of the Board,
GILLANDERS ARBUTHNOT & COMPANY LIMITED,
Managing Agents.

Clive Buildings,
Netaji Subhas Road,
Calcutta.

31st January, 1957.

NEW CHUMTA TEA COMPANY, LIMITED.

NOTICE is hereby given that an Extraordinary General Meeting of the abovenamed Company will be held at its registered office at No. 6, Church Lane, Calcutta-1, on Friday, the twenty-second day of February, 1957, at 3 P.M. for the purpose of considering and, if thought fit, passing the following Resolutions as Special Resolutions:—

- "That in accordance with Section 314 of the Companies Act, 1956, consent be and is hereby accorded, with effect from the date of commencement of the said Act, to J. Thomas & Company Private Limited, of which Mr. G. T. Routledge, a Director of the Company, is a member and Director, holding and continuing to hold an office or place of profit under the Company as Tea Brokers."
- "That in accordance with the provisions of Section 261 of the Companies Act, 1956, Mr. G. T. Routledge be and he is hereby appointed a Director of the Company, such appointment to have effect on and from the 31st October, 1956."

Notice of the intention to move the above Special Resolution relating to the appointment of Mr. G. T. Routledge as a Director has been received by the Company not less than twenty-eight days before the date fixed for the meeting and the said notice sets out the reasons which make the resolution necessary.

The Share Transfer Books of the Company will be closed from the 18th to the 22nd February, 1957, both days inclusive.

By Order of the Board,
DAVENPORT & CO. PRIVATE LTD.,
Sd/- R. G. WALLER,
Director,
Managing Agents.

Dated, Calcutta, 25th January, 1957.

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

EXPLANATORY STATEMENT.

For many years past your Company has sold its tea crop exclusively through J. Thomas & Co. Private Ltd., Tea Brokers, although neither the latter Company nor its predecessors has ever been appointed as such Tea Brokers and in fact your Directors maintain, as the fact is, that the Company is at liberty to sell its tea crop through such Tea Brokers as it may decide. In spite of this, doubts have been raised on the question whether J. Thomas & Co. Private Ltd., in the circumstances mentioned above, do or do not hold an office or place of profit under the Company so as to attract the provisions of Sections 261 and 314 of the Companies Act, 1956. Your Directors feel that, in view of these doubts and in fairness to J. Thomas & Co. Private Ltd. and to Mr. Routledge, a Director and Manager of J. Thomas & Company Private Ltd., and purely as a precautionary measure, it is desirable that the resolutions set out above should be passed. The first resolution is framed so as to have retrospective effect on and from the passing of the Companies Act, 1956 but in case it should hereafter be held that J. Thomas & Co. Private Ltd. do hold an office or place of profit under the Company, then Mr. Routledge would, notwithstanding the passing of the first resolution, cease to be a Director on and from the date of the last Annual General Meeting. In view of this it is necessary that the second resolution should also be passed so as to have retrospective effect from the date of the last Annual General Meeting. It is, of course, of great advantage to the Board of your Company to have readily available at Board Meetings the expert advice and assistance of a representative of the Tea Brokers through whom the Company sells its tea.

THE INDIAN CABLE COMPANY LIMITED

NOTICE.

NOTICE is hereby given that a General Meeting of the Shareholders of The Indian Cable Co. Ltd. will be held at the Registered Office of the Company, 9, Hare Street, Calcutta, on Friday, the 22nd February, 1957, at 11-00 a.m., to consider and, if thought fit to pass, with or without modification, the following resolutions, namely:—

- (As a Special Resolution) that the capital of the Company be increased to Rs. 4,00,00,000 by the creation of 20,00,000 additional Ordinary Shares of Rs. 10/- each.
- (As a Special Resolution) that the regulations contained in the printed document submitted to the meeting, and for the purpose thereof, be approved and adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of, all the existing Articles thereof.

By Order of the Board,
S. N. MUKERJEE,
Chairman.

9, Hare Street,
Calcutta, 21st December, 1956.

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

THE BOMBAY BURMAH TRADING CORPORATION, LIMITED.

NOTICE is hereby given that the Ninety-third Ordinary General Meeting of the Shareholders of the Corporation will be held at the Indian Merchants' Chamber Hall, Lalji Naranji Memorial Building, 76, Veer Nariman Road, Bombay-1 on Monday, 25th February, 1957 at 3 p.m. S. T. for the purpose of transacting the following business:—

- To receive and adopt the Directors' Report and audited accounts for the year ended 31st May, 1956.
- To sanction the declaration of a dividend.
- To confirm the appointment of Mr. R. E. Forrester as Director.
- To elect a Director in the place of Sir Cowasjee Jehangir, Bart., G.B.E., K.C.I.E., who retires by rotation and is eligible for re-election, by passing the following resolution of which special notice as required by Section 281 of the Companies Act, 1956, has been received by the Corporation.

Resolved that Sir Cowasjee Jehangir, Bart., G.B.E., K.C.I.E., who has attained the age of 77 years, and who retires by rotation and is hereby re-elected a Director of the Corporation and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the Companies Act, 1956, shall not apply to him.

- To elect a Director in the place of Mr. M. G. R. Aitken, who retires by rotation and is eligible for re-election.
- To appoint Auditors for the current year and to fix their remuneration.

By Order of the Board,
R. E. FORRESTER,
Chairman.

Bombay, 9th January, 1957.

Explanatory statement as required by Section 173 of the Companies Act, 1956.

The Special Resolution set out under item 4 is required as Sir Cowasjee Jehangir, Bart., G.B.E., K.C.I.E., has attained the age of 77 years and hence cannot be re-appointed a Director except by a resolution in respect of which special notice has been given in accordance with Sections 190 and 281 of the Companies Act, 1956. Notice has been received that this Special Resolution will be proposed.

Sir Cowasjee Jehangir, Bart., G.B.E., K.C.I.E., has been on the Board of the Corporation for over 25 years. In view of his wide and varied experience in the business life of the country and the valuable services he has rendered to the Corporation, it is most desirable that the Board should continue to receive the benefit of his services.

STATE BANK OF INDIA

THE following is a note of the net profits of the State Bank of India for the year ended 31st December, 1956, and their distribution:—

	Rs.
Net profits for the year	156,18,200
Brought forward from last year	34,37,300
	190,55,500
The Directors have declared a dividend of Rs. 16/- per share, absorbing	90,00,000
Transferred to Reserve Fund	2,50,000
Transferred to Pension Funds	6,14,300
Bonus to Staff	40,00,000
Transferred to Staff Amenities Fund	10,00,000
Carried Forward	41,91,200
	190,55,500

INDIAN COPPER CORPORATION LIMITED.

(Incorporated in England).

Dividend No. 30 (Interim)

NOTICE is hereby given that the Registers of Members of the Company will be closed from the 23rd February, 1957 to the 2nd March, 1957, both days inclusive, for payment on the 15th April, 1957 to the registered stockholders as on 22nd February, 1957 of an Interim Dividend (30) of 6-2/3% (1.6d. i.e. anna 1 and pies 5 per unit of stock) free of Income Tax payable by the Company on account of the year ended 31st December, 1956.

By Order of the Board,
DAVID JOHNSTON,
Actg. Secretary.

Clive Buildings,
Netaji Subhas Road,
Calcutta,
28th January, 1957.

THE BURRAKUR COAL COMPANY LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting within the meaning of the Companies Act, 1956 (being the one hundred and eleventh Ordinary General Meeting of the Company) will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 1st February, 1957 at 10 A.M. for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the half-year ended 30th June, 1956, and to receive the Directors' and Auditors' Reports thereon.
- To declare Dividends recommended by the Directors.
- To appoint a Director in place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 18th January to 1st February, 1957, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 21st December, 1956.

Note:

- A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
- The dividends if declared, will be paid on or after 8th February, 1957, to those shareholders so entitled whose names appear in the Company's books on the 1st February, 1957, or to their mandatories. No application for Dividend Warrants will be necessary.

THE INDIAN IRON & STEEL CO. LTD.

NOTICE.

AT a meeting of the Board of Directors of the Indian Iron & Steel Co. Ltd., held to-day it was decided that in accordance with the resolution passed at the Extraordinary General Meeting of the Company held on the 1st December, 1956, the Rights offer of 5,183,708 new Ordinary shares of Rs. 10/- each at a premium of Rs. 3-3-0 per share be made to those persons who are registered as holders of Ordinary shares in the Company's Register of Members on the 11th March, 1957, in the proportion to one new Ordinary share for every Ordinary share held by each such person on the said date.

The Ordinary Share Register of the Company will remain closed for the purpose of this offer from the 21st February, 1957 to 11th March, 1957, both days inclusive.

Holders of Ordinary shares under blank transfer are particularly reminded that it is necessary to lodge the Certificates of Shares with instruments of transfer duly completed in all respects before the Register is closed in order to be entitled to the Rights offer. Authority of persons signing instruments of transfer and in cases of transfer of shares out of the names of deceased shareholders, grants of legal representation, Estate Duty Discharge Certificates or evidence of acquiring the shares by the transferees for valuable consideration must be registered with the Company, otherwise applications for transfer of shares in such cases cannot be entertained by the Company.

Legal Representatives of deceased shareholders should get their legal representations immediately registered with the Company to enable them to receive and deal with the Letters of Rights on behalf of the estate of the deceased.

By Order of the Board,
MARTIN BURN LIMITED,
F. G. LIVERSEDGE,
Managing Director,
Managing Agents.

29th January, 1957.

COMPANY MEETINGS AND DIVIDENDS
DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Roopacherra Tea Co. Ltd.	31-1-57	4 p.m.
Tycoon Tea Co. Ltd.	31-1-57	4-10 p.m.
Burrakur Coal Co. Ltd.	1-2-57	10 a.m.
Calcutta Landing & Shipping Co. Ltd.	8-2-57	Noon
Birds Investments Ltd.	15-2-57	Noon
Indian Cable Co. Ltd.	22-2-57	11 a.m.
Hulibari Tea Assocn. Ltd. (E)	22-2-57	11 a.m.
New Chumta Tea Co. Ltd. (E)	22-2-57	3 p.m.
Bombay Burmah Trading Corpn. Ltd.	25-2-57	3 p.m.
Teesta Valley Tea Co. Ltd. (E)	28-2-57	11 a.m.
State Bank of India	28-2-57	4 p.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED.—Birds Investments Ltd.—10 p.c. (o); Octavius Steel & Co. Ltd.—5 p.c. (f) (o); Champaran Sugar Co. Ltd.—10 p.c.; Balrampur Sugar Co. Ltd.—Nil; Ruby General Insurance Co. Ltd.—6½ p.c.; Indian Copper Corporation Ltd.—6½ p.c. (Int.); State Bank of India—Rs. 16 per share.

O.—Ordinary Dividend. I.—Interim Dividend.
P.—Preference Dividend. J.—Less Income Tax.
P.O.—Preferred Ordinary Dividend. A.—Final Dividend.
D.—Deferred Dividend. C.—Cumulative.
* Less Tax at 8d in the £

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 30-1-57 Rs.	A year ago Rs.	Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 30-1-57 Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	114½	135	1920	Birds' Investments (Dec.)	24.00	5½	100	70½	80
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	118	1920	Bombay Steam Navigation (July)	15.00	6½	100	118½	135
1896-97	Borra (June Dec.)	4.00	6½	100	103	119	1920	Britannia Biscuit (Feb. Aug.)	15	8	10	158	118
1901-29	Burrakur (June Dec.)	22.98	7	100	114½	122½	1909-11	British Ceylon Corporation (Apr. Mar.)	7.50	6	5	119½	135
1946	Equitable (May Nov.)	4.50	6½	100	104	117	1909-11	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	110	128
1931	Khas Kailora (Mar. Sept.)	4.00	6	100	104	117	1937	Calcutta Electric Supply (Mar. Sept.)	15.00	6	100	94½	118
1920	New Beerboom (Jan. July)	2.00	7	100	110	125	1937	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	94½	118
1898-99	Ondal (June Dec.)	2.00	6½	100	110	115	1937	Calcutta Tramways (Jan. July)	2.50	5½	100	94½	118
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	6	100	110	110	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127	143
1884	Bangalore (Jan. July)	6.00	6	100	125	128½	1937	Chrestien Mica Industries Ltd.	30.00	5½	100	51½	68
1938	Basanti (Oct.)	5.00	6½	100	103	112	1937	Dacca Electric Supply (July)	6.00	6	100	90	104
1896	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	99	117	1946	Dalmia Cement (Bharat)	2.372	6	100	133	157
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	140	135	1916	Delhi Flour Mills (Oct.)	16.00	7	100	102	119
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	70	71½	1935	Deshgarh Power Supply "A" (Jan.)	12.00	4½	100	68	71½
1919	Burdubury (Jan. Dec.)	14.75	7	250	324½	324½	1940	Dunlop Rubber "First" (Jan. July)	30.00	6	100	110	128
1920	Buckingham & Carnatic (Jan. July)	21.30	7½	100	144	133½	1926	Dunlop Rubber "Second" (Apr.)	40.00	6½	100	110	128
1912	Cambodia (July)	1.00	7	100	122½	125	1928-29	East India Distilleries (Jan. July)	2.200	7	21	17½	17½
1912	Central India (Apr. Oct.)	50.00	5	500	531½	531½	1897	Eastern Investments Ltd (Apr.)	2.500	6½	100	77½	77½
1912	Delhi Cloth & General (Oct.)	20.00	4½	25	20	20	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	65	72½
1912	Elgin (May Nov.)	11.00	8	100	135½	136	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	65	72½
1943	Elgin "B"	4.20	5	10	97	97	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	6½	100	68	71½
1919	Elphinstone (May Nov.)	25.00	7½	100	87½	87½	1947	Gladstone Lyall & Co. Ltd.	30.00	6½	100	68	71½
1925	Khatu Makani (Nov.)	10.00	6	100	88	88	1948	Gladstone Lyall & Co. Ltd.	30.00	6½	100	68	71½
1937	Kothari (Nov.)	12.00	6	100	88	88	1948	Gladstone Lyall & Co. Ltd.	30.00	6½	100	68	71½
1909	Muir (Feb. Aug.)	30.00	6	100	101	101	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	71½
1913	New Great Eastern (Mar.)	3.00	5½	200	185	185	1940	Humayun Properties Ltd. (Nov.)	12.00	6	100	68	71½
1920	New Victoria (Apr. Oct.)	26.05	6	5	5½	5½	1936	Indian Aluminium (Mar. Sept.)	40.00	5½	100	77	100
1938	Palani Andavar (Mar.)	2.00	7	50	58½	58½	1945	Indo Burma Petroleum (Jan. July)	50.00	7½	100	101	101
1927	Svadeshi (Bombay) (May)	15.00	5	100	115	115	1927	Indian General Navy & Railways	2.244	6	100	33½	33½
1927	Svadeshi (Cannore) (Mar.)	35.00	6	100	90½	90	1923	Indian Cable Co. (Nov.)	12.88	6	100	127½	127½
1931	Vasanta (Apr. Oct.)	3.00	6½	100	113	120	1936	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	105½	105½
1908	Vishnu (Apr.)	16.00	7	500	550	550	1946	Investment and Finance (Feb. Aug.)	2.6995	5	100	75	75
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	101	116	1945	James Wright (Jan. July)	1.30	6	50	60½	60½
1905	Alexandra (Feb. Aug.)	9.00	7	100	97½	106	1937	Jardine Henderson Ltd.	50.00	5½	100	95½	106
1917	Alliance (Mar. Sept.)	15.00	6	100	97	102	1946	Jessop & Co.	10.00	5	100	95½	106
1908	Auckland (July Jan.)	40.00	7	100	100½	108	1945	Jupiter General Insurance (Sept.)	4.99	6½	10	101	106
1945	Auckland (July Jan.)	15.00	5½	100	80½	96	1916	Kumardhubi Engineering (June)	12.00	5	100	101	106
1896	Bally (Jan. July)	20.00	4½	100	60	74	1915	Do Fireclay & Silica (June)	2.00	7	100	101	106
1906	Barnagore (Oct. Dec.)	2.00	5½	100	101½	115	1946	McLeod & Co.	30.00	5	100	68	71½
1940	Belvedere (Jan. Dec.)	7.00	7	100	41	46	1930	McLeod & Co.	40.00	6	100	99	99
1919	Birla (June Dec.)	10.00	5½	100	79½	125	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	92	92
1896	Budze Budze (May Nov.)	23.64	7½	100	90	103	1949	Metal Box Co. of India Ltd.	30.00	6½	100	92	92
1934	Calcutta (Jan. July)	9.00	7	100	111	120	1938	Midnapore Zemindari (Feb.)	8.76	5	100	92	92
1919	Caledonia (June Dec.)	10.00	6½	100	78	90	1938	Midnapore Zemindari (Feb.)	8.76	5	100	92	92
1928	Cheviot (June Dec.)	10.00	7	100	109	118	1930	National Insulated Cable	10.00	5½	100	66	66
1900	Chitavalah (Mar. Dec.)	5.00	7	100	111	117½	1942	National Tobacco (June Dec.)	25.00	5	100	62½	62½
1905	Clive (First) (May Dec.)	8.00	6	100	78	115	1944	National Tobacco (Jan. Dec.)	20.00	4½	100	48	48
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	105	1946	Northern India Oil (Jan. July)	2.00	6	100	48	48
MISCELLANEOUS.													
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	115½	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103	103
1921	Delta (June Dec.)	5.00	5	100	105	94	1936	Premier Construction "First" (Apr.)	10.00	6½	100	99½	99½
1890-98	Empire (Jan. July)	10.00	7	100	102	120½	1922	Premier Construction "Second" (Apr.)	15.00	6½	100	141	141
1911	Fort Gloster (2nd)	7.00	5	100	74½	86	1936	Purtapore (Sugar) (Oct.)	6.00	10	100	100½	100½
1916	Ganges (June Dec.)	10.00	7	100	115	128½	1933-36	Ramnagar Cane & Sugar (Aug.)	21.81	7	100	124½	124½
1895-04	Gouropore (June Dec.)	26.50	8	100	112	134	1936	Rohas Industries (Apr.)	20.00	7	100	64½	64½
1935	Hastings (Aug. Feb.)	25.00	6	100	80	105	1944-46	Shaw Wallace & Co. Ltd.	75.00	6½	100	119½	119½
1913	Hoochly (July)	11.00	6	100	82	107½	1937	Shree Gopal Paper	7.50	6	100	100	100
1902	Howrah (Jan. July)	7.75	10	10	13½	14½	1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	75	75
1919	Howrah "A" (Jan. July)	17.50	7	100	102½	114	1906	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	64	64
1898-04	Hukumehand (June Dec.)	40.00	7	100	102	118	1933	Smith Stanfield (Chemists) (Nov.)	5.00	10	50	161½	161½
1900	Kankarhatty (Apr. Oct.)	10.00	6	100	80	105	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6½	100	82	82
1935	Kankarhatty (Apr. Oct.)	10.00	6	100	87½	106	1937	Star Paper (Apr. Oct.)	35.80	6½	100	131	131
1907	Kelvin (Mar. Sept.)	10.00	7	100	95	108	1925	Surat Electricity (Apr.)	5.00	6	100	117½	117½
1895-09	Khardah (May Nov.)	9.00	6	100	108	121	1939	Tata Chemicals (Nov.)	60.00	6	100	121½	121½
1900-13	Kinnison (July Jan.)	15.00	6	100	89½	106	1910	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	101½	101½
1912	Lansdowne (July Jan.)	15.00	7	100	100	118	1911	Tata Iron & Steel (First) (Nov.)	75.00	6½	100	118½	118½
1906-07	Lawrence "A" (July Jan.)	5.00	7	100	103	117	1937	Tata Iron & Steel (Second) (May)	89.92	7½	100	127½	127½
1905	Lawrence "B" (July Jan.)	10.00	5½	100	76	110	1918	Tatapore-Balipara Tram (1) (June Dec.)	86.97	7½	100	139	139
1945	Nainhati (July Jan.)	7.50	7	100	110	124	1937	Titagarh Paper Mills (Mar. Sept.)	11.50	9	100	90½	90½
1917	National (May Nov.)	5.00	4½	100	73	81	1936	Titagarh Paper Mills "2nd" (Mar. Sept.)	15.00	4½	100	82½	82½
1939	Nellmarla (Apr. Oct.)	5.00	7	100	97½	125	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1915	New Central (Jan. July)	33.00	6	100	105½	114	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1908-09	Northbrook (July Jan.)	15.00	5½	100	79½	104	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1906-12	Rameshwara (Jan. July)	7.00	6	100	86	112	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1901	Reliance (Jan. July)	20.00	7	100	86	112	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1928	Sammugger (Feb. Aug.)	21.50	8	100	104	106½	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1920	Shree Ambica (Mar. Sept.)	11.70	7½	100	104	106½	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1895-01	Standard (July Jan.)	9.00	7	100	86	113	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1897	Titagarh (Feb. Aug.)	21.50	8	100	104	106½	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1901-02	Union (July Jan.)	6.00	7	100	101½	113	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1898	Victoria (Feb. Aug.)	21.50	8	100	104	106½	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½
1918	Waverley (Mar. Sept.)	7.50	5	50	49	57	1934	Vizagapatam Electric Supply (July)	1.00	6½	100	82½	82½

T=Dividend Taxable

BANKS

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

Paid-up Capital Ordinary	Reserve & other Funds	Cash and Investments	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.			Rs.	Rs.	1954	1955	1956	Rs.	30-1-57	22-1-57	A year ago		
											Rs.	Rs.	Rs.		
18,00,000	1,08,00,000	15,14,41,302	Allahabad Bank P.	12	15,61,784	12,42,653	18	18	..	100	36½	36½	36½		
14,50,000H											50	182½	183	185	
1,00,00,000H			1,28,00,000	15,47,78,001	Bank of Baroda	12	28,01,913	2,70,302	12	14	..	50	103½	103½	99½
2,50,00,000H			3,52,00,000	30,19,90,483	Bank of India	12	84,30,779	13,26,830	14	16	..	50	141	141	139½
15,30,875H			27,00,000	2,84,34,127	Bank of Indore	12	4,30,34½	64,708	8-6	7-2	..	50	52	52	52
50,00,000	84,00,000	4,91,52,936	Bank of Mysore	6-12	8,87,291	4,19,228	8-6	8-6	8-..	100	249	249	261		
2,62,11,875H 52,42,375	4,01,81,217	72,31,72,307	Central Bank of India	6-12	77,75,970	18,40,359	6-6	6-6	..	2½	54½	56½	47½		
£3,50,000	£5,000,000	£118,387,761	Chartered Bank	12	£982,465*	£495,375	15	15	..	£1	38/6	37/6	40/9		
£1,000,000H	£1,500,000	£27,951,090	Eastern Bank	12	£132,536*	£112,656	8	8	..	£½	£6½	£6½	£8½		
1,50,00,000	1,00,00,000	35,72,99,886	Habib Bank††	12	46,16,24½	105,890	14	7/12	..	2½	89½	89½	83½		
50,00,000H	26,00,000	2,16,65,215	Hind Bank	12	10,86,458	16,278	..	6	..	50	35	35	33½		
1,25,00,000H	15,43,000	3,45,51,078	Hindusthan Commercial	12	1,755	16,915	NH	NH	..	50	10½	10½	10½		
50,00,000H	1,75,000	1,21,08,411	Hindusthan Mercantile	12	71,191	1,519	NH	NH	..	50	13½	13½	14½		
HK\$25,000,000	£8,000,000	£143,692,832	Hong Kong & Shanghai	12	HK\$20,580,320	HK\$10,606,688	£51	£5 1	..	H\$12½	£91½	£92	£92		
£1,562,500 or 24,00,000	76,50,000	16,04,77,414	Indian Bank	6-12	13,93,697	130,785	12	..	..	100	207	209	191		
17,00,000											75	156	158	159½	
16,80,000			30,00,000	7,62,24,682	Indian Overseas Bank	12	16,55,725	2,28,295	6	7½	..	100	159	159	130
49,05,075			5,41,083	77,14,495	Indo-Commercial Bank	6-12	1,21,610	494	..	..	..	100A	42½	42½	42½
6,25,000A			15,00,000C	2,18,15,069	Industrial Finance Corpn	6	22,18,636	..	..	24½	..	50C	20	20	20½
2,50,000B	15,06,075	2,18,15,069								50.00	..	..	..		
10,00,000C	£17,000,000	£876,061,098	Lloyds Bank	12	£2,322,439	£558,006	15	12	..	£1	£2-11-0	£2-11-0	£214-6		
5,00,00,000	£1,750,000	£31,185,482	Mercantile Bank of India	12	£235,423*	£219,372	14	14	..	£2½A £2½B £1C	£3-18-6 £3-18-6 £2	£3-18-6 £3-18-6 £2	£4½ £4½ £4		
£18,565,070	£3,104,687	£73,681,481	National Bank of India	12	£693,626*	£342,158	15	15	..	sh 12½	20/6	20/6	20/3		
£375,000H £375,000H £720,000	97,50,090	54,32,69,580	Punjab National Bank	6-12	64,41,068	2,35,108	12	14	..	25	55½	56½	48½		
22,851,563H 87,50,000	33,00,000	3,08,68,308	Union Bank of India	12	6,75,646	1,75,874	6½	..	..	8	6½	6½	6½		
40,00,000	70,95,000	18,44,20,839	United Bank of India	12	14,61,418	1,69,796	3	3	..	10	4½	4½	4½		
2,66,55,625	95,00,000	28,38,69,679	United Commercial Bank	12	36,69,037	22,761	5	5½	..	50	56½	59½	52		
2,00,00,000															

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds including Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	30-1-57 22-1-57 A year ago
25,50,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,390	28,610	31-5 61-71 5-...	10	191 19 24
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,19,996	7,31,563	71-71 61-81 ..	200	456 450 560
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11 ..	10	61 61 7
2,25,000	5,30,054	3,64,478	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil Nil-Nil	10	16 16 16
15,97,000	14,16,065	6,34,475	13,29,761	Bhalorah	9	152	6,13,899	39,978	..	10	61 61 61
40,00,000	58,01,474	20,23,235	32,55,320	Bharat Collieries P	6	335	2,52,221	27,433	..	10	61 61 81
7,15,000	15,63,291	14,29,045	63,701	Bhulanbararee	6-12	106	20,810	1,87,446	Nil-Nil Nil-Nil	10	142 142 142
18,00,000	38,87,275	18,18,636	7,185	Bokare & Ramgur	6-12	315	1,21,936	9,196	..	10	121 121 14
7,50,000	18,56,889	24,29,026	11,60,066	Borra P	6-12	106	2,14,682	84,207	10-10 10-10	10	201 201 201
90,92,480	2,39,17,614	1,75,02,136	28,93,839	Burraur P	6-12	21	7,43,659	36,168	21-21 31-31 31-...	10	211 211 15
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	21-21 21-21 5	10	61 61 71
8,00,000	16,67,573	13,30,519	15,752	Central Kurkand P	6-12	323	84,743	82,768	..	10	121 121 11
6,00,000	1,43,672	7,32,538	3,20,309	Chauruli	6-12	106	2,129	1,129	..	10	21 21 31
16,00,000	24,00,428	Nil	50,309	Dharmic Main	6-12	19	60,039	1,83,318	Nil-Nil Nil-Nil	10	51 51 31
2,940,000	2,239,116	2,313,125	2,140,348	East Indian	4	128	8,96,155	5,89,922	181 221 ..	10	271 271 92
29,57,700	1,15,25,712	33,55,049	2,32,971	Equitable P	6-12	19	8,67,453	82,379	71-71 71-71 181	10	261 261 321
10,00,000	6,74,708	2,07,486	2,32,971	Gunstick & Musila	3	307	12,979	24,844	..	10	15 15 161
6,50,000	4,06,856	33,155	4,95,441	Jardar Kajora	6-12	20	24,150	2,401	..	10	11 11 41
8,00,000	7,25,000	7,92,425	4,95,441	Hurridadi	6-12	19	2,70,524	45,985	121-121 121-121	10	231 231 241
3,50,000	6,31,200	5,66,816	1,407	Kalapanahri	2-8	2	1,38,130	2,21,231	Nil-Nil Nil-Nil	10	221 221 20
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil Nil-Nil	100	101 141 201
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil	100	119 119 165
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jherriah	1-7	2	5,92,347	1,33,475	25-30 25-30 35	10	531 531 641
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	..	10	91 91 91
5,65,750	10,84,977	85,000	9,591	Mundulpur	6-12	326	79,868	79,868	Nil-...	10	21 21 31
7,48,240	3,46,939	2,00,000	10,14,803	Nadira	12	347	92,517	31,201	5 5 ..	10	61 61 7
7,00,000	5,13,418	26,617	61,841	New Bansdeopur	3-9	5	59,011	6,071	31-71 71-...	10	10 10 101
17,76,230	31,15,787	20,01,763	3,78,538	New Beerbhoom P	4-10	6	2,64,716	94,393	31-31 31-31	10	17 17 201
6,00,000	11,71,307	75,000	40,447	New Vambhoom P	3-9	202	25,330	2,233	Nil-Nil Nil-Nil	10	111 111 131
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	..	10	21 21 21
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil 61 71-...	10	171 171 221
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	56,646	5-5 5-5 ..	10	151 151 181
6,34,000	9,21,342	10,862	1,36,015	Parasae P	6-12	307	1,08,075	8,018	31-31 31-31	10	141 141 14
15,75,000	12,40,000	16,20,000	12,21,654	Pench Valley	3-6	236	4,18,450	33,343	81-71 71-71	10	191 191 251
2,50,000	1,26,405	1,900	11,750	Pure Sitalpur	6-12	5	2,008	18,881	..	10	6 6 61
23,99,500	36,99,424	20,71,105	67,898	Ranegunge	3-9	79	3,67,448	23,138	21-21 21-31 31-...	10	91 x.d. 91 x.d. 121
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	71-61 81-121	10	231 231 221
20,00,000	23,74,261	7,52,021	1,01,427	Samia	12	48	1,80,660	31,543	71 71 ..	10	121 121 14
2,50,000	1,50,194	11,356	1,35,560	Seasole	1	353	88,009	11,078	25 30 ..	10	21 21 5
8,00,000	2,32,824	5,29,306	7,97,726	Seebpore P	6-12	2	2,42,112	49,299	142/7-14/7 17/7-14/7	10	291 291 24
17,50,000	22,81,985	10,75,016	63,554	Sentia	6-12	106	4,098	7,503	Nil-11 11-11	10	9 9 111
8,00,000	1,43,000	13,69,395	21,89,890	Standard	2-8	21	59,079	51,533	Nil-11 11-11	10	101 101 121
10,00,000	15,58,085	15,075	3,919	Talcher	6-12	277	22,689	3,85,054	Nil	10	21 21 3
3,50,000	3,47,000	12,886	12,886	Union	6-12	279	54,089	9,659	21-Nil ..	10	131 141 71
49,98,000	33,65,550	50,000	2,17,164	Western Bengal	3	166	4,09,468	7,262	31 31 ..	10	101 101 11
7,00,000	32,65,173	21,569	61,400	West Jamuria	6-12	19	2,72,772	1,46,650	Nil-Nil Nil-Nil	10	11 11 131

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles Looms	Net Block Account	Reserve & other funds including Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up Share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	30-1-57 22-1-57 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	Basanti P	12	49	1,97,268	41,227	..	10	51 51 5
32,72,340	22,197	505	27,69,676	13,78,908	Banarees P	3-9	120	1,27,187	4,79,347	..	10	11 11 1
7,11,280	36,900	932	17,17,120	2,20,369	Bengal Luxmi	6-12	236	1,56,176	47,818	..	10	40 40 38
27,00,000	31,476	624	23,53,000	3,84,224	Bengal Nagpur P	6-12	236	5,22,389	18,199	..	10	91 91 101
15,00,000	38,764	992	28,31,200	88,48,588	Birla Cotton	3	22	16,69,225	2,76,936	..	15	301 301 95
6,00,000	42,872	641	37,94,142	22,72,588	Bowles P	6-12	138	44,028	23,477	Nil-Nil Nil-Nil	100	123 123 385
30,00,000	22,000	510	8,43,453	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	..	5	31 31 91
2,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9 9 ..	25	381 381 38
19,00,000	42,944	518	24,12,181	1,53,884	Dunbar	6-12	138	9,92,371	1,37,851	Nil-Nil Nil-21	100	199 199 304
63,00,000	54,000	1,200	22,44,751	66,33,360	Elgin P	3	25	22,80,469	93,386	10 10 ..	100	261 261 27
1,20,00,000	59,250	1,672	2,38,99,575	1,69,53,952	Kesoram P	3	22	37,41,719	2,45,435	..	20	151 151 17
6,00,000	35,864	864	17,48,143	7,75,679	Mohini P	12	45	9,53,311	5,158	..	10	75 75 118
33,96,288	88,000	1,625	47,44,541	52,19,601	Mul P	12	208	18,77,941	7,77,296	..	10	21 21 17
30,00,000	18,848	1,367	43,25,577	26,90,968	New Victoria P	12	237	18,83,371	13,76,473	..	10	11 11 11
19,47,1500	3,196	795	22,57,946	18,38,739	Rampoor Cotton	6	4	6,16,936	1,094	..	10	16 16 111
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,026	..	100	121 121 101
17,50,000	..	..	..	..	..	..	..	..	..	..	10	11 11 11
40,50,000	48,754	1,310	91,31,708	1,89,73,217	Bangalore W. C. Silk F.	12	26	96,34,938	2,38,640	30 30 ..	100	555 542 555
1,78,47,800	1,20,012	2,770	3,20,71,600	1,87,39,278	Buckingham Carnatic F.	12	26	1,01,66,075	2,38,445	10 10 ..	100	185 188 170
20,00,000	..	..	18,03,003	20,32,074	Jambodhi P	12	118	1,36,274	81,549	..	100	141 141 121
12,00,000	..	..	6,41,058	9,00,000	Joimbatore Cotton	12	210	8,53,750	61,400	..	100	385 385 346
20,78,800	72,832	407	9,01,212	1,34,686	Joimbatore Spg & Wvg	6	4	7,52,342	10,23,340	..	100	38 38 81
6,50,000	30,640	295	12,25,505	17,98,681	Kaleswarar	6	139	2,05,780	1,677	..	100	335 335 300
24,00,000	30,512	200	60,83,320	19,25,000	Kothari Textile P	6	141	6,24,560	42,942	..	10	151 151 171
23,64,000	48,756	..	15,01,051	21,70,206	Lakshmi	12	186	31,41,248	2,209	..	50	265 254 176
1,75,02,480	4,65,324	..	2,15,02,107	4,13,81,878	Madura	12	106	7,78,509	18,86,813	20 20 ..	15	47 48 50
12,00,000	41,856	..	1,80,303	10,32,898	Malabar Spg & Wvg	12	240	85,195	84,039	..	200	108 108 109
60,00,000	34,552	603	20,43,882	69,00,000	Vettur Industries	3	29	48,44,863	45,835	35 35 421	100	437 437 379
1,31,780	6,000	..	14,15,992	8,90,274	Mysore Spun Silk	3	142	1,753	3,986	..	80	81 81 150
4,00,000	20,137	Nil	3,36,606	3,00,000	Palani Andavar P	12	30	7,39,437	2,687	..	50	150 150 150
1,78,700	15,540	416	5,42,118	2,43,421	Palani Spg & Wvg	3	164	87,724	3,063	..	80	320 320 2591
7,00,000	8,104	270	12,98,563	16,23,501	Vasanta P	12	47	16,37,450	..	..	100	320 320 2591

† Liquid Assets.

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			
	Spindles	Looms									1954	1955	1956		29-1-57	22-1-57	A year ago	
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.		
33,00,000	48,652	1,016	78,94,641	23,32,650	13,56,778	Ahmedabad Advance P.	6	269	13,76,721	17,089	5	7	12	100	180	180	160	
50,00,000	48,254	896	20,17,010	9,99,960	10,78,399	Apollo	12	229	1,49,501	-2,24,496	Nil	..	..	2	2 1/2	21	22	
40,43,380	380	..	55,44,089	24,30,980	94,03,877	Beharilal Ramcharan	8	350	-4,14,858	45,946	..	..	..	..	45	48	52	
2,50,98,000	2,03,942	4,211	1,92,50,220	1,29,35,051	3,63,58,666	Bombay Dyeing etc	12	199	54,40,350	73,129	6	10	..	250	5633	5791	5108	
10,00,000	35,052	948	4,48,718	25,25,759	17,14,104	Bradbury P.	3	262	11,48,739	90,215	..	..	..	..	2312	2281	190	
20,00,000	28,948	496	26,33,376	5,00,000	38,709	Brosch Fine Counts	3	43	13,78,997	11,47,692	..	..	..	250	..	..	..	
1,09,42,000	1,18,296	2,760	94,77,147	2,63,96,826	32,49,344	Century	12	22	30,09,708	6,34,956	22	22	..	100	5003	507	455	
46,87,000	1,15,183	2,062	97,53,966	56,73,074	27,90,257	Central India P	6	269	39,652	3,703	2	3	..	100	123	127	139	
49,00,000	44,592	394	47,83,561	16,00,566	56,707	Colaba Land & Mill	12	344	-12,83,292	33,89,439	..	..	..	..	100	75	75	
20,00,000	24,816	719	37,34,829	32,52,434	1,01,653	Coolia	12	38	1,48,029	1,28,751	..	..	..	..	100	130	130	
16,00,000	43,512	..	13,26,202	26,53,597	18,49,861	Dawn	12	262	2,92,576	1,07,563	..	..	..	..	50	1783	904	
34,30,000	49,164	920	3,87,007	27,75,000	26,87,920	Edward Textiles	12	260	9,18,679	30,168	7 1/2	..	..	200	310	310	325	
25,00,000	33,948	382	24,22,101	1,00,000	33,29,433	Elphinstone P.	12	59	19,96,991	49,379	..	..	..	..	50	24 1/2	50	
42,00,000	46,072	784	22,83,234	28,21,167	33,47,251	Finlay	12	341	51,75,087	..	..	..	..	..	100	314	320	
39,04,700	77,966	..	19,78,309	43,25,176	23,64,706	Gokak	12	36	12,75,523	85,195	..	..	..	100	225	226 1/2	217	
50,00,000	71,872	1,397	61,31,596	2,46,297	52,000	Hinc Mills Ltd P.	6	156	5,20,791	1,891	4	..	..	..	10	..	..	
12,00,000	40,856	1,116	64,14,595	68,13,239	10,75,332	Hindustan	3	305	62,7,954	5,195	..	..	..	1,000	5,285	5,285	3,825	
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,706	3,182,629	India United	12	15	1,32,22,197	5,89,816	..	..	..	10	11	11 1/2	11 1/2	
60,00,000Dd.	..	..	..	..	..	..	..	..	..	..	..	..	..	1Dd	1 49/64	1 1/2	1 1/2	
90,00,000	47,824	1,202	76,80,490	61,57,161	4,26,274	Indore Malwa United	8	305	..	..	..	..	..	1,000	5,250	5,250	3,830	
50,00,000	50,074	1,426	48,56,928	57,99,513	..	..	12	103	..	47,407	..	..	..	100	14 1/2	142	95	
6,66,000	22,664	459	6,64,300	48,64,818	28,76,437	Khandesh	12	122	1,96,715	63,148	..	..	..	1,000	250	..	..	
84,000	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	
29,92,500	55,260	1,514	50,33,012	49,54,660	24,68,047	Khatrau Makunji P.	6	149	4,92,780	22,865	..	..	..	100	255 1/2	223 1/2	227 1/2	
1,00,00,000	1,48,646	1,846	63,33,296	1,34,00,000	8,16,258	Khoonor	12	146	31,21,850	33,960	18	18	..	100	324 1/2	331 1/2	324	
32,00,000	51,972	1,213	35,76,448	77,40,640	9,87,456	Lakshmi P.	12	14	13,97,807	14,744	13 1/2	..	..	250	680	680	650	
29,59,700	36,416	551	39,80,599	19,58,031	12,15,175	Minerva	12	126	1,98,449	16,588	5	6	..	100	..	160	155	
94,91,850	52,408	1,020	74,24,442	73,31,527	9,17,444	Model Mills Nagpur	6	149	47,72,626	27,241	..	..	..	250	180	161	157	
51,75,000	50,560	1,665	54,24,444	33,62,000	67,504	Marorjee Goolaldas	6	104	12,50,550	26,715	14	14	..	100	261 1/2	261 1/2	230	
24,83,500	48,794	500	43,79,635	50,54,445	30,78,517	Sree Nivas Cotton P.	2	261	49,43,370	19,401	17	12	18	50	102 1/2	102 1/2	103 1/2	
24,00,000	45,944	432	23,52,760	7,45,700	10,79,300	Mysoore Spg & Mfg P.	12	42	15,67,753	8,456	..	..	..	100	147 1/2	145	140 1/2	
46,884	1,029	21,77,099	25,72,444	27,32,568	New City of Bombay	10	43	12,48,697	153	..	..	..	..	100	241 1/2	241	191	
49,94,106	24,708	469	51,34,029	99,86,656	72,32,382	New Great Eastern P.	10	272	13,84,608	1,79,408	..	..	..	..	..	..	..	
45,00,000	54,244	728	55,04,222	3,02,839	1,54,21,626	Osmanshah	12	273	21,927	27,380	..	..	..	100	147 1/2	145	137 1/2	
5,00,000	3,520	277	99,277	1,13,556	3,28,231	Sassoon & Alliance Silk	12	257	2,10,343	8,507	..	..	..	..	9 1/2	14	14	
25,00,000	60,240	1,288	47,75,324	60,49,474	45,94,677	Sassoon Spinning	12	339	22,21,695	10,145	..	..	..	10	40	40	35	
16,00,000	1,11,390	2,234	11,46,629	1,51,25,293	38,22,524	Sholapur	3	183	24,07,965	1,95,119	..	..	..	1,000	1,400	1,400	1,000	
42,00,000	34,840	1,276	15,03,540	49,02,198	98,89,468	Simplex	12	36	19,98,556	35,935	..	..	..	..	100	182 1/2	184 1/2	180 1/2
10,00,000	66,068	..	23,20,721	50,6,251	18,35,691	Sree Nivas Cotton P.	12	327	20,80,610	1,53,662	..	..	..	..	100	188 1/2	195	210 1/2
1,00,00,000	65,040	2,000	1,24,92,659	94,75,000	36,63,495	Swadeshi P.	12	269	15,47,509	67,611	8	12	..	100	228	235 1/2	206	
24,00,000	31,450	528	46,34,446	56,58,670	12,465	Swan	12	341	..	..	..	..	..	..	415	418 1/2	405	
32,78,938	63,248	1,800	11,08,992	57,21,006	17,34,476	Tata	12	269	8,25,380	43,485	10	16	..	..	50 1/2	51 1/2	52 1/2	
32,00,000	54,280	1,495	59,56,889	36,84,372	6,72,046	Vishnu P.	12	14	7,77,492	23,125	4	8	..	1,000	147 1/2	150 1/2	150 1/2	
22,00,000	45,508	1,308	62,07,411	12,11,933	31,81,227	Western India	3	305	52,10,985	8,027	..	..	..	1,000	5,280	5,180	3,875	

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Agents refer to the Key (last p.

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BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & Other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	1956	1955	1954	1953	1952	1951	1950	1949	1948	1947	1946	1945	1944	1943	1942	1941	1940	1939	1938	1937	1936	1935	1934	1933	1932	1931	1930	1929	1928	1927	1926	1925	1924	1923	1922	1921	1920	1919	1918	1917	1916	1915	1914	1913	1912	1911	1910	1909	1908	1907	1906	1905	1904	1903	1902	1901	1900	1899	1898	1897	1896	1895	1894	1893	1892	1891	1890	1889	1888	1887	1886	1885	1884	1883	1882	1881	1880	1879	1878	1877	1876	1875	1874	1873	1872	1871	1870	1869	1868	1867	1866	1865	1864	1863	1862	1861	1860	1859	1858	1857	1856	1855	1854	1853	1852	1851	1850	1849	1848	1847	1846	1845	1844	1843	1842	1841	1840	1839	1838	1837	1836	1835	1834	1833	1832	1831	1830	1829	1828	1827	1826	1825	1824	1823	1822	1821	1820	1819	1818	1817	1816	1815	1814	1813	1812	1811	1810	1809	1808	1807	1806	1805	1804	1803	1802	1801	1800	1799	1798	1797	1796	1795	1794	1793	1792	1791	1790	1789	1788	1787	1786	1785	1784	1783	1782	1781	1780	1779	1778	1777	1776	1775	1774	1773	1772	1771	1770	1769	1768	1767	1766	1765	1764	1763	1762	1761	1760	1759	1758	1757	1756	1755	1754	1753	1752	1751	1750	1749	1748	1747	1746	1745	1744	1743	1742	1741	1740	1739	1738	1737	1736	1735	1734	1733	1732	1731	1730	1729	1728	1727	1726	1725	1724	1723	1722	1721	1720	1719	1718	1717	1716	1715	1714	1713	1712	1711	1710	1709	1708	1707	1706	1705	1704	1703	1702	1701	1700	1699	1698	1697	1696	1695	1694	1693	1692	1691	1690	1689	1688	1687	1686	1685	1684	1683	1682	1681	1680	1679	1678	1677	1676	1675	1674	1673	1672	1671	1670	1669	1668	1667	1666	1665	1664	1663	1662	1661	1660	1659	1658	1657	1656	1655	1654	1653	1652	1651	1650	1649	1648	1647	1646	1645	1644	1643	1642	1641	1640	1639	1638	1637	1636	1635	1634	1633	1632	1631	1630	1629	1628	1627	1626	1625	1624	1623	1622	1621	1620	1619	1618	1617	1616	1615	1614	1613	1612	1611	1610	1609	1608	1607	1606	1605	1604	1603	1602	1601	1600	1599	1598	1597	1596	1595	1594	1593	1592	1591	1590	1589	1588	1587	1586	1585	1584	1583	1582	1581	1580	1579	1578	1577	1576	1575	1574	1573	1572	1571	1570	1569	1568	1567	1566	1565	1564	1563	1562	1561	1560	1559	1558	1557	1556	1555	1554	1553	1552	1551	1550	1549	1548	1547	1546	1545	1544	1543	1542	1541	1540	1539	1538	1537	1536	1535	1534	1533	1532	1531	1530	1529	1528	1527	1526	1525	1524	1523	1522	1521	1520	1519	1518	1517	1516	1515	1514	1513	1512	1511	1510	1509	1508	1507	1506	1505	1504	1503	1502	1501	1500	1499	1498	1497	1496	1495	1494	1493	1492	1491	1490	1489	1488	1487	1486	1485	1484	1483	1482	1481	1480	1479	1478	1477	1476	1475	1474	1473	1472	1471	1470	1469	1468	1467	1466	1465	1464	1463	1462	1461	1460	1459	1458	1457	1456	1455	1454	1453	1452	1451	1450	1449	1448	1447	1446	1445	1444	1443	1442	1441	1440	1439	1438	1437	1436	1435	1434	1433	1432	1431	1430	1429	1428	1427	1426	1425	1424	1423	1422	1421	1420	1419	1418	1417	1416	1415	1414	1413	1412	1411	1410	1409	1408	1407	1406	1405	1404	1403	1402	1401	1400	1399	1398	1397	1396	1395	1394	1393	1392	1391	1390	1389	1388	1387	1386	1385	1384	1383	1382	1381	1380	1379	1378	1377	1376	1375	1374	1373	1372	1371	1370	1369	1368	1367	1366	1365	1364	1363	1362	1361	1360	1359	1358	1357	1356	1355	1354	1353	1352	1351	1350	1349	1348	1347	1346	1345	1344	1343	1342	1341	1340	1339	1338	1337	1336	1335	1334	1333	1332	1331	1330	1329	1328	1327	1326	1325	1324	1323	1322	1321	1320	1319	1318	1317	1316	1315	1314	1313	1312	1311	1310	1309	1308	1307	1306	1305	1304	1303	1302	1301	1300	1299	1298	1297	1296	1295	1294	1293	1292	1291	1290	1289	1288	1287	1286	1285	1284	1283	1282	1281	1280	1279	1278	1277	1276	1275	1274	1273	1272	1271	1270	1269	1268	1267	1266	1265	1264	1263	1262	1261	1260	1259	1258	1257	1256	1255	1254	1253	1252	1251	1250	1249	1248	1247	1246	1245	1244	1243	1242	1241	1240	1239	1238	1237	1236	1235	1234	1233	1232	1231	1230	1229	1228	1227	1226	1225	1224	1223	1222	1221	1220	1219	1218	1217	1216	1215	1214	1213	1212	1211	1210	1209	1208	1207	1206	1205	1204	1203	1202	1201	1200	1199	1198	1197	1196	1195	1194	1193	1192	1191	1190	1189	1188	1187	1186	1185	1184	1183	1182	1181	1180	1179	1178	1177	1176	1175	1174	1173	1172	1171	1170	1169	1168	1167	1166	1165	1164	1163	1162	1161	1160	1159	1158	1157	1156	1155	1154	1153	1152	1151	1150	1149	1148	1147	1146	1145	1144	1143	1142	1141	1140	1139	1138	1137	1136	1135	1134	1133	1132	1131	1130	1129	1128	1127	1126	1125	1124	1123	1122	1121	1120	1119	1118	1117	1116	1115	1114	1113	1112	1111	1110	1109	1108	1107	1106	1105	1104	1103	1102	1101	1100	1099	1098	1097	1096	1095	1094	1093	1092	1091	1090	1089	1088	1087	1086	1085	1084	1083	1082	1081	1080	1079	1078	1077	1076	1075	1074	1073	1072	1071	1070	1069	1068	1067	1066	1065	1064	1063	1062	1061	1060	1059	1058	1057	1056	1055	1054	1053	1052	1051	1050	1049	1048	1047	1046	1045	1044	1043	1042	1041	1040	1039	1038	1037	1036	1035	1034	1033	1032	1031	1030	1029	1028	1027	1026	1025	1024	1023	1022	1021	1020	1019	1018	1017	1016	1015	1014	1013	1012	1011	1010	1009	1008	1007	1006	1005	1004	1003	1002	1001	1000	999	998	997	996	995	994	993	992	991	990	989	988	987	986	985	984	983	982	981	980	979	978	977	976	975	974	973	972	971	970	969	968	967	966	965	964	963	962	961	960	959	958	957	956	955	954	953	952	951	950	949	948	9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The only real function of Bank rate in India at the present time is as an indicator of the rate of interest at which the Government is prepared to borrow from the market. It also has a limited psychological influence on the thinking of Indian business men, although this has probably been completely destroyed by the decision to distinguish between the rates at which the Reserve Bank will discount bills and that at which it will lend against them. To sum up: The only real advantage which can be gained from keeping the official Bank rate steady is that the Government will still be able to launch its borrowing programme at 3½ percent interest instead of 4 percent. That is if the market is prepared to accept Government loans at this rate without demanding too much discount; a possibility which could involve serious consequences for the Government's credit. There is the additional minor factor that it will still be possible for the Centre to lend to the States at the old rate.

The question arises whether this artificial distinction, with its rather nebulous advantages, can be maintained for long. Once again, there are no short-term money movements to take into consideration. The whole effect is internal and must act through the market's evaluation of the Government's creditworthiness. In the past, there has been little difficulty in raising all the money required, although, as was particularly noticeable last year, this has occasionally been done at the expense of the State Governments' borrowing programmes and the debenture section of the share markets. Bearing in mind the present trends in the saving habit, there is no guarantee that the market will go on taking up ever-increasing quantities of Government loans at a rate of interest which is out of line with the economy's yield structure, in spite of the fact that life insurance, the largest investor in this kind of security, is now Government owned. There may, in fact, be an unnecessary disincentive in having a Bank rate which is no longer realistic. The conclusion would seem to be that the desire to make more profit has put the Reserve Bank into a position where an ultimate increase in Bank rate is inevitable. Apart from the question of whether this amounts to good management in monetary matters or not, it remains a fact that the Government, by its actions, has brought Bank rate to a completely impotent and slightly disreputable position. All idea of its ever being used for its true purpose of regulating the supply of credit in the economy, must be abandoned for the time being. It is doubtful if its new substitute in this purpose, the lending rate against Government securities and eligible paper, will be any the more effective even if it is raised above the present level. In an economy such as India's is at the moment, where costs are of such little importance when compared to needs, the only effective instrument of control would be that of physical discrimination between conflicting demands. This is a method which was tried last year with some success. Further policy shaped along these lines would have less impact on the costs of the economy, and, incidentally, would have a more beneficial effect on inflation, than any tinkering with Bank rate either by increasing it, or by replacing it by another rate and increasing that.

BANKERS' ADVICE TO THE NEW CHANCELLOR GROWING DISLIKE OF DEAR MONEY

THE annual statements by the chairmen of the British banks are usually more conscientious than original, weighty declamations on more or less familiar themes. They are always relevant to the financial situation as it exists when the statements are prepared. This year, however, major changes in the Government occurred in the middle of the bankers' "season". Thus, between preparation and publication the statements were overtaken by events. However, an extensive change of personnel provides an opportunity for a change of policy. Mr. Peter Thorneycroft, the new Chancellor of the Exchequer, has doubtless studied the bankers' recommendations. He may respect their opinions, even though similar recommendations from other quarters have not hitherto had much obvious effect. The banks' chairmen are noted for their individualism. They have never hesitated to criticise official policy, no matter what Government is in power. Sometimes they have uttered words of warning, almost of alarm. This year, despite the crisis from which Britain has not yet fully emerged, the note of anxiety is almost inaudible. But the bankers are not altogether satisfied with policy.

As individualists, the bankers sometimes utter opinions that conflict with those of their colleagues. Usually, however, because all of them view the same situation from approximately the same standpoint, there are one or two themes that are stressed by most or all of them. This year they are generally critical of the high level of interest-rates,

and of the high level of taxation. Not for the first time, they emphasise the excessive expenditure of the Government, which is directly relevant to interest-rates and taxation. The burdensome expenditure on defence has been specifically mentioned as incompatible with economic health. The need to invest in national development has been duly appreciated. The economies in defence announced soon after the new team took office did not represent a new policy, rapidly emerging. Nor did the prompt statement of the new Minister of Power, Sir Percy Mills, that the nuclear-energy programme would be greatly expanded. The decisions on which these announcements were based had already been made by the old administration. They represent no more than a tiny fraction of an annual bill of more than £1,500 million for defence. However, the first public statement by the new Prime Minister, Mr. Harold Macmillan, emphasised the Government's policy of economising this expenditure. "No vested interests, however strong, and no traditions, however good, must stand in our way", he said.

Constructively, two special priorities were announced by the Prime Minister: power and education. The one is needed to provide the energy for increasing production, the other to provide the skilled personnel for expansion and efficiency. Some resources will be transferred from defence to these creative purposes. A problem with these economies, however, is that they take a long time to show results financially, and in terms of resources transferred. A large part—and economically the most damaging part—of the defence expenditure relates to scientific research and to development of the results of such research. This kind of organisation cannot be reduced as quickly as the number of men in an army. Factories tooled-up to produce weapons cannot be immediately re-tooled to produce machines or instruments of peace. It is not expected that next April's Budget will show any remarkable effects of this change of policy on defence (a change that will be designed to make it not less effective but more efficient). Similarly, the increase in resources devoted to investment (in equipment and personnel) will be a slow process, which will probably not make heavy demands on the national finances until a year or two hence. In the meantime, however, some positive financial stimulus is needed. It is at this point that the bankers' objections to "dear money" may receive sympathetic consideration. There were signs before he left the Treasury that Mr. Macmillan had some doubts about the policy of high interest-rates that he had helped to enforce. It is a costly policy for a Government that must live with a huge debt—and a serious burden on the balance of payments when a substantial part of that debt is held abroad. Mr. Macmillan's successor, Mr. Thorneycroft, had opportunities, in his previous position at the Board of Trade, to observe the restrictive commercial effects of high interest-rates—and he is a man who believes in expansion.

Most of the City, and of course, industry itself, would approve a reduction of interest-rates as a stimulant to production and capital-investment. But the British economy is still delicately poised between inflation and deflation. There are, indeed, many symptoms of deflation, and if the process went much further it would be damaging economically as well as politically. On the other hand, a policy of stimulation could undo much of the good work arduously performed in the past years' struggle against inflation. A reduction of interest-rates would be a stimulant; so would a reduction of taxation. The bankers have appealed for both. But until expenditure on defence is substantially reduced the community will probably have to be content with either the one or the other, and it is likely that the Government will favour lower interest-rates, which would benefit mainly production and trade, rather than lower taxes, which would equally benefit consumption. This is not the first year when the bankers have been criticised as appealing for too much—for advocating policies whose implications they have not clearly worked out. A policy of relaxation and expansion has been proposed by the bankers, and it is certainly acceptable to the reconstituted Government. But we shall not be allowed to forget that when a similar policy was adopted a few years ago a period of dangerous inflation followed. That policy was not the only cause of the inflation; and the basic position is probably less inflationary now. But the warning remains.

CURRENT COIN

B. I. Takes Mackinnons' Shipping.—A reorganisation of the structure and Board of the British India Steam Navigation Company—a member of the Peninsular and Oriental Steam Navigation group—has been announced. British India has acquired the shipping business of Mackinnon, Mackenzie and Co. (Private) Ltd. This concern is successor to Mackinnon, Mackenzie and Co. who have been managing agents of the British India company since 1882. Mackinnon, Mackenzie is

established in Calcutta and Bombay and has associated companies in Pakistan, Burma, Ceylon, Singapore and Malaya, Hongkong and Japan which have also been acquired. In addition, British India's London agency, held by Gray Dawes and Co. since 1885, has been terminated by mutual arrangement, and that part of the Gray Dawes' staff employed on the London agency has been engaged by British India. For many years membership of the Board of the British India company has been substantially the same as that of the parent concern, Peninsular and Oriental Steam Navigation Company. It has been decided now, however, to appoint a separate Board for British India. Sir Donald Anderson (hitherto a deputy chairman and managing director), Viscount Bledisloe, Viscount Bruce of Melbourne, Sir John Hathorn Hall, Mr. A. O. Lang, Viscount Leathers, Mr. A. D. Marris and Viscount Runciman of Doxford have resigned from the British India Board. The new Board now comprises: Sir William C. Currie, who remains chairman and managing director; Mr. E. J. Pakes (deputy chairman and managing director); Mr. K. M. Campbell (managing director); Mr. W. Dalgarno; Mr. A. T. Orr Deas; the Earl of Inchcape; Mr. W. Kerr; Mr. C. S. Mundy; and Viscount Simon, who has ceased to be a deputy chairman and managing director. The new members of the Board are Mr. K. M. Campbell, Mr. W. J. Campbell, Mr. W. Dalgarno, Mr. W. Kerr, and Mr. C. S. Mundy. Mr. Pakes has been a managing director of British India since 1954. Mr. G. B. Sibley, Mr. J. W. Dixon and Mr. R. B. Monteath have been appointed general managers. Mr. C. E. Ford succeeds Mr. W. Kerr as secretary of the company, while Mr. C. H. Minett, Mr. A. J. Ovey, Mr. J. R. Sharpe and Mr. L. G. Hudson have been appointed managers. British India is moving to new offices at 1, Aldgate, London, E.C.3.

Sir Alexander Fleck in India.—Sir Alexander Fleck, K.B.E., F.R.S., Chairman of Imperial Chemical Industries, England, has been visiting Calcutta this week. Sir Alexander became Chairman of I.C.I. Ltd. in June, 1953. Born in Glasgow in 1889, he started his working life as a laboratory assistant at Glasgow University and later took a chemistry degree at that University. During the first world war he joined Castner-Kellner Alkali Company, which eventually became part of I.C.I. by the merger of 1928. In 1931, he became managing director of I.C.I.'s General Chemicals Division and six years later was placed in charge of I.C.I.'s agricultural and fertiliser interests, later known as Billingham Division. He joined the I.C.I. Board in 1944 as director responsible for Billingham Division and for Central Agricultural Control. This is the second visit paid by Sir Alexander to India in three years, and is intended to keep abreast of India's growing industrialisation. He will examine at first hand the part to be played in that growth by I.C.I.'s associates in this country. Of these, Imperial Chemical Industries (India) Private Limited has for some years been following a policy of expanding production. The period since Sir Alexander's last visit saw the start of a new company, Indian Explosives Limited, in which I.C.I. (India) is at present the principal shareholder in partnership with the Government. This company is building a factory at Gomti in Bihar for the manufacture of the country's requirements of commercial blasting explosives. Another of I.C.I. (India's) associated companies, the Alkali and Chemical Corporation of India Limited, which has a large public shareholding, has for years been manufacturing at Rishra near Calcutta chlorine, caustic soda, B.H.C. insecticides, and high quality nitrocellulose and synthetic paints and industrial finishes. The quantities produced at this factory continue to increase. It has recently begun the erection of a plant for the manufacture of polythene. Atle Industries Private Limited, a company in which I.C.I. (India) is a partner with Atul Products Limited, is manufacturing vat dyes at Bulsar near Bombay and is at present extending its plant. I.C.I. (India) has a large dyes mixing and packing plant in Bombay and is at the moment erecting a plant to make textile and dyeing auxiliaries. In addition to the products manufactured indigenously, India still requires imported chemicals, and I.C.I. (India) continues to market I.C.I. products in this country, together with those of other agency principals.

Indian Coffee Report.—The statistical appendices to the latest annual report of the Indian Coffee Board for 1954-55 reveal that a progressive rise in seaborne exports has followed the increase in production. Norway and Denmark, important pre-war markets, bought larger quantities than the United Kingdom or Germany. It is curious that Malaya took more coffee than Saudi Arabia or Egypt. Fluctuations in volume are probably due to licensing policy, but Sweden took far less than Switzerland or Denmark. The statistics confirm the impression that eastern Europe was an inconsiderable market for Indian coffee in the decade 1945-55 and that the offtake of Pakistan by land or sea was negligible compared with that of Bahrain. The demand from the U.S.A. for Indian coffee was also negligible. That country is still the biggest world consumer, but in Europe the leading buyer

is France. Latin American countries have a very small trade in coffee since most are producers. Neither the Far East nor Africa has any trade in coffee, but it is noteworthy that French West Africa is a producer like Kenya and Tanganyika. The many grades of coffee produced in India sell at varying prices, but it is surprising to find Liberia coffee listed as a distinct variety like that from Travancore. Whether the rise in coffee consumption in 1954, during which year tea prices rose steadily, was due to the price advantage held by coffee is an interesting query raised by the statistics, which also make it clear that in 1954 Indian coffee was far cheaper than Brazilian or Colombian, the varieties still preferred by the U.S.A. The labour statistics indicate that in both Mysore and Madras over 66,600 persons were employed on coffee estates. The chief producing centre is Chickmagalur in Mysore, while cultivation in the Palnis has also made Madurai an important producing district. Wages in Madras for men and women were higher than in Mysore or Coorg in March 1952 and the objections taken by employers to the Plantation Award of October 1956, are underlined by the differences between wages fixed in Travancore-Cochin in June 1951 and the scales prescribed in the award for Madras estates.

Industrial Expansion in Bihar.—In his presidential address at the annual general meeting of the Bihar Chamber of Commerce last week in Patna, Mr. S. P. Jain pointed out that although Bihar had abundant natural wealth, the per capita income of its people was as low as Rs. 188 a year—that is, the lowest in India next to Orissa. It supplied 54 percent of the country's coal, 100 percent of its copper, 48 percent of its iron ore and 60 percent of its mica. Vast mineral wealth still lay untapped. Bihar also had the largest steel-making centre in Asia and the largest single centre for cement and paper boards. Yet its economy was mainly agricultural, as the low per capita income figure suggests. Mr. Jain was glad that Bihar's second five year plan was the largest after those of Bombay and Uttar Pradesh. The scope for developing engineering and chemical industries was vast. The State had the skill and experience for industrial development, but it was essential to co-ordinate various activities. There were some handicaps, however, such as those arising from the lack of accurate and up-to-date statistical information from the shortage of transport and from the Government's steel and coal pricing policies. Dealing with the first, he pointed out that the production targets in the State's second plan were based on the figures for 1949-50 and 1951, and he was unable to follow how without the 1955-56 figures, new targets for 1960-61 could be correctly determined. The inadequacy of transport made several mineral-bearing areas inaccessible. The Government, by fixing a uniform price for coal, has deprived Bihar's industries of an important economic advantage. Small-scale engineering industries there actually suffer a price handicap when they have to buy their steel from producers outside the State, an anomaly arising from the present steel distribution policy. Mr. Jain suggested that the Bihar Government pay greater attention to these questions in the interests of economic development.

Liberty Ships from U.S.A.—The Deputy Secretary to the Transport Ministry, Mr. S. K. Ghose, has returned from the United States after negotiating for the purchase of 12 Liberty ships for use in India's coastal trade. The U.S. Government has so far neither agreed nor refused to sell these ships. The question has been pending for some years. There are almost 2,000 ships in the U.S. "mothball" fleet; they are kept in reserve for emergencies, and can only be sold by a special Act of the U.S. Congress. But a shipping lobby in it is opposed to the sale, mainly because it might tend to intensify competition. India is not the sole potential purchaser. There are many others and their demand totals about 200 ships. As explained by Mr. Ghose, India's case is different from that of the others. She wishes to use these ships in her coastal trade, thereby adding to the transport potential for the second five year plan. In the coastal trade, there can be no competition with U.S. shipping. Each ship has a capacity of 8,000 tons, and the 12 ships would be an extremely useful contribution to the coastal fleet. The Government has decided to raise the rate of interest on loans to shipping companies to 4½ percent, and thereby make the rate uniform for coastal and overseas shipping companies. At present, coastal shipping companies pay 4½ percent interest and overseas shipping companies pay 2½ percent. The Production Ministry meanwhile is evolving a new formula for fixing the prices of ships manufactured at the Hindustan Shipbuilding Yard. The existing procedure is that the Government gives a subsidy after fixing the price of a ship manufactured in India on the basis of the price for a similar ship manufactured in Britain. According to the proposals now being discussed, the Government will fix the price of a ship on the basis of its cost of production, and then a rebate of, say, 20 percent will be given. In other words, prices will no longer be linked to British

prices. An early decision is expected. The Government is also examining other demands made by Indian shipping companies, including one for extending the repayment period for loans from 15 years to 20 years, and another for increasing the quantum of loans from 75 percent of the price of a ship to 95 percent.

Outlook for British Exports.—The January issue of the G.E.C. Export Guide shows that, in general, Britain's export prospects have grown brighter since October. This is because of an improvement in the internal economies of several countries. Whatever the short-term implications of the Suez troubles for Britain's domestic economy, world demand for goods remains undiminished. Hence, it is all the more important for British manufacturers and exporters to concentrate on expanding their sales to new and to existing markets. This is the G.E.C. Export Guide's prognosis about the current "outlook for British exports" to select countries: continuing good prospects for British exports to Canada, Federation of Rhodesia and Nyasaland, India, Switzerland, the U.S.A., Venezuela and Western Germany. Since the publication of the last Guide (October, 1956) the outlook has improved in Argentina, Australia, Belgium, Norway and Spain, and trading prospects are particularly good with Ceylon, Gold Coast, Kenya, New Zealand, Nigeria, Sweden and South Africa. Export prospects continue to improve with the Irish Republic, Italy, Malaya and Singapore and Trinidad. Market prospects for British exports have deteriorated in Iraq, the Netherlands, Pakistan and Russia, and the deterioration continues in Burma, Denmark, Finland, France, Hongkong and Portugal. Evaluating the U.K.'s overall export opportunities in the 34 most important foreign markets for the 36 groups of manufactured products shown in the Guide, it is found that in 14 of them the outlook is "good", in nine prospects are "improving", in ten "deteriorating" and only in one, in Egypt, are prospects "bad". Unless British exporters look upon the emergence of the European Common Market—with the Messina countries taking the lead by signing a Common Market treaty early this year—as a favourable long-term development for their exports, they will miss an immense opportunity for enriching U.K. world trade. Based on the first ten months' trading returns, U.K. imports were at the annual rate of £869.2 million from the 11 countries which one day might form the free trading area (Belgium, Luxembourg, France, Italy, Holland, Western Germany, Switzerland, Austria, Denmark, Sweden and Norway) and exports were at the rate of (including re-exports) £783.7 million. Looking toward the future, what are Britain's trading prospects with these 11 European countries? It appears that Britain is in a good position to develop her trade advantageously. This is shown by the fact that between 1949 and 1956 the U.K.'s imports have almost doubled (a 99 percent increase) and exports more than doubled (a 119 percent increase) to these countries. In sum, even discounting the implications of the emerging new free trading area in Europe, British trading relations with this fast expanding region must be reinforced if Western Germany is not to steal a march on the U.K.

THE FAMINE AND THE PLAGUE

IN an article on the "Government of India and Private Charity", *The Times* remarks that "the policy of the Government is suggestive of the reign of an Irish rather than of a Scottish Viceroy." We consider the remark very much out of place, because two of the very best Viceroy lords that India ever had, viz., Lord Mayo and Lord Dufferin, were Irishmen. And we have no hesitation in saying that if either of these distinguished noblemen had been at the head of affairs at the present juncture there would have been no complaint of any delay or want of promptness in the measures taken, and the public would have had the fullest confidence in them—a confidence which they certainly are unable to accord to the present Government. The miserable policy of delay, delay, delay which has characterised the Government of India in dealing, first with the famine and then with the plague, may have consequences of the most serious moment to India. We are fully in accord with the articles which have appeared in the *Englishman* and *Statesman*. Compared with what may be the far-reaching consequences of the plague, the famine almost dwindles into insignificance. The plague has now assumed a national and imperial importance, and unless the Government deals promptly with the matter in an imperial way and from the imperial funds, we warn Lord Elgin that the future historian will have something very different to say about him from that which, when he addressed his Council on the subject, he fondly anticipated would be the verdict upon him. The absolute ruin of a great Empire is hanging in the balance, and we have at the head of affairs a nobleman who is apparently quite incapable of grasping the situation.

FROM

CAPITAL

3rd February, 1897.

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SOME CASES IN THE ENGLISH COURTS

THE CAUSES OF DELIGHT: FAT MAN AS AN OCCUPATION

(FROM OUR LEGAL CORRESPONDENT)

WE are indebted to *Law Notes* for several more pleasing incidents of errors by lady typists. The words dictated were ".....would considerably reduce the access of daylight to one part of the premises." The typed version read ".....would considerably reduce the causes of delight to one part of the premises." "The second version," says our contemporary, "might have been more apt of course. It depends upon what was obstructed." The causes of delight were increased by the typist who reproduced a complaint by a purchaser's solicitor about bursts in the pipes of the water system as "When our client turned on the water, five bursts were revealed." On the other hand, here is an example of meticulous accuracy on the part of a client to whom his solicitors had sent a deed for execution with the request that he should fill in his occupation in the blank space left for that purpose. He sent a covering letter with the deed running as follows (the punctuation is unaltered): "Dear Sir,—I have signed the name on the stamp. I have given my occupation Fat Man I will give it in full Fat Man in a Sponge Cake Dept. You see it is a Process of Melting Fat and putting it in a machine for spraying on a machine for making them damp with Fat Before going into an oven for Baking so that it help them to Bake without sticking to the Cups the Sponge is mixing on."

And what about this one from a bank? "Confidential. For your private use and without responsibility on the part of this Bank or the Manager, Dear Sir, In reply to your enquiry letter of.....re Mrs. Bankers say: The above is highly respectable and considered good for your figure and purpose. Yours faithfully." "The above," comments *Law Notes*, "is a reference recently received by a reader which seems a little ambiguous in the absence of extrinsic evidence as to the enquirer's figure and purpose." This application from a hopeful aspirant to a job in a legal office seems, perhaps, "a little ambiguous" too. A solicitor advertising for a male clerk received a letter from a youth of 21 who applied on the grounds that he was "very interested in clerical work, and also in soliciting." The young gentleman added that at school he was "thought to be of normal standard."

The past year saw a number of interesting cases on negligence, than which it is probable that there is no other subject on which the lawyer has more difficulty in giving definite aye or nay advice. The

only method the practitioner can follow is to bear in mind the legal, which is also the commonsense, meaning of negligence and do his best to apply it to the particular facts. "Negligence" is the doing of something which a reasonable and prudent man would not do or the omission to do something which a reasonable and prudent man would have done. The trouble is that reasonably prudent men such as juries, judges and one's own professional colleagues with whom one talks over the matter as often as not disagree as to what this fictional reasonable and prudent man of the law's creation would have done or would have omitted to do, on the facts of the particular case under consideration. Reading through the 1956 English reports on cases of alleged negligence one is astonished at the number of appeals from one judge to others where the facts are quite simple, and still more at the number of times even in the Court of Appeal and the House of Lords one finds a minority of judges disagreeing with the majority. It confirms one in the opinion, held for years and often expressed in this column, that the average business man, in a case of alleged negligence in which he is interested, is more likely to come to a correct conclusion than his own lawyer, and that the more learned the latter gentleman is, the less likely he is to come to a right decision. For learning does not imply the possession of commonsense, which faculty the commercial man is in the habit of exercising every day of his life, and every question of negligence is primarily a question of commonsense.

Perhaps the reader will oblige the writer by considering the facts in this 1956 case and then coming to his own conclusion before he reads the decision of the Court of Appeal. One is almost prepared to guarantee that he will—and one submits—rightly disagree with the latter. These were the facts. The Ilfracombe Urban District Council provided, for the recreation of the residents of and visitors to that Devonshire seaside resort, a public recreation ground. The ground contained, among other amenities, swings and chutes. A child aged 4½ years was playing on this recreation ground. He was not accompanied by an adult. A chute, soundly constructed and properly installed, had a platform 12 feet from the ground, protected by a double line of rails. The child went up some steps leading to this platform, and fell from the platform sustaining injuries. There was no evidence as to how he came to fall. It was a small recreation ground. The municipality did not employ therein a groundsman or keeper or other attendant to supervise the activities of children playing in the recreation ground and using the chutes and swings or as attendant to other and adult visitors. Nor did the municipality put up any notices to the effect that children under five—or whatever the age might be—were not permitted on the chutes or swings. The child by his "next friend" sued the municipality for damages for his injuries.

The reader is now invited to stop here and consider his opinion, based on commonsense, as to whether the council failed in its duty to the child to take care and was therefore guilty of negligence. The writer came to the wrong conclusion, as he feels pretty sure the reader will too. Anyone who knows anything about the habits of children, especially boys, will be aware that a child of 4½ is quite likely to bend over or squeeze himself or fall through a railing. There should have been a groundsman to stop the child venturing on the platform. A "reasonable and prudent man" would have provided such an attendant. "Not so," said the Court of Appeal in effect. "There had been no breach of the duty owed by a licensor to a licensee since there was no element of inherent danger in a sound stationary and immobile chute which would not be obvious to a child of that age." Singleton L.J. (Jenkins and Parker L.J.J. concurring) said: "In the ordinary case of a small recreation ground such as this it is not their (the council's) duty to provide a groundsman or keeper. Nor do I think it their duty to put up notices....."

The facts in this case were quite simple and so is the definition of negligence; and it all tends to show that among the most difficult jobs in the everyday affairs of life is that of a solicitor advising on an affair of alleged negligence.

Facts are simple. Their application is difficult. Even the very highest tribunal, the House of Lords, may disagree, as our next example illustrates. Incidentally, the majority decision on the principle involved in it seems rather to confirm the doubt with which one accepts the correctness of the child on the chute decision. It is of importance, too, in shipping concerns.

A grain ship was on her way from England to Montreal to load grain in bulk. According to the usual practice, the holds were made ready for loading during the voyage. When ready, the upper deck hatches were battened down, but the 'tween decks hatch covers were left off. The vessel carried stanchions and a wire rope which could be fitted as a guard rail round each hatch, through which there was a drop of some 40 feet. Timber was stored in the 'tween decks, where the light was quite good. The plaintiff, a seaman, was sent with other men to fetch some of this timber, but, in a manner unexplained, fell into one of the holds and was injured. The evidence was that it was not the general practice to erect guard rails round the hatches of ships at sea. The House of Lords, by a majority of three law lords to two, found the employers liable. "The test was.....that where the alleged negligence of the employer consisted of a fault of omission it must be shown either that the thing which he did not do was a thing which was commonly done by other persons in like circumstances or that it was a thing so obviously wanted that it would be folly in anyone to neglect to provide it. But although there must be no facile finding that a precaution is necessary where there is no proof that it is one taken by other persons in like circumstances, the test is nevertheless the conduct and judgment of the reasonable and prudent man and in the opinion of the majority of the House such a man would have had the guard rail erected having regard to the frequency with which, in this vessel, men were required to go into the 'tween decks."

Going back to that child of 4½ on the Ilfracombe Park chute, may we not suggest that "the thing which (the council) did not do was a thing so obviously wanted that it would be folly in anyone to neglect to provide it", i.e. the employment of an attendant?

We will conclude with another case of negligence, the result of which may shake your confidence in the presence of that artificial gentleman, the law's "reasonable and prudent man", as it certainly has done with the writer. The plaintiff was one of a gang of six men employed by a stevedoring company to unload bags of chemicals from a barge. The gang was ordered by the hatch foreman to adopt a method of unloading which was safe, but, in his absence, by mutual consent they adopted another system which was unsafe, in that it left tiers of bags in a position in which they were bound to be unstable. When the foreman returned he instructed the gang to return to the safe method and told the plaintiff personally to level off the bags, which he said he would do. Despite further warnings by the master, engineer and mate of the vessel, the gang continued to follow the unsafe method until a pile of bags collapsed and the plaintiff was injured. Is the stevedoring company liable to pay damages to the plaintiff for his injuries? "Yes," said Lynskey J. at Liverpool Assizes. A duty was owed by each member of the gang to each of the others to take reasonable care in the work of unstowing and in the method of work employed. Although the plaintiff tacitly consented to the method adopted, he can hold his employers vicariously liable for the negligence of his fellow workmen which was in the course of their employment. The damages were reduced by one-half by reason of the plaintiff's own contributory negligence. One hopes this case will go further by way of appeal, and would have thought that the plaintiff's injuries were not the result of the disobedience of the whole gang but the result of his own individual disobedience to warnings and orders from foreman, skipper, engineer and mate, including personal orders to himself: the result, in fact, of his gross negligence.

Law Notes, December, 1956, p. 289. *Dyer v Ilfracombe U.D.C.* (1956). 75. *Law Notes*, 84.

Morris v West Hartlepool Steam Navigation Co. Ltd. Ibid. 82.
Williams v Liverpool Stevedoring Co. Ltd. 100 S.J. 381. 75. L.N. 143

A DITCHER'S DIARY

another aspect of pretty much the same sort of influence in spoken broadcasts—in news, talks and commentaries, for instance. Pearls of platitudinous wisdom, ever so lovingly gleaned from official oysters, are regularly strung together and offered a bored public. What A.I.R. needs most is independence, eclecticism and controversy. And until it is allowed them, it may as well put listener research into the waste-paper basket. That is what my friend is doing with his questionnaire.

It is good to be able to release Colonel Nasser from any suspicion of having damaged the market for art. I pointed out here lately that the Suez crisis had displaced post-impressionist paintings from the top of the list of inflation-hedges, in favour of oil tankers. I now learn that the main reason for this is that there are no reputable paintings left on the market, so sustained has been the demand in recent months. With all the classic canvases vanished into the salons or the cellars of the anxious rich, Colonel Nasser's coup channelled all the frenzied demand toward contemporary artists, who are today no doubt blessing him for producing an increase of 20 percent in the turnover of post-impressionist art. The last great pictures were sold last June, just before the Suez scare: a dancing scene by Degas went for £22,000, "Five Bathers" by Cezanne for £19,000 and a picture of a dog by Toulouse-Lautrec for £12,000. There is literally nothing left, by these masters, on the open market. Museums cannot compete at auctions with the Croesus who fears a fall in the value of money, so today when Parisians want to see some of the work of their great fellow-citizens they have to beg Mr. Richard Butler to send over from England a part of the Courtauld collection. Speculators who missed the great canvases have fallen back on lesser lights like Vlaminck, Gromaire and Villon, but supplies of these ran out during the Suez crisis so the currency gamblers are buying unknown work at £50 to £350 a picture. Young painters of any talent saw their studios emptied in a few days, and their order books—supposing these long-haired young gentlemen keep such things—are full for the next few months. Paintings being scarce and oil tankers being too substantial an investment for most operators, the demand for inflation-hedges has shifted toward Louis XV furniture, where prices have risen by 10 to 30 percent, and of all things, to papers bearing the signature of Napoleon Bonaparte or politics being no consideration in business, of Robespierre.

It was said of President Nasser's nationalisation of the Suez Canal that it was purely Egypt's affair. Whatever the moral aspect of the business, I am sure there can be few intelligent people who still hold that view. As subsequent events have shown, the Canal is as vital to western Europe as it is to Egypt and a simple accident of geography is no justification for a dictator's spleen being allowed to inconvenience over 250 million people. But western Europe is not the chief sufferer, or the one most permanently affected. I think the developing countries of Asia are going to qualify for that honour. President Nasser's action, and that of Indonesia in repudiating her debt to Holland, have done untold harm to the flow of private foreign capital to Asia. India might not be in the position she is today, facing inevitable cuts in her second plan, if her credit abroad were not now, albeit unfairly, bracketed along with that of less responsible Asian nations. Now I see that Ceylon may join the movement and take over her foreign-owned tea gardens at what is being described as "absurdly low" compensation.

Nobody is going to deny Ceylon the right to nationalise what she pleases, although expropriation will only bring unnecessary political bad feeling. But it is still to be hoped she does not do so, because the gain to her is going to be paid for many times over by such countries as India, which are trying to attract foreign capital. It is no consolation to a nation struggling against poverty to know that another has exercised its sovereign rights simply for the sake of doing so.

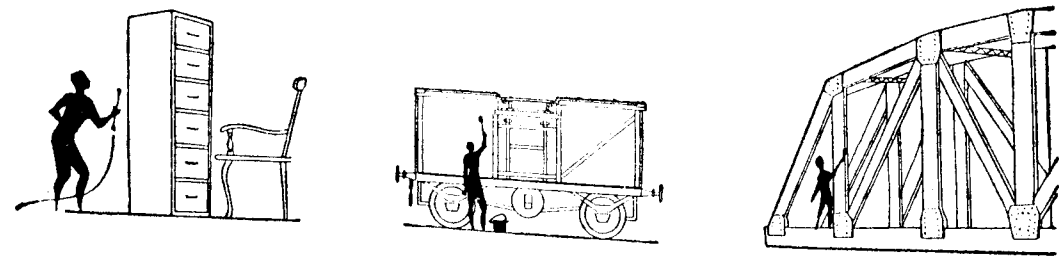
The U.S. "aerial inspection" proposals, when first put forward at the Geneva conference a year and a half ago, left me cold. How, one wondered, could mere flights over military installations possibly enable one to find out how big they were and what they were up to? Nor could the scope for camouflage be ignored. But a U.S.I.S. booklet containing some interesting reconnaissance photographs has recently reached me, and gives a broad idea of how the proposals would work. Two points in it are particularly striking. One concerns the difficulties of reconnaissance over vast areas such as Soviet Russia and the United States. The booklet mentions that a strip 490 miles wide and 2,700 miles long, from Los Angeles to New York, has been photographed in fair detail on a flight of less than four hours. The second concerns the difficulty of finding out from high above what goes on down below. On this, the booklet says that trained analysts, looking at photographs taken from nearly eight miles up, have been able to tell the way a particular house is built, the relative economic status of the family living in it, if they have a telephone, and even whether they use a rotary-type power mower to cut the grass on the lawn. Reading this, one begins to appreciate why Russia has for so long objected to "aerial inspection." It would certainly be embarrassing for her if the Americans started talking about the average number of patches on the Russians' coats and trousers.

I sympathise with those villagers of the Bulligunda constituency in Orissa who face the possibility of being eaten by tigers when they go to cast their election votes. I must confess it would take a good candidate indeed to persuade me to trek forty-two miles to a polling booth, much less run the risk of providing some wild animal with a meal on the way. I hope something is done for these unfortunate folk; it would be a bad thing if they had to forgo their hard-won democratic rights for a reason like this. But elections do have their hazards. And I do not mean the pneumonia the unfortunate British voter has to risk because polling is usually held in the spring and autumn when the weather can be relied upon to let him down. A few years ago a strange story was told about an incident in some self-governing part of western Africa, where an election was being held for the first time. One candidate's constituency included a number of backward tribes about whose habits little, apparently, was known. He did not return from his electioneering tour and subsequent enquiries revealed why. His constituents had eaten him. Their excuse: they had not liked his policies. Now I am not recommending such behaviour as a general solution in all cases where electors disapprove of what a candidate has to say, any more than I would agree to lynching the engine driver when the train is late. But I will lay a fair sum, and at any odds one likes to name, that the next person who went to solicit votes in that area weighed his words carefully. And what better safeguard for democracy can there be than that?

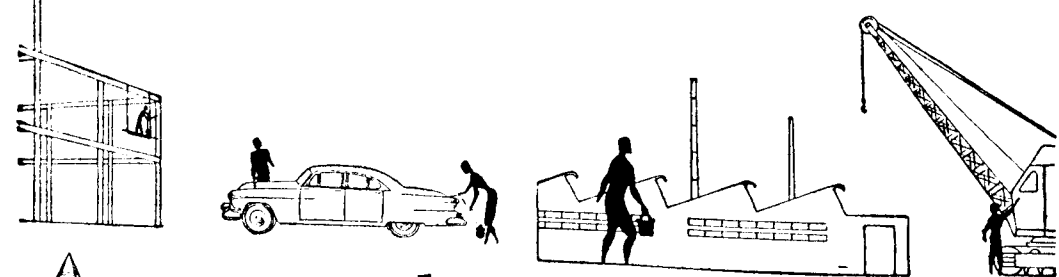
THE DITCHER.



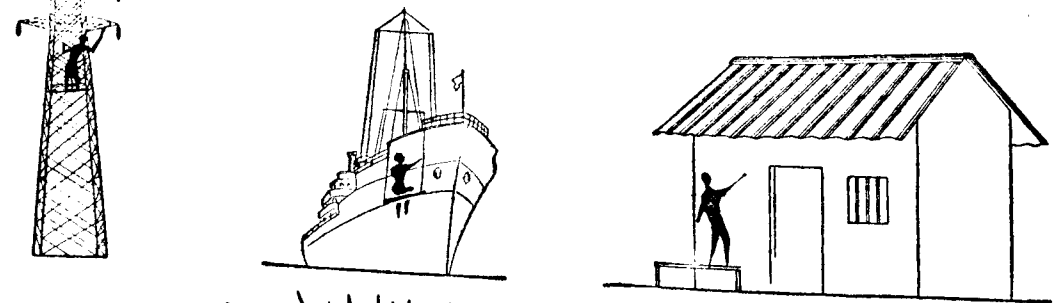
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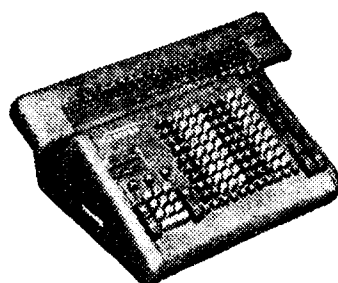
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TAXATION REFORM IN INDIA

KALDORIAN SIEVES FOR CHECKING EVASION

By P. C. Jain

IN India, as in most economically backward countries, the Government is faced with the problem of making the tax system just, equitable and progressive, and of preventing tax evasion. In the more advanced countries, sufficient statistical information is available and the conditions are such that it is easier to achieve these objectives. In India, some estimate that the Government loses Rs. 50 crores to Rs. 100 crores a year through tax evasion. Taxation also weighs heavily on the middle class and on the poorer sections of society. The Kaldor report points out that "the present system of direct taxation in India is both inefficient and inequitable. It is inequitable because the present base of taxation, 'income,' as statutorily defined, is defective and biased as a measure of taxable capacity and is capable of being manipulated by certain classes of tax-payers. It is inefficient because the limited character of the information furnished by tax-payers, and the absence of any comprehensive reporting system on property transactions and property income, makes large-scale evasion through concealment or under-statement of profits and property income relatively easy".

To remove these defects, Dr. Kaldor has recommended the introduction in India of an annual tax on wealth, a tax on capital gains, a general gifts tax and a personal expenditure tax, the last one being in partial substitution of the present super-tax on income. The Government has already introduced the capital gains tax and it is expected that a gifts tax and an annual tax on total wealth might be introduced in the 1957-58 Budget. The Finance Ministry is also reported to be preparing a scheme for introducing an expenditure tax in

the near future. In view of this, Dr. Kaldor's proposals need careful scrutiny.

Expenditure Tax

As an instrument of tax reform, the most fundamental of them is the expenditure tax. Dr. Kaldor's reasoning is that it is not possible to define income as exactly as it is possible to define expenditure, and an expenditure tax is more equitable both for the person who pays the tax and for the Government which collects it. In judging inequality, which is what the tax system aims to remove, he feels that the inequality of consumption is a better criterion than the inequality of income or wealth. With the expenditure tax, a person is taxed according to what he takes away from the nation's stream of goods and services for himself, whereas with the income tax he is taxed on what he puts into this stream. The relative status of different persons should be judged on the basis of what they take away rather than what they put in.

There is some theoretical justification for the expenditure tax, but what makes it a bad measure is the enormous practical difficulties it creates. It was suggested as long ago as the middle of the last century, but could not be used by any country, with some minor exceptions, because of these practical difficulties. It is particularly unsuitable in India because some special difficulties have to be faced here. This country still has the joint-family system and the tax would be inequitable and unfair for big families with limited incomes. Dr. Kaldor has tried to overcome this difficulty by suggesting that the tax should be levied on a "per head basis", i.e. it will take into account the number of persons in a family. But quite a large number of people have to help persons who cannot possibly be included in their family by any definition of the term, and their total expenditure includes the expenditure on such "outsiders". The expenditure tax would be inequitable in such cases. The tax, moreover, might be equitable as long as

prices are constant but it ceases to be so if prices are rising or falling. When prices are rising, as they have been doing in India and as they might well continue to do, the consumer suffers in real terms, firstly, by having to pay more for goods and services, and secondly, by having to pay a bigger expenditure tax. His savings, as a result, are reduced if he chooses to consume the same amount of goods and services which he was consuming formerly. There is no practical method of determining his expenditure except to estimate his income and then to find how much has been saved out of it.

Hoarding Cash

Finally, in India, one of the greatest difficulties is tax evasion. The expenditure tax will still further increase evasion to the extent that people will be able to meet their current consumption from wealth hoarded in cash in the first year or from borrowings from persons whose incomes are not directly taxable and who do not have to submit a return to the income tax authorities. Moreover, the expenditure incurred on illness, marriage, purchases of durable consumer goods, etcetera, will create enormous difficulties. In India, smaller business men keep their personal and business accounts together. In such cases, it will not be easy to detect evasion where personal expenditure is passed on to the business account. In big business houses, the allowances given to executives for expenditure in connection with their work will create difficulties. As Professor A. R. Prest has pointed out, "Mr. Kaldor's mental picture is that of a small group of people squandering their hereditary wealth on luxurious consumption. An alternative might be that of a large number of people drawn from all income groups supplementing their nominal money incomes to differing degrees by incomes in kind and expense allowances of multifarious shapes and sizes". In their case, the expenditure tax creates more problems than it solves, and is, therefore, not suitable for India.

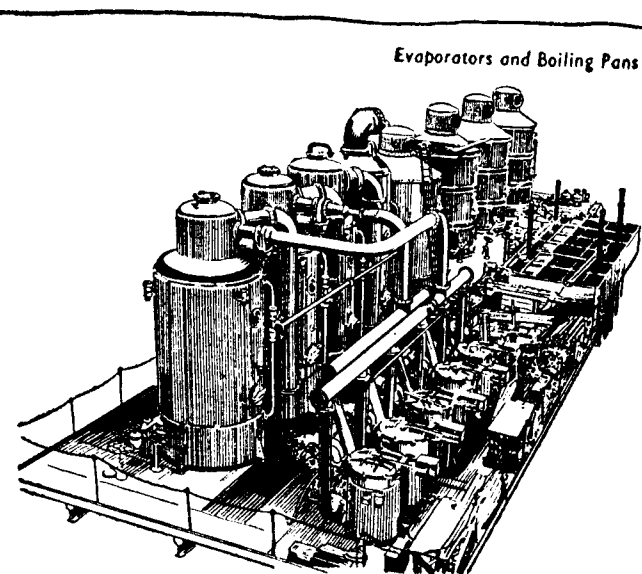
The capital gains tax, the gifts tax and the tax on total wealth suffer from the serious defect that they will drastically reduce the incentive to save, and will thus curtail capital formation, which is vital for the progress of the economy. In an advanced country like the U.S.A., such taxes might not do much damage because there is already a large accumulation of wealth, but in an economically backward country like India it is of primary importance to encourage capital formation and the accumulation of wealth. Moreover, the classical principle of "economy in taxation" is as important today as it ever was. The smallness of the yield from these taxes in the next few years does not justify the time and money which the Government will have to spend on their collection. Dr. Kaldor has made a gross over-estimate in suggesting that the Government's revenue from the capital gains tax might be Rs. 25 crores to Rs. 40 crores, from the gifts tax Rs. 30 crores and from the annual tax on wealth Rs. 15 crores to Rs. 25 crores. There is no way of calculating the possible yield because the statistical information is lacking, but the chances are that in the next few years it will be small. There is a shortage of trained income tax personnel; if there were more of them, they could first be put on the task of preventing evasion which would bring much more revenue to the Government than the taxes proposed by Dr. Kaldor.

Scope for Cross-checking

Dr. Kaldor's one strong argument in favour of his proposals is that they would prevent tax evasion; "if all these taxes were assessed at the same time, by the same authority, and on the basis of a single comprehensive account submitted by the tax-payer (containing all receipts in the year, all tax-exempt outlays, a record of all capital transactions, and a full statement of all property owned) evasion and concealment would become more difficult, not only on account of the difficulty of the individual tax-payer to conceal consistently particular receipts or items of property but owing to the fact that the evidence furnished by one taxpayer (in the interests of minimising his own liability) directly serves as a check on the return furnished by others". He has ignored two important facts in this connection. Firstly, experience shows that assesses who evade taxes have been cleverer than the income tax authorities; it should not be difficult for the former to secure consistency in their income tax returns even if they are supplying cooked up information, so it is not possible to rely on hoped-for inconsistencies in order to detect evasion. Secondly, it is not true that all the transactions of assesses are with other assesses, as a result of which information provided by one will serve as a check on others. It is possible for one assessee to show a cooked up item on which he is evading taxes in connection with a transaction with persons not subject to income tax. The vague possibility that there might perhaps be some scope for cross-checking does not justify the huge expense and trouble which is involved.

An important feature of tax evasion in India is that it is not only the present assesses who are evading taxes; quite a large number of people whose income exceeds the minimum exemption limit are not caught in the net because of the shortage of trained personnel. Some attention has so far been paid to big evaders, but a large amount of revenue is lost through evasion by smaller fry as well. In taxation, as in many other fields of economic activity, Central and State Governments have tried to copy new ideas from foreign countries in the hope of performing wonders. The results have frequently been harmful. The same might well be the case with many of the present tax reform proposals.

(Concluded)



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THE CALCUTTA MONEY MARKET

SHARP RISE IN INTERBANK

RATES

Wednesday, 6th February.

THERE has been little change in the upward trend of both advances and deposits during the past week, in spite of the recent ban on imports which might have been expected to have shown some effect by now. The main source of demand is still the sugar industry, but a fair amount of credit is going to cotton ginners and for the holding of cotton stocks. The requirements of the jute industry continue to rise to new record levels. Following last Thursday's announcement of an increase in the Reserve Bank's lending rate against Government securities and eligible papers, the interbank rate has moved up sharply from 3½ percent to 4½ percent. It is rumoured business has been done at even higher levels.

Few bills of any sort are reported from the market this week. Those which have come to hand have been chiefly on account of small tea shipments. Remittance has been fair. Sterling has strengthened since the announcement of the United Kingdom's balance of payments position as at the end of January. The forward rate particularly has benefited. Reports from London indicate that it is now safe to conclude that most of the damaging speculation which sterling has recently suffered, has ceased.

Silver was firm on short-covering and because of restricted arrivals. The price advanced from the previous week's level of Rs 182-6 to Rs 186, quoted today. The rate for forward delivery was Rs 185-8. The London and New York prices remained the same.

Gold was steady in sympathy with silver and the price increased from Rs 108-6 to Rs 109. The sovereign at Rs 69-2 showed a gain of 6 annas.

During the week ended 1st February, Government of India Treasury Bills for Rs. 79,46,50,000 were sold in favour of the Reserve Bank.

An increase of Rs. 8.50 crores to Rs. 1,494.02 crores in active notes was the notable feature of the return of the Reserve Bank of India for the week ended 1st February, 1957. The total note issue was Rs. 51 lakhs lower at Rs. 1,508.57 crores. A decline of Rs. 14.91 crores to Rs. 412.52 crores in foreign securities in the issue department was adjusted by an equivalent increase to Rs 855.03 crores in rupee securities. As a result, balances held abroad were Rs. 10.66 crores higher at Rs. 93.84 crores because of a transfer from the issue department. Deposits of the Government of India and other Government accounts increased by Rs. 89 lakhs and Rs. 3.35 crores to Rs. 52.35 crores and Rs. 16.68 crores, respectively. Balances of commercial banks rose by Rs. 2.68 crores to Rs. 54.44 crores. Investments were Rs. 1.81 crores up at Rs. 51.43 crores. Other loans and advances increased from Rs. 102.19 crores to Rs. 108.46 crores, of which advances to scheduled banks against usance bills totalled Rs. 58.88 crores against Rs. 59.31 crores. These advances amounted to Rs. 59.12 crores since 1st January, 1957. Ways and means advances stood at Rs. 6.25 crores (Rs. 7.48 crores).

The return of the State Bank of India for the week ended 25th January, 1957, shows a rise of Rs. 6.30 crores in total deposits to Rs. 252.03 crores. Investments in Government securities are down by Rs. 13 lakhs to Rs. 95.47 crores, while other authorised investments remain unchanged at Rs. 11.46 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 6.06 crores to Rs. 160.83 crores. Cash and balances are, in consequence, shown at Rs. 17.96 crores or Rs. 7 lakhs less.

The statement of the position of scheduled banks for the week ended 25th January, 1957, shows Demand and Time liabilities at Rs. 670.82 crores (Rs. 6.80 crores on account of borrowings from banks) and Rs. 462.30 crores (Rs. 2.56 crores), compared with Rs. 666.38 crores (Rs. 6.08 crores) and Rs. 458.91 crores (Rs. 2.46 crores), respectively, in the previous week. Cash has decreased by Rs. 3.42 crores to Rs. 33.06 crores, while balances with the Reserve Bank have increased by Rs. 1.73 crores to Rs. 50.05 crores. There is a drop of Rs. 48 lakhs in investments to Rs. 361.64 crores. Advances and bills discounted at Rs. 826.04 crores show a rise of Rs. 10.17 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.3 percent and 72.9 percent, against 7.5 percent and 72.5 percent.

The working of the PUNJAB NATIONAL BANK LTD. has resulted in a profit of Rs. 90.20 lakhs, including Rs. 2.35 lakhs brought in, for the year ended 31st December, 1956. An amount of Rs. 7 lakhs has been utilised for the payment of an interim dividend of Rs. 2 a share, leaving a balance of Rs. 83.20 lakhs. Taxation provision absorbs Rs. 27.50 lakhs, reserve fund Rs. 27.50 lakhs, and bonus to staff Rs. 13.00 lakhs. The directors have recommended a final dividend of Rs. 2 a share, making 16 percent for the year against 14 percent. A balance of Rs. 6.70 lakhs is carried forward.

FINANCES OF JOINT-STOCK COMPANIES

RESERVE BANK ANALYSIS OF TRENDS

AN article appearing in the *Reserve Bank of India Bulletin* for January, 1957, analyses the balance-sheets and profit and loss accounts, generally during 1950-54 and particularly in 1954. Of 751 public limited companies registered in India. Each of these companies had a paid-up capital of not less than Rs 5 lakhs and they together accounted for two-thirds of the total paid-up capital of all public limited companies registered in India, except banking, insurance and investment companies. According to the article, there was a sizeable rise in corporate profits and capital formation during 1954, reflecting the distinct recovery in economic activity from the post-Korean recession.

Income from sales of the 751 companies which had declined from Rs. 1,087 crores in 1951 to Rs. 962 crores in 1953, rose to Rs. 1,026 crores in 1954. Manufacturing expenses, which had fallen from Rs. 765 crores to Rs. 590 crores, increased to Rs. 636 crores. Salaries and wages went up steadily from Rs. 154 crores in 1950 to Rs. 198 crores in 1954. Managing agents' remuneration, which had declined from Rs. 12.4 crores in 1951 to Rs. 10.4 crores in 1953, recovered to Rs. 11.2 crores in 1954. Profits before tax (but after provision for depreciation) fell sharply from Rs. 85 crores in 1951 to Rs. 55 crores in 1952 but recovered to Rs. 66 crores in 1953 and Rs. 78 crores in 1954. A similar trend was evident in the provision for taxation and in retained and distributed profits. Provision for taxation accounted for slightly over two-fifths of profits before tax and dividends for slightly under two-thirds of profits after tax in 1954. The major portion of the increase in profits after tax during 1954 was retained.

During the whole of the five year period, 1950-54, profits amounted to Rs. 347 crores. They were dealt with as follows: tax provision Rs. 142 crores, distribution to shareholders Rs. 130 crores, and retention in business Rs. 75 crores. The average rate of dividend on ordinary shares, which had fallen from 8.2 percent in 1951 to 7.2 percent in 1952, recovered to 7.5 percent in 1953 and 8.3 percent in 1954. Most of the principal industries showed an increase in the rate in 1954 the outstanding rise being in tea plantations. There was no change in the iron and steel industry. The cement, paper, iute, vegetable oil and shipping groups experienced a decline; but in the cement and paper industries this was due to an increase in the paid-up capital and not to a decline in the amount of dividend. The ratio of net profits (i.e., retained and distributed profits) to net worth (i.e., paid-up capital and free reserves), which had fallen sharply from 9.6 percent in 1951 to 5.6 percent in 1953, rose to 6.8 percent in 1953 and 7.8 percent in 1954.

Capital Formation

The total gross capital formation of the 751 companies was more than doubled, from Rs. 49 crores in 1953 to Rs. 102 crores in 1954. Gross fixed assets formation accounted for Rs. 64 crores in 1954 (as compared with Rs. 43 crores in 1953) inventory accumulation for Rs. 10 crores (as against a liquidation of Rs. 14 crores) and receivables for Rs. 17 crores (as compared with Rs. 4 crores). Plant and machinery constituted nearly three-fourths of gross fixed assets formation. Increases in investments and cash were responsible for Rs. 5 crores to Rs. 6 crores each. The rise in inventories in 1954 was due almost entirely to finished goods and work-in-progress, while the fall in 1953 was due mainly to raw materials. During the four year period 1951-54 as a whole, the total gross capital formation amounted to Rs. 307 crores, of which fixed assets accounted for a little over 60 percent and inventories for about 13 percent. As for the sources of funds, the chief feature of 1954 was net borrowing from banks to the extent of Rs. 15 crores, as against net repayment of Rs. 7 crores in 1953, this being mainly due to the building up of inventories. Additions to free reserves in 1954 were higher at Rs. 15 crores. Depreciation provision and taxation reserves contributed a larger volume of funds at Rs. 28 crores and Rs. 8 crores, respectively, in 1954, as against Rs. 24 crores and Rs. 3 crores in 1953. New issues rose by Rs. 1 crore to Rs. 8.7 crores in 1954, a decline in ordinary and preference shares being more than offset by an increase in debentures.

The total of gross assets of the 751 companies, as at the end of 1954, amounted to Rs. 1,433 crores, compared with Rs. 1,136 crores at the end of 1950. Of this, over one-half comprised gross fixed assets (Rs. 743 crores) and over one-fifth inventories (Rs. 317 crores). Gross fixed assets rose by 34 percent during the four year period 1951-54, while inventories increased by 14 percent. Plant and machinery accounted for three-fifths of the gross fixed assets. Finished goods and work-in-progress formed one-half of inventories and raw materials about a quarter. Receivables constituted 11 percent, and investments and cash 5 percent each, of the total gross assets in 1954. As for gross liabilities, net worth constituted over two-fifths of the total and comprised paid-up capital of Rs. 380 crores and reserves of Rs. 207 crores. Borrowings formed less than one-fifth of the total gross liabilities and consisted mainly of bank loans (Rs. 101 crores) trade credit (Rs. 55 crores), debentures (Rs. 36 crores) and mortgages (Rs. 25 crores). Depreciation amounted to Rs. 354 crores, as compared with Rs. 253 crores and Rs. 58 crores, respectively, at the end of 1950.

RESERVE BANK

ISSUE DEPARTMENT

(in 000's of Rupees)

	Week ended 1-2-57	25-1-57	3-2-56
Liabilities—			
Notes in Banking Dept.	14,54.06	23,56.33	8,45.74
Notes in Circulation	14,94.02	14,65.51	13,92.56
Total Notes issued	15,08,57.06	15,09,08.21	14,90,82.41
Assets—			
A Gold Coin and Bullion	1,17.76.03	1,17.76.03	40,01.71
Foreign Securities	4,12,51.91	4,27,42.53	5,32,15.75
Total of A	5,30,27.94	5,45,18.56	6,92,17.48
B Rupee Coin	1,21,25.65	1,23,76.43	1,05,38.44
Rupee Securities	8,55,63.44	8,40,12.82	6,03,26.69
Total	15,08,57.03	15,09,08.21	14,90,82.41

BANKING DEPARTMENT

	Week ended 1-2-57	25-1-57	3-2-56
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term Fund)	15,00.00	15,00.00	...
National Agricultural Credit (Stabilisation Fund)	1,00.00	1,00.00	...
Deposits—			
(a) Central Govt.	52,34.51	51,45.67	52,87.58
(b) Other Govts.	16,98.48	13,33.23	14,40.46
(c) Banks	54,44.01	51,75.57	63,23.03
(d) Others	13,40.32	12,98.30	15,76.83
Bills Payable	15,00.38	13,92.53	17,35.92
Other Liabilities	1,12,87.07	1,13,01.43	24,42.47
Total	2,90,74.87	2,81,87.03	2,98,59.25
Assets—			
Notes	14,54.08	23,56.33	8,45.54
Rupee Coin	6.51	9.68	3.76
Subsidiary Coin	12.73	12.33	6.72
Bills Discounted Int.	...	...	45.50
Govt. of India Treasury Bills	1,42.19	1,10.75	2,11.53
Balances held abroad	93,84.24	83,18.09	81,41.00
Loans to Govt.	6,24.70	7,47.70	5,32.00
Other Loans, etc.	1,08,45.97	1,02,18.39	49,92.39
Investments	51,42.84	49,61.65	50,37.50
Other Assets	14,61.11	14,51.61	13,53.50
Total	2,90,74.87	2,81,87.03	2,98,59.25

SCHEDULED BANKS

(in 000's of Rupees)

	Week ended 25-1-57	18-1-57	27-1-56
Demand Liabilities—			
(a) Borrowings from Bank	6,79.67	6,08.43	6,44.52
(b) Others	6,64.02	6,60.29	6,12.43
Time Liabilities—			
(a) Borrowings from Bank	2,56.00	2,46.00	3,36.50
(b) Others	4,59,73.99	4,56,44.05	4,06,57.53
Borrowings from State Bank Demand Liabilities	13,81.19	11,80.27	11,56.29
Time Liabilities	...	...	...
Borrowings from Reserve Banks	74,15.37	75,12.47	29,26.79
Cash	3,06.35	36,48.14	37,31.41
Balances with the Reserve Bank	50,04.94	48,31.61	62,94.73
Balances with other banks in current account	9,94.05	10,20.85	10,20.62
Money at calls and short notice	11,10.33	9,04.30	9,45.25
Investments in Central and State Govt. Securities	3,61,63.51	3,62,12.11	3,81,77.29
Advances	6,57,07.44	6,49,67.06	5,43,19.13
Inland Bills purchased and discounted	1,15,29.35	1,13,21.25	86,55.24
Foreign Bills purchased and discounted	53,66.96	52,98.89	47,85.24

CLEARING HOUSE RETURNS

Week ended 18-1-57

	Rs. (thousands)	Calcutta	Bombay
1-2-57	68,10.46	...	...
25-1-57	58,48.70	69,20.45	...
18-1-57	71,27.37	79,96.84	...
11-1-57	64,29.45	73,11.71	...

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(in 000's of Rupees)

	Week ended 18-1-57	11-1-57
Liabilities—		
Notes in Banking Department	10,58.27	10,24.33
Notes in Circulation	3,29,64.02	4,30,21.60
Total Notes issued	3,40,52.96	4,40,52.73
Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Foreign Securities	82,48.23	82,47.23
Government of India Securities	23,63.47	23,63.47
India Notes representing assets receivable from the Reserve Bank of India	43,02.28	43,02.28
B Rupee Coin	5,30.03	5,30.03
Govt. of Pakistan Securities	1,68,85.46	1,68,85.46
Held with Reserve Bank of India pending transfer to Pakistan	15.02	15.02
Gold Coin and Bullion	4,40.62	4,40.63
Sterling Securities	1,00.00	1,00.00
Govt. of India Securities	29.51	29.51
Rupee Coin	...	...
Total	3,40,52.99	4,40,52.73

BANKING DEPARTMENT

	Week ended 18-1-57	11-1-57
Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Deposits—		
(a) Central Government	46,36.95	51,40.96
(b) Provincial Government	1,01.22	90.63
(c) Banks	14,70.39	14,47.47
(d) Others	8,11.76	3,17.20
Bills Payable	24.25	9.25
Other Liabilities	11,16.27	10,35.92
Total	87,60.77	86,67.93
Assets—		
Notes	10,58.27	10,24.33
Rupee Coin	...	...
(a) Pakistan	14	14
Subsidiary Coin	...	...
(a) Pakistan	18	17
(b) India	...	...
Bills Purchased and Discounted—		
(a) Internal	...	...
(b) Govt. Treasury Bills	7.31	9.03
Loans and Advances to Govt.	1,74.00	1,74.00
Provincial Govt. Debtor Balances	3,18.94	29,99.9
Other Loans and Advances	20,54.00	21,39.48
Investments	42,72.46	40,88.44
Other Assets	10,23.35	10,13.69
Total	87,60.75	86,67.93

Our City Cable

SHARES EASE AFTER EARLY FIRMNESS

GILT-EDGED WELL MAINTAINED

London, 6th February.

THE stock markets remained active and very firm prior to the week-end and most sections recorded further gains. Prices reacted subsequently, however, and apart from gilt-edged, which were a little firmer on balance, other sections were mostly easier compared with their previous levels. The reaction reflected the absence of further incentives and a more cautious approach to the markets after the recent sustained advance. Gilt-edged went ahead early in the week, but suffered a reaction later. The January gold and dollar reserve figures had little effect. Elsewhere, the generally lower trend on Wall Street and the concern felt in some quarters about the possible effect of the oil shortage on employment and production made for a less optimistic view. Foreign bonds and rails were generally neglected, while dollar stocks moved irregularly in sympathy with Wall Street. Prior to the week-end, interest in industrials was somewhat selective, with many good features present, but subsequently prices came back in the absence of fresh support and following a certain amount of profit-taking. Most of the leaders were little changed or slightly higher on the week, although gains in individual issues elsewhere in industrials sometimes amounted to several shillings. Store shares were outstanding and scored good gains, although they fell back from the best levels. Gold shares showed a lower

trend in the absence of interest, while coppers declined with the metal price. Oils moved within narrow limits generally. There was a distinct recovery in Ceylon tea shares following the previous week's sharp fall on the news that there was to be no precipitate action in nationalising foreign-owned estates. Rubbers were fairly well maintained.

The Money Market

The London money market had a rather difficult start during the past week and due to a fairly acute credit shortage, several discount houses were forced to borrow a moderate amount from the Bank of England. Thereafter there was a progressive improvement, although the supplies of credit were never plentiful and the general cost of money was around the level of 4½ percent. There was a fair offtake of bills from the market with the April maturities changing hands at 4½ percent, although 4½ percent had to be conceded during difficult phases. At the week's Treasury bill tender, the market made changes in its bid, and as outside offers were higher, the market secured only 2½ percent of its requirements. In view of the competitive bids, there was a slight easing in the average rate to 90s 10.07 percent.

Stock Market Prospects

The *Investor's Chronicle* market newsletter writes: With the continuation of Bank rate hopes and the further lowering of the bill rate, London gilts have reached the highest level for a year. Industrials are consolidating after reaching the best level since May. Gold shares have little pressure either way. Oils have a sound technical position with Burma doing well. In spite of domestic uncertainties, Wall Street could rally sharply on any better international news. As the authorities

have connived at the fall in the London bill rate and as the Government broker has also helped gilts, there is clear evidence that the Treasury intends to create better conditions for handling the summer maturities. Gilts should remain at least firm, but with reduced margins, industrials require more selectivity.

Big Rise in U.S. Gold Stock

The Federal Reserve Bank of New York reports that the United States gold stock rose by \$300 million during the past week—the largest weekly increase in 16 years. The rise reflected the sale of gold by the International Monetary Fund to the Treasury to replenish the former's supply of dollars depleted recently when the U.K. purchased more than \$500 million for sterling. Although the Treasury eventually would give the I.M.F. dollars, the Fund took payment immediately in interest-bearing notes. This has had the effect of adding \$300 million worth of gold to the Treasury's deposits with the Federal Reserve banks.

Hongkong Gold Market

Official trading in the Hongkong gold market was confined to a single day when turnover was negligible. Though the market was officially closed it was reported that small outside business was done on Saturday at \$111267½, with sellers later asking for \$111268. The forward contract was done at \$(U.S.) 37.73.

U.K. Sugar Imports

The U. K. is to free imports of sugar from the countries which are not members of the International Sugar Agreement, the Ministry of Agriculture, Fisheries and Food announced on 31st January. Imports will remain free, while world sugar prices continue at the present high level. The International Sugar Agreement permits certain free imports. The British delegation gave notice of the move to the current meeting of the International Sugar Council.

Freight Increases to Indian Ports

U.K.-Bombay Shipping Conferences announce that basic freight rates on shipments from the U.K. and Europe to the Indian sub-continent will be increased as from 15th March. In addition, the present surcharge of 15 percent for journeys round the Cape of Good Hope has been raised by 2½ percent from 1st February. The ports of destination covered by these increases include Calcutta, Chittagong, Madras, Cochin, Bombay and Colombo. This follows a previous announcement from Bombay disclosing similar increases for shipments from the Indian sub-continent to the U.K. and Europe.

World Bank Income Increases

The International Bank for Reconstruction and Development reports a net income of \$18 million for the six months ended 31st December, 1956, against \$13.7 million for the same 1955 period. The Bank made 13 loans totalling \$257.7 million in the half-year. The largest loan amounting to \$74,628,000 made in the last quarter was to an Italian organisation with the Government as guarantor. Two loans totalling \$59,230,000 were made to Australia.

MACHINE FOR CHECK-WEIGHING ON THE PRODUCTION LINE

The rapid and accurate weighing of packaged goods while on the production line is one of the greatest needs of most firms in the food, chemical, pharmaceutical, small goods and other industries whose end-product is a package containing solids or liquids. Mechanical systems developed hitherto have suffered from two main drawbacks. First, there is the inertia of moving parts which severely slows down the rate at which packages may be weighed with great accuracy; and second, there is the frictional resistance, producing wear, which demands constant maintenance and prevents high-speed weighing within very fine limits. By attacking the problem from an electronic standpoint, the manufacturers claim to have found the solution after considerable research and have placed two fully productionised "Solarchecks", as they are called, on the market. The Solarcheck No. 631 instantaneously weighs rigid or packaged goods and enables an operator to handle up to a rate of 60 items a minute in the production line. Its weighing accuracy to British Board of Trade specifications is better than 0.2 percent, and it has been specially designed for use by unskilled operators. The equipment consists of a mobile self-contained console with a weighing head, available in three sizes to suit the product to be weighed, inserted in its top. Nine standard models are available, according to the maximum weighing requirements of the user. The principle employed is the force balance, whereby an article placed on the weighing head is counterbalanced by a highly-stabilised electronic servo-system. Maintenance is stated to be easy and rapid, and the machine is said to be excellent both for semi-automatic production lines and for high-speed percentage sample checkweighing on fully-automatic high-speed systems. The Solarcheck model No. 630 is designed for incorporation into existing production lines of many types and will weigh at the rate of up to 120 items a minute to better than 0.2 percent within the Board of Trade specification. The product being weighed automatically operates, if necessary, an underweight and overweight rejector or channelling mechanism, as well as recorders and, if required, remote warning devices. The weighing head, of which there are three sizes in production, cover the weight range up to 70 oz., the basic principle again being the force balance described above.

Stocks and Shares

MARKET CLOSES QUIETER ON SETTLEMENT CONSIDERATIONS

JUTE SHARES ATTRACT BARGAIN HUNTERS

Wednesday Evening.

THE share market has been quiet this week, with some prices tending lower and business restricted. Uncertainty about the possible carry-forward charges when Indian Irons are declared ex-rights has limited activity in the main speculative counter. Other speculative shares have been generally quieter in sympathy. The books of the Indian Iron and Steel Company are to be closed on 21st February and the share will become ex-rights at the clearing on the day previous. The change in the Reserve Bank's advance rate against Government securities and other eligible paper depressed prices slightly, but the impact was surprisingly limited. The undertone of the market is now quiet and operators are at present occupied with anxieties about the coming budget which, so rumour has it, might contain some fresh taxation shocks.

Investment shares have been quiet, although most sections have maintained their price levels. In coals, the syndicate which has been holding a large portion of the shares of the Burrakur company, succeeded in lifting the price just before the clearing to Rs. 21-7. It is now almost impossible to transact in this share in spite of its being on the clearing list. Jute shares have been fairly well supported and prices have been marked up in a number of counters. Nationals have met with interested buying. Engineering and miscellaneous shares were well maintained, while tea scrip has benefited from the reduction in the export duty this month.

Details of the week's trading follow.

The announcement by the Reserve Bank, increasing its lending rate to scheduled banks against Government securities from 3½ to 4%, did not affect gilt-edged prices to any great extent. Three percent Conversion Loan 1946-86 was quoted at the previous rate of Rs. 73-9. Three percent Non-terminable Paper was marked back by two annas to Rs. 73-5. In the short-dated group, 3% 1957 and 3% 1958 were unchanged at Rs. 99-12 and Rs. 99-9 respectively. 2½% Loan 1960 was also unchanged at Rs. 96-5. 2½% 1961 was quoted at Rs. 93-4 ex-voucher. 3½% Loan 1961 met with some selling pressure and the price was marked back to Rs. 99-6, and 2½% 1962 had buyers at Rs. 93-15. Four percent 1960-70 declined to Rs. 100-11. Of the medium-dated issues, 3% 1963-65 was quoted at Rs. 94-4. 3½% 1964 was easier at Rs. 98-6, and 3½% 1965 was unchanged at Rs. 98-5. Three percent 1964 was wanted at Rs. 94-5. In long-dateds, 3% 1966-68 remained unchanged at Rs. 92-4 and 3% 1970-75 was fractionally easier at Rs. 87-3½. 1974 was unchanged at Rs. 98-8. In Provincial loans, 4% U.P. 1963 was dealt in at Rs. 98-14 and 4% Madras 1964 was wanted at Rs. 99. Four percent West Bengal 1964 had small buyers at Rs. 99 as did 4% U.P. 1968 at Rs. 97-15.

Business in preference shares was once again on a reduced scale. In the miscellaneous group, Aluminium Corporation 6% were easier at Rs. 96 while Burrakur 1st were taken at Rs. 118-8. Burn & Co., 6% were wanted at Rs. 110-8, but Calcutta Electric were offered at Rs. 9-12. Bharat Collieries were crossed at Rs. 51-4. Indian Iron were marked at Rs. 105 and a small lot of National Tobacco 2nd was done at Rs. 68. Smith Stanistreet were reported at Rs. 63. In jute, Anglo-India were reported at Rs. 100 and Bally at Rs. 103. Empire Jute came to hand at Rs. 102 and Hukumchand were taken at Rs. 101. A small lot of Lawrence "B" changed hands at Rs. 75-8.

In the banking section, United Commercial were slightly easier at Rs. 56-4 as were Punjab National at Rs. 55. Hind Bank and United Bank of India "D" shares were unchanged at Rs. 36-8 and Rs. 4-12.

Among railways, Dehri Rohtas were reported at Rs. 13-7 and small lots of Howrah-Amra and Howrah-Sheakhala were done at Rs. 62 and Rs. 50.

Cotton textile shares were featureless. Basanti were marked at Rs. 5-12 and Bengal Nagpur were crossed at Rs. 8. Cawnpore Textiles were unchanged at Rs. 7-12 as were Elgin Mills at Rs. 26-12. Jay-shree came to hand at Rs. 5-13 and Kesoram were taken at Rs. 16.

The only feature in the coal section was Bengal which was supported at the higher rate of Rs. 464. Most other prices were unchanged as will be seen from the following table:

	Opening 31-1-57 Rs.	Closing 6-2-57 Rs.
Amalgamated	18 12	18 12
Borra	20 12	20 12
East Indian	27 4	27 8
Katras Jheriah	62 6	62 6
New Beerbhoom	17 0	17 0
Pench Valley	18 12	18 12
South Karanpura	10 2	10 0

Burrakur fluctuated narrowly around Rs 21 with little business passing, but closed higher today at Rs. 21-7.

Selected jute shares met with good enquiry during the week, but owing to the prevailing low level of prices, sellers were very reluctant to part

with their holdings. Here is a chart showing representative price movements:

	Opening 31-1-57 Rs.	Closing 6-2-57 Rs.
Anglo-India	139 0	144 0
Dalhousie	92 0	94 0
Delta	140 0	146 0
Gourepore	210 0	220 0
Howrah	19 3	19 12
Kelvin	205 0	208 0
Kinnison	137 0	147 0
Lawrence	94 0	98 0
National	19 12	20 8
Northbrook	21 0	21 8
Reliance	9 14	10 2

In electrics, Calcutta were marked at Rs. 13-2 and Patna were better at Rs. 11-12, as were United Provinces at Rs. 14-7.

In sugar, there was some enquiry for Carew at Rs. 7-6 and Dyer Meakin Breweries at Rs. 6-4. Shree Krishna Gyanoday were marked at Rs. 11-6 and U.P. at Rs. 15-4. Samastipur were unchanged at Rs. 12.

In the engineering section, Indian Iron & Steel fluctuated between Rs. 29-4 and Rs. 28-12 to close at Rs. 28-10. At an emergency meeting of the Calcutta Stock Exchange Committee held on Monday, it was decided that dealings in these shares would continue on a cum-rights basis until further notice. The delivery of shares in clearing No. 232 will be compulsorily carried over to clearing No. 233 on a fixed carry-over charge of Rs. 0-1-9 a share in modification of the provisions contained in rule 15 of the existing bye-law regarding the clearing system. Bridge & Roof were reported after a long interval at Rs. 36. Bhartia Steel were steady at Rs. 17-2 as were Braithwaite at Rs. 27-14 and Burn & Co. at Rs. 332. Indian Standard Wagon were unchanged at Rs. 190 and Indian Steel & Wire fully-paid Ordinary were quoted nominally at Rs. 68. Jessop & Co., and Richardson & Cruddas were

HINDUSTHAN GENERAL INSURANCE SOCIETY LIMITED

FOR SERVICE & SECURITY

Board of Directors:

Dr. N. N. Law, M.A., Ph.D., (Chairman)

Shri J. N. Sen Gupta, M.A., B.L.,
Raja Radharaman of Pilibhit.
Dr. S. B. Dutt, M.A., Ph.D. (London),
Barrister-at-Law
Shri M. L. Dahanukar

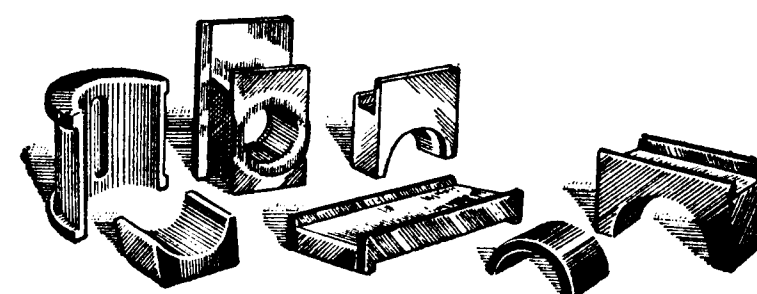
Shri P. N. Talukdar, M.A. (Cantab),
Managing Director.

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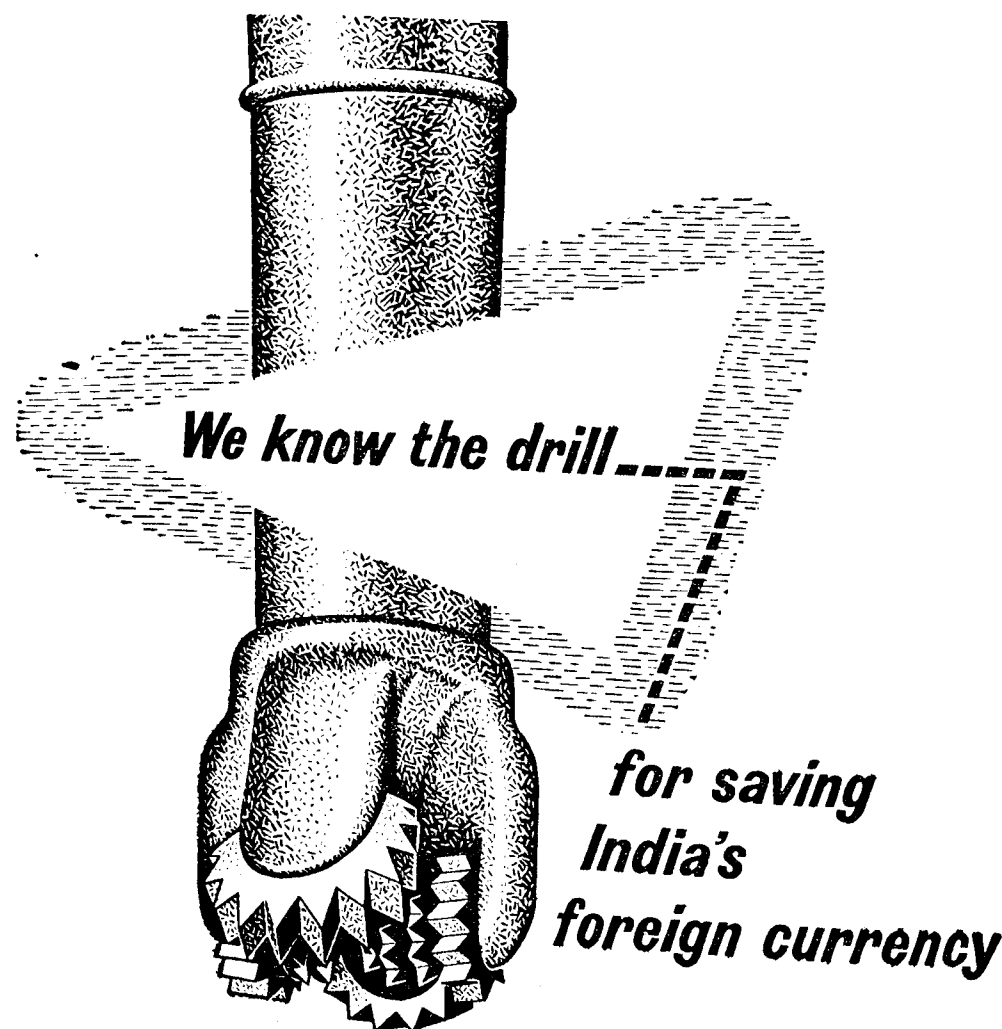
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easier at Rs. 27-14 and Rs. 20-6. Textile Machinery were subbed at Rs. 20-9 against an opening price of Rs. 21. Guest, Keen, Williams were fairly steady at Rs. 24-8.

In paper, there was a good enquiry for Titaghar at Rs. 39-2 with few declared sellers. India Paper Pulp were lower at Rs. 23 as were Orient at Rs. 33-5.

In cement, Sone Valley were depressed at Rs. 7-12 as were Dalmia at Rs. 12-2 and Orissa at Rs. 12-8. In contrast, Assam Bengal were slightly better at Rs. 6-9.

In insurance, New Asiatic were reported at Rs. 4-15 and General Assurance were marked at the lower rate of Rs. 23-6.

In shipping, India Steamship were neglected at Rs. 10-3 and India General Navigation were marked at Rs. 7-5.

Among miscellaneous industries, Alkali & Chemical Corporation were easier at Rs. 18-12 as were Anglo Brothers at Rs. 22-8. Assam Saws improved from Rs. 3-11 to Rs. 3-14. British India Corporation were shaded at Rs. 8-6 as were Calcutta Tramways at Rs. 16-2. Clive Row met with investment enquiry and improved from Rs. 9-12 to Rs. 10-6. Dunlop Rubber were unchanged at Rs. 25. Imperial Tobacco were quoted at Rs. 14-8 while Indian Aluminium were slightly easier at Rs. 14-3. Indo-Burma Petroleum were reported at Rs. 36-4 and Jardine Henderson were easier at Rs. 82. Metal Box, after being done up to Rs. 29-12, turned sellers at Rs. 28-14. Martin Burn improved further from Rs. 24-10 to Rs. 25 and National Carbon were well maintained at Rs. 26-10. Rallis were unchanged at Rs. 38 and there was some enquiry for Shaw Wallace at Rs. 11-6.

In mining, Indian Copper fluctuated narrowly around Rs. 3-10, while Metal Corporation met with

small enquiry and improved from Rs. 9-4 to Rs. 9-11. Other mining issues were unchanged.

There was more activity in tea shares following the announcement of a reduction in the export duty by two annas. Ananda Bag were crossed at Rs. 22 and Baghmari changed hands at Rs. 22-2. Betjan advanced sharply from Rs. 22 to Rs. 26 while Bishnauth moved up to Rs. 22. Brooke Bond came to business at Rs. 20-10 as did Dheakhat at Rs. 21-8. Dibrugarh at Rs. 23, East India at Rs. 23 and Gohpur at Rs. 23-4. Ledo had buyers at Rs. 21-11 and Methoni, Namburnadi and Sapoi were transacted at Rs. 21, Rs. 19-2 and Rs. 29-8. A small lot of New Cinnatollah changed hands at Rs. 105 and Tezapore were supported at Rs. 21-12. Baradighi were wanted at Rs. 19-12 as were Hantapara at Rs. 193, Huldibari at Rs. 25-8 and Killcott at Rs. 20. Ranicherra were done at Rs. 16-12 and Rydak spurted from Rs. 32 to Rs. 36. Tukvar came to business at Rs. 11-4 and a small lot of Central Cachar were done at Rs. 66. Patrakola and Telapara were both marked at Rs. 165 and Belgachi, Jay Shree and New Terai changed hands at Rs. 62, Rs. 11-14 and Rs. 21 respectively.

The profit of the STANDARD COAL COMPANY has amounted to Rs. 70,093 for the year ended last December. Taxation provision is Rs. 30,029 and depreciation is allocated Rs. 1,000. Making other adjustments, bringing in Rs. 17,347 and transferring Rs. 70,090 from taxation provision no longer required, there is Rs. 1,27,411. The general reserve allocation is Rs. 30,000. The dividend is the same at 10 percent, leaving a carry-forward of Rs. 17,411.

The profit of the MORARJEE GOCULJIAS SPINNING AND WEAVING COMPANY has amounted to Rs. 17,69

lakhs for the year ended last June. The ordinary dividend has been declared at Rs. 15 a share. Taxation provision absorbs Rs. 8 lakhs, leaving a carry-forward of Rs. 1,41,489, against Rs. 20,751 brought in.

Tata Industries Private Ltd., managing agents for the TATA IRON AND STEEL CO. LTD., report that the total approximate production of iron and steel at the steel works in Jamshedpur during January, 1957, was: pig iron 97,400 tons; steel ingots 94,300 tons; semis for sale 20,900 tons; and finished steel 49,600 tons.

Bombay Market

OPERATORS HESITATE ON FRESH TAX RUMOURS

ADVANCE RATE CHANGE HITS PRICES

Wednesday Evening.

TRADING on the Bombay stock market last week was marked by irregular fluctuations. Bouts of selling and buying took place according to variations in news. Although a number of adverse factors seemed to have affected sentiment, operators took courage to lift prices after taking a constructive view. Towards the close, the undertone remained rather hesitant.

The increase of $\frac{1}{2}$ percent to 4 percent in the Reserve Bank interest rate on advances against Government and other eligible securities to scheduled banks had a bearish influence, although its immediate impact was milder than had been ex-

pected. Operators were cautious on fears of higher budla charges following the closure of books of the Indian Iron and Steel Co. for the issue of rights shares. The apprehension of increased taxes, combined with discouraging advices from the piecegoods market, tended to depress sentiment.

Tata Steels ended around Rs. 178 and Indian Iron were quoted lower at Rs. 22-5. Alcock Ash-down were freely available at Rs. 262-8, while scattered interest was taken in Premier Construction at Rs. 181-8. Small activity took place in Tata Locomotive around Rs. 149-8. There was little interest in automobile shares which were freely available. Premier Automobiles came to hand at Rs. 104-4 and Hindustan Motors declined to Rs. 8.

There were a number of losses in the cotton mill group. Bombay Dyeing were lowered to Rs. 561-14 on profit-taking, while Century were quietly absorbed at Rs. 502 in the expectation that its rayon plant would soon go into production. Kohinoors were available at Rs. 323-4 and Svadeshi were done at Rs. 225-8. Simplex realised Rs. 181, as did India United Ordinary Rs. 10-15.

Miscellaneous industrials followed the general trend. Cement shares were quiet on uncertainties about the Tariff Commission's forthcoming investigation into the price structure of the industry. Associated Cement were taken at Rs. 170 and Digvijay were done at Rs. 151-8. Bombay-Burnah were a firm feature around Rs. 713-12 on prospects of amicable settlement concerning capital reorganisation. Tata Chemicals were done at Rs. 16-1 and National Rayon declined to Rs. 241-8 on profit-taking. Sugar shares attracted selective interest on the view that increased output would result in better profits. Belapur Sugar came to hand at Rs. 231 and Walchandnagar Industries were done at Rs. 262-8. Shipping shares were steady, as it was believed that companies' working would show an improvement due to increased freight rates. Scindia Steam were higher at Rs. 18-15 and India Steamship were quietly absorbed around Rs. 10-4. Mining shares were irregular. Sivrajpur Syndicate improved to Rs. 97-8 on replacement buying induced by rumours of a bonus issue, while Indian Copper were lowered to Rs. 3-9 on profit-taking due to the fall in metal prices.

Prospects of increased money costs tended to lower prices of bank shares, although sellers were few. Central Bank of India were fractionally lower at Rs. 54 and Bank of India were bought at Rs. 139-8. Insurance shares lacked interest, with New India being available at Rs. 43-12.

Shares of electricity supply companies met with increased interest, and Ahmedabad Electric, in particular, improved to Rs. 99-6 on payment of a higher final dividend. Tata Hydro were taken at Rs. 122.

THE WEEK'S TRANSACTIONS

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

GOVERNMENT SECURITIES

2½% Loan (1962)—Rs. 94-94-94-94.
2½% U. P. Zemindary Compensation Bond (Collected)—Rs. 40-2-40-4-40-2-40-4.
3% Government Paper—Rs. 73-2-73-2-73-2-73-2.
3½% Loan (1966)—Rs. 73-9-73-12-73-6-73-11.
3% " (1970-75)—Rs. 86-10-86-14-86-10-86-14.
3% " (1963-65)—Rs. 94-3-6-94-4-94-3-6-94-4.
3% " (1964)—Rs. 94-4-6-94-4-6-94-4-6-94-4-6.
31% " (1962)—Rs. 97-14-97-14-97-12-97-12.
31% " (1961)—Rs. 99-6-6-99-6-6-99-6-6-99-6.
31% " (1967)—Rs. 98-7-6-98-7-6-98-7-6-98-7-6.
31% " (1974)—Rs. 98-8-6-98-8-6-98-8-6-98-8.
4% West Bengal (1968)—Rs. 99-99-10-6-99-99-8.
4% U.P. (1967)—Rs. 98-2-98-2-98-2-98-2.
4% U.P. (1968)—Rs. 98-98-97-10-97-15.
4% U.P. (1963)—Rs. 98-14-98-14-98-98.

BANKS

United Bank of India ('D' Share)—Rs. 4-12-4-13-4-10-4-13-(4-14).
United Commercial—Rs. 57-8-57-8-56-57-(49-8).

RAILWAY

Dehri Rohtas—Rs. 13-6-13-7-13-6-13-7-(13-4).

COTTONS

Basanti—Rs. 5-12-5-13-5-12-5-13-(5).
Bengal Nagpur—Rs. 8-8-8-8-(10-11).
Cawnpore—Rs. 7-14-7-14-7-11-7-11-(9-1).
Jayshree—Rs. 5-14-5-14-5-13-5-13.
Kesoram—Rs. 15-11-16-15-10-16-(17).
New Victoria—Rs. 2-2-2-3-2-2-2-3-(1-14).
Do. (Pref.)—Rs. 5-1-5-6-5-1-5-5-(3-10).

COALS

Bengal—Rs. 459-466-459-463-(560).
Bharat—Rs. 6-9-6-9-6-7-6-8-(8-15).
Do. (Pref.)—Rs. 51-4-51-4-51-51.
Burrakur—Rs. 21-4-21-8-21-1-21-7-(15).
Do. (Pref.)—Rs. 113-113-8-113-113-8-(122).
Bhalgora—Rs. 6-4-6-6-6-4-6-6-(6-12).
Central India—Rs. 6-11-6-11-6-7-6-8-(7-8).
Equitable—Rs. 26-4-26-4-26-4-26-4-(38-14).
Do. (Pref.)—Rs. 100-8-100-8-100-8-100-8-(116).
Katras Jheriah—Rs. 62-62-4-62-62-6-(64-6).
South Karanpura—Rs. 10-1-10-4-9-15-10-2-(12-15).
Searsale—Rs. 5-2-5-2-5-2-5-2-(8-4).
Salcher—Rs. 2-8-2-9-2-8-2-9-(3-7).
Union—Rs. 13-5-13-5-13-2-13-4-(16-12).
Western Bengal—Rs. 6-1-6-2-5-15-5-15-(7-4).

JUTES

Agarpara—Rs. 9-6-9-11-9-6-9-10-(12-4).
Do. (Pref.)—Rs. 100-100-100-100-(118).
Auckland—Rs. 96-8-97-96-8-97-(140).
Barnagore—Rs. 103-10-103-105-(164-8).
Budge Budge—Rs. 111-11-111-111-(184).
Bengal—Rs. 14-15-14-15-14-15-14-15-(18-12).
Birla—Rs. 16-2-16-2-15-13-15-13-(18-10).

Bally (Pref.)—Rs. 103-103-103-103-(116).
Cheviot—Rs. 150-155-150-153-(296).
Caledonian—Rs. 130-130-130-130-(250).
Champdany—Rs. 134-134-134-134-(182).
Chitavalah—Rs. 12-10-12-10-12-9-12-10-(15-8).
Delta—Rs. 145-146-143-146-(253).
Empire—Rs. 15-6-15-6-15-6-15-6-(22-4).
Do. (Pref.)—Rs. 102-102-102-102-(129-8).
Fort William—Rs. 19-19-19-19.
Gourepore—Rs. 209-225-209-224-(321).
Hukumchand (Pref.)—Rs. 101-101-8-101-101-8-(115-3).
Howrah—Rs. 19-3-20-19-3-20-(25-7).
India—Rs. 134-138-134-135-(157).
Kinnison—Rs. 139-147-139-147-(209).
Kedarnath (Pref.)—Rs. 68-68-68-68-(95).
Lansdowne—Rs. 104-106-8-104-106-(129).
Lawrence—Rs. 98-98-98-98-(124).
Magna—Rs. 80-80-8-79-8-79-8-(95-8).
Northbrook—Rs. 21-7-21-7-21-7-21-7-(25-14).
Naibati—Rs. 76-76-76-76-(115-8).
National—Rs. 19-12-21-9-19-12-20-7-(29-10).
Nudea—Rs. 31-4-32-31-4-31-4-(45-8).
Naskarpara—Rs. 14-6-14-6-14-6-14-6-(20).
Nellimarla—Rs. 11-10-12-11-10-11-12-(12).
New Central—Rs. 13-4-13-4-13-13-(18-7).
Orient—Rs. 121-122-118-122-(173-8).
Reliance—Rs. 9-13-10-6-9-13-10-1-(12).
Soorah—Rs. 15-8-15-10-15-8-15-10-(16-12).
Waverley—Rs. 3-10-3-11-3-10-3-11-(8-8).

MININGS

Burma Mines—Rs. 2-12-2-13-2-11-2-12-(2-3).
Consolidated Tin—Rs. 1-12-1-13-1-12-1-13-(2-8).
Indian Copper—Rs. 3-11-3-11-3-9-3-9-(6-11).
Karanpura Development—Rs. 15-14-15-14-15-14-15-14-(20-8).
Metal Corporation—Rs. 9-9-9-11-9-9-9-11-(10-12).
Orissa Minerals—Rs. 21-12-21-12-21-12-21-12-(24-12).

CEMENTS

Asoka—Rs. 11-11-10-15-11.
Assam Bengal—Rs. 6-9-6-11-6-9-6-11-(7-9).
Do. (Deid.)—Rs. 1-5-1-5-1-5-1-5-(1-7).
Dalmia (Bhucat)—Rs. 12-4-12-5-12-1-12-2-(14).
Do. (Pref.)—Rs. 9-12-9-12-9-10-9-12-(11-9).
Kalyanpur Lime (Pref.)—Rs. 30-30-80-80.
Orissa—Rs. 12-6-12-9-12-6-12-9.
Sone Valley—Rs. 7-12-7-14-7-10-7-12-(7-15).

CHEMICALS

Alkali & Chemical—Rs. 18-12-18-12-18-12-18-12-(23-10).
Bengal—Rs. 100-102-109-102-(107).
Smith Stanistreet (Pref.)—Rs. 63-63-62-12-62-12-(75).

ELECTRICS

Bareilly—Rs. 14-14-15-1-14-14-15-1-(14-2).
Calcutta—Rs. 13-3-13-4-13-1-13-1-(13-15).
Do. (Pref.)—Rs. 9-12-9-12-9-10-9-12-(11-9).
Dibrugarh Power—Rs. 94-8-94-8-94-8-94-8.
Jubbulpore—Rs. 14-5-14-5-14-4-14-4-(16-8).
Patna—Rs. 11-8-11-12-11-8-11-12-(12-2).
United Provinces—Rs. 146-146-146-146-(169).

ENGINEERINGS

Bhartia Elec. Steel—Rs. 16-15-16-15-16-15-(13-8).
Britannia Engineering (New)—Rs. 13-13-13-13-13-11-13-13.
Burn & Co. (6% Pref.)—Rs. 110-110-8-109-110-8-(139).
Do. (7% Pref.)—Rs. 128-128-8-127-127-(122).
Bridge & Roof—Rs. 36-36-36-36.
Brathwaite & Co.—Rs. 27-10-28-27-10-27-14-(28).
British India Elec. Cons.—Rs. 13-2-13-4-13-2-13-4-(7-8).

Guest, Keen, Williams—Rs. 24-7-24-8-24-4-24-8.
Indian Galvanizing—Rs. 19-7-19-9-19-7-19-7-(26-6).
Indian Iron—Rs. 29-4-29-4-28-9-28-10-(25-4).
Do. (Pref.)—Rs. 103-8-103-8-103-8-103-8-(110).
Jessop & Co.—Rs. 28-12-28-12-28-2-28-4-(58-4).
Kumardhubi—Rs. 9-15-9-15-9-11-9-14-(11-2).
Marshalls—Rs. 5-2-5-2-4-15-5-2-(7-7).
National Iron & Steel—Rs. 7-8-7-9-7-7-7-7-(8-2).
National Screw & Wire—Rs. 9-3-9-4-9-3-9-4.
Richardson & Cruddas—Rs. 22-22-20-7-20-7.
Textile Machinery—Rs. 21-21-2-20-9-20-9-(20-12).

INSURANCES

General—Rs. 23-6-23-6-23-6-23-6.
New Asiatic—Rs. 3-15-4-3-15-3-15-(5-3).
Ruby General—Rs. 6-2-6-2-6-2-6-2-(8).

MISCELLANEOUS

Aluminium Corpn.—Rs. 11-2 s.t.-11-3-10-15-11-1-(9-12).
Do. (6% Pref.)—Rs. 98-98-96-96-(107).
Angelo Brothers—Rs. 23-4-23-4-23-4-23-4-(24).
Amalgamated Development (Pref.)—Rs. 60-60-60-60-60-60.
B. I. Corpn.—Rs. 8-5-8-9-8-5-8-8-(11-14).
Birds Investment—Rs. 14-6 x.d.-14-8-14-6-14-8-(19).
Britannia Biscuits—Rs. 14-11-14-12-14-11-14-11-(15-4).
British Ceylon Corpn.—Rs. 9-9-9-9-9-9-9-9-(11-12).
Calcutta Gas—Rs. 6-8-6-8-6-8-6-8-(8-6).
Calcutta Tramways—Rs. 16-5-16-5-16-2-16-2-(17-6).
Clive Row Investment—Rs. 10-1-10-8-10-1-10-3.
Dunlop Rubber—Rs. 26-26-1-25-11-25-13-(33-2).
Gillanders Arbuthnot—Rs. 11-4-11-4-11-4-11-4-(14-2).
Do. (Pref.)—Rs. 60-12-61-60-12-61-(72).
Imperial Tobacco—Rs. 14-8-14-12-14-6-14-10-(14-2).
Indian Aluminium—Rs. 14-4-14-6-14-2-14-3.
Indian Cable—Rs. 32-5-32-5-31-12-31-15-(30-10).
Indian Rubber Mfg.—Rs. 24-24-2-24-24-2-(13-2).
Jardine Henderson—Rs. 80-80-79-12-80-(108).
Do. (Pref.)—Rs. 60-12-60-12-60-12-60-12-(78).
Martin Burn—Rs. 25-25-24-13-25-(27-4).
Metal Box—Rs. 28-14-29-10-28-14-29-(25-2).
Macfarlane & Co.—Rs. 3-1-3-1-3-1-3-1.
National Rolling—Rs. 10-4-10-6-10-4-10-6.

National Tobacco—Rs. 10-8-10-8-10-8-10-8-(11-2).
National Carbon—Rs. 26-7-26-12-26-6-26-8.
National Insulated Cable—Rs. 26-10-26-11-21-4 x.r.-21-6 x.r.-(21-2).
Oster Electric Lamp—Rs. 3-14-3-14-3-14-3-14.
Rohtas Industries—Rs. 20-20-19-12-19-15-(22-10).
Rubia India—Rs. 27-14-28-27-14-28-(30-12).
Western Stockholders Investment—Rs. 13-14-13-13.

OIL SHARES

British Burma Petroleum—Rs. 2-13-2-13-2-12-2-12-(3-2).
Indo-Burma Petroleum—Rs. 26-4-26-4-26-4-(42-8).
Tide Water Oil—Rs. 12-2-12-4-12-2-12-4.

PAPER MILLS

India Paper Pulp—Rs. 23-3-23-3-22-14-23-1-(23-12).
Orient—Rs. 33-8-33-14-33-5-33-5-(33).
Shree Gopal—Rs. 16-8-16-8-16-2-16-4-(18-1).
Star—Rs. 10-1-10-1-10-10-10-(12-4).
Titaghar—Rs. 38-15-39-6-38-15-39-2-(45).

REAL PROPERTY

Midnapore Zemindary—Rs. 23-8-23-8-23-6-23-6-(37).

SAW MILL

Assam Saws—Rs. 3-10-3-14-3-10-3-14-(5-3).

SHIPPINGS

India Steamship—Rs. 10-6-10-6-10-3-10-4-(8-9).
Scindia Steam Navign.—Rs. 18-14-18-14-18-14-18-14-(16-7).

SUGAR SHARES

Balrampur—Rs. 6-11-6-11-6-11-6-11-(10-12).
Dyer Meakin Breveries—Rs. 6-5-6-6-(6-7).
Shree Krishna Gyanoday—Rs. 11-4-11-6-11-4-11-6-(12-10).
Samastipur—Rs. 10-12-10-12-10-12-10-12-(14-7).
U.P.—Rs. 15-3-15-3-15-3-15-3-(23).

TEA SHARES

Ananda Bag—Rs. 22-22-22-22-(49-12).
Banarhat—Rs. 330-330-330-330.
Baghmari—Rs. 22-1-22-2-22-1-22-2-(24-8).
Baradighi—Rs. 19-12-19-12-19-12-19-12-(62-4).
Betjan—Rs. 25-8-26-4-25-8-26-4-(49-12).
Bishnauth—Rs. 21-22-8-20-14-22-2-(36-14).
Belgachi—Rs. 61-12-62-61-12-62-(43-8).
Brooke Bond—Rs. 20-8-20-12-20-3-20-12-(18-8).
Central Cachar—Rs. 64-66-64-66-(101).
Dheakhat—Rs. 21-8-21-11-21-8-21-11-(18-6).
Dibrugarh—Rs. 22-12-23-10-22-12-23-10-(29-8).
East India—Rs. 22-12-23-22-12-23-(23-2).
Ellenbarrie—Rs. 144-144-144-144.
Gohpur—Rs. 23-2-23-6-23-2-23-6-(48).
Groh (A)—Rs. 30-8-32-8-30-8-32-4-(37-14).
Groh (B)—Rs. 16-16-12-16-16-12.
Hantapara—Rs. 190-193-190-191-(246).
Huldibari—Rs. 25-8-25-8-25-8-25-8-(33-8).
Jayshree—Rs. 11-13-11-14-11-12-11-12.
Killcott—Rs. 19-12-20-19-12-20-(20-3).
Lingia—Rs. 25-25-25-25.
Ledo—Rs. 21-7-21-11-21-6-21-11-(21-8).
Methoni—Rs. 20-4-21-3-20-21-(20-12).
Namburnadi—Rs. 19-2-20-19-2-20-(22-12).
New Cinnatollah—Rs. 104-106-104-106-(255).
New Terai—Rs. 20-8-21-20-8-21-(31-8).
Patrikola—Rs. 165-166-165-165-(169).
Rydak—Rs. 31-8-36-31-8-36-(81-8).
Ranicherra—Rs. 16-11-16-12-16-9-16-10-(19).
Sapoi—Rs. 29-4-29-8-29-2-29-8-(19-12).
Singell—Rs. 17-8-17-12-17-8-17-12.
Telapara—Rs. 165-165-165-165-(188).
Tezapore—Rs. 20-10-21-13-20-10-21-6-(23-8).
Tukvar—Rs. 11-4-11-5-11-3-11-5-(13-14).

DEBENTURES

4% (1956-86) Calcutta Port Trust—Rs. 97-12-97-12-97-12-97-12.
3½% (1956-66) Howrah Bridge—Rs. 95-7-95-7-95-7-95-7.
3% (1936-66) Cal. Improvement Trust—Rs. 88-12-88-12-88-12-88-12.
3% (1936-37) Cal. Municipal—Rs. 89-4-89-4-89-4-89-4.
5% (1923-58-88) Do. Rs. 102-102-102-102.
5% (1927-57-87) Cal. Port Trust—Rs. 101-101-101-101.

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Commodity Markets

COMMODITY MARKETS IN U.K.

INCREASING FREEDOM OF TRADE

At the beginning of this year, London resumed dealing in sugar futures after an interval of 17 years. The occasion was a reminder that the process of restoring free markets was not quite complete—though control of imports of sugar destined for re-export (either raw or refined) had been withdrawn previously. An announcement by the Bank of England that non-residents could operate freely in the new market (differences between non-residents being paid from the appropriate non-resident sterling account) confirmed that the authorities' intention was to attract international business to this market. The desire to attract international business, with the commissions and financial services associated with it, impelled the postwar Socialist Government of Britain to restore free trading in one commodity after another, although many members of the Government preferred, in principle, trading by the State. Naturally, the conservative Governments of 1951 and after continued and, where possible, accelerated the process.

The need to protect sterling against the loss of dollars was the dominant consideration in the early years of decontrol. For that reason, the sterling commodities were freed before the dollar commodities—for instance, wool before cotton, tin before copper. Gradually, the distinction became dimmer and almost disappeared—and foreign countries' ability to buy dollar commodities through Britain represents convertibility of sterling in an important practical form. The main impediments to the practice of free marketing are now the policies relating to particular goods, mainly agricultural, whose producers the Government is committed to protect; although it may be that the currency problem would be more obtrusive in the paper trade if North American newsprint were more readily available.

Freedom from Politics

In principle, and usually in practice, politics play no part in the U.K.'s free markets. Countries of the Russian bloc can, and do, both buy and sell through them. In the recent period of strained relations, it has been suggested in some quarters that the U.K. should cease to import Russian furs; but the London fur market is well aware that most of these furs are re-exported—many of them for dollars—and that other centres would be glad of an opportunity to take London's place as the principal market for buying and selling furs. If there is a political threat to the U.K.'s markets it comes rather from those countries—including, perhaps mainly, sterling countries—which desire to establish their own markets for the commodities that they produce. But this is not only an abstract political idea: the tendency to sell commodities through the countries of origin rather than through a distant commercial centre has been in progress a long time, and it would doubtless continue for economic reasons, without artificial aid.

London Gold Market

Anyway, it has not been so difficult as many people imagined to regain pre-eminence in various

trades. An obvious success is the London gold market (gold is, after all, a commodity), which is accepted again as the leading centre. The London metal market can claim that its prices are widely accepted as the world prices. The London wool-tops futures market, although in existence less than four years (there was no such market in Britain before the war), has the largest turnover of any wool futures market anywhere. The London sugar futures market aspired to rival New York as the world's main centre for hedging in the commodity; and its more flexible method of working will help it to achieve this aspiration. The wool-tops futures market broadened its activities a few months ago by introducing a crossbred contract alongside the merino contract which was formerly its only basis; and the Liverpool cotton futures market has made a number of important amendments to facilitate trading. Flexibility is one reason for the success of these British markets. One of the most renowned, though not the best understood, is the Baltic Exchange (in full, the Baltic Mercantile and Shipping Exchange), which was primarily concerned with tallow a century and a half ago and is now the main centre through which tramp ships are chartered, and also for the trade in imported grain; but if one wished one could buy a ship there, too.

The Baltic Exchange

The Baltic Exchange emerged from the old Baltic Coffee House, and many other markets had a similar origin. Some of them, including the Baltic (of which a new extension was opened late last year), have grown to impressive size; others are still hidden in small streets in the City, familiar only to those who use them. Even the Metal Exchange, although dignified inside, would not attract the casual visitor's notice against the background of the meat and poultry of the nearby Leadenhall market. The most important of the markets has, indeed, no physical being at all. The London money market is not any particular place although it is mainly confined within a limited area. Within that area the experts meet—or, more often, telephone—to negotiate loans and discounts and exchanges, at "prices" most delicately adjusted, amounting to huge sums every day. Even in trades where a particular building exists as the centre of dealing it is common practice now to do business by telephone between offices, while the floor of the market is often a meeting place for discussion rather than for trading. However, the mechanics of these markets are important (in a negative sense) only when they get in the way of business. The markets have evolved by a natural process of growth, adapting themselves all the time to present needs. Their services will doubtless be required while international trade is done by ordinary traders, although they will not necessarily fit easily into arrangements between Governments. Free trade in sugar is complicated by a commitment to absorb in the U.K. some 1.5 million tons a year from the Commonwealth.

COMING TEXTILE TRADE FAIRS IN LONDON

The U.K. textile industry will stage its biggest trade show of the year—and the biggest of its type in the world—at Earls Court, London, from 4th to 8th March. To be known as the British Textile Show, it will embrace four separate trade fairs—the National Men's and Boy's Trade Fair; the

British Cloth Fair; the National Household Textiles and Soft Furnishings Fair; and the National Carpet and Floor-coverings Trade Fair. All four fairs will be under the same roof, but each will be entirely separate, divided from its neighbours by a 20-foot-high partition. More than 500 firms will take part in the show, exhibiting what the organisers describe as a cross-section of everything that is new in British textiles. Many overseas visitors are expected at the show, which is being sponsored by six national trade organisations.

DISTRIBUTION OF CAUSTIC SODA AND SODA ASH

Under the import policy of the Government of India, imports of caustic soda and soda ash are being canalised through the State Trading Corporation of India (Private) Ltd. The Corporation has made contracts with foreign suppliers for the regular import of these commodities in sufficient quantities. To ensure efficient distribution, the Corporation has appointed the following as its agents: Imperial Chemical Industries (India) Private Ltd.; Tata Industries Limited, Bombay; Chemical Importers and Distributors (Private) Ltd., Calcutta, and Chemical and Alkali Distributors Ltd., Bombay. All enquiries for supplies should be addressed to the agents.

TARIFF ENQUIRY ON REVISION OF CEMENT PRICES FOR PRODUCERS

The Government of India has decided to refer to the Tariff Commission the question of revising the prices of cement payable to cement producers. Firms or persons interested in the matter, who desire that their views should be considered, are advised to address their representations to the Secretary of the Tariff Commission, Central Government Office Buildings, 101, Queen's Road, Bombay 1.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced further by 0.8 percent to 424.2 (revised) ended 19th January, compared with 421.0 (revised) for the earlier week. The index was lower by 1.5 percent when compared with the corresponding week of the previous month, but was higher by 12.9 percent than that of a year ago. The index for Food Articles rose by 1.7 percent to 396.5 compared with 389.9 (revised) for the previous week as a result of an advance in the prices of *gur* (+1%), gram in Hapur (+4%), tea for internal consumption (+3%), rice (+2%) and wheat and salt (+1% each) in spite of a decline in the prices of *jowar* (-4%), gram in Patna and *bajra* (-3% each) and tea for exports (-1%). Higher prices of rapeseed in Bombay (+16%) and in Calcutta (+4%), copra (+6%), groundnuts, castorseed and cottonseed (+4% each), linseed (+3%), gingellyseed (+2%) and raw jute and lac (+1% each) raised the index for Industrial Raw Materials by 1.1 percent to 527.9, although prices of manganese ore (average export prices) (-9%), rapeseed in Kanpur (-5%), iron ore (-2%) and raw wool in Kalimpong (-1%) exhibited declines. Lower prices of gingelly cake (-6%), copra cake (-2%) and cotton yarn (-1%) brought down the index for Semi-Manufactures from 413.0 (revised) to 412.4 (estimated) in spite of an increase in the prices of coconut oil, groundnut oil, linseed oil and zinc (+2% each) and mustard oil (+1%). The index for Manufactures moved up by 0.2 percent to 587.7 compared with 586.8 (revised) for the previous week due to a rise in prices of jute manufactures and paints (+2% each). A fall of 0.2 percent to 592.9 compared with 594.0 (revised) for the earlier week in the index for the Miscellaneous group was caused by a decline in the price of cashewnuts (-4%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-Groups	19-1-57	12-1-57	22-12-56	21-1-56
I. Food Articles :	396.5	389.9(R)	416.1(R)	334.2
Cereals	494	498(R)	533*	397
Pulses	433	433(R)	419	370
Others	262*	253	267*(R)	240
II Industrial Raw Materials :	527.9	522.0	522.3(R)	451.1
Fibres	509	508	501	448
Oilseeds	588	566	584(R)	458
Minerals	528	540	523	447
Others	435	434	440(R)	453*
III Semi-Manufactures :	412.4*	413.0(R)	416.3(R)	354.4
Leather	..	433	445	424
Mineral oils	210	210	210	202
Vegetable oils	626	618(R)	633(R)	424*
Cotton yarn	492	495*	495	434
Metals	328	328	327	280
Oilcakes	435	449	468	394*
Others	362	362	363	330
IV. Manufactures :	587.7	586.8(R)	588.6	374.4
Textiles	417	416	421	407
Jute	456	448	473	412
Cotton	414*	414*	416*	403*
Rayon and Silk	436*	436*	429*	486*
Woolen	266	266	266	278
Metal products	394	394(R)	390	371
Others	298	298	298	285
V. Miscellaneous :	592.9	594.0(R)	590.6	536.0
All Commodities	424.2	421.0(R)	430.7(R)	375.7

R = Revised. * = Estimated.

New Delhi

RUSSIAN REPORT ON MANUFACTURE OF HEAVY MACHINERY IN INDIA

LINK WITH PROJECT FOR CASTINGS AND FORGINGS RECOMMENDED

(FROM OUR NEW DELHI CORRESPONDENT)

A GROUP of Russian specialists headed by Mr. N. I. Babich, Deputy Minister for Heavy Machine-Building in Russia, which came here on the invitation of the Indian Government, has completed its report on constructing a factory for the manufacture of heavy machinery and equipment in this country. The report was submitted to the Central Ministry of Heavy Industries last week. As Mr. Babich informed the Tass correspondent, the construction of the works will give a start to the most important branch of industry—heavy machine-building. India will then be able to produce independently the main portions of the heavy machinery and equipment required for the iron, steel and other industries. The works will manufacture machinery and equipment for crushing and grinding mills, coke and by-product plant, blast furnaces, open hearth furnaces, rolling mills and handling facilities for the iron and steel industry, as well as excavators, heavy drilling rigs for the oil industry, winding engines for mines, forge and press machinery and other equipment. The rated annual production capacity of the works will be 80,000 tons of machinery and equipment. It will be able to produce metallurgical plant and equipment for an iron and steel works with an annual capacity of one million tons of liquid steel every year. The powerful multi-purpose works can be easily switched over to the production of other types of heavy machinery and equipment.

Training of Personnel

As it is a complicated task to train highly skilled designers, technologists and workers, and to master the technology of manufacturing heavy machines, the Russian specialists recommend carrying out the construction of the works in two stages. The production capacity of the first part of the works will be 45,000 tons of metallurgical and mining equipment a year. The report takes into account the decision of the Indian Government on the construction of a special plant for the production of castings and forgings. It should be borne in mind that the works for the manufacture of heavy machines will require casting and forging pieces weighing more than 100 tons each, and totalling more than 10,000 tons each year. For greater efficiency and economy, it is recommended that the plant for castings and forgings should be constructed alongside the works for manufacturing heavy machines. According to calculations, the units will employ more than 10,000 workers and officers.

The report provides for a considerable expansion of capacity later on. The complex of the works for manufacturing heavy machinery and equipment, and of the plant for castings and forgings, will be similar to that of the largest Russian works such as Uralmash in the Urals and Novokramatorsk in the Donet-Basin. It will provide a good school for training highly skilled workers and leading personnel of the heavy machine-building industry in India.

Indian and Russian technicians met here at a conference last week when the former asked for clarification of certain technical aspects in the report. The report itself will be discussed in the context of plans for Indo-Russian collaboration, with a view to implementing it soon. The Russian Government has indicated its willingness, generally, to help in the implementation of the report.

Sir Eric Coates's mission on heavy industries, it is believed, has signed its report in London and despatched it to India.

Diesel Electric Locomotives

The Government has placed an order for 100 broad-gauge 2,000 h.p. diesel electric locomotives with Alco Products Incorporated of New York. The total value of the order is about Rs. 10.7 crores. The first lot of 20 locomotives is likely to be shipped to India in June. The American firm is expected to sign an agreement with the Government of India for collaboration in training Indian personnel for the repair and maintenance of these engines. Training will be given in India and in America. The sections where the new diesel locomotives will be used initially are:

1. The Asansol-Anara-Rourkela and the Raj Kharswan-Barajamda sections of the South-Eastern Railway.
2. The Gomoh-Gaya section of the Eastern Railway.
3. The Igatpuri-Bhusaval section of the Central Railway.

The chief advantage of a diesel locomotive over a steam one is that it can haul bigger train loads at greater speed, thus overcoming to some extent the difficulties arising from limited line capacity. For instance, even in the undulating hilly country of the coal and iron ore areas, diesel locomotives

will haul 3,000-ton trains, or 35 percent more than what steam locomotives can haul.

At present, there are no diesel locomotives on the main lines of the broad-gauge system in India. Only a few are being used for shunting purposes. A few diesel locomotives are being used for the main line service on the Kundla-Deesa metre-gauge section of the Western Railway. As a considerable amount of foreign exchange is involved in the purchase of 100 diesel engines from a hard currency area, it is expected that the question of the World Bank financing this purchase will figure in the Government's discussions with that body.

Cement Control

It is expected here that stricter cement control will be introduced soon. The aim is to check the growing black market in the commodity, which has developed because demand greatly exceeds production. Last summer, the Government made arrangements to import cement. The Suez crisis led to a rise in freight charges and the prices of foreign cement were high, so imports were affected. Meanwhile, foreign exchange crisis having developed, it has been decided to ban cement imports completely. Even steel imports have been drastically curtailed. The Minister of Heavy Industries, Mr. M. M. Shah, has addressed three letters, including two to State Governments, urging them to rationalise the use of cement and steel and to prevent their wastage. The third letter has been addressed to industrial organisations with a similar request. It may be added that the general curtailment of imports is affecting the import of capital goods, which in its turn is expected to reduce the demand for steel and cement.

Indo-Danish Trade

The Danish trade delegation has had some interesting talks with the Government and with trade organisations during its recent visit to this country. Negotiations for a marine diesel engine project for steam launches are in progress. Denmark has expressed its willingness to supply equipment for making dairy products, and negotiations are going on with the Agriculture Ministry. The delegation is impressed with the progress India has made in recent years and expects an increase in trade between the two countries. The issue posed here is how to develop this trade?

The Indian Government has posted Trade Commissioners in many important countries. At home, it has set up Export Promotion Councils and has laid down the procedure for claiming drawback of excise duties on exported articles. It has entered into bilateral trade agreements with various countries and has been sponsoring visits by trade delegations to potential markets for Indian products. It has also decided to set up another Export Promotion Committee with Dr. D'Souza, Vice-Chancellor of Mysore University, as chairman, to study the existing pattern of trade and to make recommendations for improving it. Ultimately, it is for the Indian trading community to take advantage of these facilities and capture new markets. The Suez crisis has offered an opportunity, for instance, in Middle Eastern countries. But very little enterprise has yet been shown there by Indian traders. Similar, though not identical, conditions prevail in Denmark. Her interest in Indian products has been stimulated by Mr. H. V. R. Iengar's mission to that country last year and by the Danish trade mission which is now in India. It remains to be seen whether traders here will take advantage of the new opportunities.

Swedish, Finnish and Sudanese Trade Missions

Three more trade missions are expected here soon from Sweden and Finland this month and from the Sudan in March.

Diesel Engines for Ships

Proposals are being examined here to start the manufacture of diesel engines for ships manufactured by Hindustan Shipyard. These engines are at present imported.

Tower-wagons for Railways

The Government has placed an order for nine tower-wagons for the Indian railways with the British firm of Dr. Wickham and Company in Hertfordshire. Their estimated cost is £24,000.

Customs Procedures Enquiry Committee

The Government has appointed a committee to conduct a comprehensive enquiry into Customs procedures and organisation, and to make recommendations for improving them. Its chairman is Mr. F. C. Badhwar, Managing Director of Bird and Company. The members are Mr. S. M. Shah, President of the All-India Importers Association, Bombay; Mr. E. J. Benjamin, Director of Roberts, McLean and Company, Calcutta; and Mr. W. Sal-

danha, Officer on Special Duty, Central Board of Revenue, New Delhi. Mr. V. S. Ramaswamy, Assistant Collector of Customs, is secretary to the committee. The enquiry will cover the procedures for clearance of goods and passengers' baggage through the Customs, the administration of import, export and exchange control regulations, methods of classification and valuation of goods, procedures for the grant of Customs refunds and drawbacks, and liaison between the Customs, port trust and trade control authorities.

Schemes for Educating Workers

The Government has appointed an eight-member team of experts to advise it in formulating detailed schemes to cover all aspects of workers' education. The team, which has been appointed in co-operation with the Ford Foundation, will make concrete proposals on educating union representatives in the principles and techniques of trade union organisation, management and financing. It will also make proposals on educating union representatives for responsible and effective participation in management. The education of union members' Finance Act likewise expires on 31st March, and for the better performance of their duties as citizens, along with other general aspects of workers' education, will be included in the terms of reference of the team. Its members are Mr. Anthony Luchek, Professor of Industrial Relations and Director, Labour Education Service, Pennsylvania State University; Mr. Emory Bacon, Director of Education, United Steel Workers of America; Mr. Knut Larsson, formerly President of the Swedish Labour Organisation; Mr. Percy Knight, ex-Assistant General Secretary U.K. National Union of Seamen; Father A. Fonseca, of the Social Institute, Poona; Mr. A. S. Iyengar, retired Labour Commissioner, Bombay State; Mr. P. S. Easwaran, Chief Labour Commissioner, Government of India; and Mr. B. N. Datar, Director, Labour and Employment Division, Planning Commission.

Dissolution of Parliament

The present Parliament will be dissolved on 31st March, 1957. Dates are being fixed for the summoning of the new Parliament, and its first job will be to elect a President and a Vice-President. The last or "lame duck" session of the present Parliament, which will commence here on 18th March, will enable the Government to obtain a vote on account to defray the charges of administration after 31st March, when the 1956-57 financial year ends. The Finance Act likewise expires on 31st March, and a fresh Finance Bill will have to be passed to enable the Government to continue levying taxes.

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U. K. ECONOMIC OUTLOOK
OBSCURESIGNS OF LEVELLING OFF
IN ACTIVITY

(FROM OUR LONDON CORRESPONDENT)

THE economic outlook at the moment appears to be unusually obscure, for the statistical indicators which provide the background for most assessments are surprisingly contradictory, or at all events are being interpreted that way by different circles. The City, judging by market movements, continues to be reasonably optimistic, with Stock Exchange prices well maintained and the Government particularly well placed in consequence to condition it for the funding operations which must lie ahead. Nor is there any lack of money seeking investment. The Midland Bank's new issue figures for January highlight this fact by disclosing that new money raised in Britain that month reached £67.2 million—the largest total for any month since March, 1920, if one excludes the sums raised by nationalised undertakings in the postwar years. Official opinion is also hopeful, for although the Treasury *Bulletin for Industry* for January does not anticipate that the price stability which persisted for the greater part of last year will continue into the early months of this year in the face of the increased price of oil, "the underlying strength and balance in the economy are a good deal better than a year ago". It admits a levelling out of investment in manufacturing industry towards the end of the year, which is confirmed by the last quarter returns of industrial building plans released by the Board of Trade to bring the 1956 totals to 2,470 schemes covering 71.4 million square feet for which certificates were granted, compared with 3,322 schemes covering 91.7 million square feet in the record postwar year of 1955. On the other hand, it is hoped that by various adjustments, "it will be possible to avoid any major restriction of output" as a result of the rationing of petrol and oil, and the survey concludes with a cheerful analysis of the overseas trade figures and the stimulating effect of the credit squeeze on our exports.

The other side of the picture can be seen in the latest revenue and expenditure return, which discloses an ordinary deficit of £133 million in spite of the very strong flow of revenue this year, against a surplus of £126 million at the same time last year. It is obvious that the inevitable increase in Government spending has not even been halted quite apart from an actual cut being achieved. The direct costs of the Suez operations must be partly responsible, as also the increased cost of interest on the National Debt, but the significant feature is surely that the supply services have so far cost nearly £260 million more than last year. Capital spending by the Government presents a slightly more favourable picture, the cumulative deficit being £441 million compared with £485 million a year ago. The overall deficit works out at £575 million against £359 million 12 months ago. Revenue will continue to overtake expenditure this month and even part of next, but it does not look as though Mr. Thorneycroft could depend upon Mr. Macmillan's targets of last April being realised. That probably explains the new directives which it is understood have gone out to all departments for the scrutiny of all programmes with special care this year, not necessarily to make sweeping reductions so much as to avoid the "natural annual increase." It certainly explains all the speculations about increased charges in connection with social services which some quarters expect the Government to put forward.

Unfavourable Factors

The T.U.C. obviously takes an unfavourable view of the situation, for a delegation discussed

with the Chancellor of the Exchequer and other Ministers last week the effect which oil supply restrictions will have on production and employment and the steps which it feels should be taken to minimise any adverse consequences. Unemployment and short-time working have both increased lately, so that there now seems to be an overall balance between those out of work and the vacancies available, but the changed circumstances do not yet appear to have convinced labour leaders of the necessity to increase output in support of higher wage claims or the danger to our exports of unofficial strikes such as the one last week which has virtually brought Ford car production to a standstill throughout the country.

The basic fact which everyone must be made to realise is that economic activity in Britain has ceased to grow and is now showing distinct evidence of levelling off. This is shown by the first attempt to meet Mr. Macmillan's request in his Budget speech last April for more up-to-date statistics, which takes the form of a new series of quarterly estimates of national expenditure and cuts the time-lag to four months. The new tables show that public authorities' current expenditure on goods and services in the first nine months of last year was £2,605 million or £221 million more than in the same period of 1955. Government expenditure on military defence was £93 million up at £1,218 million, and on health services £37 million up at £408 million. Much of the rise of £221 million was the result of higher prices and increased rates of pay. In the same period, consumers' expenditure increased by £486 million, or by 5 percent, to £9,802 million. Since prices rose by about the same proportion, there was little change in expenditure at constant prices between the two periods.

Domestic expenditure is estimated to have increased by £844 million, at current prices, from £14,101 million to £14,945 million between the first nine months of 1955 and the corresponding period of last year. Consumers' expenditure accounted for about one-half of this increase, while gross fixed capital formation and public authorities' current expenditure accounted for about one-quarter. In addition, exports of goods and services increased by £373 million, while imports increased by only £93 million. Expenditure on the gross domestic product—equal to the country's total output of goods and services—increased by £1,030 million to £13,226 million, or by about 8½ percent, between the first nine months of 1955 and 1956. About three-quarters of this increase was due to higher unit output cost, the real increase being about 2 percent. The most significant feature brought out by the figures is the progressive slowing down in each quarter in almost every sphere of activity.

Industrial Production Setback

The trend is also confirmed by the latest industrial production index. For 1956 this averaged 137, the same as in 1955 (1948=100), the most disappointing result since 1952, for in every previous year since the index was first compiled, with the exception of 1951 when it fell from 117 to 114, there has been a rise. The provisional estimate for November is now given as 145, compared with 147 a year earlier, while on the basis of information so far received the index for all industries for December, 1956, is expected to be 134-135, which compares with 138 for the corresponding month in 1955. The main cause of last year's standstill was the big drop towards the end of the year in motor-car and commercial vehicle manufacture. This was offset by better results in a variety of other directions, including machinery and industrial building. Since August the monthly production index has been consistently below the figures of a year earlier, and the gap has slightly widened in the fourth quarter.

In the face of these figures it is welcome to find that record orders from overseas customers, and a record rate of delivery of finished tools from the makers, are the two features of the monthly statement for November from the machine tool industry. Over £7.9 million worth of tools was delivered during the month, considerably above the rates achieved recently. Even so, the order-book of the industry as a whole is still over a year long. The figure for export orders of £24 million in November can be compared with an average of about £1.8 million in the previous three months. But elsewhere, unfortunately, the situation is still far from satisfactory, and not least of all in the motor industry.

Far East Textile Imports

According to the *Manchester Guardian*, which has apparently been canvassing the views of the cotton industry on the outcome of the Sir Cuthbert Clegg mission's visits to Bombay and Hongkong, there would be little surprise, and even less resentment, if it turned out to be negligible. Reports from both these centres have been extremely vague. Whereas Bombay hinted at some sort of agreement having been reached, Hongkong says that the representatives of the textile industry there have refused to undertake a restriction of their exports of made-up goods to this country on the lines suggested by the visiting representatives from Lancashire. Sir Cuthbert Clegg, however, has expressed the opinion that the visit to Hongkong was well worth while, and it is certainly much too soon to start talking of failure. Lancashire's opinion at the moment, as reported by the *Guardian*, would seem to be that the mission was given an unenviable task and traders here foresaw many difficulties which might be encountered in the effort to persuade the Indian or the Hongkong mills or both to accept a limita-

tion of their exports to the United Kingdom. It seems possible that there have been more difficulties than had been anticipated. Each of these countries needs, for political as well as economic reasons, to maintain production and exports at the highest possible levels, and the U.K. has been in recent years their largest overseas market for cotton goods. As their textiles enter this country free of restrictions of any kind they have had a large outlet on which they could rely, and they can hardly be expected to forgo this advantage willingly except in exchange for some other benefit or as a means of avoiding some unfavourable development in their trade relationships. Both India and Hongkong, moreover, may consider that if they curtailed their exports to the British market some other overseas supplier would secure the business and thus leave Lancashire no better off than before. It must not be forgotten that Lancashire still holds the view that Government action is the real answer to the problem, and failure on the part of the mission would furnish an excuse for saying "We told you so." The mission returned to England on 2nd February and a meeting of the Cotton Board Standing Consultative Committee has been called for 8th February, at which Sir Cuthbert Clegg and his colleagues will report on results.

Ceylon Tea Reactions

It was inevitable that the shares of Ceylon tea companies on the Stock Exchange should have been marked down following Mr. Gunawardena's announcement of plans to nationalise the foreign-owned tea estates in Ceylon. It was only temporary, for most tea traders, though disinclined to comment, felt the move came from pressure by extreme left elements and that more moderate opinion would ultimately prevail. In the long term, nationalisation is more than a possibility, but it was felt that in the short term the fact that the industry is well managed and provides a large part of Ceylon's national income would prevail. It was generally agreed that recent sale prices—and an increasing number of estates are changing hands—made the suggested compensation figure of about £69 10s an acre quite derisory. The conflict in official views on nationalisation was another reassuring factor. Mr. C. P. de Silva, Minister of Lands, for instance, recently stated that he had no instructions from the Prime Minister about such nationalisation plans.

Shipping Surcharges

The shipping lines in the outward U.K. and Continental conferences to India, Pakistan and Colombo have announced increases in shipment surcharges and freight tariff rates. The existing surcharge of 15 percent on shipments by vessels starting to load at each individual port was raised to 17½ percent on Friday of last week, and the existing tariff rates of freight will rise by 10 percent on shipments made by vessels starting to load at each individual port on and after 15th March. Similar increases are also being made in the home-ward trades from India and Pakistan to the U.K. and the Continent. Similar increases in shipment surcharges and freight tariff rates to Burma from British and Continental ports were later announced in Liverpool.

Commonwealth Council Proposal

A proposal for the formation of a Commonwealth Council has been made in a motion tabled by a group of Labour members in the House of Commons last week. The motion, which is signed by Mr. Peart, Mr. Blyton, Mr. Mellish, Mr. D. H. Howell and Mr. Daines, reads: "That this House, believing in the unity and strength of the British Commonwealth, calls upon the Government to initiate discussions with other Commonwealth Governments with a view to the setting up of a Commonwealth Council comprising a ministerial committee and a consultative assembly which would meet regularly to discuss problems affecting the political, economic and social developments of the Commonwealth."

Brevities

The World Bank has agreed to advance a loan of £1.5 million to Pakistan for a proposed Industrial Bank of Pakistan.

Mr. Low, former Minister of State, Board of Trade, has been appointed a director of John Brown and Company, Clydeside shipbuilders and marine engineers.

Mr. Thorneycroft, Chancellor of the Exchequer, is to preside at a meeting of the Organisation for European Economic Co-operation in Paris on 12th February. The Government hopes that from this meeting will emerge an agreement to begin active negotiations for the formation of the proposed European free trade area.

Total U.K. coal output for January is the highest since 1953. In each of the past three weeks, coal output was the highest for any parallel January week since nationalisation. During the third week of January, output was 4.75 million tons, about 250,000 million tons up on the same week last year. More men worked regularly, and absenteeism was down.

In spite of a drop in December output, production of man-made fibres reached a record level last year at 482.6 million lbs., an increase of 2 percent over 1955. The rise stems from greater demand for staple fibre in all the spinning industries.

Bombay

CHINESE COMPETITION FEARED
IN COTTON TEXTILESSHANGHAI MILLS TO BE
MODERNISED

(FROM OUR BOMBAY CORRESPONDENT)

THE cotton textile market remained steady last week. The demand for superfine fabrics, particularly dhories, was satisfactory. There was also some enquiry for sarees and mulls in the medium and coarse counts, but medium and mercerised shirtings were neglected and this caused a moderate drop in prices for these varieties. The actual volume of business was restricted. Similarly, there was some activity on the export side too but the actual turnover was only fair. The Indonesian Government renewed some of the import licences which had expired. As a result, fair business was transacted with that country, mainly in grey sheetings and drills, dyed drills and bleached longcloth. Australia too showed some interest while limited quantities of calendered grey sheetings and bleached longcloth were booked for Burma. It is believed that the import licences issued by the Burma Government recently have now been exhausted, but it is also reported that the Burma Government has established four corporations in conjunction with trade interests for the import of textiles. It is believed that each of these corporations will be given an import quota valued at Rs. 70 lakhs. Textile circles here believe that they will be able to capture a fair share of this new business when the corporations actually enter the market.

Meanwhile, reports reaching here indicate that Shanghai's cotton manufacturing industry is to undertake an ambitious expansion and modernisation programme this year. Eight of the biggest mills there are setting up an additional 80,000 spindles. Six other mills are scrapping 120,000 spindles and replacing them with the latest types. Output will be raised by 86,000 bales of cotton yarn. These projects are expected to be completed within six months from now. An extra 200,000 spindles may be put to work eventually if the mills take over all the unused building space now available. Shanghai, the most important textile manufacturing centre in Communist China, turned out 1,790 million metres of cloth last year, beating 1952, when the five year plan began, by about 60 percent. Although most of this production was consumed internally, it now appears that China is building up her industry in an attempt to capture a share in the world's export markets.

Rayon Continues Dull

The rayon yarn market here continued to be listless. The report that the Silk and Art Silk Mills Association had concluded a deal on favourable terms with Japanese manufacturers for bulk supplies helped to depress the spot market here. In the futures market too, prices dropped by as much as Rs. 12 a case for Italian material. Another contributory factor was the slack demand for rayon fabrics from upcountry centres. The Yarn Markets Association and Exchange has decided to introduce a forward contract in 150 D yarn with effect from this week. This will cover imported and domestically manufactured yarn in 150 and 120 bright hanks and cones. Initially, trading will be for April delivery. The recent upward spiral in cotton has come to a halt. Both the Jarilla and the Vijay contracts lost Rs. 30 each a candy. There was a great deal of nervous unloading and some speculators entered the market as sellers. This seems to be a natural consequence of the recent uncontrolled rise in prices. It was widely rumoured that the Government would intervene in an effort to stabilise the market. The East India Cotton Association is known to be keen to maintain prices at a reasonable level and so to regulate the forward market that it would bear some proportion to spot prices. In its effort to introduce a bearish tone, the Association, it is believed, has decided to maintain bye-laws 55 and 61. This would mean that the tendering differential, except for Jarilla B, would be on the basis of the forward market and not on the spot market. In regard to Jarilla B, the tendering difference will be based on the differential between the spot and hedge prices on the date of fixation. Various other measures are also being considered by the Association. It has asked the Government for authority to collect deposits from operators in case prices move up unduly. Stained and leafy cotton will also be allowed to be tendered if circumstances so warrant and within a defined price range.

Results of Speculation

The Association is reported to feel that perhaps more drastic measures may be necessary to curb the widening gap between forward and spot prices. This gap is mainly attributed to speculative activity. The Association is therefore considering the possibility of discontinuing forward delivery contracts. But this perhaps would be too severe a measure. A decision on the final measures to be adopted will be taken by the Association this week. The trade generally has not taken kindly either to the Association's fears or the domestic cottons was moderately active. Mainly attracting attention were 197/3, 0394, 216F, and new crop Surti. New crop Vijay, which is now quoted near the ceiling, found new buyers who probably expect some decline when the crop begins to move later this month. Due to small demand, prices of exportable styles were easy. Inquiries from shippers were few and limited to Choice Bengal and C. P. Deshi.

Uttar Pradesh

STEEP RISE IN U. P. FOOD
PRICESRUMOURS OF RATIONING
AND CONTROL

(FROM OUR LUCKNOW CORRESPONDENT)

A STEEP rise in foodgrain prices on the eve of the elections has caught the U.P. Government unawares. So emergency measures are being taken to cope with the situation. The Government of India has allotted the State 40,000 tons of wheat in addition to the 70,000 tons which the U.P. Government has already indented from the Central pool for distribution through 1,500 fair price shops. The sale of imported wheat which began in a small way last August has not been effective in holding down grain prices. The situation is not expected to ease for another two months, that is, until the rabi crop arrives in the market. To sustain its programme of importing wheat till then the State Government must get two special trains of wheat every day from Bombay for 22 days a month.

During 1955, the State exported about 1,900,000 maunds of wheat and imported 1,000,000 maunds. During the period April to December, 1956, it allowed exports of 2,000,000 maunds of wheat and imported 1,800,000 maunds. The exports were meant to arrest a slump in prices and the imports were to check a price rise. The quick transition from embarrassing plenty to conditions of scarcity indicates official miscalculation. Much of the wagon space wasted in these exports and imports could have been saved if the Government's food policy had been less erratic and more farsighted.

A recent official enquiry into the economics of foodgrain trading claims that both the consumer and the producer stand to gain by a scheme of total food control. Handling charges a maund by the Government under total control and rationing, according to the enquiry, work out to about 10 annas compared with over Re. 1 in private trade. The publication of this enquiry report, taken along with the scarcity conditions prevailing in the State, has caused the rumour which has been given wide currency that the State Government proposes to introduce foodgrain rationing.

Bonus to Textile Workers

An order under the U.P. Industrial Disputes Act instructing 67 sugar factories in the State to pay bonus totalling Rs. 1.42 crores to their workers for the years 1954-55 and 1955-56 has been issued by the Government. Not all factories, however, are in a position to pay bonus because of losses sustained by them. To examine such cases, a tripartite committee consisting of the State Labour Commissioner as chairman, an employers' representative and one of the workers, has been appointed. By another order, the Government has given partial relief to *khandasari* sugar dealers from sales tax. The relief will mean a reduction in the rate of sales tax from 6 pies to 3 pies a rupee, single-point, and on *khandasari* molasses from one anna to 6 pies a rupee, single-point.

Cane Prices and Quality

On the recommendation of the U.P. Government, the Central Government has selected four factories in the State for introducing a scheme of payment for cane on a quality basis. Cane prices as a whole in the current season will not, however, be linked to quality.

Railway Research Work

Details of the progress made in railway research work are contained in the annual report for 1955-56, published by the Railway Testing and Research Centre, Lucknow. Among the important investigations carried out at the Centre during the year were trial runs of high speed vestibular air-conditioned trains, the development of cycle trolleys, the use of loco coal ash as building material, the formulation of compounds to prevent corrosion of rails and the construction of better instruments to measure the force exerted by locomotives, etcetera. Designs of broad-gauge and metre-gauge trolleys capable of being pedalled without fatigue by one man at a time at a speed of 8 miles an hour when carrying a load of about 1,200 lbs. were finalised. Only two trolley-men would be required for running these trolleys which are light enough to be removed off the track by the same two men without difficulty.

Nearly 1,500,000 tons of loco ash are annually produced by the Indian railways and a large quantity goes to waste. Experiments carried out at the Centre, it is claimed, show that when suitably pulverised, it can replace a certain proportion of cement in construction work without affecting strength. The economics of pulverisation have yet to be studied. The Centre received a complaint of bug nuisance in the Bombay-Poona Janata Express. According to the report, two samples of insecticidal varnish furnished from this Centre, were found effective in destroying the bugs and preventing re-infestation for a period of two months.

State Electricity Board

The State Government has decided to set up an Electricity Board by next April. The various power projects now in hand will be placed under the Board. It will also regulate supplies between States connected by the grid system. The Board will consist of four members with a non-official as chairman.

Regulation of Motor Transport

The Government of India, it is understood, has turned down the U.P. Government's request for lar-

ger powers over the private sector of motor transport. The study group for transport planning has expressed the view that the issue of permits for motor vehicles in an area should be governed mainly by its extra transport needs. The quasi-judicial Transport Authority is at present the final dispenser of such permits. The State Ministry concerned wanted some powers for itself but they have been refused. The Ministry had also demanded that regional transport officers be empowered to suspend a permit, pending enquiry into charges against a permit holder for violation of the rules. The Ministry's contention was that such power would prevent the continued misuse of his permit by the offender during the period, which is seldom short, of the enquiry. This plea has also been rejected.

Factories Act and Small Industries

Some time back, on the recommendation of the U.P. Small-Scale and Cottage Industries Board, the Government had appointed a sub-committee to investigate and report on the question whether the provisions of the Factories Act 1948, adversely affected the growth and working of small-scale and cottage industries. For removing such handicaps, the State Government has suggested certain amendments to the Factories Act and forwarded them to the Central Government for consideration.

Industrial Estates

According to a statement of the Directorate of Industries, Kanpur, the scheme for setting up two industrial estates in Kanpur and Agra is receiving encouraging response from the industrialists. In Kanpur, land measuring 37.7 acres has been purchased, but due to a rush of applicants, the Development Board has been moved to allot additional land available near the estate. It is intended to provide in the estate factory accommodation for 69 small-scale industrial units. All the applicants in Kanpur have deposited 10 percent of the cost of the plot. In Agra, 60 acres of land has been purchased and handed over to the Improvement Trust for levelling and laying out of roads.

State Health Insurance

The general body of the Indian Medical Association (Lucknow Branch) has welcomed the State health insurance scheme for Lucknow. The I.M.A. has accepted the three principles on which the scheme is based, namely (1) that it should be voluntary, (2) it should be on a no-profit-no-loss basis and (3) the initial cost of the scheme should be borne by the Government. A number of private practitioners, however, are opposed to the scheme which they describe as a vote-catching device. Under the scheme, every individual paying a contribution of Rs. 12 would be entitled to free outdoor consultation, free medicines, including patent drugs and injections and certificates for incapacity. A doctor will be given Rs. 5 an individual a year under his charge. The maximum number of patients under the care of one doctor is fixed at 2,500 and patients are entitled to change their doctor every four months. The amount of Rs. 12 realised from a patient would be spent as follows: Rs. 5 as fee to the doctor, Rs. 3 for medicines, Rs. 1 for hospitalisation, Re. 1 for laboratory services, and Rs. 2 for establishment.

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Engineering and Transport

MANUFACTURE OF STEEL
BY L. D. PROCESSROURKELA WORKS ACQUIRE
PATENT RIGHTS

(FROM OUR NEW DELHI CORRESPONDENT)

HINDUSTAN Steel Ltd. has signed an agreement with a Swiss firm, B.O.T., under which it is acquiring the all-India patent rights for manufacturing steel by what is commonly called the L.D. process. Steel has so far been manufactured by the open hearth system. Bessemer, who is regarded as the father of modern steel-making, however, often wondered whether oxygen could be used. His dream has been realised through the L.D. process, or the oxygen-blown process.

This process is no longer in an experimental stage. It is now recognised by the British Lloyds Register of Ship-building for use in ship construction. It is used in the steelworks of Voest, Linz, Alpine Montagesellschaft Donawitz, Dofasco in Canada, McLouth Steel Corporation, Trenton, U.S.A., and in Japan. The Voest Works in Linz have special experience in the application of oxygen-blown steel to be reduced in a broad-strip mill.

The process will be used for the first time in India in the Rourkela steel works, in the setting up of which Krupps of Germany is collaborating. Krupps in its project report urged the Indian Government to adopt this system because, apart from reducing the cost of production as compared with the open hearth system, it would allow the manufacture of fertilisers. The Government has accepted the recommendation.

On the L.D. process, the Krupps project report says: "The blowing process is carried out in three basic-lined converters with a capacity of 40 tons each. The oxygen is blown, in a purity of about 99 percent, from the top down upon the surface of the heat by means of a lance and with a pressure of about 12 atm. gauge. The durations of blowings are about 25 minutes. For control of the heat temperature during the blowing process, about 3 percent of limestone and 12 percent of ore are added. We may mention that, in order to enable the ideal scrap-hot-metal process to be carried out in the open hearth furnaces, there is kept a remainder of scrap volume to be charged into the converters, that is not sufficient for the cooling of the heat. The quantity of slag is about 160 kg./ton of steel. This slag must be brought on the dump in the same way.

"The blowing process is performed in such a way that, after having charged the cooling scrap, the hot metal, lime and fluxing agents, the oxygen lance is entered and oxygen is fed. Reactions set in forthwith. While the blowing process is going on, lime, ore, limestone and scrap may be added to favour the formation of slag and to regulate the temperature of the heat. At the beginning, the speed of carbon combustion is very high, but is decelerating while the melting process is going on. Producing by the oxygen blowing method, a higher portion of the manganese contents of the hot metal remains in the steel bath than with the open hearth process; this is due to the shorter reaction time. Oxidation is setting in very soon. The phosphorus contents of the hot metal, due to the composition of Taldih ore and of the coke ash, are safely eliminated by the oxygen blowing method. The silicon oxydises already during the first few minutes. A special advantage of this process constitutes the great purity of the steel with respect to nitrogen.

"The waste gases developing during the refining process are evacuated through the chimneys; they are coloured brown owing to the iron oxides. The tapping of steel is done in the same way as with the steel produced in the open hearth furnaces. As a rule the total steel production must be poured downward, i.e., in a falling sense. The ingot moulds are brought to the pouring stands with special wagons. The cast slab ingots are brought to the stripper bay and from there, after being stripped, to the soaking pit bay. The cooling water requirement is secured by a particular circulation system."

In Rourkela, however, a combination of both methods is being adopted. It has been decided to manufacture 250,000 tons of steel by the open hearth method and 750,000 tons by the L.D. method. A certain amount of scrap is yielded by the L.D. method. For the open hearth method, the scrap-hot-metal process has proved most profitable. By using both systems, the internal recycle scrap from the rolling mills and the scrap from the L.D. process can be fully utilised. In an exclusively L.D. process plant, on the other hand, it would be impossible to have the required quantities of foundry iron. A scrap surplus would arise. Krupps have "no doubt that the L.D. method, under the prevailing Indian conditions, must be given preference to the open hearth method."

Tass on Bhilai

According to Tass, "a number of Leningrad enterprises and research institutes are taking part in the construction of an iron and steel plant in India. This entails the construction of a system of sidings and inter-factory railway tracks. This

part of the project was done by members of the oldest Soviet Institute of Railway Transport Engineers in Leningrad. A full year of arduous work was required to complete this part of the intricate scientific and engineering work. The latest designs currently accepted in transportation and the advanced techniques of Soviet and foreign railways were taken into account.

"On the basis of the principles developed in Leningrad, the U.S.S.R. Ministry of Railways' design office is preparing ship drawings for the construction of railway tracks in the compound of the Indian iron and steel works in Bhilai. The designing office of the Hoisting and Transport Machinery Works has also completed projects of 20 types of powerful hoisting cranes for the same enterprise, including 30, 50 and 75 ton travelling cranes intended for operation in blast furnaces, rolling mills and steel smelting shops, special cranes with rotating trolleys, magnetic grab mechanisms, etcetera. The first crane fit for service in the Indian climate has already been completed while several other hoisting machines are being assembled."

COMPLAINT BOOK AND VEHICLE DEFECTS
CARD

The Government of India in June 1955 instructed the automobile manufacturers in India to see that their dealers and sub-dealers prominently displayed and properly maintained complaint books in their service stations. The idea behind this move was to enable the owners to enter in such books any complaints they had to make about the working of their vehicles. Steps taken by the dealers and sub-dealers to remedy such complaints were also to be noted in the books. Secondly, the Government suggested to the manufacturers that, whenever a vehicle was sold by the dealers or sub-dealers, a blank vehicle defects report card should be supplied free of charge to the purchaser. If the buyer noticed any defects in the running of the vehicles, he would enter the defects in the card and send it to the Development Wing of the Ministry of Heavy Industries for further action. The manufacturers, the Government understands, have issued instructions to their dealers and sub-dealers on the above lines. Greater use by the public of these facilities would, in the opinion of the Government, enable the manufacturers, on the one hand, steadily to improve the quality of the products and the buyers, on the other hand, to have a quick method of having any serious defects rectified.

OUTPUT INCREASES IN HINDUSTAN
MACHINE TOOL FACTORY

The 100th lathe built by the Hindustan Machine Tool Factory was out on 5th February. The State-owned Hindustan Machine Tool Factory achieved a record production of 24 lathes during the months of November and December, 1956. The output rate increased further to 25 lathes during January, 1957. As a result, the factory's total production during the current financial year reached 97 lathes by the end of January. With two months to go, the factory is likely to achieve a production increase of 250 percent of a target of 57 lathes for 1956-57. According to its earlier production programme, the factory is to reach the level of 400 machines a year by 1960-61, but by the introduction of multiple-shifts, the production is expected to be doubled without any more substantial capital investment than was originally planned. Under an agreement signed with Messrs. Fritz Werner, a German firm, the Hindustan Machine Tool Factory will also start manufacturing milling machines of three types—horizontal, vertical and universal. These machines are expected to be in the market by about July this year.

CHEAPEST JET TRAINING AIRCRAFT IN
THE WORLD

A remarkable new aircraft, the first to be designed in the U. K. exclusively for jet training, is expected to make its maiden flight early in March. Costing only about £13,000, the *Student*, as it is known, has been developed over the last two years by F. G. Miles Ltd.—a name famous in British aviation. Already its many advanced design features have aroused the interest of Commonwealth and other air forces. According to Mr. Frederick Miles, chairman and managing director of the firm, the *Student* will be the cheapest jet trainer in the world, and could be built abroad by countries not possessing a highly developed aircraft industry because of its simple design and construction.

SUPersonic NAVAL FIGHTER PLANE
COMPLETES DECK-LANDING TRIALS

Vickers-Armstrongs (Aircraft) has announced that the Supermarine N.113 has successfully completed a series of deck landing and catapult launching trials. The twin-engined N.113, seen for the first time in public at the flying display last year, is a super-sonic naval fighter-bomber that can carry an atom bomb. It is fitted with "blown flaps" to reduce landing speed and improve handling qualities. Known as "supercirculation" this new system is operated by high pressure air fed from the engine compressors through a span-wise slot along the rear of the wing. This "artificial" air stream passes over the top surfaces of the flaps and has the effect of delaying the onset of turbulence and consequent loss of lift at low speeds and steep angles of attack.

Jute

THE IMPORTANCE OF PAKISTAN'S RAW JUTE
POLICY

OTHER COUNTRIES EXPERIMENT WITH FIBRE YIELD

ALTHOUGH there have recently been reports from the U.S.A. that the consumption of bur-lap bags has increased in the past year, it is generally agreed that the price of jute cloth and bags is too high for them to be safe from the competition of substitutes and alternatives. Yet jute manufacturers everywhere are complaining that, at current prices of jute manufactures and raw jute, it is difficult, if not impossible, to make ends meet. So far as India is concerned, the mills are able to make a small profit on hessian but are losing on sacking to an extent which outweighs it. The reason for this is, of course, that the prices of manufactures are determined by world factors while the price of raw jute is the result of the Indian supply being less than the requirements of Indian mills, plus the fact that the price of Pakistani jute has, for months, made its purchase by India prohibitive.

This is a situation which is of importance not only to the Indian jute industry but to jute manufacturers and consumers of jute goods all over the world. The key to the position is in the jute policy of Pakistan. Hitherto the Government of East Pakistan has restricted output and maintained high minimum export prices. The present Government has withdrawn restrictions on the growing of jute but, so far, has given no indication of any intention to lower the minimum prices for export. That is where the danger lies, and it is a danger not only to jute manufacturers outside Pakistan but also to those inside and to the jute growers themselves. As long as the prices of jute goods are maintained at high levels, consumers will look for cheaper materials which will serve their purpose as well, whether it be for packaging or furnishing or motor cars or anything else. Already bulk handling for grain has taken a big slice of the demand for jute bags. Bulk delivery of flour, meal and feeding stuffs to retailers and farmers by tank lorries is being developed in the U.K. Substitute fibres are being experimented with in other countries. If all these ways of avoiding the use of jute bags and cloth, or even some of them, are successful, Pakistan will suffer along with the jute industry in other countries. It will be more serious for Pakistan than for most, because East Bengal has nothing else except tea to export.

The danger is not, however, restricted to the use of substitutes or alternative means of handling goods. It does not require a very long memory to recall the time when Brazil started experimenting with jute-growing and the news was received in Calcutta with something between scepticism and scorn. Brazil is now practically self-supporting in jute and jute goods and may soon be exporting. It is also experimenting with another fibre believed to be of the same family as mesta. India is growing more mesta than ever before. The quality has been greatly improved and Indian mills have developed new techniques which enable them to use a greatly increased proportion in their manufactures. Other countries are trying out new fibres, and some that are experimenting with jute-growing claim that they are getting higher yields of green plants to the acre and higher yields of fibre from each plant. In the latter there is danger to both India and Pakistan, where research on that subject has been neglected. In some of the countries where jute-growing is being developed—British Guiana, for instance—the cost is at present prohibitive, but if they should succeed in producing a variety of jute plant which will yield an appreciably higher percentage of fibre, they may become serious competitors of Pakistan and India.

All this experimentation and research is the result of Pakistan's policy of keeping jute dear by excessive export duties and high minimum export prices. It is understandable, of course, that Pakistan wants her agricultural population to get as good a price as possible for jute, that she wants the revenue from export duties and needs the foreign exchange which jute earns. But if to press these needs to extremes brings about a decline in the industry all over the world, Pakistan will be the worst sufferer.

THE JUTE MARKETS

This has been another dull week. There has been little outside support for the gunny market which, in consequence, has been dominated by local speculative influences. Even the Government stimulus when it was announced. Raw jute has weakened because of slowing down of mill buyings and some improvement in the volume of supplies coming forward. A sharp fall in prices in Pakistan has also influenced the market in India. **Manufactured Goods:** Lack of any active demand from abroad left the market more or less in the hands of "fatkavallahs" who have played about with rumours of Government orders, of additional ships being placed for the export of gunnies, and the usual settlement-day operations. On Monday, it was rumoured that the Government had placed an order for 8,000 bales of B Twills. This being the speculative counter, it was the best fabric

that could be bought from the bull speculators' point of view, but the quantity was so small that it had little effect. Eight thousand bales amounts to less than 3,000 tons, whereas the I.J.M.A. output of sacking in November was 41,800 tons and in December 41,300 tons. Statistics are not available of the quantity of B Twills manufactured. The Government is reported also to have called for tenders for Liverpool. As was expected, hessian, in spite of the smallness of mills' stocks, was weaker than sacking and the price dropped during the week by about Rs. 36 a ton compared with a fall of about Rs. 20 a ton in sacking. Local speculators still cling to the idea of higher prices for hessian because of the low level of stocks in mills, forgetting that the mills have increased their output of hessian and that stocks of hessian outside India have increased. In other words, stocks have merely been transferred from Calcutta elsewhere without there being any significant increase in consumption.

On Wednesday morning quotations were as under:

	Ready Rs.	February Rs.	March Rs.	April-June Rs.
40in. 8oz.	35-12	35-4	35	34-8
40in. 10oz.	43-2	43	42-13	42-10
B Twills	115-10	116-2	116-4	116-4
Heavy Cees (Plain)	119	118	117-8	116-8
A Twills	149	140-8	140-8	140
Liverpools	134-8	134	134-4	132-4
Cornsocks	117-4	118-4	118-4	117-8

Raw Jute: Business during the week has been mainly in mesta. Early in the week small business was done on the basis of Rs. 26-8 for Bottoms, but later on there were sales at Rs. 26 basis Bottoms for assortments with a high percentage of Middles, while Rs. 26-8 was done for assortments of 20-80 and 30-70 Middles and Bottoms. Picked marks of Daissee and Karimpur tossa were sold at Rs. 35 and Rs. 34 respectively basis Bottoms. On Saturday, it was reported that fairly large business was done at Rs. 25-12 basis Bottoms for mesta and Rs. 24-12 F.A.Q. for bimli. There were also rumours of business in Northern jute at Rs. 30-8 basis Bottoms.

Quotations on Wednesday morning were as under:

Indian Jute:	Landed at Mills Rs a md. basis Bottoms.	Shipment. Feb.-March
Northern Assam	30-8	"
Murshidabad Jute	30-8	"
Murshidabad Tossa	29-8	"
Murshidabad Mesta	31-8	"
Daissee Jute	26	"
Daissee Mesta	32	"
Western Mesta	26-8	"
Northern Jute ex Calcutta	25-8	"
Jungli Jute	30	"
Bimli	26-8	"
	25 F.A.Q.	"

The market is easier with sellers pressing for sales and the above prices could be discounted.

Arrivals in Cossipore during the week were 701 wagons, which is more than usual at this time of year. As has been the case for some time past, most of the imports were mesta and jungli jute. Mill buying has eased off considerably and stocks have increased to about 800,000 maunds. It is also reported that mills have stopped or reduced their jetty purchases.

Mofussil: Imports are reported to have increased, especially in Purnea and other western districts. Buyers have been less active and prices are lower, but have not fallen to the same extent as in Calcutta.

GUNNY SHIPMENT STATISTICS

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

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 31st January, 1957	5,755.6	33,439.7	39,195.3
1st to 31st December, 1956	4,373.0	35,245.8	39,618.8
1st to 30th November, 1956	5,591.1	44,360.2	49,951.3
1st to 31st January, 1957	29,082.1	2,297.5	31,379.6
1st to 31st December, 1956	32,236.2	1,855.3	34,091.5
1st to 30th November, 1956	45,041.3	1,717.9	46,759.2

FRENCH JUTE GOODS OUTPUT FALLS

The total output of the French jute industry during the first 11 months of 1956 showed a decline at 88,738 tons of yarns and 68,240 tons of

fabrics from 91,299 tons and 72,114 tons respectively, in the comparable 1955 period, reports the *Jute Bulletin* of the Indian Central Jute Committee. Exports of French jute goods to foreign countries during the first nine months of 1956 rose to 7,088 tons from 5,704 tons in the corresponding period a year ago. But exports to French overseas territories showed a slight decline to 11,253 tons during January-September, 1956 from 11,968 tons in the same period of 1955. Imports of raw jute during January-September were up at 75,502 tons against 68,666 tons in the same period in 1955.

THE FOREIGN JUTE MARKETS

LITTLE BUSINESS DONE

(FROM OUR DUNDEE CORRESPONDENT)

THE weakness in raw jute prices, which has been persisting for some time, is restricting business here. Spinners are not buying the raw material because they expect an even lower level, and also because they have no incentive with the lack of business in jute yarns. Even with the drop that has recently taken place, prices for fibre are still considered too dear. They are a long way above the fixed minimum rates, which are supposed to give growers a good return for their labours, and some people must be reaping a rich harvest. There has been a further drop of from £3 to £5 a ton, according to grade, in shippers' prices for the fibre. Mill Firsts can now be bought at from £113 a ton, Mill Lightnings from £103, Mill Hearts from £98 and grade Hearts from £93, with good marks of Daissee-2/3 from £106, grade £103 and grade Tossa-2/3 from £112 and grade fours from £103, all February-March, c.i.f., U. K. or Continent. L.J.A. Firsts, it is reported, have been done to the Continent at £103 a ton, c.i.f. Some offers of jute float are being made at much the same rates as these ruling for shipment, but spinners are not interested. Complaints are still being made about the late shipment of jute from Pakistan. A number of shippers who are offering to sell jute here at very low rates have yet to send fibre against contracts for October-November. In some cases, firms whose jute has been very adversely reported upon are quoting the cheapest prices.

Calcutta goods have been a little irregular, but show little change from a week ago. Hessian is offered at from 66s 3d for 40in. 10oz. and 50s 3d for 70oz. February, 66s and 50s March and 65s 9d and 49s 9d April-June, with B Twills recovering from 177s 3d to 178s February to June, all f.o.b., Calcutta.

Business in jute yarns and cloth is idle. Consumers are waiting for a reduction in values, which appears to be long overdue. Spinners are not in need of orders, as they have enough on hand to tide them over the next two months at least.

Many readers will regret to learn of the death of Mr. Harry Graham Smith, who was joint managing director of A. & S. Henry and Company, Ltd., practically since his return to Dundee in 1952. Mr. Smith, who was about 62, was in charge of the firm's Calcutta office for many years, and he was a very popular member of the industry.

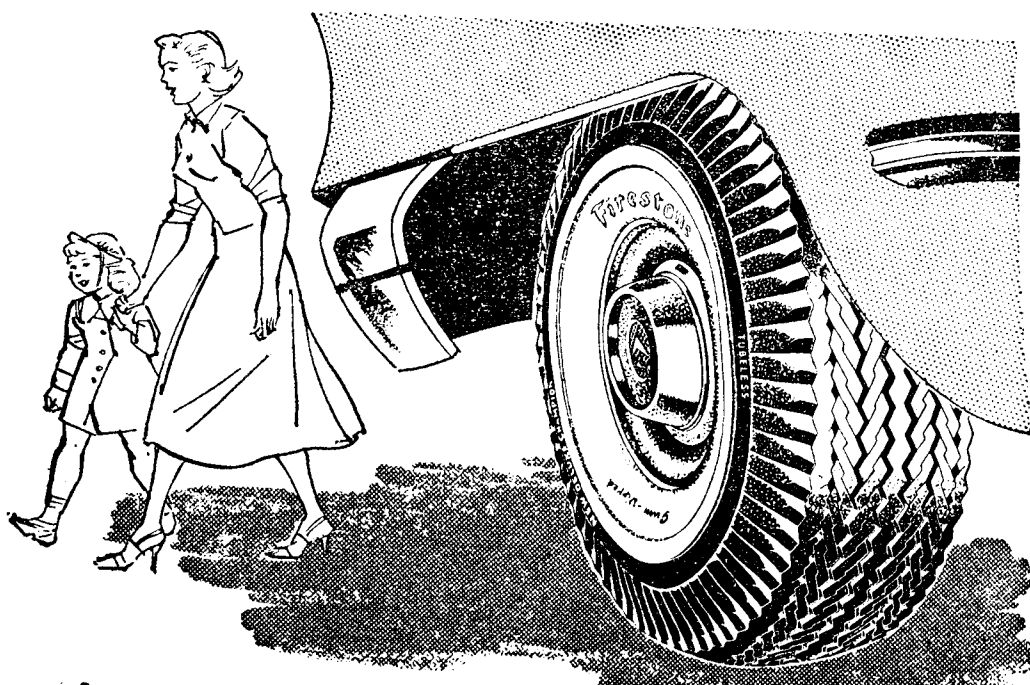
THE PAKISTANI JUTE MARKETS

SUBSTANTIAL FALL IN FIBRE
PRICES

(FROM A CORRESPONDENT)

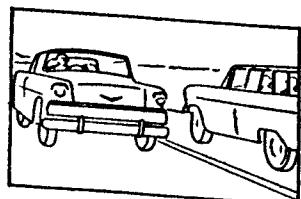
SOME unexpected factors have caused the loose jute market in Narayanganj to decline considerably over the past few days, but many think that present prices do not present a true picture of local conditions. On Saturday, 26th January, a strike was called because of "Kashmir day". This paralysed the market and caused an accumulation of imports on the following Monday. On 28th January, workers in the Adamjee Mills started a strike. As the concern is a very big buyer, there was even more jute on offer. Balers have not changed their position as the trend overseas and in the Calcutta gunny markets remains weak. The position, therefore, is that although the number of buyers is the same or probably less, the amount of jute on sale is considerably more. This has weakened the loose jute market and prices are quoted in small lots as low as Rs. 31 for B Bottoms and Rs. 29 for C Bottoms. These, of course, are the lowest rates which have been paid and are not representative. Some sellers have refused to offer the loose jute which is lying in balers' godowns because they expect better prices. The pucca bale market is definitely weak. Export Firsts are quoted at Rs. 200, Export Lightnings at Rs. 190 and Export Hearts at Rs. 175. Cuttings are offered at Rs. 100 but very few people are interested and there are many sellers. Overseas buyers are remaining out of the market and one of the few reports of business mentions Export Firsts being sold privately at £103. There are free sellers overseas at £105 for Export Firsts and £95 for Export Hearts but no buyers. A feeling of despondency prevails in the Narayanganj market and the money position is serious. Not only have there been very heavy losses, but the banks are no longer prepared to make advances beyond the limits granted earlier to balers.

The local gunny market is also slightly weaker. Adamjee B Twills being quoted at Rs. 125 ex mill and 45in 11oz at Rs. 55.



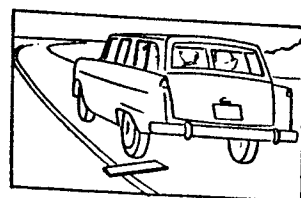
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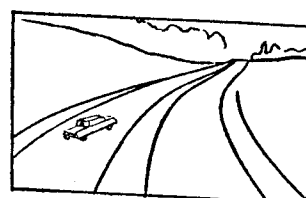
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TUBELESS TYRE

Plantation Topics

PLANTATION ENQUIRY REPORT
ON RUBBERNEED TO INCREASE OUTPUT
EMPHASISED

THE Plantation Enquiry Commission, in its third and last report dealing with the rubber plantation industry, has recommended that 120,000 acres of land should be brought under high-yielding rubber by 1965 to meet the increasing internal demand. It has said that the target of replanting 70,000 acres, for which a scheme has already been sanctioned by the Government of India, should be reached within seven years. In addition, an area of 50,000 acres should be set apart for new planting with high-yielding trees. The Commission suggests that half the sanctioned area of 70,000 acres for replanting should be earmarked for small growers holding 50 acres and less, and the other half for estates of over 50 acres. The new area of 50,000 acres recommended by it should be distributed likewise.

The first two reports of the Commission dealt with the tea and coffee industries. The Commission consisted of Mr. P. M. Menon (chairman), Mr. K. G. Sivaswamy, whose death occurred recently, and Professor M. V. Mathur (members). Mr. Sivaswamy has appended a note of dissent to the report on the rubber plantation industry. With the submission of this report, the Commission has completed its work.

Rubber Replanting Fund

The Commission has recommended the creation of a "rubber replanting fund" on the lines of the replanting funds for the tea and coffee industries. The fund is to be created by crediting the element in the price of rubber allowed for rehabilitation with the Rubber Board in the name of each estate. A phased programme of replanting for each estate, to be implemented over a reasonable period, should be drawn up. The programme should continue even when estates are transferred. The Commission has also recommended a number of principles to be followed in regulating replanting and new planting. It is stated that one of the main problems of the rubber growing industry is to increase the production of raw rubber in order to make the country self-sufficient as far as possible. The Commission recommends that dividends and managing agency commissions should be reduced in companies where they are on the high side. The recommendations made in the tea and coffee reports on reducing dividends and managing agency commissions to increase the internal resources for replanting and to meet labour welfare costs apply to rubber also.

The setting up of a co-operative supply organisation, on the lines of the body recommended for the coffee industry, for distributing such materials as chemicals, chemical fertilisers, mixtures and other items required by estates, has been recommended by the Commission. In its analysis of the problems of small growers, it observes that the main problem facing them is the uneconomical size of the holdings. The minimum holding, in its opinion, should be of at least four acres. A chain of primary co-operative societies should be set up to maintain smoke houses where small holders can process their latex. The formation of State-partnered co-operative joint farming societies has been indicated by the Commission as one way of solving the problem of providing long-term credit to small growers. These societies should at the bottom be fostered by a central co-operative bank, a central supply society and a central marketing society.

Rubber Cultivation

The production of natural rubber is confined to south India and is concentrated in Kerala State, in whose economy the industry plays an important part. Rubber plantations have helped in the opening of vast areas of land. They give direct employment to about 100,000 workers. Indirectly, they provide employment for a large number of rubber was 207,239 acres and production was 22,481 tons. However, compared with the world total, India's output is hardly significant. In 1953, acreage and production 1.22 percent of the world output. Consumption in India has risen steadily. The entire indigenous production is consumed by the rubber manufacturing industry and substantial quantities have to be imported. On the whole, says the Commission, there is little variation in production costs between the rupee Indian and partly non-Indian companies. Costs are higher for sterling companies due to higher cultivation and processing charges and in spite of their higher yields.

Marketing Problems

On the marketing of rubber, the Commission says that as the large buyers in the market are only two or three, sellers often have no option except to sell their better grades as lower grades. Since large growers are in most cases able to sell their production without any difficulty about grading, it can be inferred that the loss arising out of de-grading of rubber mainly falls on the small holders. This loss can be averted only if State-partnered co-operative societies step into the field for processing and marketing the small holders' production of latex. The Commission recommends that licences granted for the import of rubber should not be valid for imports of Group I quality.

During seasons of higher production of rubber, manufacturers should step up their purchases as a *quid pro quo* for the assured internal supply of rubber. The important manufacturing concerns should reach an agreement on this point. Otherwise import licences should be issued to them on a quarterly basis, proportionate to the quantum of production of raw rubber in the quarterly periods on the basis of a formula. The Commission feels that minimum and maximum prices should be fixed for other important marketing centres, particularly Kottayam. At present these prices are fixed only on f.o.b. Cochin basis. The fixation of prices for more centres will remove one of the obstacles in the way of a large number of small holders getting the minimum prices.

Capital Structure

The total capital invested in rubber plantations of over 100 acres is estimated at Rs. 992 crores, of which Rs. 736 crores (76 percent) is Indian and Rs. 236 crores (24 percent) non-Indian. Those estates account for 100,000 acres out of the total acreage of 207,239. Between 1939 and 1954, there has been a noticeable shift in the investment from non-Indians to Indians. A study of the growth of share capital showed that (1) there has been no increase in share capital between 1946 and 1953 in sterling companies; (2) Indian companies had an increase in the share capital in the first period, 1939 to 1946; (3) the percentage of share capital to total assets between 1939 and 1953 decreased more in sterling than in Indian companies; and (4) the percentage of total share capital and reserves to total assets decreased under all types of management between 1939 and 1953.

The Commission says that the average gross profits for a majority of companies cannot be regarded as excessive. If depreciation charges for renewal of old trees are added to the costs, the average managing agency commission on gross profits was 7.67 percent in sterling companies, 4.5 percent and 10 percent in rupee non-Indian companies and 10 percent in Indian companies. In the last group, 41 percent of the companies paid an average commission over the statutory 11 percent laid down under the new Companies Act. In terms of acreage, the Indian companies had a net profit after tax of Rs. 119 an acre, rupee non-Indian companies Rs. 155 and the sterling companies Rs. 42. The Commission says that the percentage of dividends to profit after tax was high between 1951 and 1953 in sterling and Indian companies. As related to paid-up capital, dividends were highest in rupee non-Indian companies in 1953—24.76 percent. Indian companies paid 13 percent to 20 percent and the sterling companies 5.61 percent in 1953.

The Commission recommends that the Reserve Bank should use its good offices with the banks and, where necessary, use legal powers to secure discontinuance of the levy of commission made by some banks in addition to interest. Most of the companies and the large proprietary concerns had generally no difficulty in obtaining short-term finance. Some difficulties have been experienced by a section of the small companies and proprietary concerns. These can only be removed by the State Bank providing finance in abundant measure.

Finance for Replanting

The Commission recommends that dividends and managing agency commissions should be reduced in companies where they are on the high side. It recalls its suggestion in the tea report that dividends might be reduced by 50 percent to increase the internal resources for replanting and meeting labour welfare costs, as well as the recommendation in the report on coffee for reduction of dividends and managing agency commissions; it says that these apply to rubber also. Similarly, its recommendations in the reports on tea and coffee on the improvement of efficiency and reduction of administrative costs have an equal application to rubber. The Commission observes that the element of rehabilitation allowance and depreciation made available in the price of rubber has not been fully used by the industry. Not all companies will have adequate funds to meet replanting needs. Estates will need loans to supplement the rehabilitation allowance included in the price structure if a rapid programme of replanting is to be processed smoothly. The estates will need long-term loans for buildings, plant and machinery. Industrial Finance Corporations and the co-operative land mortgage banks of the States concerned should meet these needs. The State Finance Corporations should appoint a panel of experts in the technical aspects of the applications for loans. The Rubber Board should have a Plantation Finance Committee to keep a close watch on the financial needs of the rubber industry.

COCHIN TEA SALES

At Sale No. 3, 1,900,000 lbs of tea were on offer. There was a strong general demand for all low medium and medium descriptions with B.O.P.'s 3 to 4 annas and Fannings 1 to 2 annas dearer. Good Mediums and Best liquorings were quieter and their prices were very irregular.

TEA EXPORT DUTY REDUCED

The Government of India has issued a notification fixing the price of tea, for the purpose of determining the export duty at Rs. 3-15 a lb. against Rs. 4-3 a lb. in force from 1st January. The export duty at this price will be 6 annas a lb. against 8 annas a lb. during January.

RECORD RUBBER OUTPUT AND
CONSUMPTIONEXPORTS OF BETTER GRADE
COFFEE

(FROM A SOUTH INDIAN CORRESPONDENT)

FOR the production and consumption of raw rubber in India, 1956 was a record year. The output of about 23,500 tons was the highest so far in the country and it compares with 22,482 tons in 1955 and 21,493 tons in 1954. The manufacturers' output of about 29,000 tons was also a new peak. When compared with that of 1955, it was roughly 1,500 tons higher. The year-end stock was 8,311 tons, the highest since 1953. The current year's production is estimated by the Rubber Board at 27,000 tons. Manufacturers say that they will require very nearly 40,000 tons this year or 11,000 tons more than their 1956 consumption.

S. Indian Tea Exports

Tea exports from Cochin during 1956 at over 81 million lbs. have also established a new record. More than 50 percent of this went to the U. K., while the U.S.A. took 6.7 million lbs., Canada 7 million lbs. and Australia 6.8 million lbs. When compared with the 1955 U.K. and U.S. imports, the figures did not show any appreciable change, but Canada took 1.5 million lbs. and Australia 4.2 million lbs. more. Shipments to other Indian ports fell to 4.5 million lbs. from 7 million lbs. Exports to other countries such as Egypt, registered a total gain of 2.3 million lbs. at 7.3 million lbs. Exports from Cochin represented 63.5 percent of south Indian tea production in 1956.

Coffee Stocks and Output

At the close of 1956, the Indian Coffee Board was holding a stock of 6,084 tons from the 1955-56 season's crop and 4,333 tons from that of 1956-57, making a total carry-over of 10,417 tons. This was the highest stock ever to be carried forward to a new year. In a recent newsletter, the Coffee Board admits that the 1956-57 season's crop will exceed the earlier estimate of 36,000 tons. Private estimates placed the season's crop at over 40,000 tons. In 1956, the Board sold for internal consumption 23,800 tons and for exports 7,475 tons. Recently, 275 tons of Arabica cherry from last season's crop was sold to Soviet Russia. With the larger crops that are now being envisaged for the future, India's export policy requires thorough modification. It will be advisable to export as much as possible of India's high quality coffees for which there is a good market abroad. This will be the most effective step to build up an export market. Even in the worst days of the slump before the war, high grade coffees always found a ready market abroad. Mr. R. C. Paterson, chairman of the Consolidated Coffee Estates when he spoke to his company's shareholders a few weeks ago, discussed this question. He said that it was of vital interest to the industry that the Coffee Board should encourage the consumption of the non-export grades in India itself which would allow for the establishment of permanent markets in Europe or elsewhere for premium coffees. He even recommended that in order to maintain the export markets it would be in the interest of all to fulfil any excess demand in India by allowing the import of the less expensive coffees from outside.

Fair Price for Coconut Products

One of the resolutions on the agenda for the meeting of the Indian Central Coconut Committee in Bangalore relates to the fixing of a fair price for coconut products. This will be the most controversial resolution the committee has ever to discuss within the 13 years of its existence. India is not self-sufficient in coconuts and she imports every year a substantial quantity of coconut oil and copra to bridge the gap between her requirements and indigenous production. The coconut growers in India have always been agitating against imports on the ground that the price of their produce is affected by the imported material. As a matter of fact, the Government of India has been giving protection to indigenous products by restricting imports and levying a heavy import duty. But the coconut growers want more than this. They even alleged that the Government had been allowing larger imports in order to please the soap manufacturers. According to official statistics, the industrial use of coconut oil in India is only 20 percent of total production and therefore, coconut growers' insinuation is baseless. Eighty percent of the total production is absorbed for edible purposes mostly in poor and middle class Malayalee families. Therefore, any unreasonable increase in the prices of coconut products will bear heavily on the common man on the west coast where the largest share of India's coconuts is produced and consumed. Coconut growers have been enjoying protection for all these years at the expense of the consumers. In spite of this, they have made little advance towards making this country self-sufficient or improving their production methods and reducing the cost of production which rules at a very high level on account of the primitive cultivation methods. Coconuts in India are grown in small fragments as against the plantation type of cultivation practised in Ceylon, the Philippines and other places. If the Coconut Committee fixes a fair price, making allowances for the Indian growers' cost of production, etcetera, it will have no parity either with the world market prices or with the prices of other food materials in this country. If the prices are arbitrarily fixed at a high level, the consumers are likely to react unfavourably. The demand for coconut products is not inelastic; plenty of other substitutes are available.

Calcutta Markets

GOOD GENERAL DEMAND
AT TEA EXPORT SALE

FAIR SUPPORT FOR DUSTS

AT Sale No. 32, held on 4th and 6th February, offerings at the Export auction consisted of 66,921 packages for which there was a good general demand, but the market for the bulk of the offerings was again easier. Bright liquoring teas, especially Fannings grades, were in strong demand and were up to 2 annas dearer, while tea for price met with keen competition and was from 1 to 2 annas dearer. Well-made and stylish whole leaf grades were fully firm to slightly dearer, but the remaining Common and Medium Broken were irregularly 1 to 1½ annas easier. The low-priced C.T.C. teas were often dearer, but the more expensive kinds in this category were easier and many were withdrawn through lack of interest. Darjeelings met with a slightly improved demand.

Quotations

	1957	1956
	Rs.	Rs.
Clean Black Pekoe	2 4 0	1 13 0
Plain B.P.	1 15 0 to 1 15 6	1 7 0
Medium Assam B.P.	2 1 0	1 9 6 to 1 10 0
Best C.T.C. Assam B.P.	2 9 0 (Nom.)	2 5 0 to 2 6 0

At the Internal Sale, Dust offerings consisted of 18,533 packages for which there was a good and general demand. The market opened a little irregularly and was occasionally easier, but strengthened slightly towards the close. Orthodox Assams with improving quality sold well and were sometimes dearer, while bright liquoring C.T.C. Assams were again a strong feature and were fully firm. Commons and Doonars received good support at the close, but the smaller kinds were better supported than the grainy types. Black exportable kinds from all districts were generally easier.

Quotations

	1957	1956
	Rs.	Rs.
Medium Doonars Dust	1 13 6	1 7 0
Medium Assam Grainy Dust	1 14 0	1 8 6
Medium Assam C.T.C. Dust	2 2 0	
Best Assam C.T.C. Dust	2 10 0	2 4 0 to 2 6 0

For the other grades offered there was a good general demand at about the last rates. Some 2,120 chests were on sale.

COAL FREIGHT RATES WEAKEN

RATES in the American coal trade have weakened somewhat and single voyage fixtures to the Continent have been reported at 95s 6d and 95s. A fair miscellaneous trade has been noted over the past week with rice from Burma to Ceylon showing a slight increase at 75s, and British Columbia to West Coast India was arranged at 210s. In the time charter section, a 7,000-ton motorship was fixed for one year at 50s and a Liberty for two years at \$(U.S.)5.40. Mormugao-Genoa was fixed at 137s 6d for a March loader, 5,800 tons, via Suez and 183s for a larger vessel via the Cape with 50s less via Suez for April loading.

SUGAR MARKET EASIER

During the week ended 6th February, sugar sales in the Calcutta market averaged 5,000 bags daily. Arrivals a day were 4,500 bags and stocks totalled 90,000 bags. Rates for ready sugar export delivery were Rs. 31-6 for ordinary grain and Rs. 33-4 for big grain. The market closed weaker.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 29th January and 4th February, 1957)

Cowhides: Wet salted (Ord.) 7,000 pcs.; on the basis of Rs. 7 to Rs. 8; Wet salted (Ord.) 5,000 pcs. on the basis of Annas 10; Wet salted (Slaughtered) 17,500 pcs. on the basis of Rs. 12-8 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 106,210 pcs. on the basis of Rs. 245 to Rs. 260; Rs. 290 to Rs. 340 and Rs. 370 to Rs. 380; Assam-Dinaipur 55,000 pcs. on the basis of Rs. 245 to Rs. 290; Puneah-Maldah-Kissengani 7,650 pcs. on the basis of Rs. 290 to Rs. 320; Muzafferpore-Patna 63,700 pcs. on the basis of Rs. 280 to Rs. 295.

Bazaar Stocks

(4th February, 1957)

Cowhides: Wet salted 2,86,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 34,000 pcs.; Assam-Dinaipur-Murshidabad 80,000 pcs.; Muzafferpore-Patna-Pakur - Puneah - Kissengani 36,000 pcs.

LINSEED FALLS

Prices have shown a notable decline during the past week and trading has been limited, with both buyers and sellers somewhat reserved. The discount for forward delivery has narrowed slightly but little interest has been shown by upcountry sellers of the new crop. The main factor restricting crushers' activity has been the dull condition

of the linseed oil market. In addition to a poor local offtake, quieter advices have been received from overseas, with buyers pausing even at below the parity level. Latest quotations were as follows: February Rs. 24-12 a maund and April-May Rs. 22-4 a maund.

SHELLAC DULL

During the week ended 4th February, the market was quiet at the beginning, steady at midweek and dull at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 110, 108 value.
Lemon No. 1 Shellac	Rs. 110 buyers; 111 done buyers; 108-8 buyers.
Lemon No. 2 Shellac	Rs. 105 done; 105 value; 105-8, 105 buyers; 103 value.
F. O. Std. 1 Shellac	Rs. 100 done buyers; 98, 99-8, 96-8 buyers.
Pure TN Shellac	Rs. 95, 94-8 basis done buyers; 95-8, 94-8 buyers; 91 basis buyers.
4% I.T.N. Shellac	Rs. 88 done buyers; 85-8, 86-8, 83-8 buyers.
No. 1 Kusmi Seedlac	Rs. 105-8 value; 105 buyers; 103-8 value.
No. 2 Kusmi Seedlac	Rs. 100 buyers; 101-8 value; 100 buyers; 99 value.
Fine Bysaky Seedlac (Manbhum)	Rs. 94-8, 96 to 93-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 88, 87-8, 89-8 to 87 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 79-8, 81-8, 79-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 74-8, 75-8 to 71-8 buyers.
Kireelac	Rs. 30, 30-8, 30 buyers.

Shipments during January until the 29th were 28,421 packages comprising shellac 20,036 packages, seedlac 5,991 packages, buttonlac 346 packages and others 2,048 packages.

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Liquids, steam and gases cannot escape from stuffing boxes, glands and cocks if they are sealed with Turner's "Firefly" asbestos packing. Use it and your worries about leakages are over.

By arrangement with Turner Brothers Asbestos Co. Ltd., England, we make "Firefly" Packings. We spin asbestos fibre into yarns, and then plait these yarns into packings which provide the perfect seal, unaffected by the temperatures and pressures normally encountered in industry.

Turner's "Firefly" Packings are just one of the many technical asbestos products that we at AM & FM make to meet the needs of India's industry. The increasing use of Asbestos is an index to India's industrial progress.

Where There's Industry There's Asbestos

We supply:
• FERODO® BRAKE AND CLUTCH LININGS
• FIRELY® ASBESTOS PRODUCTS
• SPRAYED "LIMPET" ASBESTOS
• "NEWALLS" INSULATION MATERIALS
• "PATTINSON'S" BRAND MAGNESIA CHEMICALS
• "SINDANYO" ELECTRICAL INSULATING BOARDS

AM & FM

ASBESTOS, MAGNESIA & FRICTION MATERIALS LTD.

(TURNER & NEWALL LTD.)

INCORPORATED WITH LIMITED LIABILITY IN ENGLAND

Calcutta - BOMBAY - Madras

COMPANY AND PUBLIC NOTICES

OODALEAH LIMITED.

NOTICE is hereby given that the Forty-ninth Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Friday, the 22nd February, 1957, at 2.40 p.m.

AGENDA

- (1) To receive and approve the Report of the Directors and the Company's audited accounts for the year ended 31st December 1955.
- (2) To elect a Director.
- (3) To appoint Auditors and fix their remuneration for the current year.

The Share Transfer Books of the Company will be closed from 14th February to 22nd February, 1957, both days inclusive.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,

R. J. L. OAKLEY,
Managing Director,
Managing Agents.

Calcutta, 24th January, 1957.

NOTE—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

KODALA LIMITED.

NOTICE is hereby given that the Annual General Meeting of the Shareholders will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Friday, the 22nd February, 1957, at 3.20 p.m.

AGENDA

- (1) To receive and approve the Report of the Directors and the Company's audited accounts for the year ended 31st December, 1955.
- (2) To elect a Director.
- (3) To appoint Auditors and fix their remuneration for the current year.

The Share Transfer Books of the Company will be closed from 14th February to 22nd February, 1957, both days inclusive.

By Order of the Board,

KILBURN & CO. PRIVATE LTD.,

R. J. L. OAKLEY,
Managing Director,
Managing Agents.

Calcutta, 24th January, 1957.

NOTE—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

THE STANDARD COAL COMPANY, LIMITED.

NOTICE is hereby given that an Annual General Meeting of THE STANDARD COAL COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 10.50 a.m. on Wednesday, the 27th day of February, 1957, for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1956, and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividend recommended by the Directors.
3. To appoint a Director in the place of a retiring Director.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 13th to 27th February, 1957, both days inclusive.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LTD.,

Managing Agents.

Calcutta, 31st January, 1957.

NOTE (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The Dividend, if declared, will be paid on or after 6th March, 1957, to those shareholders so entitled whose names appear in the Company's books on the 27th February, 1957, or to their mandatories. No application for Dividend Warrants will be necessary.

THE INDIAN STEEL & WIRE PRODUCTS LTD.

NOTICE

NOTICE is hereby given that Twenty-first Annual General Meeting of the Shareholders of The Indian Steel & Wire Products Limited will be held at its Registered Office No. 7, Wellesley Place, Calcutta-1, on Wednesday, the 27th February, 1957, at 3.30 P.M. to transact the following business:

1. To receive and adopt the Directors' Report and Audited Balance Sheet and Manufacturing and Profit & Loss Account of the Company for the year ended 31st March, 1956.
2. To declare dividend on Ordinary Shares.
3. To appoint a director in the place of Sardar Ajaib Singh, who retires by rotation and is eligible for re-appointment. In this connection to consider, and if thought fit, to pass the following resolution in respect of which a Special Notice, as required under section 261 of the Companies Act, 1956, of intention to move it as a special resolution for the reason that the said Sardar Ajaib Singh is a member and director of Indra Singh & Sons Private Limited and therefore "an officer and associate of the managing agents", has been received by the company and is hereby given to the members;

"RESOLVED that pursuant to Section 261 of the Companies Act, 1956, Sardar Ajaib Singh, a member, director, officer and associate of Indra Singh & Sons Private Limited, the Managing Agents of the company, be and is hereby re-appointed a director of the company".

4. To approve, pursuant to section 281 of the Companies Act, 1956, the appointment made by Indra Singh & Sons Private Limited, the Managing Agents of the company, of Sri J. C. Mukerjee as an ex-officio director of the company and to consider and if thought fit to pass the following resolution in respect of which a Special Notice, as required by the said section, stating that he has attained the age of 76 years, has been received by the company and is hereby given to the members:

"RESOLVED that pursuant to the provisions of section 281 of the Companies Act, 1956, the appointment made by Indra Singh & Sons Private Limited, the Managing Agents of the Company, of Sri J. C. Mukerjee as an ex-officio director of the company who has attained the age 76 years be and is hereby approved and it be and is hereby specifically declared that the age limit for directors prescribed in section 280 of the said Act, shall not apply to him".

5. To appoint a director in place of Sri P. C. Mustafa who vacates under sub-section (2) of section 280 of the Companies Act, 1956, and, being eligible, offers himself for re-appointment. In this connection to consider, and if thought fit, to pass the following resolution of which a special Notice, as required by the said section, stating that he has attained the age of 65 years has been received by the Company and is hereby given to the members:

"RESOLVED that pursuant to section 281 of the Companies Act, 1956, Sri P. C. Mustafa, who has attained the age of 65 years be and is hereby re-appointed a director of the company and it be and is hereby specifically declared that the age limit for directors prescribed in section 280 of the said Act, shall not apply to him".

6. To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the company will be closed from 15th February, 1957 to 27th February, 1957, both days inclusive.

By Order of the Board of Directors,

INDRA SINGH & SONS PRIVATE LIMITED,

AJAIB SINGH,
Director,
Managing Agents.

7, Wellesley Place,
Calcutta-1.

31st January, 1957.

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

(2) The relevant Explanatory Statements in respect of items Nos 3, 4 and 5 of the Notice of the Annual General Meeting to be held on the 27th February, 1957, are annexed hereto as required by section 173 of the Companies Act, 1956.

(3) If dividend on shares, as recommended by the directors, are passed at the meeting, the payments will be made on

or after 12th March 1957 to those shareholders, whose names are on the Company's Registers on the 27th February, 1957.

THE INDIAN STEEL & WIRE PRODUCTS LTD.

Annexure to Notice:

Explanatory Statement as required under Section 173 of the Act, 1956.

To:

The Shareholders,

The Indian Steel & Wire Products Limited.

Dear Sir(s)/Madam,

In compliance with Section 173 of the Companies Act, 1956, the following explanatory statement relating to the items Nos. 3, 4 and 5 of the Twenty-first Annual General Meeting of the Company to be held on the 27th day of February, 1957, is annexed to the said Notice.

ITEM NO. 3:—

The company has received a Special Notice, as required by section 261 of the Companies Act, 1956, of the intention to propose the resolution set out under this item as a special resolution for the reason that Sardar Ajaib Singh, a director of the company, who retires by rotation of directors at this annual general meeting, is also a director, officer and member of Indra Singh & Sons Private Limited the Managing Agents of the company and as such "an officer and associate of the managing agents" and hence he can only be appointed a director of the company by a special resolution of the company under the said section 261 of the said Act and that it is in the interests of the company that it should continue to avail of the benefit of the valuable advice and guidance of the said Sardar Ajaib Singh by appointing him a director of the company.

ITEM NO. 4:—

Sri J. C. Mukerjee has been appointed an ex-officio director of the company by its Managing Agents Indra Singh & Sons Private Limited in exercise of the power vested in them under an agreement and the Articles of Association of the company. Hence he is not liable to retirement by rotation. But as he has attained the age of 76 years, he will have to vacate his office under sub-section (2) of section 280 of the Companies Act, 1956, at the conclusion of the third annual general meeting of the company unless his appointment is approved by a resolution passed by the company in general meeting specifically declaring that the age limit prescribed in section 280 of the said Act, shall not apply to him. As required by the said section 281 Special Notice stating that he has attained the age of 76 years and proposing to move the resolution set out in the notice under this item has been received by the company from some members. In view of his valuable advice and able guidance it is desirable that the company should approve of his appointment and declare that the age limit shall not apply to him.

ITEM NO. 5:—

Sri P. C. Mustafa, who was appointed director by the company in General Meeting held on 22nd May, 1956, has since attained the age of 65 years and therefore vacates his office at this annual general meeting under the provisions of sub-section (2) of section 280 of the Companies Act, 1956, and can only be appointed under the provisions of section 281 of the said Act by a resolution of the company in general meeting specifically declaring that the age limit shall not apply to him. As required by the said section 281 Special Notice stating that Sri P. C. Mustafa has attained the age of 65 years and proposing that this item has been received by the company from some members. In view of his experience as a retired Engineer and advice it is desirable that company specifically declaring that the age limit shall not apply to him.

By Order of the Board of Directors,

INDRA SINGH & SONS PRIVATE LIMITED,

AJAIB SINGH,
Director,
Managing Agents.

7, Wellesley Place,
Calcutta-1.

31st January, 1957.

THE STANDARD COAL COMPANY, LIMITED.

AT a meeting of the Board of Directors held on 31st January, 1957, a Dividend of 10% per annum was recommended to be paid for the year ended 31st December, 1956, without any deduction for Income-tax paid by the Company.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LTD.,

Managing Agents,

Chartered Bank Buildings,
Calcutta.

RESERVE BANK OF INDIA

APPLICATIONS are invited for the following posts in the Reserve Bank of India:

(A) POSTS AND SCALES OF PAY:

1. Probationary Assistants, Department of Research and Statistics/Legal Division. Rs. 250-25-450 E.B. 25-650
2. Economic/Statistical Assistants, Department of Research and Statistics. Rs. 175-121-300 E.B. 20-440
3. Field Inspectors. Rs. 80-5-100-8-140 E.B. 10-250 E.B. 121-300
4. Field Investigators. Rs. 80-5-100-8-140 E.B. 10-250 E.B. 121-300

Note:—Candidates possessing exceptionally good qualifications and experience of value to the Bank and those having experience of field investigation work, may be given a higher starting pay in the prescribed scale.

In addition to pay, the selected candidates will be eligible to draw local pay, house rent allowance and dearness allowance at the rates prescribed by the Bank from time to time.

(B) AGE LIMITS AS ON 1ST JANUARY 1957:

1. Probationary Assistants, Department of Research and Statistics/Legal Division. Not less than 21 years and not ordinarily over 24 years.
2. Economic/Statistical Assistants. Between 18 and 24 years.
3. Field Inspectors. Between 18 and 24 years.
4. Field Investigators. Between 18 and 22 years.

The maximum age limit is relaxable but not beyond 30 years, in the case of—

- (1) Probationary Assistants in the Department of Research and Statistics possessing special qualifications and experience of value to the Bank;
- (2) Probationary Assistant in the Legal Division;
- (3) Candidates having extensive field experience;
- (4) Candidates with approved war service;
- (5) Ex-employees of Banking Institutions whose services had to be terminated for reasons of economy or as a result of the Banks going into liquidation;
- (6) Personnel retrenched from Government offices after at least one year's service, applying through Employment Exchanges and
- (7) Candidates belonging to the Scheduled Castes or Scheduled Tribes.

(C) QUALIFICATIONS:

1. Probationary Assistants, Department of Research and Statistics.
Essential: A brilliant academic record with a first or high second class Master's degree in Economics or Agricultural Economics or Commerce or Statistics/Mathematics.
Desirable: 1. A period of research work in (a) Agricultural Economics (b) Co-operation (c) Rural Sociology, OR (d) Sampling Theory.
2. Experience gained in a responsible position in a Co-operative Institution/Department.
2. Probationary Assistant, Legal Division.
Essential: Applicants should be Advocates or Solicitors and must possess high academic qualifications in law and practical experience of work in an Advocate's or Solicitor's office or experience of independent practice, for a minimum period of four years.
3. Economic/Statistical Assistants.
Essential: A first or high second class M.A. or M.Com. degree in Economics or Statistics of a recognised University.
Desirable: Practical experience of research in Economics or Statistics.
4. Field Inspectors.
Essential: At least a second class Bachelor's degree in Economics, Commerce, Agriculture, Mathematics or Statistics of a recognised University.
Desirable: 1. Practical experience of the working of Co-operative Credit Institutions or Agricultural Marketing and Processing Societies or Industrial Co-operatives.
2. Experience of field investigation work.

3. Special study of Agricultural Economics or Rural Sociology.

5. Field Investigators.

Essential: Matriculation or equivalent examination of a recognised University or Board in first or second class with at least 50% marks in English, Mathematics and Geography.

Desirable: 1. A Bachelor's degree of a recognised University.
2. Experience of field investigation work or of work in Co-operative Institutions.
3. Knowledge of two or more vernacular languages.

Note:—Field Investigators and Field Inspectors should be able to speak and write one or more of the following vernacular languages:

- (1) Bengali (2) Gujarathi (3) Hindi (4) Kannada (5) Punjabi (6) Tamil (7) Telugu.

The selected candidates for the posts of Probationary Assistants, Department of Research and Statistics/Legal Division will ordinarily be on probation for a period of three years.

The selected candidates for the posts of Probationary Assistants in the Department of Research and Statistics should be prepared to work in Districts selected for Rural Surveys and should be able to conduct the field work, if required.

The selected candidates for the posts of Field Inspectors and Field Investigators will be appointed on a temporary basis for a period of one year in the first instance but are likely to be made permanent and they will be stationed in Districts selected for Rural Surveys and will be required to carry on investigations in selected Villages in such Districts.

The selected candidates for the posts of Economic/Statistical Assistants will be required to appear for a written test.

Candidates who wish to apply for more than one category of posts must submit separate applications accompanied by separate application fees and they should also mention prominently on their applications the other posts applied for by them.

Applicants for the posts of Probationary Assistants must remit application fee of Rs. 7/8 by Postal Order, Cheque or Bank Draft on a Scheduled Bank payable at Bombay along with the application. Applicants for the posts of Economic/Statistical Assistants and Field Inspectors must remit an application fee of Rs. 2/- in a similar manner. The application fee is in no case refundable. Bonafide Refugee candidates who are NOT IN EMPLOYMENT applying through any of the Government Employment Exchanges are exempted from payment of application fees while in the case of candidates belonging to Scheduled Castes or Scheduled Tribes the fee will be reduced to 1/4th.

Applications should be in the candidate's own handwriting. Applications for the posts of Probationary Assistants, Department of Research and Statistics/Legal Division, Economic/Statistical Assistants should be in the prescribed form obtainable from any office of the Reserve Bank. Applications for the posts of Field Inspectors and Field Investigators should be on plain paper and must contain the following information:

Name in full: educational qualifications—Examinations passed with subjects, distinctions, classes and marks obtained; Schools, Colleges and Universities attended; date of birth; age; address; place of birth and domicile; community; details of previous office/research experience, if any; period of approved war service, if any; number of languages able to speak and write; father's name; father's occupation; extra curricular activities; proficiency in games, etc.

All the applications should be accompanied by copies of two testimonials (originals should not be sent; the Bank does NOT accept responsibility for returning the originals if sent through oversight) and forwarded to the Secretary, Central Recruitment Board, Reserve Bank of India, Central Office, Post Box No. 406, Bombay No. 1 so as to reach him on or before the 18th February 1957. Candidates already in service must submit their applications through their employers. Candidates belonging to Scheduled Castes or Scheduled Tribes should mention this fact prominently on their applications and also enclose a copy of certificate to that effect from a competent authority.

Appointments will be subject to candidates being found medically fit for service in the Bank. If any candidate desires to have his application acknowledged he should send it by "Registered Post Acknowledgment due". Apart from those who may be specially called, interviews will not be granted to candidates nor will the Bank enter into any correspondence with them.

Canvassing in any form will be regarded a disqualification.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Calcutta Landing & Shipping Co., Ltd.	8.2.57	Noon
Birds Investments, Ltd.	15.2.57	Noon
Indian Cable Co. Ltd.	22.2.57	11 a.m.
Haldipati Tea Assn. Ltd. (E)	22.2.57	11 a.m.
Oodaleah, Ltd. (Tea)	22.2.57	2.40 p.m.
New Chumta Tea Co. Ltd. (E)	22.2.57	3 p.m.
Kodala, Ltd. (Tea)	22.2.57	3.20 p.m.
Bombay-Burmah Trading Corpn., Ltd.	25.2.57	3 p.m.
Standard Coal Co. Ltd.	27.2.57	10.50 a.m.
Indian Steel & Wire Products Ltd.	27.2.57	3.30 p.m.
Tista Valley Tea Co. Ltd. (E)	28.2.57	11 a.m.
State Bank of India	28.2.57	4 p.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED.—Standard Coal Co. Ltd.—10 p.c. Morarjee Goudas Spinning and Weaving Co. Ltd.—15 p.c. (a)

O.—Ordinary Dividend In.—Interim Dividend.
P.—Preference Dividend. F.—Final Income Tax.
P.O.—Preferred Ordinary Dividend. F.—Final Dividend.
D.—Deferred Dividend. C.—Cumulative.

* Less Tax at 8s 6d in the £

U.K. FIRM TO SELL SMALL-SCALE ATOM-POWER UNITS

Small atomic-power plants have just been placed on the market by a British company (Humphreys and Glasgow Ltd.), which is ready to accept orders immediately for plants of up to 25,000kW, with a completion time of two years. The plant is extremely compact, occupying about the area of a tennis court. A complete power station in the 10,000kW-to-15,000kW range, installed at an average site, will cost approximately £180 a kW—this figure being based on actual costings. Operating costs are also competitive, and electricity can be supplied at just under 1½d a unit. The reactor uses enriched uranium fuel, and will run for from 18 months to two years without a change of fuel elements. A high degree of safety is claimed for the design. The small- and medium-sized plants, modelled on a full-scale U.S. prototype, are likely to prove most useful to communities or industrial concerns in areas where the cost of fuel is high and long-range transmission uneconomic.

BUSINESS DONE BY CAUTEX COMPANIES DURING 1956

Caltex companies sold the equivalent of 218 million barrels of crude oil and refined products in 1956, an increase of more than 10 percent over 1955, it was reported in a statement issued in New York by the California Texas Oil Company, Limited. In 1956, Caltex companies and their affiliates spent \$80 million for new equipment and supplies, 75 percent of which went into the economies of the 67 countries of the eastern hemisphere where Caltex companies operate. They took delivery of three new tankers and authorised construction of 16 more, completed new refineries in Australia and Japan, installed new units in existing plants in Holland and France, entered the West German retail market in partnership with a local company, developed plans for a major expansion of crude oil transportation facilities in Sumatra and continued a worldwide programme of geological exploration and development of existing fields. This progress came about, the statement added, "despite international developments which had some adverse effect on the orderly conduct of business."

The Central Bank of India, Ltd.

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

(Established—December, 1911.)

Head Office—MADHYA GANDHI ROAD, FORT, BOMBAY-1

Authorised Capital Rs. 6,00,00,000
Issued Capital Rs. 5,77,50,000
Subscribed Capital Rs. 5,76,00,000
Paid-up Capital Rs. 3,14,54,250
Reserve Fund and other Reserves Rs. 4,01,81,217
Deposits as at 31-12-55 Rs. 1,28,96,40,383

DIRECTORS:
Sir Homi Mody, K.B.E. (Chairman), (Coverd) Hormusji Bhabha, Esq. (Vice-Chairman), Dinkar D. Romer, Esq., Dharamsey Mulraj Khatau Esq., Manmohandas Madhavdas Amersey Esq., C. P. Wadia Esq., Chinatlal B. Parikh Esq., Framroz J. Gazdar Esq., Sir Jamsetjee Jejeebhoy, Bart., His Highness Sir Jiwajirao Mahabirao Scindia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

Branches and pay Offices throughout India, Pakistan, Burma and in London.
London Branch:—15, Fenchurch Street, London, E.C.3.
New York Agents:—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.

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

LOCAL BRANCHES:
Calcutta—33 Netaji Subhas Road—Ballygun—200/2C Rash Behari Avenue Barabazar—71, Cross Street, Bowanipore—8A, Russa Road Halkhola—100, Sova Bazar Street New Market—10, Lindsay Street Shambazar—133, Cornwallis Street Howrah—18-A, Grand Trunk Road.
Branches in West Bengal:—Asansol Bankura, Burdwan, Jalpaiguri, Kampong Purlia Raiganj and Siliguri.
Branches in East Pakistan:—Chittagong Dacca Dinapore, Khatusang Mirskadem Mysoregani Narayan-ganj Rangpur.
Branches in Orissa:—Sambalpur.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations	
					6-2-57	A year ago						6-2-57	A year ago
					Rs.	Rs.						Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	114 1/2	132	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	77
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	113	1895-99	British India Corporation (Feb.)	81.00	8	100	119 1/2	151
1896-97	Borrea (June Dec.)	4.00	6 1/2	100	103	117	1903-39	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	127	139
1901-2	Burrakur (June Dec.)	22.98	7	100	113 1/2	122 1/2	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	110 1/2	122
1946	Burrakur (June Dec.)	4.50	6 1/2	100	103	117	1937	Calcutta Electric Supply (Mar. Sept.)	1.00	5	100	91	111
1949	Equitable (May Nov.)	4.00	6	100	100 1/2	116 1/2	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1931	Khas Kaira (Mar. Sept.)	1.93	5	100	100 1/2	116 1/2	1937	Calcutta Tramways (Jan. July)	2.50	5 1/2	100	84	84
1920	New Bebborn (Jan. July)	2.00	7	100	100 1/2	116 1/2	1937	Carex & Co. (January)	8.00	6 1/2	100	99 1/2	105
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	113 1/2	1937	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127 1/2	144
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1940	Chettiar Mica Industries Ltd.	30.00	5 1/2	100	51 1/2	66
1884	Banalore (Jan. July)	6.00	6 1/2	100	110	110	1937	Dacca Electric Supply (July)	6.00	6	100	10	10
1938	Basanti (Oct.)	5.00	6 1/2	100	125	128 1/2	1937	Dalmia Cement (Bharat)	3.500	6	100	90	99
1894	Bengal Nagpur (Apr. Oct.)	3.00	7	100	98	8	1945	Dalmia Cement (Bharat)	2.372	6	40	37 1/2	38 1/2
1900	Bowren "A" (Apr. Oct.)	6.00	8	100	110	110	1945	Delhi Flour Mills (Oct.)	90	7 1/2	100	133	133
1919	Bowren "B" (6 1/2) (Apr. Oct.)	6.00	7	100	140	135	1916	Deshgaurh Power Supply "A" (Jan.)	16.00	5	100	102	104
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	70	72	1940	Deshgaurh Power Supply "B" (Jan.)	12.00	4 1/2	100	93	93
1928	Buckingham & Carnatic (Jan. July)	1.00	7 1/2	100	324 1/2	324 1/2	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	119	129
1928	Cambodia (July)	1.00	7 1/2	100	144	133 1/2	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	60	102
1912	Central India (Apr. Oct.)	50.00	5	100	122 1/2	125	1928-29	East India Distilleries (Jan. July)	2.00	7	100	17 1/2	17 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	531 1/2	531 1/2	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	100	100
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	136	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	76
1943	Elgin "B"	4.20	5	100	97 1/2	91	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	65	66
1919	Elmhurst (May Nov.)	25.00	7 1/2	100	82 1/2	87 1/2	1946	Gillanders Arbuthnot & Trust (Oct.)	2.500	5 1/2	100	61	72
1919	Kesoram (June Dec.)	20.00	7	100	113 1/2	134	1946	Gilstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	66
1925	Khatu Nakanji (Nov.)	10.00	6	100	88	88	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	68 1/2	73
1907	Kothari (May)	12.00	6	100	101	101	1946	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	68	68
1909	Muir (Feb. Aug.)	30.00	6	100	88	88	1940	Gwalior Sugar (Dec.)	5.00	7	100	68	68
1920	New Great Eastern (Mar.)	3.00	5 1/2	200	185	185	1940	Humayan Properties Ltd. (Nov.)	12.00	6	100	9 1/2	10
1920	New Victoria (Apr. Oct.)	28.05	6	5	5 1/2	5 1/2	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	77	77
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1945	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	77	77
1915	Sudeshi (Bombay) (May)	35.00	5	100	115	115	1945	Indian Burma Petroleum (Jan. July)	50.00	7 1/2	100	101	101
1927	Sudeshi (Cawnpore) (Mar.)	35.00	5	100	90 1/2	90	1927	Indian General Navy & Railways	2.244	6	210	70	80
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	113	120	1929	Indian Cable Co. (Nov.)	12.88	6	100	33 1/2	33 1/2
1908	Vishnu (Apr.)	16.00	7	500	550	550	1920	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	127 1/2	143
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	100	118	1935	Investment and Finance (Feb. Aug.)	2.00	5	100	75	76
1895	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	103	1945	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	65	66
1896	Alliance (Mar. Sept.)	15.00	6	100	105	115	1945	James Wright (Jan. July)	1.30	6	50	41	41
1917	Anglo-India (May Nov.)	40.00	7	100	97	99	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	60 1/2	78
1946	Auckland (July Jan.)	10.00	5 1/2	100	100 1/2	120	1946	Jessop & Co.	10.00	5	100	95 1/2	106
1918	Bally (Jan. July)	15.00	4 1/2	100	60 1/2	98	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10	10
1896	Barnagore (Oct. Dec.)	20.00	7	100	103	116	1915	Kumardhbi Engineering (June)	12.00	5	100	101	108
1906	Belvedere (Jan. July)	2.00	5 1/2	100	41	48	1915	Do Fireclay & Silica (June)	2.00	7	100	116	116
1940	Bengal (June Dec.)	10.00	7	100	111	119	1946	Martin Burn Ltd.	30.00	5	100	102 1/2	107
1919	Birla (June Dec.)	23.64	7 1/2	100	79 1/2	96	1930	McLeod & Co.	40.00	5 1/2	100	75	76
1934	Budze Budze (May Nov.)	9.00	7 1/2	100	103 1/2	136	1936	McLeod & Co.	40.00	5	100	75	76
1914	Calcutta (Jan. July)	6.00	6 1/2	100	111	119	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1919	Caledonian (June Dec.)	10.00	7	100	109	119	1949	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1919	Chelviat (June Dec.)	10.00	7	100	109	119	1949	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1928	Chitavahar (Mar. Dec.)	8.00	7	100	108	115	1930	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1900	Clive (First) (Mar. Dec.)	5.00	6	100	78	91	1938	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	98	115	1942	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	95	1944	Mettur Chemical & Industrial (Sept.)	20.00	6	100	99	88 1/2
1897	Delta (June Dec.)	5.00	5	100	105	115	1946	National Insulated Cable	10.00	5 1/2	100	100	100
1912	Empire (Jan. July)	10.00	7	100	102	120 1/2	1936	National Tobacco (June Dec.)	25.00	5	100	66	80
1890-98	Fort Gloster (Jan. July)	14.00	7	100	102	120 1/2	1942	National Tobacco (June Dec.)	25.00	5	100	66	80
1918	Fort Gloster (2nd)	7.00	7	100	105	118	1944	National Tobacco (June Dec.)	25.00	5	100	66	80
1911	Fort William (May Nov.)	10.00	5	100	74 1/2	118	1946	Northern India Oil (Jan. July)	2.00	6	100	48	48
1916	Ganges (June Dec.)	6.00	7	100	115	130	1935	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	103 1/2	103 1/2
1895-04	Gouropore (June Dec.)	26.50	6	100	112	105	1936	Premier Construction "First" (Apr.)	10.00	6 1/2	100	104	104
1913	Hastings (Aug. Feb.)	25.00	6	100	80	105	1922	Premier Construction "Second" (Apr.)	10.00	6 1/2	100	104	104
1890	Howrah (July Jan.)	11.00	10	100	131	107 1/2	1936	Purandhar (Sugar) (Oct.)	5.00	10	10	14 1/2	16
1903-06	Howrah "A" (Jan. July)	17.50	7	100	107 1/2	14 1/2	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	144	146
1919	Hukumchand (June Dec.)	40.00	7	100	102 1/2	111	1931	Rohas Industries (April)	20.00	7	100	123 1/2	132
1898-04	Kamarhatti (Apr. Oct.)	16.00	6	100	101 1/2	115 1/2	1936	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	64 1/2	66
1900	Kankannarab (Apr. Oct.)	10.00	6	100	80	106	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	67 1/2	85 1/2
1928	Kedarnath (Jan. July)	2.00	6	100	87 1/2	106	1936	Shree Gopal Paper	7.50	6	100	119 1/2	123
1907	Kelvin (Mar. Sept.)	10.00	7	100	108	115	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	100	95
1895-08	Khardah (May Nov.)	9.00	6	100	89	115	1936-38	Shree Krishna Gyanodaya Sugar "B" (Oct.)	12.00	5	100	75	80
1900-10	Kinnison (July Jan.)	15.00	7	100	99	114	1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	62 1/2	75
1912	Lawrence "A" (July Jan.)	15.00	7	100	100	116	1936	South Behar Sugar (Oct.)	5.00	7	100	161 1/2	161 1/2
1906-07	Lawrence "B" (July Jan.)	10.00	7	100	103	118	1923	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	91	91
1905	Naihati (July Jan.)	7.50	5 1/2	100	76	95	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8 1/2	100	104	104
1917	Naihati (July Jan.)	10.00	7	100	110	123	1937	Surat Paper (Apr. Oct.)	10.00	5	100	82	84
1919	National (May Nov.)	5.00	4 1/2	100	73	81	1937	Surat Electricity (Apr.)	5.00	6 1/2	100	131	131
1915	Nellimarla (Apr. Oct.)	5.00	6	100	97 1/2	124	1925	Tata Chemicals (Nov.)	60.00	5	100	117 1/2	117 1/2
1908-09	New Central (Jan. July)	33.00	7	100	105 1/2	117	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	121 1/2	121 1/2
1935	Northbrook (July Jan.)	15.00	5 1/2	100	79 1/2	101	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	155	167 1/2
1906-12	Reliance (Jan. July)	7.00	6	100	86	101	1906	Tata Iron & Steel (Second) (May)	69.82	7 1/2	100	115 1/2	127 1/2
1901	Samnugger (Feb. Aug.)	20.00	7	100	95	106	1906	Tata Power (May Nov.)	69.82	7 1/2	100	115 1/2	127 1/2
1928	Shree Ambica (Mar. Sept.)	21.50	8	100	112	124	1918	Tezpur-Ballarong Tram (					

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Rs	Rs	Rs	Rs				Rs	Rs	1954 1955 1956	Rs	6-2-57 30-1-57 A year ago
25,50,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,790	28,610	31-5 64-74 5-...	10	191 191 24
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,561	74-74 64-81 ..	200	463 456 560
4,49,350	3,08,192	70,000	2,24,303	Bengal Shadlee	6-12	2	15,149	4,951	11-11 ..	10	61 62 16
2,25,000	2,48,198	5,30,654	3,04,974	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil Nil-Nil	10	16 16 61
15,97,000	14,16,865	6,91,475	13,32,376	Bengal Collieries P	9	152	8,13,899	39,978	..	10	61 62 61
40,00,000	68,01,474	20,23,235	32,65,426	Bhutanbararee	6-12	106	2,52,221	27,433	61 61 ..	10	141 141 141
17,15,000	15,63,291	14,29,045	68,704	Bokarc & Ramgur	6-12	315	1,21,936	79,196	Nil-Nil Nil-Nil	10	121 121 14
7,50,000	38,87,275	16,18,636	7,185	Borres P	6-12	106	2,14,682	84,207	10-10 10-10	10	201 201 201
90,92,480	2,39,17,614	1,75,02,136	28,93,839	Burakur P	6-12	21	7,43,659	36,168	34-34 34-34	10	211 211 15
49,97,000	34,53,430	150	3,65,990	Central India	3	166	2,45,758	9,927	24 24 5	10	61 61 71
8,00,000	16,67,573	13,30,519	15,752	Central Kurkud P	6-12	323	34,743	82,768	11-11 ..	10	121 121 11
6,00,000	1,43,672	7,32,536	50,309	Churubia	6-12	106	6,374	2,129	11-11 ..	10	24 24 31
16,00,000	24,00,428	Nil	50,309	Churubia	6-12	106	6,374	2,129	11-11 ..	10	24 24 31
2,240,000	2,239,116	2,313,125	2,140,348	East Indian	4	128	6,96,135	5,93,922	181 181 ..	10	271 271 321
29,63,760	1,15,25,712	2,313,125	2,140,348	Equitable P	6-12	19	8,87,453	82,279	74-74 74-74	10	261 261 381
10,00,000	6,74,708	2,07,436	1,32,977	Churubia & Muslia	6-12	307	12,979	24,844	..	10	15 15 101
6,50,000	5,06,856	33,155	4,35,544	Hurud Kajora	6-12	20	2,45,500	2,401	..	10	11 11 11
8,00,000	3,17,780	7,25,000	7,92,425	Hurud Kajora	6-12	19	2,70,524	45,985	74-10 124-124	10	221 221 241
3,50,000	6,31,200	5,66,816	1,407	Kalaphahari	3-8	2	1,38,130	2,21,237	Nil-Nil Nil-Nil	10	221 221 20
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil Nil-10	100	151 161 201
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil 24 5	100	119 119 161
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jherria	1-7	2	5,92,347	1,33,475	28-28 25-30	100	621 621 91
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	..	10	91 91 91
5,65,750	10,84,977	85,000	9,990	Mundulpur	6-12	326	79,868	79,868	Nil-..	10	21 21 31
7,48,240	3,46,939	2,00,000	10,14,903	Nazira	12	341	92,517	31,201	5 5 ..	10	61 61 7
7,00,000	5,13,418	26,611	10,14,903	New Bansdeopur	3-9	3	59,011	6,071	34-74 74-..	10	10 10 101
17,76,230	31,15,787	20,01,763	3,78,539	New Bansdeopur P	4-10	7	2,64,716	94,383	34-34 34-34	10	17 17 201
6,00,000	11,11,646	75,000	46,831	New Vambhoom P	3	202	46,201	70,222	Nil-Nil Nil-Nil	10	111 111 131
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	..	21	21 21 21
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil 61 74-..	10	171 171 221
7,50,000	1,20,000	12,19,987	23,26,751	Orndal P	6-12	106	22,197	56,646	5-5 5-5	10	151 151 181
3,34,000	9,21,342	10,862	13,60,017	Parasea P	6-12	207	1,08,075	8,018	31-31 31-31	10	141 141 14
15,75,000	13,39,443	16,50,000	13,39,443	Pencor Valley	3-12	236	2,48,261	33,734	74-74 74-74	10	191 191 251
2,50,000	2,32,406	1,300	11,336	Pure Stalator	6-12	7	2,008	18,881	..	10	6 6 121
23,95,500	36,93,424	20,17,105	67,893	Raneegunge	3-9	79	3,67,448	23,188	24-24 24-31	10	91 x d 91 x d
13,50,000	7,98,001	9,28,385	14,29,643	Rewa	6-12	236	4,96,775	26,029	74-61 81-121	10	231 231 231
20,00,000	23,74,261	1,52,027	1,01,427	Samia	12	48	1,80,660	31,543	74 74 ..	10	121 121 131
2,50,000	1,56,194	1,34,374	11,356	Seasole	1	353	88,009	11,078	25 30 ..	15	21 21 31
2,80,000	10,92,193	8,36,598	1,87,726	Seepore P.	6-12	2	2,42,112	49,299	142-142 17-17	21	51 51 81
8,00,000	3,32,624	5,28,306	6,32,157	Sendra	6-12	101	4,088	7,503	Nil-11 14-11	10	9 9 111
17,50,000	22,81,985	10,79,016	63,654	South Karanpura	2-9	31	59,079	51,533	Nil-11 14-11	10	101 101 101
8,00,000	1,43,000	13,65,396	21,89,890	Standard	6-12	106	47,444	17,347	74-74 5-5	10	201 201 221
10,00,000	15,58,085	15,375	1,910	Talcher	9	277	22,689	3,85,056	Nil Nil ..	21	21 21 21
3,50,000	4,62,000	3,47,000	12,886	Western Bengal	6-12	279	54,089	9,659	5-24 24-24	10	131 131 131
49,98,000	33,66,550	50,000	2,17,164	West Jamuria	6-12	19	4,09,468	7,262	Nil-Nil Nil-Nil	10	11 11 131
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,050	Nil-Nil Nil-Nil	10	11 11 131

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Rs			Rs	Rs	Rs				Rs	Rs	1954 1955 1956	Rs	6-2-57 30-1-57 A year ago
15,00,000	14,108	356	14,82,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	..	10	511 511 5
22,72,340	22,197	505	27,69,576	23,18,949	24,551	Benares P	3-9	121	1,27,147	4,19,447	..	10	11 11 11
7,11,280	36,000	932	17,17,120	4,20,369	30,942	Bengal Luxmi	3	27	3,68,176	47,818	..	10	40 40 38
27,00,000	31,476	624	23,53,000	15,30,000	48,578	Bengal Nagpur P	5-12	236	5,23,389	18,199	..	10	40 40 101
15,00,000	38,764	992	28,31,200	88,48,583	31,22,417	Birla Cotton	1	32	16,69,225	2,76,936	..	10	301 301 95
30,00,000	42,872	641	47,34,142	22,72,588	1,44,348	Bowmer P	5-12	138	23,47,472	Nil-Nil Nil-5	..	100	123 123 385
2,27,22,900	22,000	510	3,43,453	29,51,420	1,30,393	Lawnpore Textiles	3	25	6,73,253	36,767	..	10	711 711 81
1,00,563	41,808	7,762	9,94,63,166	1,74,48,393	2,94,83,803	Delhi Cloth & Genl P	6	236	1,81,41,278	82,759	9	25	384 384 38
19,00,000	12,944	518	34,12,181	57,71,725	1,53,884	Dunbar	5-12	138	9,92,376	1,37,951	Nil-Nil Nil-24	100	199 199 304
63,00,000	44,000	1,290	22,44,751	59,33,366	43,06,585	Elgin P	9	45	32,90,476	93,386	10 10	10	261 261 171
1,20,00,000	59,250	1,872	1,38,99,571	1,60,53,982	17,29,268	Kesoram P	3	22	37,41,719	4,45,435	81 81	20	16 16 161
33,96,288	55,864	864	17,48,143	3,75,679	74,08,656	Mohini P	12	45	5,53,314	5,158	..	25	.. ..
30,00,000	38,000	1,865	47,44,544	52,19,601	92,65,055	Mulji P	12	208	18,77,941	7,77,296	..	100	75 75 111
22,89,824	78,818	1,367	43,25,577	36,00,868	1,45,701	New Victoria P	12	231	18,83,371	13,76,473	..	10	16 16 111
19,47,750	23,196	795	22,97,946	18,38,735	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	61 61	10	16 16 111
17,50,000	1,14,836	2,077	2,83,77,888	2,65,04,931	32,30,412	Swadeshi (Cawnpore) F	12	333	43,71,838	7,09,025	71 71 111	100	121 121 111
1,57,50,000	1,14,836	2,077	2,83,77,888	2,65,04,931	32,30,412	Swadeshi (Cawnpore) F	12	333	43,71,838	7,09,025	71 71 111	100	121 121 111
40,50,000	49,754	1,310	91,31,706	1,89,73,217	43,89,979	Bangalore W C Silk F	12	46	56,34,938	2,38,649	80 80	100	5721 555 5431
1,78,47,800	120,012	2,770	3,20,71,800	1,87,39,218	23,80,514	Burkington Carnatic F	12	46	1,01,66,075	2,38,445	..	100	1831 185 171
20,00,000	28,000	..	18,03,003	20,32,074	11,28,252	Cambodia P	12	216	1,86,274	27,593	..	100	1411 365 346
12,00,000	23,864	..	1,41,058	9,00,000	36,53,502	Combaratore Cotton	12	186	5,53,750	61,404	..	100	385 89 81
20,76,900	72,832	407	47,91,212	7,98,681	22,227	Combaratore Spg & Wvg	6	46	7,52,342	10,23,340	..	100	89 335 305
6,50,000	50,640	285	12,25,506	17,90,000	58,77,434	Kaleeswarar	139	139	2,05,780	7,677	..	100	135 151 171
24,00,000	30,512	200	50,83,220	19,25,000	4,09,960	Kothari Textile P	6	141	6,24,560	42,942	6 10	10	151 151 171
23,94,000	48,756	..	15,01,051	11,20,206	78,350	Lakshmi	12	186	11,41,248	2,209	..	50	262 265 178
75,02,480	1,65,324	..	2,15,02,107	1,13,81,878	31,04,681	Madura	12	106	7,86,500	18,86,813	20 20	15	461 47 491
12,00,000	21,856	..	3,42,189	3,85,363	10,32,398	Malabar Spg & Wvg	12	240	55,193	84,039	..	100	437 437 3721
60,00,000	14,252	808	10,49,893	69,00,000	19,91,756	Mettur Industries	3	20	8,44,863	45,835	35 35	200	108 108 108
13,61,780	4,000	..	4,18,992	3,90,279	1,34,663	Mysore Spg & Wvg	3	142	1,753	3,986	..	100	81 81 81
4,00,000	10,137	416	4,36,606	3,00,000	24,24,300	Palani Andavar P	12	30	39,437	2,687	..	100	81 150 150
7,79,700	15,540	..	4,42,118	2,65,911	11,71,924	Sitaram Spg & Wvg	12	67	97,724	3,063	..	100	320 320 2571
7,00,000	8,104	370	2,98,563	18,23,501	11,71,924	Vasanta P	12	67	97,724	3,063	..	100	320 320 2

TEA COMPANIES

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

Paid-up Capital	Net Block Account	Reserve & other Funds	Average under Tea	Output and Average Price per lb. realised for crop	Estimate 1956	NAMES	Accounts closed	Net Profit including taxation	Dividends per cent	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.	1954 1955	1956				1953 1954 1955	6-2-57 9-1-57 1-1-58
CACHAR										
3,00,000	1,40,887	1,75,606	862	2,89,040	39-11	..	..	..	..	..
4,00,000	526,259	1,25,000	465	1,41,174	62-0	1,41,772	46-81	1,76,000	..	..
10,00,000	1,71,849	813,800	1,480	4,90,263	40-10	..	..	..	..	..
2,00,000	77,752	Nil	794	1,00,450	4-2-55	..	..	..	..	..
7,00,000	7,07,190	11,000	649	3,91,522	38-6	3,91,440	28-6	4,40,000	..	..
12,00,000	17,92,497	1,50,000	2,152	17,59,920	35-0	16,36,400	24-1	16,00,000	..	..
4,50,000	4,50,000	1,65,272	586	..	..	..	..	..	..	..
3,60,000	3,12,914	3,24,391	1,603	1,40,507	40-8	3,48,145	27-6	3,36,000	..	..
7,00,000	4,25,000	5,50,000	1,368	7,33,267	47-6	7,86,038	25-7	8,00,000	..	..
2,50,000	1,38,603	Nil	500	3,68,900	38-0	4,86,080	23-11	4,80,000	..	..
2,60,000	4,34,515	3,56,592	618	3,04,200	36-6-4	6,76,240	25-11	6,40,000	..	..
5,20,000	8,87,291	10,42,956	682	6,76,800	41-11	7,25,890	29-3	6,00,000	..	..
4,00,000	6,88,416	5,52,918	682	4,49,336	36-7-1	..	..	..	..	..
3,75,000	5,02,307	4,31,256	1,050	4,63,320	..	..	..	..	..	..
DARJEELING										
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	..	..
2,79,000	3,07,500	1,25,000	407.5	1,41,174	62-0	1,44,772	46-81	1,76,000	..	..
3,75,000	7,75,000	3,11,926	991	1,35,780	32-5	1,27,760	36-9	1,28,000	..	..
2,00,000	1,84,414	1,62,638	488	2,84,204	49-13	2,35,761	33-83	2,64,000	..	..
2,00,000	5,08,900	3,44,549	500	6,53,740	38-3	6,18,739	42-31	6,72,000	..	..
10,00,000	1,51,576	11,11	761	2,58,515	18-8	..	..	..	..	..
3,00,000	3,12,981	4,00,225	816	3,39,040	57-11	3,53,520	36-7	3,68,000	..	..
4,00,000	2,06,170	3,50,229	453	1,82,391	62-4	1,65,440	50-6	1,84,000	..	..
2,99,500	3,37,500	2,95,000	689	4,35,016	53-4	4,34,342	36-0	4,40,000	..	..
1,00,000	2,23,710	97,647	505	1,81,151	53-3	1,68,126	38-4	1,80,000	..	..
3,00,000	4,02,668	2,61,118	776	1,68,897	30-8	1,64,824	37-11	1,76,000	..	..
2,00,000	3,83,067	4,09,567	500	1,58,341	58-8	1,27,541	35-11	1,60,000	..	..
1,40,000	4,30,000	2,07,813	570	1,80,721	58-0	1,67,840	41-4	1,76,000	..	..
1,00,000	1,69,092	4,65,653	341	1,77,704	53-2	1,59,385	35-0	1,68,000	..	..
6,20,000	3,33,822	1,86,462	389	2,05,035	47-4	..	..	..	..	..
9,00,000	2,48,412	1,54,418	683	2,64,900	30-4	2,90,650	41-11	2,96,000	..	..
3,00,000	9,08,557	1,54,418	683	2,64,900	30-4	2,90,650	41-11	2,96,000	..	..
3,00,000	3,24,400	4,10,000	534	3,76,300	44-5	3,74,800	39-3	3,84,000	..	..
6,20,000	12,36,873	5,74,583	352	4,40,947	48-8	3,70,473	41-11	4,00,000	..	..
3,20,000	4,70,000	10,86,284	718	4,40,947	48-8	3,70,473	41-11	4,00,000	..	..
8,01,250	11,54,000	2,02,417	1,666	7,11,945	50-8	7,09,403	34-4	8,80,000	..	..
DUARS										
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,361	11-9	32,20,000	..	..
9,00,000	20,30,782	19,29,000	1,105	13,91,320	43-7	14,32,132	32-1	14,00,000	..	..
9,00,000	9,80,500	16,35,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	..	..
9,00,000	14,52,896	11,61,201	1,957	11,36,567	52-0	11,04,658	32-3	12,80,000	..	..
6,00,000	8,48,794	7,74,655	902	5,04,104	45-10	6,10,033	29-7	5,60,000	..	..
6,00,000	6,91,578	10,50,000	903	10,58,358	49-4	10,82,831	31-11	11,60,000	..	..
3,00,000	4,41,806	3,00,102	500	4,31,284	43-6	4,21,271	30-7	4,48,000	..	..
1,00,000	1,95,711	2,64,000	265	2,24,500	49-1	2,12,721	30-3	2,40,000	..	..
3,50,000	5,70,483	3,00,000	407	4,75,441	39-8	4,65,428	30-3	5,40,000	..	..
10,00,000	7,97,040	8,00,000	1,233.6	7,62,721	47-4	8,75,280	35-9	..	..	..
24,00,000	17,49,530	27,35,562	1,022	12,26,391	47-11	12,20,116	27-11	..	..	..
92,00,000	53,65,929	64,68,285	4,236.5	30,88,822	41-11	27,90,549	29-0	31,20,000	..	..
8,20,000	10,98,000	17,14,718	1,452	63,71,277	41-11	60,72,776	30-2-3	62,56,000	..	..
9,00,000	5,18,809	5,10,000	907	4,36,416	44-3	4,62,406	26-11	5,60,000	..	..
9,00,000	12,59,326	13,23,848	630	11,46,814	39-4	10,26,632	30-10	10,00,000	..	..
9,00,000	15,71,367	18,15,032	1,125	1,69,538	44-6	9,78,988	28-1	10,00,000	..	..
3,20,000	8,81,962	18,15,032	1,125	1,69,538	44-6	9,78,988	28-1	10,00,000	..	..
2,50,000	6,26,920	5,80,000	578	15,52,416	49-2	16,35,526	31-2	16,00,000	..	..
9,00,000	3,14,964	3,59,080	348	6,26,920	44-2	6,65,680	27-1	6,40,000	..	..
7,65,000	8,29,434	3,31,434	764	2,56,397	42-0	2,38,935	28-5	2,56,000	..	..
7,46,100	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	..	..
3,46,100	22,95,495	13,30,000	1,766	19,10,000	48-6	20,30,155	35-1	20,00,000	..	..
4,50,000	5,45,381	8,91,500	663	6,01,920	46-4	..	..	..	..	..
TERAI										
2,00,000	1,06,314	1,64,527	607	3,99,840	44-7	..	..	..	..	..
8,00,000	1,86,541	10,44,345	450	3,23,610	29-8	4,17,643	25-3	4,00,000	..	..
5,00,000	8,69,265	18,07,795	1,589.9	13,20,702	48-1	12,79,861	28-0	14,24,000	..	..
3,00,000	3,89,676	7,45,350	509	4,25,455	47-2	4,15,634	29-7	4,80,000	..	..
4,50,000	4,50,000	3,00,000	972	4,63,382	26-5	5,20,000	..	..	..	..
3,90,000	4,86,146	5,88,145	970	..	..	..	..	..	..	..
1,00,000	1,00,000	1,84,733	263	1,35,174	56-5	..	..	..	..	..
2,50,000	5,17,592	7,00,250	549	5,69,280	42-2-2	6,86,800	30-11	6,40,000	..	..
CHITTAGONG										
1,25,000	1,25,000	1,59,950	473	..	..	..	..	..	..	..
2,40,000	2,40,000	2,59,992	836	..	..	..	..	..	..	..
2,00,000	2,00,000	31,360	547	..	..	..	..	..	..	..
SYLHET										
3,00,000	6,47,008	6,45,000	614	6,23,840	39-8	6,60,080	33-0	6,40,000	..	..
6,00,000	6,23,433	8,94,551	344	4,15,986	36-4	3,53,371	36-2	4,16,000	..	..
2,40,000	2,70,701	Nil	437	3,16,490	37-8	2,78,640	32-3	2,80,000	..	..
4,00,000	7,28,048	4,76,165	1,139	4,30,290	37-0	9,71,120	35-0	..	..	..
6,63,897	2,16,418	57,890	550	3,35,120	39-0	..	..	..	..	..
4,00,000	5,20,001	10,08,000	984	10,13,200	41-4	9,79,287	34-10	9,20,000	..	..
6,00,000	21,66,377	52,61,728	4,051	43,00,080	39-8	40,20,323	33-10	39,20,000	..	..
3,20,000	3,47,367	41,700	927	1,91,400	32-1	3,80,400	20-1	3,36,000	..	..
9,00,000	12,00,597	20,48,827	1,178	10,66,720	56-6	8,81,280	35-8	10,40,000	..	..
SOUTH INDIA										
5,50,000	10,36,933	7,73,000	582	..	..	..	..	..	..	..
9,00,000	1,519,247	8,00,800	1,292	12,93,834	41-1	..	..	..	..	..
9,00,000	14,03,510	10,92,082	1,336	10,72,643	35-10	..	..	..	..	..
2,49,800	10,97,479	2,60,000	278	..	..	..	..	..	..	..
6,00,000	1,93,631	3,92,756	145	4,31,602	44-4	..	..	..	..	..
2,00,000	3,34,196	1,08,011	479	..	..	..	..	..	..	..
8,00,000	2,00,000	1,13,221	986	..	..	..	..	..	..	..
3,00,000	1,06,917	3,31,254	399	9,74,854	..	9,77,639	26-4-24	..	..	..
12,00,000	4,89,942	1,23,880	780	..	..	..	..	..	..	..
2,17,076	3,47,107	3,81,421	329	..	..	..	..	..	..	..
11,00,000	3,44,341	11,46,287	309	..	..	..	..	..	..	..
19,45,391	29,15,151	32,64,763	1,391	9,87,979	..	..	..	..	..	..
13,53,000	2,16,640	1,10,000	631	5,92,150	..	..	..	..	..	..
17,00,000	1,61,121	20,06,221	1,537	..	..	..	..	..	..	..
34,76,828	52,26,583	46,62,460	1,482	39,84,382	38-1	..	..	..	..	..
13,70,804	18,11,501	20,04,758	1,058	11,25,000	46-5	..	..	..	..	..
21,00,000	47,753,13	20,75,000	1,743	11,10,020	42-1	11,25,100	30-4	11,75,000	..	..

* 1956

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Shareholder's	Cash & securities	NAMES	Accounts Share	Managing Agents	Net Profit attributable to Shareholder	Carry forward	Dividend			Net	Paid up or Share	Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Net	1950	1951	1952		Rs.	Rs.	Rs.	Rs.
PAPER MILLS																
45,00,000	54,01,812	35,81,841	4,21,350	Bengal P.	5-12	24	12,54,725	2,01,825	3-6-61	3-7-11	7-11	25	110	111	117	117
63,30,000	36,44,096	86,05,611	54,80,394	India Paper Pulp	3-1	7	6,56,442	14,307	1-7-1	7-11	7-11	25	231	231	231	231
25,00,000	15,55,877	10,22,642	1,27,300	Vysore Paper	6	22c	1,13,341	9,553	1-7-1	7-11	7-11	10	167	167	167	167
1,46,82,500	3,50,08,096	2,16,71,721	1,83,95,855	Orient Paper P.	3-1	22	55,14,535	2,12,435	1-7-1	5-6-61	6-11-11	10	326	326	326	326
1,25,33,760	59,47,689	60,82,393	1,07,79,721	Shree Ganga Paper P.	1-12	140	20,89,821	1,61,209	1-7-1	6-11-61	6-11-11	10	161	161	161	161
20,00,000	33,02,717	6,50,000	60,68,288	Star Paper P.	3-5	36	3,58,614	13,795	2-5-1	5-7-1	5-7-1	10	101	101	101	121
4,37,500PO	2,96,72,359	3,41,28,010	70,38,923	Nitaghur P.	3-1	10c	47,39,287	1,22,815	1-7-1	10-11	11-11	10A	394	382	45	45
56,99,000AC									1-7-1	10-11	11-11	10B	394	382	45	45
56,34,800BO																
PRESSING COMPANIES																
8,00,000	4,64,596	5,26,886	9,04,699	Calcutta Hydraulic	6	7	-1,35,881	-85,475	6	Nil	..	100	81	81	81	81
4,30,000	2,07,445	1,00,497	5,57,613	Lampdown	1	311	26,900	2,301	1	2	..	100	121	121	121	121
5,00,000	1,61,435	2,47,132	6,44,239	Central Hydraulic	6	2	60,693	26,289	6	5	6	100	135	135	135	105
REAL PROPERTY STORAGE																
10,00,000A													A500	825	825	890
1,25,000E	13,50,000	12,34,603	6,00,972	Bengal Bonded Warehouse	4-10	73	86,087	2,712	5-1	5-5	5-5	100	107	107	107	107
2,00,000C													100	166	166	174
25,000D													1012	223	223	223
1,42,150	11,68,341	4,23,135	33,823	Calcutta Safe Deposit	6	5	91,250	3,142	1	1	..	10	83	83	83	83
10,30,700C	22,96,665	5,43,170	7,48,388	Humayan Properties P.	3-1	..	1,43,645	94,366	..	..	..	10c	13	13	13	13
2,00,000Dd													1Dc	113	113	21
94,00,000	92,09,262	36,70,109	41,04,547	Madnapore Zemindary P.	4	2	11,32,242	-11,43,855	6	5	Nil	100	235	25	37	37
TRAMWAYS & STEAMERS																
20,00,000	1,08,44,145	1,00,69,622	30,95,902	Bengal Assam Steamship P.	10	2	10,81,427	55,821	7-1	7-1	..	100	139	139	147	147
6,25,000	3,17,575	1,75,000	2,01,118	Calcutta Landing & Shipping	1-11	88	25,322	4,261	2-1	3-11	..	10	121	121	151	151
12,60,000	23,52,622	1,03,181	4,380	Calcutta Steam Navigation	5-12	115	10,795	76,935	3-1	..	..	100	1291	1291	104	104
47,00,000	2,82,693,932	2,16,633,117	2,576,087	Calcutta Tramways P.	12	38	2,006,018	10,96,641	7-1	8-1	..	21	161	161	17	17
3,78,050	1,52,811	4,13,722	5,83,484	Fraser	1	139	5,32,622	12,457	..	..	..	10	13	13	14	14
4,655,580	42,273,124	4,990,878	6,135,187	India General Nav. Railway P.	12	139	47,70,304	2,21,369	..	..	..	10	741	741	126	126
2,25,00,000	7,41,48,498	73,00,000	1,89,93,697	India Steamship P.	5	291	38,72,859	25,921	Nil	Nil	10	10	101	101	101	101
14,08,220	35,14,969	24,75,000	5,94,450	Port Shipping	6-12	2	1,54,518	43,305	5-1	1-7-1	..	10	161	161	161	161

SOUTH INDIAN MISCELLANEOUS COMPANIES

RUBBER COMPANIES																
Paid-up Capital, Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	Accrue under cultivation	Jutturr Rubber	Estimated Rubber	NAMES	Accounts closed	Mainline & charge	Net profits including taxator	Dividends per ten			Paid-up per share	Latest Market quotations available until	
											1950	1951	1952		Rs	Rs
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.					Rs.	1950	1951	1952	Rs	Rs	Rs
17,32,000	9,36,219	4,06,288	4,44,631	2,052	1,45,408	..	Be Se Rubber	3	216	..	..	..	..	3	48	48
17,34,186	29,68,801	18,13,093	7,65,683	7,270	15,10,886	16,68,000	Lochin Malabar P.	3	120	1,67,900	30	25	25-154	3	94	94
4,00,000	3,52,576	37,151	52,784	422	1,71,494	..	Lothanas Plantations P.	3	12	39,331	..	..	..	10	181	181
4,00,000	10,03,233	5,84,045	1,37,661	2,535	2,25,786	..	Kaipetta	3	120	1,13,151	..	..	..	10	25	239
27,00,000	54,93,184	13,10,432	11,94,449	4,922	7,35,401	..	Midianc rub & Prod P	3	120	1,89,174	..	..	..	10	181	174
6,00,000	6,84,332	2,13,800	1,96,495	1,273	1,83,230	..	Peninsular Plantations	3	259	2,12,012	10	18	20-154	10	281	281
13,50,000	36,32,280	2,21,378	1,73,719	2,456	1,64,244	..	Rajagir rub & Prod	3	170	1,33,562	..	..	..	10	218	218
10,00,000	21,09,379	25,004	1,69,125	1,872	3,25,438	..	Teekov Rubber	3	172	1,52,914	..	..	..	10	94	94
41,00,000	57,21,749	19,13,944	1,13,632	6,939.5	10,38,214	10,15,000	Travancore Rubber & Tee	12	172	1,48,765	10	15	10	10	10	10
40,00,000	11,55,155	1,65,000	3,74,540	1,150	3,68,304	..	Valkindam Plantations	12	271	1,04,029	..	..	..	2f	331	321
56,28,580	6,72,252	2,11,412	2,49,541	734	1,74,872	..	Tropica Plant	12	114	30,778	..	..	..	2f	312	321

RUBBER COMPANIES

Paid up Capital, Ordinary	Net Block Account	Reserve or other Funds	Cash & Securities	Accrue under valuation	Latent Rubber	Estimated Rubber	NAMES	Amounts closed	Minority Interests	Net Profit including taxation	Dividends	1957	1958	1959	Paid-up Net Share	Net available on 3-2-57	Market 29-1-57	Quotation 1-5-57
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.				Rs.					Rs.	Rs.	Rs.	Rs.
17,32,000	9,36,219	1,06,288	4,44,638	2,052	1,45,406	..	Be Be Rubber	3	276	..	..	..	..	..	3	48	48	48
17,34,186	29,66,801	18,13,093	7,55,889	7,270	1,10,886	..	Loch, Malabar P	4	210	1,67,800	..	..	..	..	3	9 1/2	9 1/2	9 1/2
4,00,000	5,25,576	37,751	52,784	423	2,75,044	16,58,000	..	..	3	12	27,054	30	25	15 1/2	18 1/2	18 1/2	18 1/2	
4,00,000	10,03,233	6,84,095	1,37,661	2,535	1,25,786	..	..	..	3	12	..	..	..	..	16	25	23 1/2	
77,00,000	6,94,184	13,10,432	11,84,441	4,822	1,35,401	..	Midang Rub & Prod P	1	270	1,89,174	..	..	..	..	10	18 1/2	17 1/2	
77,00,000	6,94,332	2,15,800	1,96,495	1,273	1,83,200	..	Penninsula Plantations	1	259	2,12,012	10	15	20	15 1/2	10	28 1/2	28 1/2	
13,50,000	35,32,280	2,21,378	1,78,719	2,456	1,64,248	..	Rajagir rub & Prod	3	170	3,33,502	..	..	..	..	10	9 1/2	9 1/2	
10,00,000	21,09,379	25,000	1,78,719	1,89,125	1,872	10,15,000	Teekos Rubber	3	172	1,62,914	..	..	..	..	10	10 1/2	10 1/2	
41,00,000	67,21,749	13,19,344	1,13,632	6,939 1/2	10,32,438	..	..	..	13	9	4,96,760	..	..	..	10	31 1/2	31 1/2	
40,00,000	11,55,155	1,65,000	3,74,540	1,150	1,68,304	..	..	..	12	171	1,04,072	..	..	..	21	33 1/2	32	
26,28,580	6,72,252	2,11,412	2,49,541	738 1/2	1,74,873	..	Valkindam	12	114	30,79 1/2	..	..	..	..	21	31 1/2	32 1/2	

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit/Loss	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	Rs	Rs
CEMENT												
12,97,59,333	16,16,27,680	6,15,51,096	3,90,26,918	Associated Cement	7	53	4,71,77,960	5,62,770	8	10	100	169
ELECTRIC LTG POWER												
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6	5	100	99
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7	7	1,000	1,215
1,74,99,700	4,14,85,121	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,735	45	7	7	100	109
38,08,200	17,49,055	1,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	100	130
5,74,45,225	1,37,65,356	63,92,045	1,39,75,7	Tata Hydro Elec Power sup P	6	267	37,75,587	21,171	7	7	100	122
5,02,78,750	1,39,37,405	1,41,56,578	1,29,22,349	Tata Power P.	6	267	77,32,961	27,952	7	7	1,000	1,227
ENGINEERING & METAL												
53,42,200	17,06,292	44,16,374	1,54,38,311	Alcock Asdown	12	268	8,79,660	1,35,820	12	..	100	262
6,00,000	29,341	4,43,904	39,330	Joint Engineering	3	115	62,291	1,598	15	5	50	69
40,00,000	11,26,513	10,00,000	3,74,394	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	10	10
40,85,100	31,25,753	10,00,000	49,133	Machinery Mfgs Corp Ltd F	3	330	2,02,000	64,876	Nil	Nil	100A	100
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	100	88
2,50,000	5,834	1,00,53,052	1,79,32,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	300	181
1,31,250F	4,80,59,980	26,78,952	44,49,499	Tata Locomotive & Eng P.	3	269	3,303	50,350	Nil	Nil	33F	149
4,18,72,400	32,41,07,755	16,83,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	750	177
INSURANCE COMPANIES												
20,00,000	..	23,84,913	95,96,333	British India General	12	297	4,24,629	1,18,606	..	..	10	131
5,15,000	..	11,04,61,687	6,35,48,181	Empire of India Life	12	253	..	1,13,109	..	..	100	350
8,46,120	..	48,43,999	1,80,40,000	Indian Mercantile	12	75	..	1,13,109	..	..	20	45
18,74,940	25,01,134	2,88,81,155	4,81,49,492	Janitor General P.	12	55	38,351	4,65,316	..	..	15	6
1,06,81,590	..	1,68,81,793	27,25,18,452	New India	12	179	43,58,653	71,250	16 2/3	..	15	43
8,00,000	..	67,83,74,430	63,48,33,421	Oriental Life	12	298	..	..	..	..	200	3,710
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	10	15
MISCELLANEOUS												
90,79,065	31,93,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	15	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	50	231
50,00,000	2,20,64,392	4,12,86,155	2,67,27,639	Bombay Burmah Trading	6	285	47,93,172	61,990	18	21	125	709
42,00,000	1,21,04,053	51,74,437	31,14,308	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	50	273
99,99,250	1,085	10,47,386	1,28,40,392	Industrial Investment Trust	12	297	5,81,008	2,63,136	..	..	25	76
11,99,900	13,82,957	7,34,142	1,39,25,231	Kemur (Chemists)	3	87	..	16,942	..	..	100	180
1,57,71,400	5,74,35,779	1,81,13,445	1,10,16,357	National Rayon Corp.	12	352	63,19,604	3,72,070	10	..	200	245
9,39,08,089	18,36,63,413	12,46,31,677	1,10,16,357	Shivrajpur Synd (Manganese)	6	198	32,72,555	22,72,555	2	2	100	187
7,00,000	27,45,055	37,30,000	11,27,081	Tata Chemicals P.	11	146	35,49,059	21,681	..	..	30	91
1,59,85,990	2,25,39,547	13,22,272	4,37,991	Tata Oil P.	6	269	16,84,488	34,425	Nil	Nil	10	91
70,07,475	75,25,791	34,08,586	22,33,313	Western India Match	3	269	3,00,461	11,453	8	12	10	15
2,75,00,000	1,46,48,903	2,43,20,936	1,50,49,201	..	12	274	74,55,281	5,61,984	11	11	100	175

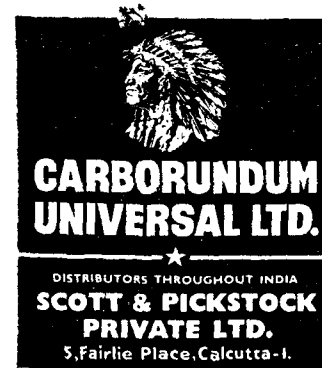
*1956 Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Profit/Loss	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs	Rs	Rs				Rs	Rs	1954	1955	Rs	Rs
CALCUTTA											
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	100	60
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	100	67
34,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	100	58
19,00,000	29,09,643	4,91,171	Daraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	100	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2 1/2	2 1/2	100	59
31,00,000	35,46,011	..	Chaparmukh Sighat S.S.G.	3-9	32	62,834	10,849	1-29	1-1	100	52
4,75,000	3,20,040	4,75,000	Cherra Chhatrak Roadway	3	88	9,917	12,917	1-1	1-1	100	59
2,47,650	2,75,015	65,026	Dehradoon Roadway	3	101	18,097	4,449	1-1	1-1	100	52
22,50,000	62,20,813	13,52,600	Dehri-Rohas	3	335	6,42,311	37,814	10-12 1/2	10-12 1/2	10	13
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	99-98	99-98	100	63
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	100	62
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	100	65
19,50,000	27,95,689	2,47,135	Kalkalhai Falte S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	100	60
8,91,100	15,16,175	10,351	Katakhal-Lala Bazar S.S.G.	3	185	31,257	..	..	..	100	72
15,00,000	62,56,929	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	100	129
1,75,000	5,41,779	2,04,341	Tezpore Balipara Tramway P	3-9	165	-43,574	5,044	..	..	100	..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.
321. F. C. Williams—14 Old Court House St., Calcutta.	330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheryan—Travancore.	349. Chandmull Batia—7, Canning Street, Calcutta.
322. Messrs. Pata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. V. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.	350. K. & Agarwal—Empire House, Hornby Road, Fort, Bombay.
323. Anderson Wright & Co.—2, Wellesley Place, Calcutta.	332. M. Paspati—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	351. L. & E. (Management) Private Ltd.—1, R. Building, Douglas Road, Ballard Road, Calcutta.
324. Indo Corporation Private Ltd.—5, Swinhoe St., Calcutta-19.	333. Jaipuria Bros. Ltd.—33 Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co. Ltd.—10, Clive Row, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
325. John Rutherford Blackie—Virginia House, Chowringhee, Calcutta.	334. S. Jaitimer—2, Fairlie Place, Calcutta.	344. The National Tea Corporation—130, Cotton Street, Calcutta.	353. N. K. Bhattacharya—14, Netaji Subhas Road, Calcutta.
326. Beriwal Bros.—53 Netaji Subhas Rd., Calcutta.	335. S. Jaitimer—2, Fairlie Place, Calcutta.	345. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.	354. L. C. Kanoo—P.A. Mission Row, Esplanade, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort, Bombay-1.	336. S. Jaitimer—2, Fairlie Place, Calcutta.	346. Associated Commercial Co. Ltd.—161/A, Harrison Road, Calcutta.	355. G. J. Robertson—16, Strand Road, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Coorgam, South India.	337. S. Jaitimer—2, Fairlie Place, Calcutta.		
	338. S. Jaitimer—2, Fairlie Place, Calcutta.		



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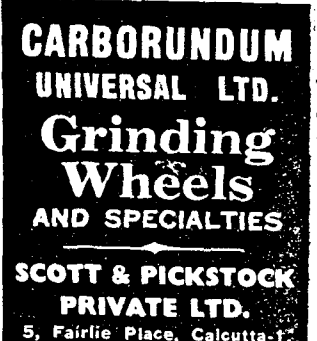
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NEW BOTTLES FOR OLD WINE

THE KALDOR PROPOSALS FOR TAXATION REFORM

THE drastic proposals for reforming the Indian taxation structure made by Mr. Nicholas Kaldor on the basis of an investigation conducted a year ago, have been the centre of much controversy in recent months. There are two main reasons for this. One is the novel, not to say revolutionary, nature of his assumptions and concepts, the most prominent of which powerfully assail the prevailing fundamental that income alone can be regarded as the proper basis of taxation. The second is the reported sympathy his views have met with in important circles in New Delhi. The re-introduction of the capital gains tax, the Finance Minister's dark description of it as a preliminary to sweeping new changes in the entire taxation system which are to be completed by March 1958, and the general swing away from financial orthodoxy in recent months, have all encouraged the impression that Mr. Kaldor is to be India's fiscal mentor of the future. The Federation of Indian Chambers of Commerce and Industry, therefore, deserves warm praise for making a lucid and cogent analysis of the implications of his proposals in a recent pamphlet, entitled *Kaldor's Report on Indian Tax Reform: An Analysis*. The main conclusion which emerges is that in the novelty of the proposals lies an incalculable risk; that administrative shortcomings have been ignored; that the need to broaden the impact of taxation has been largely neglected; and that such increases as may be forthcoming for the public revenues will be secured at the expense of savers who support private industry.

As the pamphlet points out, Mr. Kaldor has confined his attention mainly to personal and business taxation. Under the former, he proposes the simultaneous levy of five taxes—income tax, capital gains tax, annual tax on wealth, personal expenditure tax and general gift tax—in place of the present income tax and supertax. He suggests that the present top marginal rate of tax on income (including supertax) be reduced from 14 annas in the rupee to seven annas, and that the supertax be partially replaced by a new personal expenditure tax along with the three other new taxes on the basis of a single comprehensive return to be submitted by each assessee. Broadly, the assumption seems to be that the prevailing fiscal definitions of income do not allow a true measure of taxable capacity; a revised assessment of the latter is, therefore, necessary in order to ensure that wealth is distributed more equitably, savings are encouraged and the evasion of taxes checked.

The Government's dilemma in framing its taxation policies is common to many countries, but is especially acute in under-developed ones which are trying to accelerate their rates of economic growth. One aspect of the dilemma is to raise revenue for a huge public investment programme from a population the greater part of which lives not much above the subsistence level. Its obverse, in a mixed economy, is to leave sufficient money in the hands of people who are capable of it, to start commercial and industrial enterprises on their own. Social and ideological pressures often ordain that Governmental needs for public investment must come not from the common people, who are assumed to have little to spare, but from the limited class which may have something to give—from the savers who by their frugality and enterprise support the private sector. Mr. Kaldor's proposals do little to resolve this dilemma. As the F.I.C.C.I. points out, the treatment he has accorded "to the problem of finance has tended to ignore the basic needs of the private sector and also the inter-relationships between the sources of finance for the private and public sectors.....It is not enough to think in terms of

diverting resources to the public sector. An equally important question is to adjust the tax system in such a way that it leaves the private sector with sufficient resources."

In so far as Mr. Kaldor's suggestions are aimed at mobilising more vigorously the economy's resources for investment, they suffer from serious shortcomings. The reduction of income tax (including supertax) would undoubtedly, by itself, increase the incentive to greater effort by increasing material rewards. But, as the F.I.C.C.I. says, "the apparent relief which he suggests in respect of personal income tax is more than offset by the new imposts proposed by him." As such, the disincentives implicit in the present high rates of taxation would remain, the shadow may change, but the substance would be the same. The attractions of an expenditure tax which Mr. Kaldor suggests, are apt to be exaggerated in circles which are preoccupied with their own arbitrary notions of conspicuous consumption, and in a country where the need for savings is otherwise rightly and strongly emphasised. But it would be unwise to assume that expenditure on consumption is detrimental to the growth of an economy. The F.I.C.C.I. emphasises that a rising demand for consumer goods would, by itself, provide the much-needed stimulus for increasing production. "The output of the producer goods sector also depends on a certain buoyancy in the market for consumer goods, and the task of economic policy should not be to choke off demand, but to direct it by suitable measures in the desired channels so as to ensure a balanced development." Whatever merit an expenditure tax might have in economies like the British, where domestic demand may have to be curtailed in order to promote exports, its relevance to Indian conditions is small. It can hardly be a better alternative to imposing a series of selective indirect taxes, which would allow greater precision in choosing the commodities for which demand needs to be curbed. In brief, says the F.I.C.C.I., selectivity, flexibility and administrative convenience favour indirect taxes, while all these factors go against the imposition of an expenditure tax aimed at checking consumption.

Turning to business taxation, Mr. Kaldor's main proposals are for stricter rules about deductible expenses, restrictions on the grant of capital allowances, severer limitation of the set-off and carry-forward of losses, and the integration of income tax and supertax on companies into a non-refundable company tax of seven annas in the rupee. As the F.I.C.C.I. points out, there is a certain disparity in the tax treatment of business and indi-

vidual incomes, since individuals are not allowed any expenses for the wastage of their earning capacity due to the limited span of the working life, and for the capital expenditure incurred in acquiring skill and qualifications. But the way to correct this disparity is not to whittle down the business expenses which are allowed, but to increase the allowances which are reasonably deductible in the case of personal income. Mr. Kaldor's proposals would disallow even legitimate business expenses and thus artificially inflate the assessable income. It is noteworthy that the Taxation Enquiry Commission did not make any recommendations on reducing the deductions already granted on business income.

The Commission's views on capital allowances were also very different from Mr. Kaldor's. The professor thinks that these allowances far exceed requirements at present, but he under-estimates the wide margin which has grown between historical costs and replacement costs in an inflationary world. If industry were unable to replace worn-out assets, the consequences for the economy would be serious. In the long run, the Government does not lose revenue by granting an accelerated additional depreciation allowance to begin with, for this automatically has the effect of reducing the depreciation allowance in later years. Ultimately, the total of the allowances is in any case restricted to 100 percent of the value of the asset excluding the development rebate. These allowances are necessary on a generous scale in order that industry may rehabilitate and expand its productive capacity, and thereby protect its competitive strength. Such conservation of resources is necessary not only for expansion, but also to enable the growing tax liabilities of the future to be comfortably met. Referring to Mr. Kaldor's proposals to simplify and integrate company taxation, the F.I.C.C.I. states that they are realistic on the whole, but they are based on the acceptance of his suggestions for reforming personal taxation. His recommendations to remove the penal taxation on Section 23A companies and the levy on bonus shares are welcome; the sole purpose of the latter, and beyond which it has no justification, is to counteract the tendencies likely to arise from heavier dividend taxation. But it is necessary to ensure that if the tax on companies is integrated into a single tax at a reduced rate, rebate should still be given to shareholders if not for the whole of the tax paid by the company, then at least to the extent to which it is now given. If this is not done, the fundamental principle that no income should be taxed twice would be violated.

The need for greater simplicity in tax collection is generally admitted, but apart from the integrated company tax, there is little in Mr. Kaldor's proposals to bring it about. The variety of business expenses is so great that no clear-cut list of the allowable ones can be made; the scope for doubt and dispute would be wide enough to offset entirely the benefits to the Exchequer of narrow-minded interpretations. In the sphere of personal taxation, the confusion which is likely to result from Mr. Kaldor's system will be even greater. No more than a handful of assesses can be expected to maintain detailed evidence of how much they have earned, of windfalls and gifts, of expenditure, and of the wealth they hold. It is relevant to reflect that the income tax administration at present, of which Mr. Kaldor seems to have an even poorer opinion than most, finds itself unable to keep track of even the one single item which it is expected to keep track of—assessee's earnings. To suppose that the need to do so will not arise once a system of comprehensive returns is introduced reflects a certain facile optimism. To assume that the return will serve as a litmus paper of honesty in the hands of an income tax staff which has not yet familiarised itself with the much simpler return of today, is no more than an exaggerated hope. The need to penalise evaders is recognised, but it is important to bear in mind that Mr. Kaldor's proposals hold no fear at least for the estimated 210,000 earners who evade tax at the margin of exemption. Whether the tax evaded is Rs. 25-30 crores, or (the professor's estimate) Rs. 200-300 crores, there is little hope that Mr. Kaldor with his new system will draw in much of it. The danger is that unproven fiscal experiments may throw off balance an economy whose first need is still for financial stability.

Contents

THE POST-MORTEM ON BANK RATE

LESSONS TO BE LEARNED FROM BRITAIN'S DECISION

THE reduction in the United Kingdom Bank rate was not unexpected. It had been considered as long ago as last November, but the closing of the Suez Canal caused some delay. This is the first move in dismantling Mr. Butler's "liberal" system for controlling inflation, and the next, another cut in the Bank rate, should not be far behind. The present cut, made at the same time as the physical, or rather the exhortational control is maintained intact, can be interpreted as nothing less than an admission that the Bank-rate method has failed. There is no reason for relaxing credit restraint; Mr. Thorneycroft has made that perfectly plain. Nor has there been any change in the general aim of discouraging a larger volume of investment than it is considered the country can afford. Yet the instrument which, less than two years ago, was being recommended as the neglected panacea for inflationary ills, now stands reduced and discredited. There must be a lesson in this for theories of monetary management the world over.

It can be said for the Bank rate that it was never allowed to be effective. In the modern world, political considerations, among others, appear to decree that official lending rates should not rise much above 5 percent whatever the state of inflation. In a highly-industrialised and organised economy such as that of the United Kingdom, the results of increasing Bank rate to punitive levels might well be a recession which could be infinitely worse than the inflation it is desired to cure. When it is accepted that Bank rate can never cross a certain level, most of the uncertainty in borrowing ahead is removed. Banks are more willing to adjust their ratios so as to compensate for any attempt the authorities may make to squeeze credit. The banking system can, therefore, become almost unmanageable in an economy which fears recession unless it is deliberately put on its honour to work in the national interest. When this is done, a high Bank rate becomes little more than a nuisance, and one from which the Government is just as likely to suffer as the general public. This appears to have been the case in Britain, and might prove to be so in other countries which put more faith in the efficacy of Bank rate than is warranted under modern conditions. The most effective feature of Bank rate has been the encouragement given to the flow of short-term funds into the United Kingdom. But as a quick glance at the figures for the past eighteen months will show, it did not succeed in reversing the overall loss of gold and dollars when the determination to make the necessary internal adjustments was lacking. And it did not prevent a flight from sterling when the international situation looked black. It can be argued that the effect of a high Bank rate in Britain was dulled because Bank rates were tending to increase throughout the world. But it is still true that Britain's was the highest of any among the more important trading nations, and it does not alter the fact that nowadays the short-term international investor, and the currency speculator if he is not indeed the same person, probably tends to watch internal economic signs rather more closely than the small differences in international rates of interest.

When the willingness to use Bank rate above a certain level is lacking, and the ineffectiveness of the instrument unless used along with others is accepted, the stage is reached when it becomes necessary to decide whether the advantages of employing this classical weapon against inflation outweigh the disadvantages. This is what the British Government has obviously been doing. A high Bank rate has increased the cost of servicing the national debt—a most important item in a country which is as burdened with its past wars as Britain is. Its usefulness in attracting short-term funds into the London market has been offset by the increased changes incurred, and this has placed an additional strain on the balance of payments at a time when it was least welcome. Then there are the technical factors to be considered. Overall economic considerations have prevented the authorities from placing too much pressure on long-term interest rates. The result has been that Bank rate has had to operate in isolation instead of being able to function in its rightful place as merely one, although the most important, of the many interest rates forming the economy's yield structure. This has caused a number of anomalies, among them the fact that with short-term rates so much higher than long-term, it has been almost impossible to dispose of long-dated securities to the public and the banking system.

One of the most serious disadvantages of a high Bank rate has, strangely enough, been found to be psychological. Internally, a persistently high Bank rate can choke off investment which is needed to maintain the permanent health of the economy, as distinct from touching off a temporary boom. The stage is reached where the slightest adjustment, instead of influencing investment plans at the margin, can lead to violent swings in business sentiment. The alternative to this, as is the case with most things affecting human sentiment, is that the Bank rate should have no influence whatever. Neither possibility is an attractive one, and the fact emerges that it is the changes in Bank rate rather than the absolute level, which are effective, if at all. A persistently high Bank rate, therefore, has disadvantages for the monetary authorities which are not compensated by any noticeable advantages for the economy as a whole. There is a strong case for reducing it to more convenient proportions when it has obviously become ineffective; and that is what the British Treasury has done. The question now is whether it is ever likely to be resurrected as an important instrument of monetary control, except in strictly limited circumstances. This is a point which has relevance for India, where the effective Bank rate, though not of course the official one, has just been adjusted ostensibly to counteract inflationary tendencies in the economy.

Britain's experience with the Bank rate has not been an altogether happy one. When it was first increased, the psychological effect was appreciable. But this soon wore off when it became obvious that determined measures to cut down inflated demand in the economy were not contemplated. The first lesson is, therefore, that Bank rate is nowadays useless on its own unless the authorities are prepared to increase it to any level required, regardless of the consequences. In the year 1957, such a possibility can be dismissed as impracticable. The second lesson is that a high Bank rate has to be paid for by the Government, and far from being deflationary, can actually have an inflationary effect if it leads to the higher servicing charges having to be covered by increased taxation. A change in Bank rate such as is possible these days can be absorbed by an inflationary economy with little effect other than to add to the pressure on the general price level. The third lesson is that, although a higher Bank rate does attract short-term funds, it puts an increased burden on the balance of payments to the extent that it does so, and that it is no substitute in the minds of international fund-switchers for determined policies to deal with internal difficulties. In other words, it can help persuade capital to come in, but it is ineffective in preventing it from leaving again if other reasons appear to be urgent enough. A persistently high Bank rate can, in fact, discourage capital because it gives the impression that the original economic difficulties are still present and may, therefore, be coming nearer to the crisis point. The conclusion would seem to be that those economists are right who have been saying for some years now that Bank rate has lost forever its position as an automatic and effective regulator of the monetary position in modern managed economies.

The alternative to regulating the credit supply through the Bank rate would seem to be selective control. This has been used in Britain to supplement the more orthodox method, and it can now be said with some certainty that it has been responsible for most of the success which is claimed for the "credit-squeeze" policy. By relying on the judgment of the individual banker, this method may have gained some of the advantages of imagination and flexibility which are not available with such indiscriminate instruments as Bank rate. But it must have suffered a great deal from favouritism and the obvious desire of a banker to please his best customers. As a permanent method of rationing credit, it has little to recommend it; its advantages are in the short period, when, for instance, the first signs of inflation are beginning to appear. In any case, it is no substitute for using the whole interest-rate structure, including the Bank rate, in the way it is meant to be used, and that whatever the risks involved. In Britain, Bank rate has failed because over-full employment and the inflated level of demand that this entails, has had to be maintained for political reasons. In India, a rise in the Bank rate, either official or otherwise, would be equally ineffective if the level of internal demand is kept artificially high by over-ambitious development spending.

INFLATIONARY TRENDS IN THE U. S. A.

BUSINESS reports in January do not warrant altering the generally sanguine expectations evident in year-end forecasts, reports the First National City Bank in its newsletter for the month of February. Passenger-car production and sales are running above year-earlier levels for the first time in over a year, steel mill operations continue close to earlier peaks, and petroleum output has set new records in meeting demand at home and abroad. Brisk wholesale buying is reported from January trade shows. Industrial purchasing agents—like a great many consumers—are basically optimistic, even though inclined toward caution in their purchases. The strong finish of 1956 left little doubt that sheer momentum would carry business along at peak rates during the first few months of 1957. The upsurge in overall output of goods and services during the fourth quarter of 1956 was unsurpassed in any quarter in the past four years. Even allowing for price increases, which during the year accounted for about half the overall rise, the fourth quarter advance was impressive. Spurts in consumer durable goods buying, defence spending, and business investment in equipment and inventories were strong influences. According to preliminary estimates by the Council of Economic Advisers, the gross national product achieved the record annual rate of \$424,000 million in the fourth quarter, up from \$413,800 million in the third quarter. Meanwhile, consumer spending plans were fortified by the rise in incomes to a new peak of \$287,000 million after taxes. Corporate profits, which have been declining since late 1955, are tentatively estimated to have rebounded in the fourth quarter to an annual rate only slightly lower than a year earlier. These recent advances have been sizable but far from unanimous. As usual, there are soft spots along with the strong ones. A number of industries, including lumber, paper, and paperboard, are operating below last January's rates, while in other lines the steam appears to have gone out of expansion. Nevertheless, there can be little doubt of the strength of overall demand. It has been strong enough to offset these soft spots and push industrial production and non-residential construction to new peaks in December, to keep skilled labour in short supply, and to maintain a record flow of goods through retail stores. Above all, the pressure of demand, along with higher wages and raw material costs, is evident in the steady rise in prices, which has once more focused attention on the problem of inflation. Prices in wholesale and retail markets have climbed to record levels. The official index of wholesale prices (1947-49=100) advanced to 117.0 in late January, breaking the record which had stood for nearly six years. During the past year, prices of farm products and processed foods have risen more than 6 percent and prices of other commodities—mainly industrial goods—averaged 4 percent higher. The consumer price index, at a new record of 118.0 in December, was 2.9 percent higher than a year earlier.

A price rise of this magnitude, of course, does not represent runaway inflation. The rise in consumer prices during 1956 was not appreciably greater than the average rate of increase for the past ten years. Yet creeping inflation cannot be ignored. It is sobering to reflect that through this process of gradual erosion—averaging less than 3 percent a year—the dollar has lost nearly one third of its purchasing power in a decade. In the year-end forecasts of 1957 business, economists reached well-nigh universal agreement on two points: that increasing Government expenditures would afford the main expansionary stimulus, and that prices would rise further. These expectations are associated. In an economy running at maximum sustainable speed, with many private employers handicapped by shortages of skilled help, no need is present for increased Government expenditures to provide employment opportunities. Many people share the misgivings expressed by Senator Byrd, in commenting on increased outlays programmed in the new federal budget that "we have embarked upon another era of inflation."

CURRENT COIN

Standard and Burrakur Coal.—In a circular to shareholders, the directors of the Standard Coal Co. Ltd. explain the reasons for dropping the scheme to amalgamate the company with the Burrakur Coal Co. Ltd. The present market price of Burrakur ordinary shares, they say, is such that the formula of two Burrakur shares for one Standard share would almost certainly be unacceptable to Burrakur shareholders. Any lower ratio, on the other hand, would not be attractive for Standard shareholders. The liquidation of Standard Coal has been considered, but decided against because there are certain legal obstacles connected with the transfer of the title of the coal

properties originally owned by the company, and, in addition, certain outstanding matters, such as pending tax appeals, which would delay the liquidation proceedings for several years. Moreover, with the recent changes in taxation laws affecting the liquidation of companies, a substantial percentage of Standard's assets, represented by accumulated reserves, would be dissipated in the form of tax liabilities during the process of liquidation. It is, therefore, proposed to convert Standard into an investment company. If any shareholder does not approve of the change and does not want to continue as a member of Standard, he can sell his shares to F. W. Heilgers and Co. (Private) Ltd. at the current price of Rs. 20-12 a share; this offer is open until 15th March. It is intended that, of the present assets, Standard should dispose of its share in the Chief Mining Engineer's bungalow in Bhulanbararee and its holding of Government securities and debentures. This will leave it with (1) 15,000 ordinary shares in Coal Shipments Ltd.; (2) 9,275 ordinary shares in Sijua (Jheriah) Electric Supply Co. Ltd.; (3) 200 ordinary shares in the Industrial Credit and Investment Corporation of India Ltd.; and (4) 802½ bighas of coal-bearing land in Mouza Sowardi. The first three yield a reasonable return, although in the case of Coal Shipments profits fluctuate widely according to the state of the coal export market. It is proposed to retain the Mouza Sowardi property because if the Government's policy on private collieries changes, it might be possible to work it or to sell it at an attractive price. If the Government sticks to its policy that all future development in the coal industry should be in the public sector, it is likely that the property will be compulsorily acquired, but possibly for more than Rs. 1.3 lakhs, which is the figure at which it now stands in the company's books. The result of all these proposals will be that Standard will have approximately Rs. 18 lakhs available for investment; it is proposed to invest this sum partly in the ordinary shares of companies under the management of Birds and Heilgers, and partly in other companies. Although it is difficult to predict accurately the future earning capacity of individual companies and the future tax liabilities of Standard Coal, conservative estimates are that it should be possible for Standard to pay a dividend of at least 10 percent, and possibly more. Heilgers have resigned their managing agency of Standard Coal with effect from 31st January, so the latter is becoming director-controlled.

Tea in Pakistan.—In his presidential address at the annual conference of the Associated Chambers of Commerce of Pakistan in Karachi last Thursday, Mr. W. E. Wilkie-Brown said that there had been a considerable improvement in the Pakistani tea crop during 1956-57, and it was expected to total 54 million lbs. The industry has in the past complained of delay in receiving such essential materials as fertilisers and insecticides, but arrangements during the past year have been much more satisfactory. Mr. Wilkie-Brown urged the Government to remove a taxation anomaly which amounted to double taxation of part of the profits of a tea company. As he pointed out, tea manufacture is partly an agricultural and partly an industrial process. Under a convention which has until recently been recognised by the Central and provincial taxation authorities, 40 percent of the profits have been taxed by the Central Government under the Income Tax Act, 1922, and 60 percent by the Government of East Pakistan under the East Bengal Agricultural Income Tax Act. It is common practice to grow on tea gardens certain ancillary products such as sun grass, timber and bamboo which are utilised for thatch on living quarters, fuel and fencing and similar purposes. These products are not sold, but are consumed on the garden, and their production and use are reflected in the profits of the complete enterprise. The provincial Government has recently claimed that these products should be taxed under the East Bengal Agricultural Income Tax Act at an assumed sale price, although they are not sold and their consumption has already been reflected in the profits of the company. This amounts to double taxation of a section of these enterprises. Furthermore, the agricultural income tax authorities have invoked this procedure with retrospective effect from the year 1949 and the tea industry is now faced with demands (although temporarily held in abeyance) running into several millions of rupees over the last eight years, which are unjust and which it is quite unable to meet. Even for years in which the industry suffered trading losses, certain companies have been called upon to pay tax on this notional income although no profit accrued to them for two to three years.

Export and Import Policy.—A meeting in Bombay between the representatives of the Indian Merchants Chamber and the Chief Controller of Imports and Exports, Mr. S. N. Bilgrami, held recently to discuss the export and import policies of the Government, led to a useful clarification of

some obscure points. Mr. Murarji J. Vaidya, President of the Chamber, stressed the need to reintroduce the usual provision for grant of actual users' licences for non-listed items. Mr. Bilgrami assured him that although the provision had been withdrawn in the new policy, the scheduled industries which had hitherto got licences through the Development Wing would continue to get them. On the import of essential machinery and capital goods, Mr. Vaidya felt that domestic manufacturers would be put to much inconvenience by the rigid licensing policy. The Chief Controller said that he would be prepared to make necessary adjustments "within the existing framework of the policy". For instance, he would consider the feasibility of allowing the use of part of the licence issued for a particular item for importing another allied item not covered by the licence, if the latter was developmental in character and if the holder of the licence agreed voluntarily to a corresponding cut in the face value of the licence for the item actually licensed. He would also consider the question of giving permission, on merits and in exceptional cases, to utilise part of the import licence for machinery and plant, for the importation of spare parts. However, he could not extend the validity of such licences as had been affected by the Suez Canal closure, as foreign exchange was short. For the same reason, the Government could not agree to the demand that increases in the c.i.f. values of licences caused by the Suez Canal developments should be permitted. But in the case of very essential machinery, all legitimate increases in the c.i.f. price due to higher freight and insurance charges resulting from the diversion of vessels round the longer route would be considered on their merits.

Prospects for the Glass Industry.—The glass industry is looking forward to the promising prospect of expansion, but at present a considerable part of its production capacity is lying idle. This arises partly from its intermediate character, in that the demand for its products depends on the development of other industries. But a more important reason is the shortage of transport facilities and of raw materials. Production has increased to a certain extent in recent years. But imports of glass manufactures have also increased; they are likely to drop sharply, however, under the drastic new import policy. In his presidential address at the annual general meeting of the Bengal Glass Manufacturers Association in Calcutta last week, Mr. F. N. Sen stressed the responsibility which now lay on producers, and assured customers that the Association would help them obtain their supplies at "reasonable prices". He said that at least 50 percent of the capacity of the working units and about 65 percent of the total capacity was still lying unutilised. "What is more, out of 131 glass factories registered under the Industries (Development and Regulation) Act, 1951, with an installed capacity of about 314,500 tons, not more than 84 units are working at present. This shows that 47 factories with a capacity of about 67,000 tons have been closed." Under the second five year plan, it is expected to raise production capacity to 330,000 tons, while actual output is to increase from 125,000 tons to 200,000 tons. But as long as the problems of transport and raw materials were not solved, Mr. Sen warned, the targets might prove impossible to fulfil. He advised that, under the circumstances, great caution should be exercised in licensing new units and in sanctioning expansion, except when it is justified on grounds of economy and "the diversification of output on newer and untried lines".

VIZAGAPATAM HARBOUR

WE are glad to see that there is every probability, owing to the unparalleled generosity of the Maharaja of Vizianagram, of the harbour of Vizagapatam being put into a thoroughly efficient state. If the improvements proposed are carried out and Vizagapatam becomes a harbour, capable of loading and unloading large vessels it may mean a serious loss to the import and export business of the Port of Calcutta; for if a railway be made from Raipur to Vizagapatam, it seems to us that the whole trade of the Central and North-West Provinces can be deflected to that port. It will bring the coalfields of Umaria within a measurable distance of the sea, and open out the Central Provinces in a most wonderful manner. The Bengal-Nagpur Railway should lose no time in constructing this line, and then, we imagine, they will be one of the most prosperous in India. If Vizagapatam really becomes a first-class port, free from pilotage and the great delays that now occur in coming up the Hooghly, it would mean probably two days' saving of coal and time on the part of the steamer as well as of the pilotage. The Maharaja is really rendering India an imperial service, and we only wish that there were more noblemen so far-seeing, enlightened and generous.

FROM

CAPITAL

10th February, 1897.

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Without Prejudice

SOME CASES IN THE ENGLISH COURTS

THE DOCTOR'S DILEMMA: WIVES AS ITINERANT DIRECTORS

(FROM OUR LEGAL CORRESPONDENT)

CONCLUDING this short series of comments on matters legal in England in 1956, we present an ethical problem in which the law and medicine, or at any rate two of the foremost exponents of each of the professions differ, and in which the reader's own opinion is as likely to be right as either of them. The problem is: Should a doctor tell? "Yes," said Lord Justice Denning, straying from strictly judicial functions to give moral advice to medical students of King's College Hospital School, London, at the opening ceremony of its 125th session. "The problem we have had in the courts is whether a doctor is ever permitted to tell a lie to his patient. If a person is suffering from cancer, it is expected that he should not be told about it; he should be put off with some excuse or other. Is that right? It is never permissible to do a great wrong in order to get a great right. Indeed, if it were generally known that doctors do not tell the whole truth to their patients, the confidence which should exist between doctor and patient would be seriously undermined." Thus, one of the most learned and eminent of British judges.

A week later, on 5th October, Sir Francis Walshe, consulting physician to University College Hospital, said in an address at a rather similar function to inaugurate the 1956-57 session of the Royal Free Hospital School of Medicine (University of London): "We have been recently admonished by a learned judge that we must always tell the truth, but what in the relevant connection is meant by 'truth'? It generally means telling the patient the full nature of the prognosis of his illness as far as this can be seen. The problem presents no difficulties when the outlook is good. It is when the outlook is bad that our perplexities arise. If, for example, the case is one of malignant disease demanding surgical intervention, adequate reasons

must be given to the patient for this; but, suppose the case is inoperable and the prospect of survival is to be measured in weeks or months. How much is it necessary or expedient to say? The patient's relatives were likely to be against the patient being given a realistic account of his situation, yet many patients wished to know the facts, so that they might prepare for death, if they were religious believers, or that they might arrange their affairs. But not all men and women may safely be assumed to wish to know the worst, or to react with prudence and fortitude if they are told. I believe that every patient in such a situation must be considered as a separate human problem and that no glib generalisations can wisely be made on this subject." One likes *Law Notes*'s contribution to the controversy, which is a quotation from Pope: "Tis not enough your counsel still be true; Blunt truths more mischief than nice falsehoods do."

There is no more distinguished and practical-minded judge in England than Lord Goddard, Lord Chief Justice; nor one held in greater affection. Wherefore one endeavours loyally to suppress certain misgivings about this decision on a criminal appeal of the Divisional Court over which his lordship presided and delivered the judgment, with which one notes that one of the other two judges (Stable J.) disagreed. A similar case must be not unusual in India when the law in principle is the same but where, it is submitted, no court and certainly no High Court would come to the same conclusion. The facts were quite simple. The charge was one of larceny. A servant obtained an advance of £6 19s 6d on account of his week's wages which ultimately came to £7 3s 4d. Later the wages clerk, not knowing of the advance, handed to the servant a wages packet containing £7 3s 4d, which the servant received not knowing that the envelope contained more than was due to him. When the servant got home, he opened the packet, discovered the error and decided to appropriate, and did appropriate, the whole sum to his use. Should he be convicted of larceny of £6 19s 6d? "No," said a Divisional Court (Lord Goddard L.C.J., Hilbery J., Stable J. dissenting.) "The defendant did not know of the mistake when he took the money, so the taking was not *animo furandi*." Perhaps not, when he actually took the

money. But what about the *animo furandi* when he decided to stick to it?

A borderline case on income-tax and expenses. Husband and wife were the sole directors and shareholders of a company dealing in refrigeration. Their fees as directors were £5,000 and £460, respectively. The husband worked full time in the company's business. The wife did not attend the company's premises at all in the relevant year and had no technical qualifications, but was described as "a good conversationalist". They visited Australia so as to study refrigeration methods, a decision influenced a little by the fact that the husband had close family connections there, but apart from that he considered that the company would profit from his visit. There was no resolution from the board of directors requesting the wife to go to Australia and no suggestion that she was given any directions as to the functions she was to perform there, but the husband thought that she should go with him. There was evidence as to what the husband did during the 11 weeks spent in Australia, but none as to what the wife did. The travelling and other expenses of the visit as claimed for tax purposes totalled £11,220. The Special Commissioners allowed £980. The Crown appealed. Roxburgh J. dismissed the Crown's appeal as to the expenses of the husband but allowed it as to those of the wife, there being evidence on which the Commissioners could arrive at their decision only as to the husband.

The law of negligence again. A railway case this time; and you are invited once more to impersonate the law's irritating "reasonable and prudent man" to decide it. Would this fictional embodiment of commonsense voluntarily walk through a tunnel and, being injured in the course of his own intentional peregrination by being run over by an incoming train, would he claim damages against the railway company for his injuries so sustained? You may reply, as the writer did, with a clamant "No", and say that such a man would be an unreasonable and imprudent fool and would deserve what he got. Wrong again!

The railway was a narrow gauge one and the tunnel was about 66 yards long. The owners of the railway neither openly objected nor openly assented to members of the public strolling through their tunnel, and the public occasionally did so. The company knew that they did, and, so to say, shrugged its shoulders at the practice, but instructed its drivers to blow their whistles and slow down on entering the tunnel. Among these reasonable and prudent pedestrians using the tunnel was the plaintiff, a lady. One day when she was doing this, a train owned by the defendant company and driven by its servant entered the tunnel at its usual speed and without the driver blowing his whistle. The lady saw the train coming, lay down in the tunnel but was struck by the train and injured. She claimed damages against the company for negligence. Can she succeed?

Yes, she can and she did; and the answer illustrates what we urged in this column last week, that the lawyer's most difficult task is when he has to advise a client, aye or nay, on a question of alleged negligence. You may think that the proximate cause of this accident was not the non-blowing of a whistle or the non-slackening of speed by the driver but the lady's recklessness in voluntarily placing herself in such a dangerous situation by patrolling the tunnel of a narrow gauge railway, knowing that trains were in the habit of patrolling it too. *Volenti non fit injuria* is the legal maxim, and it may be roughly interpreted as meaning that if I willingly take a risk, the natural consequences of it fall on my head, as they did on this lady's, literally and metaphorically. That was the railway's defence, but it did not succeed. "The maxim *volenti non fit injuria* did not bar the claim," said the Court of Appeal (Denning, Birkett and Parker L.J.J.). "because though the plaintiff voluntarily took the risk of danger from the running of the railway in the accustomed way, she did not take the risk of negligence by the driver." But the lady having been guilty of contributory negligence, the company's liability in damages was reduced by 40 percent. Thus, if I, having paid for my seat therein go to the Eden Gardens at a Test Match and Mr. Umrigar hits a six, neglecting to warn me of his prior intention so to do, and the ball strikes me on the head, Mr. Umrigar and the owners of the ground will be 60 percent liable to me. While writing the above as a *reductio ad absurdum* argument, the writer has suddenly recollected that it is not absurd at all but a perfectly accurate statement of the law, except that Mr. Umrigar would be liable 100 percent and not 60 percent. The thing actually happened in England some years ago. The lady was injured by a ball hit for six. She was not even a spectator, but was sunning herself outside her own house adjacent to the ground which was that of the Cheadle (Manchester) Cricket Club. The hit was a prodigious one and the club proved in its defence that it was of such dimensions as had never before occurred on the ground, and urged that it could not reasonably have been expected to happen. But it did happen, the lady was knocked out, sustained severe injury and sued the club for damages. The case caused consternation in the cricket world and new clubs find it necessary to insure. For the lady won her case, and an appeal the judgment was affirmed.

¹Moynes v Cooper. (1956, 221, L.T. III).

²Maclean (Inspector of Taxes) v Trembath. 221, L.T. 217.

³Slater v Clay Cross Co. Ltd. 1956, 221, L.T. 328.

A DITCHER'S DIARY

tator has dared be away from his country. Either Mr. Chou must be very sure of his power, or he does not enjoy the important position in the Government of China which we are all led to believe. I think the former is true; after all, one cannot murder ten million opponents without intimidating the opposition. On the whole, Mr. Chou has acquitted himself well abroad, although his support of the Russian massacre in Hungary was depressingly familiar stuff. He sensibly avoided most of the silly back-scratching and trouble-making of which Messrs Bulganin and Krushchev were guilty. But what puzzled me was his constant harping on the threadbare theme of colonialism. For one thing, to bracket China with the victims of European imperialism is to stretch a point too far for the sake of creating fellow-feeling. The only power which tried seriously to make a colony of China was her Asian neighbour Japan. For another, the only imperial powers of any consequence in Asia nowadays are Russia and, of course, China herself. One of the strange things about modern thinking on the subject of colonies is that territorial possessions are not recognised as such unless they are separated from the imperial power by miles of ocean; when they adjoin, nobody says anything about them at all. We are apt to forget that it is not fifty years since the Central Asian republics, which are now incorporated into the Soviet Union, were openly acknowledged as part of the Czar's Imperial Empire. And the same is true for such provinces as Inner Mongolia, Tibet and Sinkiang, which are now accepted as part of China. I cannot think that Mr. Chou is referring to the actions of his own country when he condemns colonialism. But I often wonder whether he is not hitting out at his ostensible ally, the Soviet Union, which is still in occupation of a number of areas to which the new China might like to lay claim.

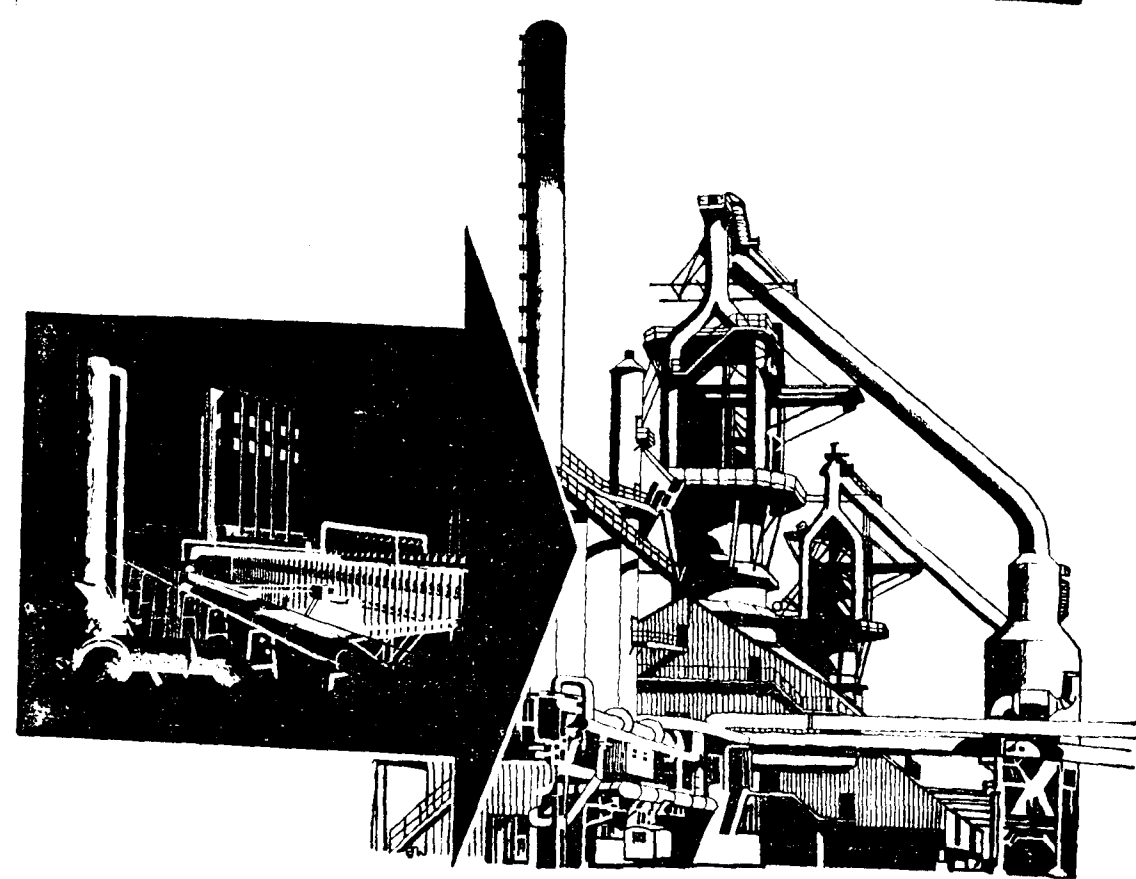
For those whose sole mental pabulum is the Government of India's Press Notes, there have been three important developments concerning the railways in the past week. The first is the progress of the World Bank Mission's tour. The second is the expensive "new deal" announced by Mr. Jagjivan Ram. And the third is the stimulating news that railway revenues during the current year have suddenly and unexpectedly risen by Rs. 1-9. This last appears in a story the burden of which, briefly, is that a passenger jumped into a local train, discovered he was travelling second class instead of the third for which his tickets had been bought, and after some energetic correspondence insisted upon paying the difference of Rs. 1-9. My interest in the episode, which some newspapers seem to have taken to rather fondly, centres on three points. One is the implication that a simple bit of honesty among railway travellers is such a remarkable event in the eyes of the Government's Press Information Bureau that it deserves nationwide notice. The second arises from the question whether, whatever the railways might have gained, the official information services have nothing better to do than to waste effort on something the moral impact of which is just a shade less than its innate silliness. The third is the fear that other Government departments, whose noses for morality among their customers are not yet so long, might start to emulate the railways. The post office, for instance, might one day begin to regale us with anecdotes about conscience-smitten correspondents who fail to put postage stamps on

their letters. It makes one sad to think of the state of our modern civilisation if, in the eyes of some, honesty can no longer be accepted as a simple, natural human attribute, not even when it is worth only Rs. 1-9.

The decimal coinage system, which India will introduce later this year on what is traditionally regarded as the day of folly, is not itself so foolish. It is attractive for its neatness and comparative simplicity, although I have heard perverse minds argue that it is precisely the striving for these two qualities that is nowadays making automata out of us all. In India, it seems fairly certain, however, the first reactions to the decimal coinage will be far from robot-like. Already one can sense the official prophets getting worried that the currency change-over which begins in April might cause not only inflation, but also a certain amount of disturbance and unrest. It is not difficult to visualise why. Think of the crafty village *baniya* arguing with his unsophisticated customer about the missing pie in the price of his *biri*. Yet, whatever the complications, it must be confessed, with perhaps a slight tinge of regret, that the arguments for introducing the decimal coinage system soon in a country which wants it, are compelling—if for no other reason than that it is better to be confused now than confounded later. I hope, in the next few months, at least some of my readers will have nothing better to do with their evenings than memorise the conversion tables.

I remembered saying some weeks ago that for every piece of British propaganda or information that arrives on my desk I get a dozen from the Russians. The proportion has not changed since then. In fact, we have just received an offer which might increase it. Will we exchange *Capital* for any of twenty-one listed Soviet publications? Now this is flattering. But Moscow already takes a fair quota of *Capital*, a larger one, I might add, than Washington. So why the interest? It seems the answer is that it will "benefit scientific and cultural relations" between India and the Soviet Union. I have no need to point out that we think very highly of *Capital*. But we do not claim that it is a scientific journal, not unless business has to be accepted as a science these days—I am still old-fashioned enough to regard it as an art. Nor have we much to do with culture, unless the writing of good English is what Moscow is looking for, and somehow I do not think it is. A glance at the list of possible exchanges does not reveal much in the way of science or culture either. There is *The Medical Worker* but that could be a trade union organ, if they permit such things in the Soviet Union. And there is *Soviet Culture*, a title which has too much of the commissariat stamp about it to ring particularly true. But the others range from *Soviet Sport*, *Soviet Patriot*, *Railway Worker's Gazette* and *Pravda* to one or two which look as if they might have something to do with commerce and industry. There is no one among them I would care to see *Capital* exchanged for, not even the one with the appealing title of *Truth*, which I think means truth. The name for which I looked in vain was that of *Crocodyl*—I hope that is how it is spelt. Ths, so I am told, is the Russian equivalent of *Punch*. If that is true, then it is likely to be a better guide to Soviet culture than all these other stuffy titles put together. I am not particularly keen to exchange *Capital* for anything, but if that is what Moscow wants, then it will be *Crocodyl* or nothing.

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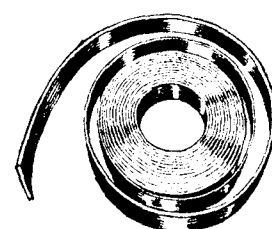
We have turned a new roll; and it has cost us three and a half crores of rupees.

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RESERVE BANK

ISSUE DEPARTMENT			
(In 000's of Rupees)			
	Week ended 8-2-57	1-2-57	10-2-56
Liabilities—			
Notes in Banking Dept.	1,00,63	14,54,88	7,31,47
Notes in Circulation	15,19,65,02	14,94,02,15	14,07,64,97
Total Notes issued	15,20,65,65	15,08,57,03	14,14,96,44
Assets—			
A Gold Coin and Bullion	1,17,76,03	1,17,76,03	40,01,71
Foreign Securities	4,12,51,91	4,12,51,91	6,67,15,97
Total of A	5,30,27,94	5,30,27,94	7,07,17,68
B Rupee Coin	1,21,34,27	1,22,25,65	1,04,55,84
Rupee Securities	8,75,03,44	8,55,03,44	6,03,22,92
Total	15,26,65,65	15,08,57,03	14,14,96,44

BANKING DEPARTMENT			
(In 000's of Rupees)			
	Week ended 8-2-57	1-2-57	10-2-56
Liabilities—			
Capital Paid-up	5,00,00	5,00,00	5,00,00
Reserve Fund	5,00,00	5,00,00	5,00,00
National Agricultural Credit (Long-term Fund)	15,00,00	15,00,00	10,00,00
National Agricultural Credit (Stabilisation) Fund	1,00,00	1,00,00	—
Deposits—			
(a) 1 Central Govt.	51,61,68	52,34,51	60,54,78
2 Other Govts.	13,52,40	10,68,48	11,00,56
(b) Banks	50,69,67	54,44,01	53,01,16
(c) Others	41,58,78	13,40,42	15,92,94
Bills Payable	15,17,43	15,00,38	18,97,03
Other Liabilities	1,12,59,22	1,12,67,07	24,39,30
Total	3,10,79,58	2,90,74,87	2,03,85,57

SCHEDULED BANKS			
(In 000's of Rupees)			
	1-2-57	25-1-57	3-2-56
Demand Liabilities—			
(a) Borrowings from Bank	7,04,16	6,79,67	6,88,18
(b) Others	6,72,70,78	6,04,02,69	6,28,87,50
Time Liabilities—			
(a) Borrowings from Bank	2,21,30	2,56,00	3,55,50
(b) Others	4,02,18,51	4,59,73,99	4,08,74,89
Borrowings from State Bank Demand Liabilities	14,15,02	13,81,19	13,73,42
Time Liabilities	—	—	—
Borrowings from Reserve Banks	80,51,47	74,15,37	34,79,30
Cash	34,36,14	33,06,35	34,65,33
Balances with the Reserve Bank	51,63,39	50,04,94	63,21,66
Balances with other banks in current account	9,64,95	9,94,05	11,20,33
Money at calls and short notice	10,34,62	11,10,33	8,89,80
Investments in Central and State Govt. Securities	3,61,27,03	3,61,63,51	3,80,45,40
Advances	6,69,13,78	6,57,07,44	5,46,06,32
Inland Bills purchased and discounted	1,18,44,51	1,15,29,35	88,56,73
Foreign Bills purchased and discounted	53,12,50	53,66,86	48,41,13
Total	3,10,79,58	2,90,74,87	2,03,85,57

SCHEDULED BANKS

(In 000's of Rupees)			
	1-2-57	25-1-57	3-2-56
Demand Liabilities—			
(a) Borrowings from Bank	7,04,16	6,79,67	6,88,18
(b) Others	6,72,70,78	6,04,02,69	6,28,87,50
Time Liabilities—			
(a) Borrowings from Bank	2,21,30	2,56,00	3,55,50
(b) Others	4,02,18,51	4,59,73,99	4,08,74,89
Borrowings from State Bank Demand Liabilities	14,15,02	13,81,19	13,73,42
Time Liabilities	—	—	—
Borrowings from Reserve Banks	80,51,47	74,15,37	34,79,30
Cash	34,36,14	33,06,35	34,65,33
Balances with the Reserve Bank	51,63,39	50,04,94	63,21,66
Balances with other banks in current account	9,64,95	9,94,05	11,20,33
Money at calls and short notice	10,34,62	11,10,33	8,89,80
Investments in Central and State Govt. Securities	3,61,27,03	3,61,63,51	3,80,45,40
Advances	6,69,13,78	6,57,07,44	5,46,06,32
Inland Bills purchased and discounted	1,18,44,51	1,15,29,35	88,56,73
Foreign Bills purchased and discounted	53,12,50	53,66,86	48,41,13

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	
8-2-57	50,02,33	Bombay
1-2-57	69,10,46	77,15,68
25-1-57	58,48,70	69,29,45
18-1-57	71,27,37	77,60,84

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT			
(In 000's of Rupees)			
	Week ended 25-1-57	Week ended 18-1-57	
Liabilities—			
Notes in Banking Department	11,48,91	10,58,27	
Notes in Circulation	3,26,77,79	3,29,94,62	
Total Notes issued	3,40,26,70	3,40,52,89	
Assets—			
A Gold Coin and Bullion	11,33,41	11,33,41	
Sterling Securities	93,07,74	82,48,28	
Government of India Securities	23,63,47	23,63,47	
India Notes representing assets receivable from the Reserve Bank of India	43,02,28	43,02,28	
B Rupee Coin	5,03,73	5,30,60	
Govt. of Pakistan Securities	1,68,26,01	1,68,85,46	
Held with Reserve Bank of India pending transfer to Pakistan	19,02	19,02	
Gold Coin and Bullion	4,40,63	4,40,63	
Sterling Securities	1,00,90	1,00,90	
Govt. of India Securities	29,51	29,51	
Rupee Coin	3,40,26,70	3,40,52,89	
Liabilities—			
Capital Paid-up	2,00,00	2,00,00	
Reserve Fund	3,00,00	3,00,00	
Deposits—			
(a) Central Government	47,15,36	46,36,95	
(b) Provincial Government	2,64,51	1,01,23	
(c) Banks	14,60,49	14,70,39	
(d) Others	8,13,60	8,11,70	
Bills Payable	27,05	24,25	
Other Liabilities	10,67,69	11,16,23	
Assets—			
Notes	89,48,70	87,60,75	
Rupee Coin	11,48,91	10,58,27	
(a) Pakistan	12	14	
Subsidiary Coin	17	18	
(a) Pakistan	17	18	
(b) India	—	—	
Bills Purchased and Discounted—			
(a) Internal	—	7,51	
(c) Govt. Treasury Bills	12,70	26,00	
Loans and Advances to Govt.	12,00	3,16,94	
Provincial Govt. Debtor Balances	22,69,92	20,54,00	
Other Loans and Advances	43,92,29	42,72,46	
Investments	11,12,59	10,93,35	
Other Assets	89,48,70	87,60,75	

BANKING DEPARTMENT			
(In 000's of Rupees)			
	Week ended 25-1-57	Week ended 18-1-57	
Liabilities—			
Capital Paid-up	2,00,00	2,00,00	
Reserve Fund	3,00,00	3,00,00	
Deposits—			
(a) Central Government	47,15,36	46,36,95	
(b) Provincial Government	2,64,51	1,01,23	
(c) Banks	14,60,49	14,70,39	
(d) Others	8,13,60	8,11,70	
Bills Payable	27,05	24,25	
Other Liabilities	10,67,69	11,16,23	
Assets—			
Notes	89,48,70	87,60,75	
Rupee Coin	11,48,91	10,58,27	
(a) Pakistan	12	14	
Subsidiary Coin	17	18	
(a) Pakistan	17	18	
(b) India	—	—	
Bills Purchased and Discounted—			
(a) Internal	—	7,51	
(c) Govt. Treasury Bills	12,70	26,00	
Loans and Advances to Govt.	12,00	3,16,94	
Provincial Govt. Debtor Balances	22,69,92	20,54,00	
Other Loans and Advances	43,92,29	42,72,46	
Investments	11,12,59	10,93,35	
Other Assets	89,48,70	87,60,75	

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

BIG RISE IN EXPORT BILLS

Wednesday, 13th February.

THE upward movement of advances has gone on unchanged throughout the past week. Deposits have also risen, but at a rather slower pace. The main sources of demand have maintained their offtake of funds, and the jute industry is now absorbing more than it has done in the past 10 or 15 years. This is thought to be due to the fact that, during a bad trading year, so much of the jute industry's available resources has been absorbed in the present modernisation programmes. Conditions in the interbank market are easier this week and the call rate has fallen to 3½ percent.

A large number of export documents has come to hand in the past few days. This is due to the fall in the U.K. Bank rate, previous expectation of which had held up a flow of bills which has now been released. Remittance remains moderate. Sterling continues to rule strong against both Continental currencies and the dollar. There has been little, if any, effect from the cut in Bank rate.

Bullion was firm last week on strong support after frantic bear-covering. Arrivals were restricted. After declining slightly around mid-week, silver rose to Rs 184 at the close. Gold increased to Rs. 109-12 in sympathy with silver.

During the week ended 8th February, Government of India Treasury bills for Rs. 28,62,50,000 were sold in favour of the Reserve Bank.

Increases of Rs. 25.63 crores to Rs. 1,519.63 crores in active notes, and of Rs. 18.09 crores to Rs. 1,526.66 crores in the total note issue, were the outstanding features of the return of the Reserve Bank of India for the week ended 8th February, 1957. The currency expansion was covered by increasing rupee securities by Rs. 20 crores to Rs. 875.03 crores and reducing rupee coin from Rs. 123.26 crores to Rs. 121.34 crores. Deposits showed an all-round decline. Deposits of the Government of India and other Government accounts declined by Rs. 1.34 crores and Rs. 3.15 crores to Rs. 51.01 crores and Rs. 13.53 crores, respectively. Balances of commercial banks, at Rs. 50.70 crores, showed a decline of Rs. 3.74 crores. Balances held abroad rose by Rs. 28.32 crores to Rs. 122.16 crores, while investments declined by Rs. 14.70 crores to Rs. 36.72 crores. Other loans and advances increased from Rs. 108.46 crores to Rs. 124.22 crores of which advances to scheduled banks against usance bills increased from Rs. 58.88 crores to Rs. 67.63 crores. Such advances amounted to Rs. 80.45 crores since 1st January, 1957. Ways and means advances stood at Rs. 6.27 crores (Rs. 6.25 crores).

The statement of the position of scheduled banks for the week ended 1st February, 1957, shows Demand and Time liabilities at Rs. 679.75 crores (Rs. 7.04 crores on account of borrowings from banks) and Rs. 464.40 crores (Rs. 2.21 crores), compared with Rs. 670.82 crores (Rs. 6.80 crores) and Rs. 462.30 crores (Rs. 2.55 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 1.30 crores and Rs. 1.58 crores to Rs. 34.36 crores and Rs. 51.63 crores, respectively. There is a drop of Rs. 37 lakhs in investments to Rs. 361.27 crores. Advances and bills discounted, at Rs. 840.71 crores, show an increase of Rs. 4.67 crores. The ratios to total liabilities of cash and balances and of advances and discounts, are, in consequence, shown at 7.5 percent and 73.5 percent, against 7.3 percent and 72.9 percent.

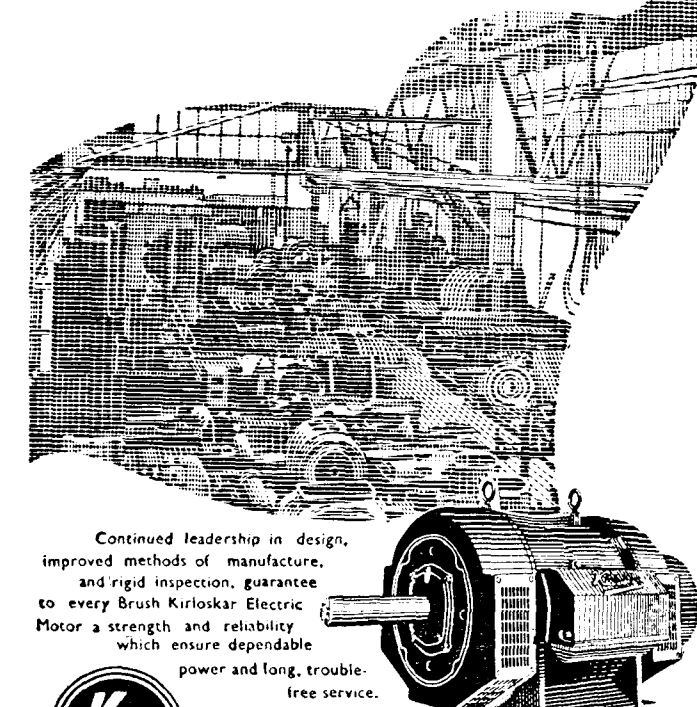
The return of the State Bank of India for the week ended 1st February, 1957, shows a rise of Rs. 10.22 crores in total deposits to Rs. 262.25 crores. Investments in Government securities are up by Rs. 1 lakh to Rs. 95.48 crores, while other authorised investments are down by Rs. 2 lakhs to Rs. 11.44 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 3.85 crores to Rs. 164.68 crores. Cash and balances are, in consequence, shown at Rs. 18.03 crores, or Rs. 7 lakhs higher.

The following is a statement of the cash balances of the Central Government on the last day of October, 1956:

	Rs.
(1) At the Reserve Bank of India in India	56,91,92,000
(2) At treasuries in India	2,21,61,000
(3) In England (Sterling converted at 18d. the Rupee)	1,01,62,000
Total	60,14,85,000

The Government of India has negotiated a drawing of \$127.5 million from the International Monetary Fund. Of this amount, \$60 million will be drawn immediately and the remaining \$67.5 million after a month. In addition, the Fund has agreed to give a standby credit under which India will have the right to draw an additional amount of \$72.5 million at any time during the next 18 months.

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SHARES FALL BACK AFTER
EARLY RISEMODEST EFFECT OF BANK
RATE CUT

London, 13th February.

THE reduction from 5½ percent to 5 percent in Bank rate has had only a modest effect on the London stock markets during the past week as this had been largely discounted by the rise during recent weeks. The immediate response was favourable, but further consideration of the news and the subsequent warnings that it did not indicate any change in the Government's economic and credit policies, coupled with several other adverse developments, brought an uncertain and generally easier tendency in most sections. The markets have been little changed on balance. The contributory factors to the uncertainty which developed after the week-end included the Middle East situation, a sharp fall on Wall Street and the announcement of a £300 million long-dated Funding issue by the Government. The January trade figures were not a helpful factor. Business contracted compared with the activity of recent weeks and it appears that the markets have paused for reassessment in the light of the prevailing conditions. There was no excitement in the gilt-edged market on the reduction in Bank rate or following the subsequent larger-than-expected fall in the Treasury bill rate. Prices improved modestly following the news, but later turned irregular. Little of interest developed in the foreign bond and rail markets, but dollar stocks have fallen back sharply under Wall Street's influence. The industrial market inclined easier prior to the Bank rate change, but prices staged quite a good response to the reduction, only to fall back again after the week-end. On balance, there has not

been a great deal of change in the general body of prices. Gold shares have moved erratically and within narrow limits in very quiet conditions, but coppers have fallen back partly in sympathy with Wall Street. Other base metals have been uncertain. Leading oils have receded on nervousness about the Middle East situation, but certain western hemisphere issues have been in demand. Rubbers and teas have attracted little attention and generally, have not been greatly changed.

The Money Market

The reduction of Bank rate by ½ percent to 5 percent was the past week's feature in the London money market. It was a corollary to the steady decline in the Treasury bill rate since the beginning of 1957. The lower trend resulted from several factors including the Government's re-introduction of 63-day bills to cushion the effects of the drain on cash resources caused by seasonal tax payments. There has also been a sharp reduction in the Government's weekly borrowing through Treasury bills. Credit conditions have been rather tight and the market has twice resorted to borrowing from the Bank of England. The average rate for money early in the week was around 4½ percent. Later it fell to 3½ percent following the Bank rate cut. The Treasury bill rate at the week's tender was reduced by about 5/16 percent to 8½ to 8 7/8 percent. Fine trade bills were lowered to 5½ to 6 percent for three months and to 5½ to 6½ percent for six months.

Activity on Wall Street

In the foreign section of the bond market, in early dealings German nationals were mostly higher by fractions to a point, but eventually they backed away. Berlin City 6½ percents of 1951 and 6½ percents of 1959 moved up sharply by 16 and 13 points respectively on small sales. Italians registered fractional gains, while some Norwegians, Serbs and Polish issues lost a little ground. Denmark 4½ percents and the Union of South Africa 4½ percents were quiet and unchanged. Australians showed little change either way. A few firm spots were noted among Japanese with Yokohama adding three points on a single sale. Chile 3 percents were higher by a small fraction and a number of Brazilians were showing losses and gains of a point or more.

U.S. Federal Reserve Return

For the week ended 6th February U.S. gold stock rose by \$1 million to \$22,252 million. Foreign deposits increased by \$46 million to \$386 million, but foreign investments fell by \$71 million to \$3,670 million. The Federal Reserve sold \$65 million worth of bills, but purchased \$84 million worth of securities under repurchase agreements. Total U.S. Government securities thus increased by \$19 million to \$23,447 million. Total discounts and advances rose by \$161 million to \$839 million and the aggregate of excess reserves of member banks advanced by \$387 million to \$672 million. The daily average excess reserves of member banks rose by \$63 million to \$378 million, while their daily average borrowings rose by \$113 million to \$615 million. Business loans of the New York city banks fell by \$31 million to \$11,000 million compared with a decline of \$77 million to \$8,946 million a year ago.

Hongkong Gold Easier

The Hongkong gold market last week was easier on lack of demand and on reported arrivals of gold in Macao. Opening after the holidays at \$(H)269, values initially declined 13 points and by mid-week reached a low of \$(H)266½. Thereafter, they fluctuated narrowly between \$(H)266½ and \$(H)266½, finally closing at \$(H)266½. The market showed no particular feature and was inclined to follow the movements of sterling abroad. Carry-over charges totalled 55 cents a 10 taels. Arrivals in Macao were 35,000 ounces. Forward contracts were done at \$(U.S.)37½ an ounce, c.i.f., Macao.

Late Rally in Rubber

The rubber market recovered after early softness on trade buying and short-covering, with dealings fairly active. Declines of more than 1 cent a lb. were registered early in the week on hedge selling and Commission House liquidation. The break in the securities induced some selling in rubber as did fears in the trade about the financial position of a leading Singapore rubber house. However, although nervousness showed itself subsequently on sporadic selling movements, improvement in the markets abroad caused a recovery movement here with a number of traders uncertain about the extent of the financial difficulty of the Singapore firm. Factories were modest buyers of physicals over the week. The trade noted with interest the strike move among Good-year workers. The contract with labour expired on 10th February, and the workers' union has called for a strike vote.

Cost of U.S. Farm Price Support Policy
The farm price support programme has cost the Eisenhower administration \$2,944 million in the last four years—nearly three times the total of Government losses in the preceding 20 years of federal farm aid programmes. A Commodity Credit Corporation (Agriculture Department) report states that the total losses since the Roosevelt administration inaugurated the programmes in 1933 have been \$4,005 million. The Corporation owned surplus commodities worth \$5,892 million at the end of 1956, and it is expected that more losses will be incurred on these stocks before they are disposed of, the report adds. The figures exclude direct subsidy payments to farmers, cost of export subsidies under which some commodities have been sold abroad at reduced prices, or funds other than the Corporation's used to buy surpluses for relief and other distribution.

Stocks and Shares

BUDGET FEARS DOMINATE STOCK MARKET
SENTIMENTSHARP CONTRACTION IN BUSINESS: SUCCESSIVE
BEAR RAIDS DEPRESS PRICES

Wednesday Evening.

THE Calcutta share market has been quiet and depressed throughout the week. All speculative counters have been marked down and most of the investment sections are weaker. There has been a sharp fall in transactions. The market is in the grip of the usual pre-Budget fears, which even the rather more reassuring words of the Finance Minister about the reserve deposit provisions have not been able to dispel. News from Bombay about the difficulty which Tatas are having in raising the money for their rights issue has given rise to fresh gloom about the coming Indian Irons offer. It is feared that the procession of rights issues expected after the Budget will drain the market of funds even if, as anticipated, they meet with a poor response. Indian Irons fell during the period from Rs. 29-6 to Rs. 28-11. The undertone of the market is now weak.

Coal shares have been neglected following the Appellate Tribunal Award. The speculative Burakurs are easier, although it is reported that very little scrip is available in the market. Engineering shares have fallen in sympathy with Indian Irons and miscellaneous counters are generally weaker. Tea shares, along with the sugar and distillery section, have been unique in showing some improvement on the week. Government securities have been quieter.

Details of the week's trading follow.

The gilt-edged market was quietly steady, though there was some contraction in the volume of business. Three percent Conversion Loan 1986 recovered from Rs. 73-9 to Rs. 73-11 and 3½ Non-terminable Paper was quoted at Rs. 73-4. In the short-dated group 3½ 1957 and 1958 were unaltered at Rs. 99-12 and Rs. 99-9 respectively and 2½ 1961 was quoted at Rs. 93-4. 3½ 1961 was placed at Rs. 99-6 while 3½ 1959-61 was unchanged at Rs. 97-12. Among medium-dated issues 3½ 1964 was wanted at Rs. 94-4 but sellers were scarce. Three percent 1963-65 was unchanged at Rs. 94-3. Three percent 1964 was sold down to Rs. 98-4 but later buyers appeared at Rs. 95-5; 3½ 1965 dropped by 2 annas to Rs. 98-3 and 3½ 1967 was unchanged at Rs. 98-7. Four percent 1960-70 had buyers at Rs. 100-12 but sellers were scarce. In the long-dated group 3½ 1966-68 was quoted at Rs. 92-4 and 3½ 1970-75 was placed one anna higher at Rs. 87-1. 3½ 1974 was in demand at Rs. 98-8. In Provincials, 4½ U.P. 1968 was officially supported at Rs. 97-15 and there were buyers of 4½ West Bengal 1968 at Rs. 99.

A nominal amount of business was put through in preference shares. There was some enquiry for Alkali & Chemical, which were crossed at Rs. 102-4 and Burn & Co., 7½ were taken at Rs. 127. Calcutta Electric were offered at Rs. 9-8 and Humayun Properties were done at Rs. 9. Small lots of Chrestien Mica and Duncan Brothers were placed at Rs. 53 and Rs. 60 respectively. Indian Iron & Steel were shaded at Rs. 104 and Jardine Henderson were crossed at Rs. 61 as were Metal Box at Rs. 92. Karanpura Collieries were done at Rs. 59 and Richardson & Cruddas at Rs. 85-8. In jute, Anglo-India were sold down to Rs. 103 and Auckland 2nd were crossed at Rs. 61. Bally were offered at Rs. 102 and Delta were marked at Rs. 86. Gourepore were bought at Rs. 82 and Hooghly changed hands at 10-12. Howrah Mills 7½ were reported at Rs. 102 and New Central at Rs. 102. Waverley were crossed at Rs. 40.

In the banking section, Allahabad Bank Contributory were done at Rs. 181, while United Commercial were slightly easier at Rs. 56-12. Punjab National were unchanged at Rs. 55 and United Bank of India "D" shares changed hands at Rs. 4-12.

In railways, a solitary transaction was reported in Howrah-Amta at Rs. 52.

With the exception of Bowreah which were slightly better at Rs. 132, cotton shares tended to lower levels. Bengal Nagpur were marked down from Rs. 8 to Rs. 7-12 and Dunbar from Rs. 205 to Rs. 198. Kesoram dropped by 11 annas to Rs. 15-5 while Elgin were unchanged at Rs. 26-4.

Following the recent Appellate Tribunal Award whereby mining costs have increased on an average by a further 15%, coal shares displayed a sagging tendency. Even Bengal, which hitherto had kept remarkably steady, found sellers at the close at Rs. 27-4 and Burrakur were difficult to sell even at Rs. 20-14. Equitable were marked back from Rs. 28 to Rs. 25 and Katras Jheriah from Rs. 62-8 to Rs. 62. New Manbhoom suffered a sharp reaction from Rs. 10 to Rs. 8-8 but recovered today to Rs. 9-8; South Karanpura were depressed at Rs. 9-10. Contrary to the general trend there was a small but sustained enquiry for Union at Rs. 13-4. West Jamuria were marked down today from Rs. 10-4 to Rs. 8-8.

The recent enquiry for jute shares appears to have died down and prices were marked back on

a wide front as will be seen from the following table:

	Opening 7-2-57. Rs.	Closing 13-2-57 Rs.
Bally	163	161
Barnagore	107	105
Budge Budge	112	109
Delta	146	143
Howrah	19 12	19 2
Orient	123	120

Contrary to the general trend, Dalhousie were enquired for at the higher rate of Rs. 100, Gourepore at Rs. 225, Kinnison at Rs. 148, Northbrook at Rs. 22-2, Reliance at Rs. 10 and Union at Rs. 131.

In electrics, Calcutta were offered at Rs. 12-15 and Benares were reported at Rs. 18. U.P. were unchanged at Rs. 147.

In sugar and distilleries, a fair-sized parcel of Dyer Meakin was crossed at Rs. 6-2 and there was some enquiry for Carew at Rs. 7-6. Cawnpore were easier at Rs. 19 while Champarun were unchanged at Rs. 22-8 ex-dividend. Durbhanga were marked back from Rs. 21-12 to Rs. 20-12 but Bel-sund improved today from Rs. 10-12 to Rs. 11-4.

In the engineering section, successive bear raids brought down the price of Indian Iron & Steel shares steadily from Rs. 29-6 to Rs. 28-7; tonight's closing quotation is Rs. 28-11. Braithwaites were remarkably steady at Rs. 28-4 and there was a good enquiry for British India Electric at Rs. 13. Guest, Keen, Williams were steady at Rs. 24-7 and a small

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In mining, Indian Copper met with selling pressure and at the close the price receded to Rs. 3-7-6. Metal Corporation were marked back from Rs. 9-8 to Rs. 9 while Karanpura Development and Orissa Minerals were unchanged at Rs. 16 and Rs. 21-8 respectively.

Providing Rs. 1.72 crores (Rs. 75 lakhs) for depreciation, the profit of the SCINDIA STEAM

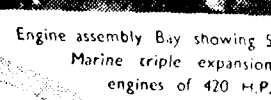
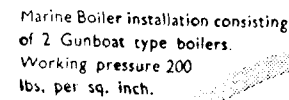
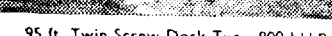
Excepting Ahmedabad Electric, which were fractionally higher around Rs. 99-11. other electric city supply company shares were available at around their previous levels.

Bengal Nagpur—Rs. 7-13-7-13-7-13-7-13.
Cawnpore Textile—Rs. 7-14-7-15-7-14-7-15.
Elgin Mills—Rs. 26-4-26-4-26-4-26-4-(27-2).

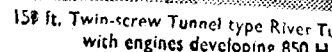
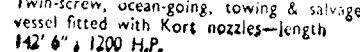
Martin Burn—Rs 25—25—24—14—24—14—(27-4).

A. R. A. Iyengar.

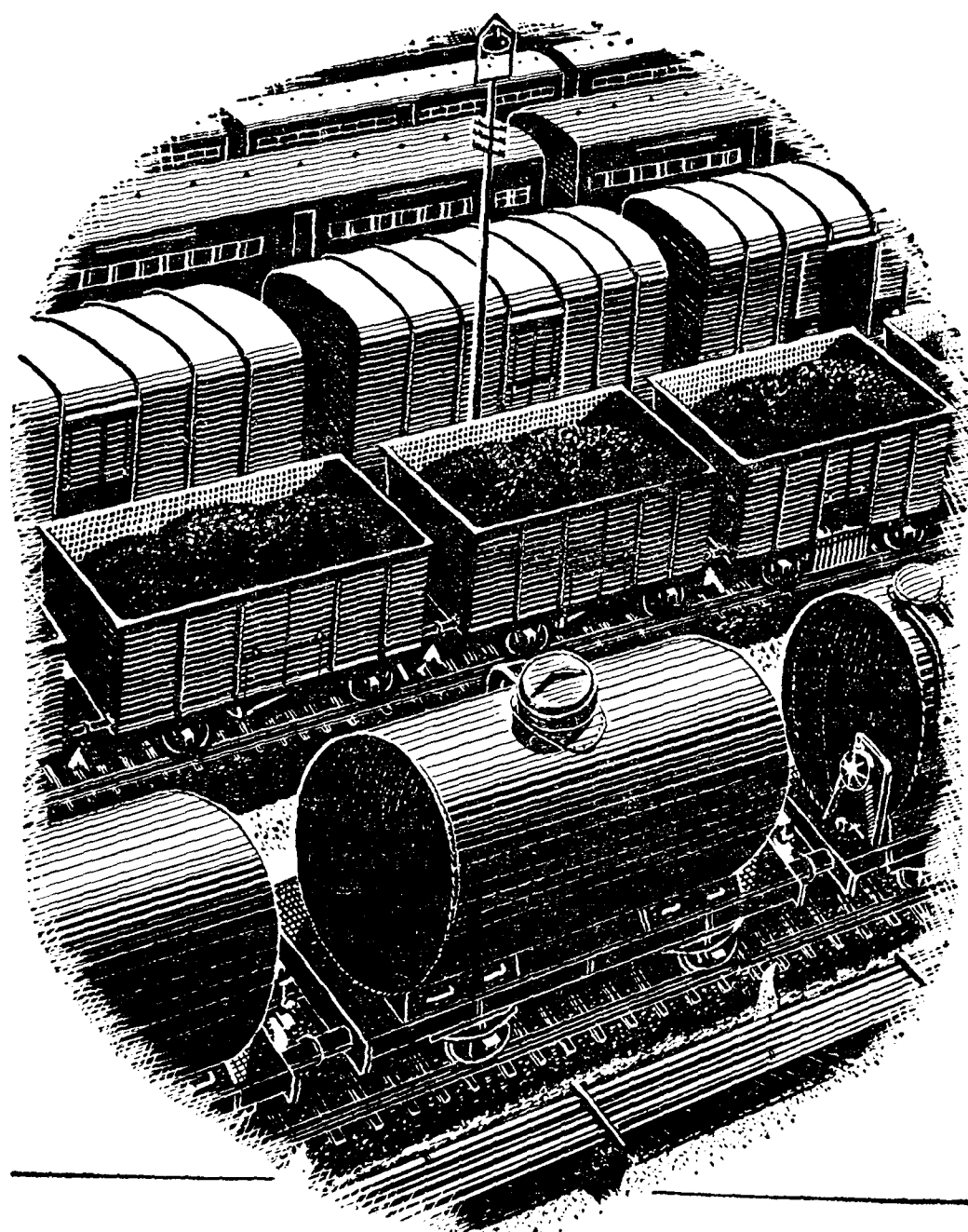
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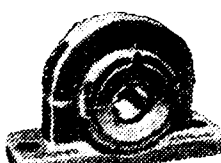
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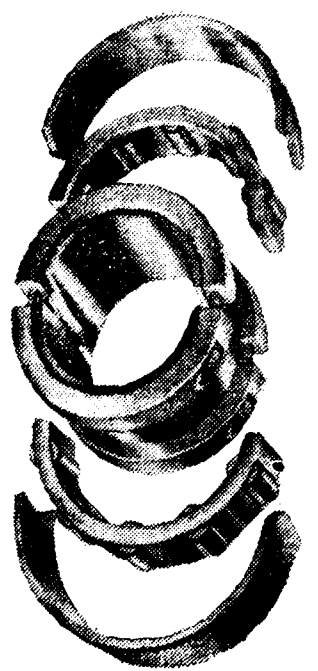


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Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.4 percent to 125.7 during the week ended 26th January, 1957, compared with 124.1 (revised) for the previous week. The index was higher by 0.9 percent and 15.0 percent respectively when compared with the corresponding week of the previous month and that of last year. The average for January, 1957 worked out to 122.1, compared with 128.8 (revised) for December, 1956 and 376.0 for January, 1956. Higher prices of jowar (+9%), gur (+5%), rice (+3%) and coffee (+1%) raised the index for Food Articles by 0.8 percent to 399.7 in spite of a decline in the prices of tea (-10%), gram (-3%) and wheat (-1%). The index for Industrial Raw Materials advanced by 1.1 percent to 533.7, compared with 527.7 (revised) for the previous week as a result of an increase in the prices of manganese ore (average export prices) (+15%), rapeseed in Bombay (+12%) and in Calcutta (+11%) linsed in Bombay (+4%), groundnuts, castorseed and cottonseed (-3% each), gingellyseed in Jhansi (-2%) and raw cotton (-1%), although the prices of gingellyseed in Bombay (-8%), rapeseed in Calcutta (-5%), raw silk in Madras and lac (-2% each) and linsed in Calcutta (-1%) were marked down. A rise of 0.2 percent to 413.1, compared with 412.3 (revised), in the index for Semi-Manufactures was brought about by an increase in the prices of groundnut cake (+3%), gingelly oil (+2%) and groundnut oil and linsed oil (-1% each); the prices of copper and copra cake, however, fell by 1 percent each. The index for Manufactures witnessed a fall of 0.4 percent to 386.2 due to a decline in the price of jute manufactures by 3 percent. Lower prices of cashewnuts in Quilon (-10%), turmeric in Calcutta (-7%) and black pepper (-3%) were responsible for a decline of 0.6 percent to 588.2 in the index for the Miscellaneous group although the price of betelnuts in Calcutta moved up by 2 percent.

INDEX NUMBERS BY GROUPS AND SUB GROUPS
(Base: year ended August 1939=100)

Groups and Sub-Groups	26-1-57	19-1-57	29-12-56	28-1-56
I. Food Articles :	399.7	396.5	392.0	334.0
Cereals	506	494	497*	398
Pulses	426	433	422	356
Others	258*	262*	252*	241
II. Industrial Raw Materials :	533.7	527.7(R)	519.9(R)	456.1
Fibres	512	509	504(R)	451
Oilseeds	601	588	564*	474
Minerals	543	528	540	433
Others	433	445	437(R)	449*
III. Semi-Manufactures :	413.1	412.3(R)	415.8(R)	355.2
Leather	433	433(R)	445	414
Mineral oils	210	210	210	202
Vegetable oils	429	426	425(R)	426
Cotton yarn	493*	492	492	436
Metals	528	528	528	280
Oilseeds	440	435	450	372
Others	362	362	363	364
IV. Manufactures :	386.2	387.7	387.1	374.9
Textiles	415	417	418	408
Jute	441	456	457	417
Cotton	414*	414*	416*	403*
Rayon and Silk	436*	436*	429*	486*
Woolen	266	266	266	278
Metal products	394	394	390	371
Others	298	298	298	285
V. Miscellaneous :	589.2	592.9	589.3	537.1
All Commodities	425.7	424.1(R)	421.9	376.6

R Revised * = Estimated.

WOOL ADVERTISING CAMPAIGN IN U.S.A.

"During the coming year the Wool Bureau Inc., New York, will launch the most powerful wool advertising campaign ever undertaken," said Mr. L. Francis Hartley, chairman of the International Wool Secretariat and of the Executive Committee of the Wool Bureau, on his return from his recent visit to New York. "This has been made possible by the allocation of increased funds by the American Sheep Producers' Council, and by new support from the most prominent wool mills in the United States, which will contribute directly to the consumer advertising programme. The funds provided by the Wool Bureau (contributed by the growers of Australia, New Zealand and South Africa) and the Boston and Philadelphia Wool Trades Associations, will thus be augmented to an impressive degree," he said. Mr. Hartley went on to say that the first campaign launched jointly three years ago by the Wool Bureau and the Boston and Philadelphia Associations, had acted as a "trigger bomb," setting off a chain reaction which had brought in additional support each year. The new campaign would tell the story of wool's superiority forcibly to the millions of Americans whose incomes were moving steadily upward and also to the fast-growing young adult group. Parallel with it, the Wool Bureau would continue an expanded programme of wool promotion, education and scientific research.

New Delhi

EFFORTS OF INDUSTRIALISTS TO WIN SEATS IN PARLIAMENT

OFFICIAL ASSURANCE ON COMPULSORY DEPOSITS SCHEME FOR COMPANIES

(FROM OUR NEW DELHI CORRESPONDENT)

THE activities of the Forum of Free Enterprise and the concerted efforts of certain leading industrialists to get into Parliament have attracted a good deal of interest here. In order to get into Parliament, some industrialists have joined the Congress, some have joined the Ram Rajya Parishad, and some are seeking election as representatives from tribal areas. The question which is being asked here is whether there is any real threat to the private sector. The Reserve Bank has periodically been publishing reports on the holdings of non-Indian firms trading in India. If a similar investigation were made into the assets of, say, 20 leading Indian industrial and commercial houses, it would be found that their holdings had risen very appreciably during the last ten years, it is asserted here. Then, again, almost all the units in the public sector, including the Reserve Bank, have boards of management on which Indian business men are represented. Thus, it is claimed, seldom before have they had a greater say in the policy-making of the Government.

Compulsory Deposits Scheme

There was a private meeting in New Delhi last week when leading Bombay industrialists, it is gathered, raised the issue of compulsory deposits. The Finance Minister, Mr. T. T. Krishnamachari, who was present, assured them that the draft rules on the subject would be circulated to the Associated Chambers of Commerce and Industry, the Federation of the Indian Chambers of Commerce and Industry, and other bodies, so as to obtain their views before they were finalised and adopted.

Heavy Machinery Project

While the Indian Government is holding on fast to the Russian project report on the heavy machinery manufacturing project, describing it as a "top secret document", a summary of it has been released through the Russian news agency. According to Press reports, the Russians have recommended Ranchi, Bihar, for the location of the project, which, according to them, will cost Rs. 94 crores—Rs. 42 crores in the first stage and Rs. 52 crores in the second. The amount of foreign exchange involved is estimated at Rs. 47 crores. The Russians are expected to offer credit facilities for the project on the familiar lines, namely, repayment in 15 yearly instalments, with the loan carry an interest of 2½ percent.

The report of the British heavy machinery mission, which came to India last November, was handed over to the Indian High Commission in London on 4th February. It is learned here.

Export Promotion Councils

At a meeting convened last week by the Export Promotion Wing of the Ministry of Commerce and Consumer Industries, the progress made by the various Export Promotion Councils set up in the last two years with Government support was reviewed. The eight Councils set up so far are for cotton textiles, silk and rayon, plastics, engineering goods, tobacco, mica, cashew and pepper, and leather.

Addressing the meeting, the Joint Secretary to the Ministry of Commerce and Consumer Industries, Mr. K. B. Lal, said that the main objective in establishing them was to help secure foreign exchange by finding larger markets for Indian goods abroad. The Councils had an important rôle to play in view of the increased requirements of foreign exchange to meet development demands during the second plan. Mr. Lal added that their progress would depend upon the support given by those in the industry or trade. The Councils were an administrative move towards the objective of export promotion and it was necessary to create conditions in which the export trade could flourish. The study of foreign markets and of the trade at home was their first responsibility. The Councils were, in a sense, doing pioneering work. They should benefit by the experience of other countries in the field of export promotion.

A review of their work showed that some of the Councils sponsored delegations to study markets in south-east Asia, West Asia and Africa. A delegation of the Engineering Export Promotion Council was at present touring east and north African countries. It would also visit Aden. The Council had earlier sponsored a survey of markets in British East Africa, Egypt and the Sudan. It is studying the export possibilities for Indian Cashew and Pepper Export Promotion Council has visited central and east European countries. The Council for Plastics is sending a delegation to Iraq, Iran, Aden, East Africa and Ethiopia. The Cotton Textiles Export Promotion Council has opened offices in Baghdad, Singapore, Aden,

Rangoon, Lagos and Mombasa. The Tobacco Council has carried out surveys of markets in Asian and African countries.

Surveys of Industries and Markets

The need for conducting surveys of industries with an export angle, and for collecting the basic data on them, was emphasised during the discussions. The Councils are likely to prepare surveys for the benefit of foreign importers and surveys of foreign markets to help Indian exporters. The meeting reviewed the results achieved by holding exhibitions of Indian products abroad. It was felt that there was a need for follow-up action. The Councils would consider whether they could jointly post a representative to look after the follow-up work and to attend to trade enquiries resulting from foreign exhibitions. The need for greater co-ordination between the Councils and the Exhibitions Branch of the Ministry of Commerce and Consumer Industries, which organises Indian participation in foreign exhibitions, was stressed. The Councils would review each year to what extent they had benefited from the holding of exhibitions abroad.

The question of opening showrooms for Indian goods in important foreign commercial centres was discussed. At present, India has five showrooms—in Cairo, Teheran, Geneva, New York and Colombo—and smaller showrooms in other places. The Engineering Export Promotion Council has set up one showroom in west Asia and another in east Asia. It was decided that the Export Promotion Councils would set up a committee to study how the showrooms could be effectively conducted, whether more showrooms could be jointly opened, and how trade enquiries made by visitors could be handled. The importance of supplying goods of the proper quality and specifications was emphasised. It was felt that a scheme to check quality could be started, to be adopted at the option of the exporter. The Cashew and Pepper Export Promotion Council is introducing a scheme to check quality. The steps taken by the other Councils were explained. The need for inspection of goods before export and the introduction of standard contract forms for exporters was emphasised.

There is a saying that one can bring a horse to the water but cannot make him drink. The Government's decision to facilitate exports by allowing a refund of the import duty illustrates the point. In the last two years, draft rules affecting 20 commodities have been published to elicit criticisms. But no comments have been received on the rules for ten of these commodities. Claims for the refund of import duty, according to enquiries, are negligible in number. This might offer some indication of how much the trade is interested in stimulating exports. The apathy in the trade, however, equals the red tape in the Government. A person claiming a refund is required to prove that it is he who has paid the import duty and that the goods for which the refund of duty is demanded are the goods in which the imported material has been used. Re-thinking on both sides is urgently necessary.

Trade Mission from U.S.A.

A five-man U. S. trade mission will tour India shortly and advise business men on commercial activities in the U.S.A. It will be headed by Mr. F. Preston Forbes, acting director of foreign commerce in the U.S. Department of Commerce. The members are Mr. Harold Cherry, deputy director of the Commerce Department's development division; Mr. Robert W. Kerr, Vice-President of the American Machine and Foundry Company, New York; Mr. Egil E. Krogh, president and general manager of Sibley, Lindsay and Curr, Rochester, N. Y.; and Mr. F. H. Von Mecklinburg, president of H. Botzow Incorporated, a New York city import-export firm. Mr. Von Mecklinburg was a member of a six-man U. S. trade mission which toured India in 1955 at the time of the Indian Industries Fair. The new mission's tentative itinerary includes visits to New Delhi, Bombay, Hyderabad, Madras, Bangalore, Coimbatore, Visakhapatnam, Calcutta, Patna and Kanpur. It will be in India for approximately six weeks. During its tour, it will meet Indian business men who are interested in selling goods to the United States, and explain to them trade regulations and credit possibilities. It will also furnish information to business men interested in importing materials from the U.S.A.

Attitude to European Free Trade Area

India's attitude to the European free trade area scheme will be determined to a large extent by the nature of Britain's participation in it. With the reported exclusion of food from the articles covered by the scheme, this country might welcome it if the term "Britain" excludes the U.K.'s

colonial possessions. But she would not welcome the latter's "British-controlled economies" entering the free trade area as a part of Britain. Further elucidation of the scheme is, therefore, being sought. The British proposals for establishing a free trade area in Europe cover all goods except foodstuffs.

Mr. Macmillan, then Chancellor of the Exchequer, announced in a debate in the House of Commons on 26th November, 1956, the intention of his Government to join a European free trade area if suitable terms could be negotiated. He explained that the British proposals would reduce, and eventually remove, tariffs and other restrictions within the area on all goods other than foodstuffs. This free trade area would evolve in stages with the development of the Customs union of the Messina powers. Members of the Customs union would have their own common tariff on imports from the outside world; but countries participating in the European free trade area which are not members of the Customs union would keep their own separate and different tariffs on imports from outside the area.

In a statement on 16th January, the U.S. Government welcomed efforts to establish a common market and free trade area in Europe. The State Department said: "The attitude of the United States with respect to current western European proposals for a common market and free trade area is determined by two traditional policies of the U. S. Government: our consistent support of moves to further the political and economic strength and cohesion of western Europe within an expanding Atlantic community, and our longstanding devotion to progress towards freer non-discriminatory, multilateral trade and convertibility of currencies. A European common market, based on provisions which hold the promise of attaining this objective, will have the support of the United States. This would be consistent with U. S. support of such arrangements as the General Agreement on Tariffs and Trade and the articles of agreement of the International Monetary Fund, both of which have as their objective the expansion of non-discriminatory multilateral trade."

In the opinion of the U.S. Government, the association of the British Government in a free trade area in Europe would further strengthen the unity of the Atlantic community and the free world. The hope was expressed that the free trade arrangements would also encourage the expansion of international trade from which all the countries of the free world, and not merely those participating in the common market and free trade area, would benefit.

Import Licences for Steel

Import licences for steel will be granted in future after carefully examining the merits of each case, it is learned. Last year, they were granted rather freely. They were given to meet requirements outside the quota allotments. Importers had to pay the world prices instead of the subsidised prices. All this has now changed. Imports have been regulated according to the availability of foreign exchange, and Rs. 20 crores of the latter allocated for steel imports during the January-June period. In addition, there is a split over from last year's allocation amounting to Rs. 70 crores, and a fair percentage of this steel is expected to arrive during 1957.

No Increase in Values of Import Licences

The Government is unable to agree to the demand of the commercial community for an increase in the c.i.f. values of import licences to cover the higher insurance and freight charges resulting from the diversion of ships via the Cape of Good Hope. This answer has been given to the Indian Merchants Chamber, which held talks with Mr. S. N. Bilgrami, Chief Controller of Imports and Exports. The Government might also decide, because of the tight foreign exchange position, that there should be no extension of the validity of import licences on account of the blockage of the Canal. However, Mr. Bilgrami has informed the Chamber that in the case of very essential machinery, if there is a diversion over a longer route, he would consider allowing increases in c.i.f. prices on the merits of the case.

Expanding Wagon Manufacture

Plans have been completed for a major expansion of the railway wagon-building industry to raise its installed capacity by as much as 80 percent. The present installed capacity is 20,000 wagons a year. This is to be increased by 16,000 wagons a year. The target of 36,000 wagons will represent roughly a ten-fold increase during the two five year plans. Indigenous production in 1951-52, the first year of the first plan, was only 3,700 wagons. India already has the largest wagon-building industry in Asia, not excluding Japan which has had a longer start.

The Railway Board, which is now considering the expansion of the wagon industry, is making efforts to see that even special types of wagons which are now imported are in future made at home. It is claimed that India is already practically self-sufficient in her requirements of ordinary wagons during the second plan. The expansion is intended as an advance preparation for the increased demands for goods wagons during the third plan. No orders for the general types of wagons were placed in foreign countries during 1956-57. This contrasts with the heavy orders which were placed abroad during the first plan. Sixteen new Indian firms have been selected by the Railway Board to assist in achieving the new installed capacity of 36,000 wagons a year. The

Location of the new manufacturing units is being deliberately arranged in different parts of the country, so that many areas benefit from industrialisation. Also, such distribution will reduce the burden on the transport system. The new units will be located in Delhi, Rajasthan, U.P., Saurashtra, Madras, etcetera.

Wheat and Rice Imports

Imports of wheat are steadily increasing. About 200,000 tons will be arriving in February, and over 250,000 tons in March. The Government seems to be confident of building a sizeable reserve stock during the next few months. During January, 126,514 tons of wheat were received from the U.S.A. and 67,564 tons from Australia. Official sources deny reports appearing in a section of the Press that supplies of rice through fair price shops will be discontinued. It is learnt that in addition to the already scheduled import of 40,000 tons of rice from Burma this month, arrangements have been made with the Burmese Government for the shipment during the current month of an additional 25,000 tons of rice, which India is due to receive this year under the five year Indo-Burmese agreement for the import of 2 million tons of rice. During January, 37,183 tons of rice were received from the U.S.A. and 14,272 tons from China. Pakistan, too, returned 8,600 tons of rice in part payment of the rice loan she received from India.

New Zealand Aid for Milk Schemes

Problems of financial and technical aid for several milk supply projects such as those in Calcutta and Delhi, equipment for the Aarey milk colony and the Co-operative Milk Union, Patna, were discussed here last week between members of a New Zealand mission and officials of the Union Ministry of Agriculture. Other projects for which allocations were discussed included the sterilisation plant for the National Dairy Research Institute in Karnal; and equipment for artificial insemination work and for the electrically-powered seed dressing apparatus meant for the Directorate of Plant Protection, Quarantine and Storage. The mission agreed to make a cash contribution of £800,000 for the Delhi milk supply scheme, and to provide technical personnel, such as an installation engineer, management adviser and a milk procurement adviser to help in the work of collection centres, and also a Milk Distribution Adviser for short-term periods. A sum of £350,000, which is needed in addition for the completion of the Delhi scheme, will now be paid by the New Zealand Government. As a rough working arrangement, it has been agreed that India will meet the cost of buildings for the project and New Zealand will supply the equipment and plant.

The mission accepted the idea of financing the whole project for an International Training Hostel in Aarey costing Rs. 11 lakhs, but the phasing of the investment was left for later consideration. The mission will make an on-the-spot study to assess the needs of the Patna Co-operative Milk Union Scheme. It has agreed to meet the cost of a sterilisation plant and of equipment required for pasteurising milk in the experimental dairy of the National Dairy Research Institute in Karnal. The New Zealand Government has already transferred funds to meet the cost of equipment for artificial insemination work, amounting to £14,000. The equipment for the electrically-powered seed-dressing apparatus is being manufactured in New Zealand and will be ready for shipment by mid-April. The mission has agreed in principle to giving assistance for the Madras milk scheme. Among the questions which were discussed at the meeting were those relating to the additional assistance which New Zealand can provide for the execution of other dairy projects; the need for a two-man advisory team from New Zealand in connection with the setting up of milk control authorities; and also the need for a resident consultant in India from New Zealand to advise on all projects receiving aid from that country under the Colombo Plan.

Nationalising Diamond Industry

The Government has decided, in principle, to nationalise the mining, processing and sale of diamonds. This follows the report of the Diamond

Mining Enquiry Committee, which recommended the nationalisation of this industry. Legislation is now being drafted.

Prospects for Second Plan

The Adviser to the Planning Commission, Mr. E. P. Moon, has made a realistic assessment of the second five year plan in a recent broadcast. It supports the stand its critics have taken since the initial stages. Mr. Moon is glad that the plan has, "at this early stage, bumped up against difficulties. It has compelled us to face realities, to build on facts rather than on hopes and to take corrective action before excessive exuberance had got us into a real mess." To put it conversely, the plan, as it was originally framed, ignored realities and was built on hopes rather than on facts. This is exactly what a member of the Planning Commission, Mr. K. C. Neogy, had said about it when it was being formulated. Mr. Moon refers to an "escape clause", stating that "owing to the magnitude of the plan, it will be difficult to implement it in five years." The first question is why, with this reservation, the plan is called a five year plan? Secondly, when was this reservation inserted, from the outset or after Mr. Neogy's note? Mr. Moon expresses his personal belief that the present shortage of foreign exchange and the somewhat inflationary conditions prevailing in the country "need lead to no worse results than slowing down or staggering the plan."

A revenue surplus of Rs. 350 crores was the foundation stone on which the grand edifice costing Rs. 4,800 crores was built. Even this Rs. 350 crores has now been converted into a deficit of Rs. 50 crores since the Government has agreed to some non-development expenditure during the plan period. Contrary to expert advice, the Planning Commission made deficit financing one of the principal ways of finding resources for the plan. While credit was taken for earnings from exports, some of its members did their best to discourage them by pressing for unrealistic policies. Planning basically means giving priorities. But in education, for example, the Planning Commission's first priority was a museum which is being constructed in New Delhi, the second was a theatre and the last a library. The Planning Commission's report was not a plan, but an accumulation of schemes in which the various Union Ministers were interested. It was largely formulated on the principle of "pullocracy", the pull a Minister had in the Union Cabinet.

Mr. Moon says: "We cannot go on at the pace that we have been going and will have to take a breather. This does not necessarily mean that projects already well advanced will have to be suspended. We shall contrive to procure whatever is required to bring them to completion, but, for a little time at least, we will have to go slow about ordering equipment for new projects and for some of those which are still in their early stages. These will, therefore, get delayed and to that extent certain parts of the plan will be staggered. Similarly, if internal prices continue to show an upward trend, it may be felt necessary to curtail deficit financing and, to the extent that this cannot be made good by increased taxation, it will mean that less expenditure can be incurred by the Government within the country, with a corresponding slowing down of some of the planned activities."

"You would probably like me to be more specific and indicate what parts of the plan will get deferred. The matter is currently under examination and it is, therefore, rather difficult for me to say anything except in somewhat general terms; but the main structure of the plan will remain unaltered. Thus, all the steel plants should go forward according to schedule, as the foreign exchange requirements have already been arranged. Consequently, all the plans for the extra coal and transport required for them will also have to go forward. On the other hand, some of the other projects which have not yet been started, for instance, foundries and forge shops, perhaps even some of the fertiliser factories and power plant, may get put back for a year or so. In the same way, the main programme for increasing agricultural production is likely to proceed unaltered; but some of the frills of the agricultural plan may get trimmed."

London

BANK RATE REDUCTION WELL RECEIVED

RESTRICTION OF EXPENDITURE REMAINS OFFICIAL POLICY

(FROM OUR LONDON CORRESPONDENT)

FOR months now the City has played the "this week, next week, some time" game over Bank rate reduction and an easing of the credit squeeze. The announcement came in the traditional form at noon last Thursday, and was greeted with enthusiasm, even though Mr. Thorncroft, making his first important pronouncement as Chancellor of the Exchequer, put the official point of view in the following terms: "It would be wrong to interpret the move from 5½ percent to 5 percent as a change in economic policy. This is not a signal for bankers or others controlling sources of finance to relax credit or to ease restrictions on lending. This reduction in the high rate which has prevailed for the last 12 months is designed to enable the Bank of England to maintain the full effectiveness of monetary policy. I am assured that their control will not be weakened by this move. I must emphasise that there is no change in the need to restrain both public and private spending and lending to make room for exports and essential investment. As long as these are our economic objectives we intend to continue to make full use of interest rates to discourage spending and encourage savings. At the same time monetary policy should remain flexible and Bank rate will be varied as circumstances require." The official view is still that inflation, rather than deflation, is the greater danger and that before re-expansion can be safely encouraged the strain on resources and savings must be eased by defence cuts and other curbs on spending. The reduction, which brings Bank rate closer to the prevailing market level, will be a help to the Budget and to the balance of payments, and be even more helpful in carrying on and expanding the Government's recent debt funding operations.

Reactions Slight

So far as Government securities are concerned, the cut in Bank rate had been more or less discounted, but the selective boomlet in industrials was less justifiable and, therefore, short-lived, and although there was an inevitable weakening of the pound against the dollar in the exchange market, foreign confidence in sterling was on the whole unimpaired and operators were content to await further developments to provide guidance as to the Government's intentions on economic policy.

The ½ percent cut will move rapidly through the whole structure of interest rates—to that allowed to the holders of deposit accounts, to the borrowings of the nationalised industries, leading industrial companies and private borrowers, and even in due course perhaps to long-term rates of interest. Neither mortgage nor hire-purchase rates are likely to be affected, though if the belief that this is only the first stage of a general move to lower interest rates is correct, even these may react later. The Labour Opposition in Parliament sought clarification of what seemed to be a "contradiction" in a lowering of Bank rate and the maintenance of the credit restrictions, but Mr. Thorncroft refused to be drawn at that time as later his economic policy as a whole was to come up for debate.

Free Trade in Europe

Mr. Thorncroft represents the U.K. at the current O.E.E.C. meeting in Paris on European free trade. The British viewpoint, which has been outlined in a White Paper and which it is hoped the Council will accept agrees to the starting of negotiations for the implementation of the proposals. Very briefly, the British plan is that the 16 countries in the area would agree to abolish their tariffs and quotas for trade with each other. This would be done progressively by agreed stages over a period of ten to 12 years. Britain would insist on food, feeding stuffs, tobacco and drinks being excluded to protect home agriculture and maintain Commonwealth preferences. The Government believes the project would "in no way prejudice the high level of employment" in Europe. The Chancellor has other preoccupations also, for the supplementary estimates show an excess of expenditure over the original estimates for 1956-57 (with £94.4 million for the Civil departments and £1.6 million for the Ministry of Defence) to a net figure of £107.3 million so far, with the Navy and R.A.F. Supplementaries still to come. The sum required is much the largest at this time of year, since February, 1952, when £121 million was needed to supplement the estimates, and would have been about £187 million but for the progress made by Mr. Macmillan as the Chancellor towards his declared aim of cutting the budgetary estimates by £100 million. Other uncertainties include the lack of any agreement as to the use of the Suez Canal, in spite of the progress of the clearance operations, and the Egyptian Government's attitude towards Mr. Hammarskjöld's approaches in this connection.

Dollar Reserves Still Falling

The January gold and dollar figures, showing a fall of \$49 million in the reserves, turned out to be more or less what had been expected. Although the December mobilisation of dollar credits effectively stemmed the speculative pressure against sterling, the balance of payments is now feeling the strain of the cost of Suez, more particularly in having to meet "considerable additional"

dollar expenditure on oil. Since there has been no draft on the \$500 million credit with the Export-Import Bank, these extra outlays have been met wholly through the exchange. Making allowance for all special payments, on the one hand for defence aid of \$4 million, and on the other for \$17 million paid to the European Payments Union, in settlement of the December deficit and \$3 million paid to E.P.U. creditors in bilateral settlements, there was a residual deficit last month of \$32 million. That compares with a residual deficit of \$158 million last December and of \$253 million last November. On that basis it is safe to infer that the speculative distortions which affected the two preceding months are no longer operative. At this time of year, the sterling area should be earning a big surplus, and needs to earn one if it is to survive the lean months of the autumn. On the January showing, however, it is hard to avoid the conclusion that, with further considerable dollar oil purchasing ahead, the process of rebuilding the reserves is likely to be both difficult and slow. The February figures will derive the benefit of a surplus of £9 million with the European Payments Union for January—the first since last May—and at some time or other, one presumes, the waiver of the interest payment on the American loan will be granted and the reserves receive a further lifeline.

Imports of Other Cotton Goods

While much attention is directed towards British imports of grey cotton cloth, there is not much mention of the imports of cotton yarn, and those of finished cotton cloth seem to be virtually ignored. The imports of cotton yarns, however, continue to increase. Last year they totalled 16,800,000 lbs, against 14,000,000 lbs. in 1955, 10,700,000 lbs in 1954, and only 3,400,000 lbs in 1953. Italy and Belgium were formerly the chief suppliers, but last year Hongkong took the lead with 4,400,000 lbs, against 2,100,000 lbs, in 1955, and India came second with 4,300,000 lbs, against 1,600,000 lbs, in the previous year. The third on the list in 1956 was Pakistan, which supplied 2,500,000 lbs, compared with only 100,000 lbs in 1955. Imports of bleached, printed, dyed and coloured cotton cloth increased to 38 million square yards last year, against 31.3 million square yards in 1955 and 30.9 million square yards in 1954. Of last year's total, 20.2 million square yards were coloured cloths (including 7.1 million square yards of damasks, tapestries, brocades and similar fabrics) and 9.8 million square yards were prints. Belgium, as in most recent years, was the principal supplier in 1956, sending 13.8 million square yards, against 12.5 million square yards in 1955, while Germany took the second place with 5.3 million square yards, against 3.5 million square yards, imports from India having fallen to 4.9 million square yards, compared with 6.1 million square yards.

H.P. Concession Boosts Motor Sales

Striking confirmation of the tonic effect on the motor trade of the recent relaxation of restrictions is provided in the January figures issued by Hire Purchase Information. They show total contracts numbering 70,711, against 30,315 for December and 48,510 for January, 1956. The outstanding feature is the used car figure of 34,086, which is well over double the preceding month's 14,105 and a considerable advance on the 21,546 recorded for January, 1956. New motor cycles, at 7,787 (2,078 December and 3,741 January, 1956) also show up well. Other figures are as follows: new cars 4,146 (2,432 and 6,782); commercial vehicles, new 3,070 (1,941 and 4,088), used 4,402 (2,610 and 3,427); used motor-cycles 14,666 (5,116 and 6,885).

Canberras for the I.A.F.

The Indian Air Force is to buy 68 English Electric Canberras jet bombers. The order, valued at considerably more than £20 million, is the biggest ever placed for British military aircraft by any country outside the N.A.T.O. and was signed recently. Delivery will begin later this year of 54 Mark light bombers, six, Mark four Canberras equipped with dual control, and eight Mark seven reconnaissance aircraft, together with spares and equipment. The aircraft will be built at the company's Preston factory, and tests will be carried out at Samlesbury airport nearby. Indian ground crews will be arriving for training in Britain soon to join Indian pilots who are already training with the R.A.F. India decided last April to re-equip her air force with Canberras in preference to the Russian-built Ilushins.

Dollar-earning Exports

Scotch whisky, as a dollar-earner, still leads British exports of consumer goods to the United States. This emerges from the annual report of Mr. R. W. J. Simmons, chairman of the American Buying Offices Committee of the American Chamber of Commerce in London, who says that in 1956 there was a further expansion of British-made consumer goods exports to both the United States and Canada, although for exports generally, the increase was most substantial among non-consumer goods. Lancashire cotton shirtings and dress goods continue to be well received in North America "regardless of higher costs" and there is an increased demand for blends of wool and cotton. Exports of children's knitted outerwear have recovered from the setback two years ago, caused by American promotion of synthetic fibres. "Many consumers are reverting to natural fibres."

On metal goods, Mr. Simmons states that "while the majority of Sheffield and Birmingham manufacturers are doing their utmost to ship only quality merchandise, it is unfortunate that considerable supplies of stamped blades bearing the name 'Sheffield' continue to be shipped to the United States for finishing. This type of merchandise may eventually injure the cutlery trade."

Bombay

EASIER CREDIT UNLIKELY TO HELP COTTON TEXTILES

HIGH STOCKS EMBARRASS MILLS

(FROM OUR BOMBAY CORRESPONDENT)

THE recent action of removing credit restrictions on cotton textiles has failed to stimulate the market. In the present context, this removal can only mean that the trade can hold larger stocks, but it is doubtful if it will wish to do so. The cotton piecegoods market continues to be listless and periodic improvements, when they do occur, are far below the normal for this time of the year. Usually, upcountry centres begin to replenish their stocks of fine and superfine cloth at about this time for the summer months. So far, this seasonal demand has been absent and the trade is not inclined to take a particularly optimistic view of the immediate future. But even if the demand for these varieties were to improve, it would make little difference to the trade as a whole because the coarse and medium counts, the bread and butter lines of the Indian textile industry, continue to be neglected. Prices have been barely steady at lower levels.

The mills have their problems too. They are faced with accumulating stocks in circumstances of a falling demand. The position is so serious that mills may find themselves compelled to keep stocks in excess of the limit prescribed by Government rules. Also, the cost of production is rising because of the higher prices of the new cotton crop. Industry circles believe that the time is now opportune for the Government of India to reconsider the question of the enhanced excise duty. It is contended that the incidence of the increased duty has led to consumer resistance. It is also pointed out that the Government did indicate its willingness to reconsider the question if prices declined to the December 1955 level. This condition would seem to have been fulfilled and it may be that a withdrawal of the enhanced excise duty would give the industry the stimulus it needs. Another factor which may tend to neutralise the effects of the removal of credit restrictions is that the money market is more stringent now than it was when the restrictions were imposed in September last. The export side of the business has been equally disappointing. Both Ceylon and Indonesia have shown hardly any interest. Burma has been a good customer for greys because of her recent tenders. Shipments to this country, however, will now slacken until the envisaged import corporations are set up and fresh quotas issued. Whether Burma will place further business in this country, and she needs qualities other than greys also, will depend on the competitive position of the Indian industry.

The Cotton Market

The cotton market, on the other hand, continues to be brisk. The announcement of a fresh export quota of 200,000 bales touched off renewed activity. It was feared earlier that the export duty on cotton would be increased, but since this has not come about, the market has gained further strength. Export prospects seem to be bright. It is known that Britain, France and Japan are interested and about 15,000 bales have already been sold. It appears that shippers will be able to use the entire quota without much difficulty. Of the total quota, 50,000 bales are allocated for Bengalis while the balance is spread over other varieties with ¾ staple and below. Prices so far are on a parity with Pakistan but a disturbing factor is that quota holders are demanding exorbitant unofficial premiums which tend to inflate the export price. It may be that these premiums will make business difficult, particularly at a later stage when the available export quota becomes scarce. It seems that mills have decided to buy in the spot market on the basis of their short-term needs. This means that they are constantly in the market and this has helped to keep prices at a somewhat higher level. Prices of the popular varieties of domestic cotton have increased by about Rs. 5 a candy. The demand is restricted to 320F and 216F but substantial interest has also been shown in yellow pickings. Short staple varieties have increased by Rs. 5 to Rs. 10 for each candy.

The futures market also revived with Jarilla March contract improving by Rs. 30 to Rs. 682 a candy on renewed buying and short covering. The Vijay April contract has also recovered its previous losses and it seems it will be carried still further on speculative buying. Adverse weather conditions in some cotton-growing areas have helped the Vijay contract to recover. Perhaps the most important development has been that the East India Cotton Association has decided not to make any changes in delivery contracts. It is true that some changes are contemplated in delivery contracts for May, June, July and August, but these are of a minor technical nature relating to Jarilla A and B descriptions. The weightage for Khandesh, Mogla Jarilla and Madhya Bharat is suggested at 9½ percent while the figure for the other tenderable varieties is sought to be maintained at the present level of 6½ percent.

Import Quotas

The trade looks forward to fresh import quotas for American cotton. The last import licences have now been exhausted. These were issued to cover textile exports to Burma. Limited business was done in Egyptian growths while the interest in Sudanese cotton is confined to the higher Gezira Sakel grades. There is demand for supplies from the Sudan's 1956 crop—both for afloat and spot shipments—but business has been limited because of a shortage of offerings.

The cotton yarn market was dull following reports that handloom cloth is accumulating with weavers. An important event was the introduction of a broad contract for forward delivery of rayon yarns. Under this contract, deliveries can be effected not only of domestic silk yarns in 150 to 120 deniers bright 1st, 2nd and 3rd qualities on cones, but also of the same domestic yarns in hanks. In order to broaden the delivery contract still further, it has been decided that imported bright yarns in 150 to 120 deniers on cones and hanks will also be eligible for tendering. Although this will help to curb some of the present unhealthy speculative activity, it is not the complete answer to the problem. The consuming industry needs much greater assistance for its yarn supplies.

Oilseeds Easier

Oilseeds ruled easier last week but the selling pressure seems now to have subsided. Export possibilities seem to be dull because the Indian product has been priced out of world markets. The Argentine has emerged as a heavy seller of groundnut oil and linseed oil and has lowered its quotations from £165 and £129 to £137 and £119 respectively. Cottonseed oil has also dropped from £145 to £129 with nigerseed oil similarly declining. Castor oil too is dull. With the exception of small consignments to Britain and the Continent, business is at a standstill. The United States has made no recent purchases. It seems that American importers are holding off because they feel that the satisfactory Brazilian crop will force Indian prices down. On the other hand, Indian exporters believe that the Brazilian crop will not be sufficient to meet the entire American demand. They anticipate that American importers will enter the Indian market at a later stage. Meanwhile, there is an impasse with both sides waiting for the situation to clarify.

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I.F.C. LOANS TO PRIVATE INDUSTRY

MR. NADAR CONFIDENT OF CONGRESS VICTORY

(FROM OUR MADRAS CORRESPONDENT)

GREATER assistance from the Industrial Finance Corporation for the private sector seems likely in the light of assurances given by Mr. K. R. K. Menon, chairman of the I.F.C., during his recent visit here. He told chambers of commerce that no ceiling on loans to industry was being contemplated at present, particularly to sugar and textile concerns. I.F.C. shares held by banks and others have no market now; trading in them might enlarge public interest, although statutory restrictions appear to stand at present in the way of sale or transfer. The interval between the sanction and the actual disbursement of I.F.C. loans was referred to in the memorandum submitted to Mr. Menon. It was pointed out that interim payment in advance of legal formalities being completed was already in practice, but the I.F.C. as a body accountable to Parliament and using public funds, had to adopt strict and complete precautions in giving loans. The I.F.C. should have larger resources to help industry draw capital especially in the south where the banking facilities did not afford long-term aid to industry; this view was put forward by the Andhra Chamber. A higher return on I.F.C. shares through a bold new policy of investment seems possible to some who urge that the Corporation can borrow from the public on its debentures guaranteed by the Government, and acquire an interest in the equity capital of

promising ventures. In any case, fuller employment of funds held by the Corporation has been advocated, especially now in view of the stringency of money.

Congress Hopes of Success

The Congress Reform Committee is not worried about the expulsion of its members for six years by the Congress Committee acting at the instance of Delhi. But the C.R.C. may not score at the polls and may die of inanition according to many who point out that the Chief Minister's choice of candidates was made only in consultation with his colleagues on the committee. Mr. Nadar has declared that the Congress does not lose much by defections; the C.R.C. does not have big "names" and Press backing is not really much. The Chief Minister advises landlords to accept land reforms and hopes that the Congress will get 86 percent of the seats.

Pandyam Bank

The tenth anniversary of the Pandyan Bank, Madurai, led to a review of post-war banking developments there. Branch banking in the area round Madurai has certainly made great strides and the Pandyan Bank has been able to show a steady rise in deposits. The help of the Harveys has contributed to the rapid progress of the bank which has financed inland trade. Competition with big banks has not hindered it, for its local connections have been a sustaining factor. Higher rates of interest offered on deposits and secured on its advances to clients have also helped. It is noteworthy that other banks in Madurai have not made much headway and Pandyan Bank shares on the basis of a 7½ percent dividend are quoted at Rs. 40 a Rs. 25 share in line with the shares of the older and bigger Indian banks. The celebrations, over which Sir C. P. Ramaswami Iyer presided, led to expressions of goodwill from the leaders of business in Madurai including Mr. Craig Harvey and Sir James Doak whose help as chairmen in the past led to the yarn trade coming to rely on the bank. Concentrating on three districts in the south, the Pandyan has opened a new branch in Nagercoil in Kanyakumari district on the edge of the west coast planting area. Industrially, Madurai is growing and experts met recently to advise on an institute of management to create greater interest in the problems of organisation. With eight cotton mills and large road services, Madurai is a distinct blend of the old and new, a historic pilgrim centre with a big trade in coffee and cardamoms as well as handloom cloth and dyestuffs.

Buckingham Canal

Improvements to the Buckingham Canal running along the East coast are under examination. The Canal dug in 1877 as a famine relief work by the only Duke who was a Governor in India is narrow and shallow though it is connected with the canals in Andhra and can permit boats to go from Kakinada to Markanam in South Arcot, a distance of nearly 400 miles. Because of the strain on the railways, the Government has been asked to examine improvements by reinforcing the Canal's banks, deepening for letting bigger boats through and by the avoidance of filling by the city sewage. The canal rather than the river is the means for bulky traffic like straw, fuel and lime or bricks for the city. Punting by poles, not towing, is the rule, but the Canal's terminus is the Trivelyan Basin. Extension of the Canal into the port is considered advisable like the link-up with the southern end of the Canal which may be improved by letting the Adyar water flow into it after deepening. The scheme for making the Canal a big waterway to suit higher craft with diesel engines has been talked about for three years, but not until the scheme to link Calcutta with Cochin by a waterway has assumed a definite shape, will the plan to widen the Buckingham Canal be seriously considered.

New Industries in South

Mr. T. T. Krishnamachari has argued that industry in the south can grow only by having raw materials and fuel. As there will soon be some addition to industry in Mettur, there is no ground for complaint. The starting of a synthetic gem plant in Mettupalayam with Swiss help is not going to make much difference. There is already the manufacture of Rangoon diamonds in Tiruchi which has a big trade in cheap jewellery and relies on synthetic stones mainly. The manufacture of razor blades in Coimbatore is also contemplated. A loan from the Government is under consideration and an official publication noted two years ago that locally blades will sell well as imported blades are scarce and dear. The chances of manufacturing shoe polish on a big scale have been indicated by the display of shellac articles. A major problem is getting the tin containers. The exhibition held here last week indicated that the local abrasives industry relies on shellac as a raw material even as lacquers and paints are based on shellac at present. In some Madras forests also, the lac insect thrives and avenue trees are said to make good hosts for the lac insect. The making of sealing wax is common, but shellac as an item of foreign trade or local manufacture is unknown and that is why the display arranged by the Nankun Institute proved educative. A wider use of shellac at home is likely. The Forest Utilisation branch in Madras is hopeful of making lac cultivation popular and the vogue of many moulded articles made from shellac may increase after the exhibition which showed that records are only one of the many articles made out of shellac which in the electric age shares with mica the distinction of being an essential article of export to the dollar area. But Madras is not in the picture at all, and the shellac trade is primarily centred in Calcutta.

Jute

COMMITTEE TO STUDY RIVER TRANSPORT IN JUTE-GROWING AREAS

BOTH GOODS AND RAW MATERIAL MARKETS FALL HEAVILY

ACCORDING to reports from Delhi, a committee is to be set up soon to study the problem of river transport in Assam, Bihar and northern Bengal. It is not clear whether the committee will consider the question of communication between these districts and Calcutta without passing through Pakistan; one report states that it will be mainly concerned with the silting of existing routes through Bihar and the proposed canal to connect the Brahmaputra with the Ganga. While this proposal has much to commend it, there is doubt whether the east-west traffic between Assam and Bihar is sufficient to make it an economic proposition, while the fact that the canal would have to cut across the natural line of drainage in these areas would raise other problems.

From the point of view of the jute industry, the most urgent project is the re-opening of the Bhagirathi river to provide direct water communication between Bihar, northern Bengal and Calcutta. This proposal, which has been made many times in the past 20 or 25 years would, it is believed, be less costly than the Brahmaputra-Ganga canal. It would follow the natural line of drainage and be assured of a volume of traffic which would justify the cost. It would also provide irrigation and electric power for a large area. If the Bhagirathi project is given preference, the Brahmaputra-Ganga scheme could be executed later so that traffic from Assam, as well as from Bihar, could pass direct to Calcutta without having to go through Pakistan. If, on the other hand, the scheme is carried out first, there would still be no water route to Calcutta without going through Pakistan, and the canal would be useful only for east-west traffic. River traffic from Bihar and Assam to Calcutta would still have to go through Pakistan, or the goods would have to be transferred to the railways at points on the Ganga. The lines from the Ganga ferries to Calcutta are already congested.

Jute and Gunny Prices Slump

Regular readers will not be surprised at the sharp drop in prices which has taken place in both sections of the market during the past week. This is because the various factors which have combined to cause the fall have already been discussed in these columns. In the issue of 10th January, it was pointed out that the easier trend in gunnies then apparent was due to the heavy anticipatory buying which had been done at the time of the Suez crisis and that, with the prospect of re-opening the Canal, overseas buying would slacken off until stocks abroad came down to normal levels. Doubt about the adequacy of jute supplies was, however, given as a factor which might serve to sustain the prices of manufactured goods.

Later in January, when the revised estimate of the mesta crop showed a larger expected yield, a re-appraisal of the fibre supply position became necessary. It was pointed out that, while it had seemed previously that the raw material factor had been the prop on which the firmness of the gunny market rested, that prop had been knocked away. Also the fact that almost all jute dealers were holding stocks made the jute position vulnerable. Again, in the issue of 31st January, reference was made to the view that, in spite of the small stocks of hessian lying in mills' godowns, the hessian position was weak because overseas customers would refrain from buying until their stocks had returned to normal levels. On 7th February, attention was drawn to the fact that the low level of stocks in Indian mills was offset by increased stocks outside India. In fact, the stocks had been merely transferred elsewhere without there being any significant increase in consumption.

There were, of course, other factors which contributed to the fall in raw jute prices. One of these was the weakness of the market in Pakistan. This was said to have been brought about by the fears of Indian nationals in Pakistan that there would be trouble between the two countries over Kashmir. This fear brought a desire to liquidate holdings of raw jute. It was also said that the tightness of the shipping position in Pakistan had eased, and that high prices had been due to that. On the other hand, it seems likely that the strong demand which had raised prices in Pakistan was analogous to the gunny position—due to a fear about future supplies during the crisis. If that is so, overseas buyers of raw jute may also be expected to curtail their buying until their commitments are back to normal. Last week, it was pointed out that the price of Indian jute was to some extent determined by the price of Pakistani jute, which at present makes its purchase uneconomic for Indian mills. The disparity between Indian and Pakistani prices has now been reduced, but is still too much. There are, however, hopes that it may be further reduced.

One factor in favour of the mills has developed in the past week or two. The fall in the price of raw jute has been more than that of manufac-

tures and it is estimated that the mills' position as regards profit and loss has improved by about Rs. 50 a ton.

THE JUTE MARKETS

Manufactured Goods: The market has suffered a severe fall in prices during the week. This may have been touched off by weakness in raw jute but the increase in mills' stocks of manufactures at the end of January, which was announced on Friday, increased the weakness. There has also been a lack of demand from abroad. But the collapse, for it was really that, was probably the result of circumstances detailed elsewhere, and which have been accumulating for weeks. There has been heavy selling pressure in the speculative market. Some mills showed anxiety to make sales of ready goods but it is reported that business has been very meagre. In the last day or two, there has been some covering business by shippers and speculators and one fatka operator is reported to have made large purchases at the decline. At the time of writing, the fall seems to have been arrested and prices have recovered a little. On Wednesday morning, quotations were as under:

	February	March	April-June
	Rs.	Rs.	Rs.
40in. 8oz.	34-2	33-12	33-2
40in. 10oz	41-10	41-3	41
B Twills	113-10	113-2	112-2
Heavy Ceas (Plain)	116-4	114-12	112-12
A Twills	137-8	136-12	136
Liverpools	131	129-8	128-4
Cornsacks	115-12	115-12	114-8

Raw Jute: The market has been very weak with prices declining daily under pressure from sellers, and without much business being recorded until the end of the period. Weakness in the gunny market and lack of demand for gunnies kept mills out of the jute market except where they had to make small purchases to meet immediate needs for particular qualities, or where they have picked up bargains. On Monday, however, some buyers seemed to get the idea that the fall had been such that it was worthwhile picking up some cheap jute and this idea spread on Tuesday when a considerable amount of business was done. Possibly mills were also encouraged by the fact that, at the prices now current, they are able to do simultaneous business with less loss on sacking and more profit on hessian.

Business was reported in Assam and Northern jute at the beginning of the week at Rs. 29 basis Bottoms, but prices fell sharply to Rs. 28 from which they later recovered to Rs. 28-8. Assam tossa was done at eight annas higher. Mesta was sold at prices down to Rs. 23-8, but recovered to Rs. 24-8 basis Bottoms. Kissanganj Mesta Middles alone were done at Rs. 26 and Daissee Mesta Bottoms alone at Rs. 24-8. Jungli Middles alone were sold at Rs. 29. Bimil was taken at Rs. 22-14 F.A.Q. and ready bills of lading for Assam jute at Rs. 28-8 basis Bottoms. There was a fairly large turnover in Pakistani Cuttings at prices from Rs. 107-8 to Rs. 97 for parcels which had already arrived in Calcutta but had not been unloaded. Later on, Rs. 98 to Rs. 100 was paid for ready bills of lading and buyers were offering Rs. 97 to Rs. 98 for March-April shipment. Small business was reported in Pakistani Export Firsts at Rs. 210. At the time of writing, sellers are inclined to be reserved and to hold on in expectation of a recovery.

Quotations on Wednesday morning were as under:

Indian Jute:	Landed at Mills. Rs. a md. basis Bots.	Shipment.
Northern	29	Feb.-March
Assam	29	"
Murshidabad Jute	27-8	"
Murshidabad Tossa	29-8	"
Daissee Jute	31	One month
Daissee Mesta	24-8	"
Western Mesta	24	Feb.-March
Northern ex Calcutta	28	One month
Jungli Jute	26-8	Feb.-March
Bimil	F.A.Q. 23-8	"

I. J. M. A. STOCK FIGURES FOR JANUARY

The Indian Jute Mills Association reports that the total stocks of jute goods at the end of January, 1957, were as follows:

Description	31st January, 1957	31st December, 1956	Increase over (+) or decrease from (-) last month	31st January, 1956
	Lakh Yds. 000 Tons	Lakh Yds. 000 Tons	Lakh Yds. 000 Tons	Lakh Yds. 000 Tons
Hessian Cloth and Bags	8.85 23.9	6.98 19.7	+1.87 +4.2	9.41 25.6
Sacking Cloth and Bags	16.35 68.5	15.41 64.7	+0.94 +3.8	10.65 45.3
Others	11.7	11.3	+0.4	7.5
Grand Total (000 Tons only)	104.1	95.7	+8.4	78.4

N.B.—These figures are based on replies received and represent all members of the Association and Gaganbhal with estimates for three non-member mills.

The Cossipore market has been weak, as mills have withdrawn and the only business has been covering against previous sales. Imports were 675 wagons and, as the offtake has been small, there has been a further increase in stocks. It is also reported that those who issue stock statements have revised their figures and now put the stocks at between 10 and 11 lakh maunds.

Mofussil: Imports have been increasing in some districts and buyers have mostly withdrawn. Prices are lower, though they have not fallen to the same extent as in Calcutta. Other districts report that, because of lower prices, imports are being held back. Rain has been widespread. This will enable the ryots to start cultivation.

GUNNY SHIPMENT STATISTICS

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

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 5th February, 1957	282.5	7,475.7	7,758.2
1st to 5th January, 1957	1,160.6	14,577.4	15,738.0
1st to 5th December, 1956	1,375.3	10,859.9	12,235.2
Sacking			
1st to 5th February, 1957	4,315.6	1,241.6	5,557.2
1st to 5th January, 1957	8,285.5	426.1	8,711.6
1st to 5th December, 1956	9,578.8	367.0	9,945.8

THE PAKISTANI JUTE MARKETS

SHARP FALL IN FIBRE: REPORTS OF EARLY RAINS

(FROM A CORRESPONDENT)

THE Narayanganj market has dropped sharply and near panic conditions prevail among pucca balers. Loose jute lots are now available at Rs. 28-12 for B Bottoms, with a difference of Rs. 2 for C Bottoms and X Bottoms. Kutcha bale prices are about Rs. 1-8 higher. Pucca bales have been quoted at Rs. 175 for Export Firsts, Rs. 165 for Export Lightnings and Rs. 154 for Export Hearts. Business is reported in Cuttings at Rs. 88. Overseas markets continue to decline and very little interest is being shown. Free sellers are reported at £99 for Export Firsts, £94 for Export Lightnings and £89 for Export Hearts. There are no buyers at these prices; taking advantage of the large float position and fairly good shipments against old contracts, they continue to depress prices. There are even reports that overseas interests have cancelled some high-priced contracts.

In the local loose jute market, imports remain fairly small and it is noteworthy that what is coming now is mainly kutcha bales from the mofussil rather than loose jute. Fortunately, imports are in a better condition. This is probably because buyers are scarce, so that all wet jute is being rejected. Most of the purchases are being made by mills who are quietly buying loose jute which does not affect the market very much. There is also some enquiry from one or two big operators who have a short position and are buying the market down slowly. The Narayanganj market is so weak that reports of interest from a Burmese jute delegation have not affected it at all, although the delegation is expected to buy 20,000 bales.

The position of the ports is slightly better, but there is still a great deal of congestion. Reports are coming in, firstly, of early rains, which will help growers prepare the ground for early sowings, and secondly, of very large carry-overs from both the Pakistani and the Indian crops. In Pakistan, it is difficult to foresee a carry-over of more than 500,000 or 600,000 bales, even allowing for a considerable reduction in India's purchases compared with last year. It is felt that overseas consumers alone must buy at least 1,000,000 bales more.

Pakistani jute mills have a fairly comfortable position in sacking, and are, therefore, not keen to sell at the present low levels. The lack of demand from overseas, as well as the low fall in jute prices in Pakistan, are helping depress the gunny market. For the Karachi market, B Twills are quoted at Rs. 124 ex mill and 45in. 11oz. at Rs. 54, but the undertone is steadier.

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Issued Capital	Rs. 5,77,50,000
Subscribed Capital	Rs. 3,76,00,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,01,81,217
Deposits as at 31-12-55	Rs. 1,28,96,40,383

DIRECTORS:

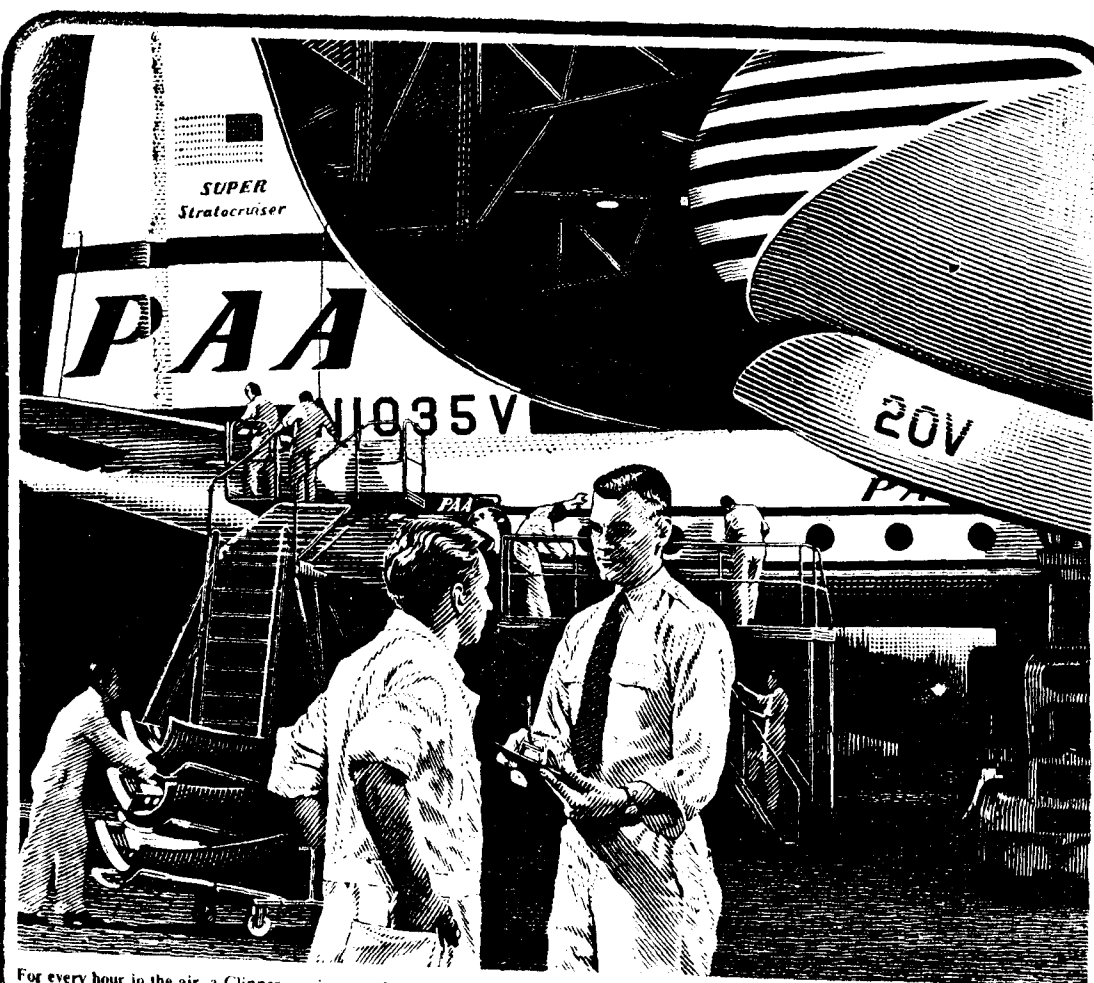
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I.J.M.A. PRODUCTION FIGURES FOR JANUARY

The Indian Jute Mills Association reports that the total production of jute goods in January 1957 was as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	2,767 tons
	193.7 lakh yds.
	79.0 lakh Nos.
(b) Sacking	41,478 tons
	971.9 lakh yds.
	4,01.9 lakh Nos.
2. Gunny Cloth	
(a) Hessian	36,092 tons
	13,93.8 lakh yds.
(b) Sacking	1,996 tons
	42.3 lakh yds.
3. Other manufactures	6,594 tons
4. Total production (above figures combined)	
(a) All kinds	88,837 tons
(b) Hessian (both bags and cloth)	14,97.5 lakh yds.
(c) Sacking (both bags and cloth)	19,14.2 lakh yds.

SUMMARY

	(00,000 Yds.)			(000 Tons)		
	Jan.	Dec.	Jan.	Jan.	Dec.	Jan.
Hessian	57	56	56	57	56	56
Sacking	14.98	14.27	14.43	38.8	37.7	39.3
Others	10.14	9.56	12.81	43.5	41.3	52.6
				6.5	5.9	6.0
	Grand Total			88.8	84.9	88.9
	Hours worked			212.0	206.9	200.5

N.B. These statistics are based on replies received and represent all members of the Association and Gagalbhai, with estimates for three non-member mills.

PAKISTANI ESTIMATES OF JUTE CARRY-OVER

P. J. A. PRESIDENT ANXIOUS ABOUT OFFICIAL MARKETING PLANS

IN his presidential address at the seventh annual general meeting of the Pakistan Jute Association last week, Mr. A. Dada, said: "The trade's estimate of the current crop is 6.5 million bales, which together with the carry-over of 250,000 bales, gives us 6,750,000 bales to dispose of. Out of this 2,140,000 bales were exported to overseas countries and 340,000 bales to India by December 1956. Considering that 1.2 million bales will be required for our own mills and for local consumption, we are confident that we shall be left with a very negligible carry-over."

"Baled kutcha jute prices for White B Bottoms during January 1955 to October 1956 ruled at an average of Rs. 28 in Narayanganj. This means that the cultivator, in our opinion, obtained during this period about Rs. 23 a maund, which we consider to be quite a fair return to him. From October 1956 onwards, prices have been rising consistently and received a great impetus from developments in the Middle East and Hungary. Overseas buyers were compelled to follow the soaring market and the situation closely resembled the Korean boom. Although world tension has since eased greatly, showing some reaction, prices have improved further to the present level of Rs. 32 for B Bottoms as compared with Rs. 27.8 in July 1956. The cultivator has benefited in no small measure by the interplay of these world political forces."

Competition from Substitutes

"While discussing jute, one cannot avoid making a reference to its substitutes. Pakistan's critics maintain that a basic commodity like jute cannot hold the world to ransom and have certainly not relished Pakistan holding its rivals in a cleft stick. They have, therefore, been making strenuous efforts during the last few years for the invention of new substitutes as well as for the wider application of those already in existence. The result is that despite the increase in world population and consequent expansion of the packaging trade, jute has not been able to maintain its erstwhile supremacy; if it appears to have held its own against substitutes, it is merely because the shrinkage of its consumption in advanced countries has been roughly balanced by its increasing consumption in countries that have begun developing recently. It would be very unwise if we allowed complacency to displace vigilance. The west, with its incomparable technological advance, seems to be in a position to make anything out of anything. That is why we are extremely shy of any heroic measures calculated to effect revolutionary changes in the marketing structure or export procedure. Any unsuccessful experiment with a crop which is the mainstay of the economy of the province will go down as an historic tragedy."

Marketing Export Board

"We understand there are plans afoot to form an Internal Purchasing Corporation and a Marketing Export Board to handle all export of jute by the Government. We understand that the two main objects of the scheme are: (a) to lift border jute to prevent smuggling; and (b) to ensure a fair return to the cultivator. With these lofty aims no one can have any quarrel. But we earnestly hope that the Corporation and the Board will not encroach upon the functions of the trad-

ing and commercial community. I do not wish to comment at length on the scheme since we do not know the full details. What I wish to underline is that in a scheme involving drastic economic changes in the province, it is not only necessary, but essential, that before putting it into effect the trade is given an opportunity to discuss it with the Government in detail. This is an issue that is considerably agitating this Association which represents 95 percent of the export trade, and we would be greatly pleased if you could give us an assurance that your Government would take us into confidence and discuss it in full detail."

Customs Examination

"We learnt, in April 1956, that the Central Board of Revenue was planning to introduce a new procedure involving the examination of all jute for export, whether by land or by sea, at the baling centres. We have on many occasions put forward our views regarding a workable alternative for the Customs inspection of jute, and that is to reinforce the existing establishment at Chittagong and Chalna for inspection of all consignments. We would suggest, as we have done on numerous occasions, that in case Customs suspect a consignment of misdeclaration, only 2 percent of it should be held up, and the rest of the consignment allowed to go forward. The 2 percent bales held up can be used for inspection, re-inspection or appeal inspection, as may be necessary, and such penalties as the inspection warrants can be imposed later. At a meeting of the Association representatives with the Collectors of Customs at the office of the Jute Board on 31st May, 1956, the Collectors advised that eventual location of the examination machinery at the ports was their ultimate objective but that since that was likely to take some time, they had devised the contemplated procedure as an interim measure. They further assured the conferees that they would not embark on any new plan that was likely to militate against the interests of the trade. In spite of these assurances, we learnt to our dismay, in October 1956, that the Central Board of Revenue were still planning to forge ahead with the scheme. I do not wish to appear to be sermonising, but I must repeat that the jute crop is not a commodity to experiment with too much. One experiment gone awry would spell ruin to a province periodically ravaged by famines and floods. We would feel greatly obliged if you would take up the matter with the Central Government and caution them that the proposed procedure would be a serious factor responsible for a steep decline in the prices of jute."

Internal Communications

"We have felt repeatedly that the capacity of the internal communications, i.e., the railways and the I.W.T., is quite inadequate for the requirements of the trade and industry. The movement of jute as well as of other commodities within the province has increased considerably of late. In the first place, the ban on the export of kutcha bales in December 1954 has necessitated the movement of jute from all over the province to the baling centres. Secondly, with the setting up of jute mills at different places, sizeable quantities of jute are moving to the mills. Thirdly, jute goods from the mills are moving in substantial quantities to the ports of Chittagong and Chalna. Fourthly, owing to the progressive commercial and industrial development of the province, other commodities are also being transported in larger quantities than before. And finally, during the last two or three years, food-grains have had to be moved in large quantities from the ports to the interior stations. The result is, as we have witnessed oftener than once, that there is a breakdown of the transport system during every period of emergency, resulting in widespread confusion and inconvenience. I would, therefore, take this opportunity of conveying the Association's strong feeling regarding the urgent necessity of taking immediate and effective steps to provide proper facilities for the full utilisation of the existing capacity and to initiate the replacement, modernisation and expansion of services where necessary, with a view not only to meeting the existing commercial and industrial requirements of the province but to ensuring, at the same time, a margin of safety."

Definition of Pakistani Firm

"Definitions are proverbially troublesome, but a greater source of trouble, in certain situations at least, is the lack of a definition. What is troubling some of us nowadays is the absence of an unambiguously precise definition of a Pakistani firm. There are instances of firms that are treated as Pakistani for purposes of a certain rule by one department of Government and as non-Pakistani for purposes of another by another department. We urge upon you that a Pakistani firm and a non-Pakistani firm should be precisely defined so that every one of us should know where he stands. Since commerce and industry have a point of contact with both the federal and the provincial administrations, we would suggest that a final decision should be arrived at by mutual agreement between the three Governments in Pakistan."

Simplification of Export Procedure

"The jute export procedure, cumbersome, complicated and time-consuming as it is, is anything but that required for an unimpeded outflow of the crop. Constant vigilance by the authorities against leakage of foreign exchange is an indisputable necessity, but our experience is that once the authorities devise a rule to cope with a certain situation, it continues to operate, by mere force of inertia, even though the changed situa-

tion might have rendered it utterly redundant. We are convinced that the export procedure can be greatly simplified without necessarily weakening the requisite vigilance. We would greatly appreciate it if you could arrange for an inquiry committee to be appointed to examine the current procedure in order to streamline it."

"The East Bengal Jute Dealers' Registration Act was promulgated in 1949 with the object of obtaining returns of stocks, purchases, sales, baling and shipment. We strongly feel that unless the stated purposes of the Act be adhered to, this Act should no longer be available to the executive machinery to obstruct the normal working of the trade and that recourse should be taken to proper investigation and proceeding in a court of law in the event of malpractices."

Chief Minister Replies

Replying to Mr. Dada's speech, Mr. Ataur Rahman Khan, Chief Minister of East Pakistan, declared: "During the last season, jute earned more than Rs. 100 crores of foreign exchange through the export of raw jute and jute goods. The credit for this earning goes fully to our growers who, in the face of numerous hardships and diminishing returns, have maintained a high level of productivity. The traders and industrialists have reaped their rewards as evidenced by the establishment of many baling presses and warehouses. The conditions of the growers have not, however, improved, and have in fact deteriorated."

"Year after year, the Government has to face the criticism that it has not protected the interests of the growers. The charge is based on the reasoning that, during the first three or four months after the crop is harvested, the prices are kept low and the tillers of the soil are given a meagre return. It is only later in the season that prices harden and improve. By this time the cultivator has already parted with his product. As a matter of fact, soon after the crop is sown the prices start weakening. It is to solve this tragic anomaly and correct this imbalance that the Government is determined to take such effective measures as may be necessary and I trust I can count on the co-operation of all those who have the good of Pakistan at heart to rise above their sectional interests and assist in this national task. I am conscious of the fact that the problem is not an easy one and it is hardly possible to lay down certain uniform rules which can effectively tackle all the manifold issues arising out of jute trade and industry. The Government is, however, taking measures to reduce speculation, for bringing about reasonable stability in the jute market, reducing the share of those unnecessary middlemen who are not rendering any useful service commensurate with their remuneration. These measures will, I hope, benefit equally the trade, industry and the jute growers."

THE FOREIGN JUTE MARKETS

LOWER PRICES FOR YARNS AND CLOTH

(FROM OUR DUNDEE CORRESPONDENT)

THOSE responsible for fixing selling prices for jute yarns and cloth in the U.K. took a long time to make up their minds about adjusting the rates to the heavy fall in the prices for jute from Pakistan. There has been a fall of £21 a ton in Mill Firsts, £16 in Mill Lightnings, £15 in Mill Hearts, £13 in crack Daisies 2/3 and £14 in grade Tossa 2/3 since the last change was made on 11th December, variously reducing all rates according to the quality and grade of yarns. Hessian qualities have come down from 17.08d to 15.72d a lb for common 8 lbs cops (C.H.W.). This stands for common hessian weft, a grade lower than "J.C.H.", the yarn usually used by manufacturers. Some spinners declare that they cannot spin this lower quality and that they must supply "J.C.H.", which would cost the manufacturer 16.29d a lb, the new rate for "J.C.H." 8 lb medium spools. Twist (J.C.H.) is reduced to 18.13d for 3 ply 8 lbs, from 19.35d a lb, and sacking yarns are only down to 13.84d from 14.09d for 24 lbs. Rove shows little change at £107, or 10s down, for 48 lbs. £1 15s down to £98 15s for 96 lbs and 15s down for 200 lbs at £85 10s a ton. In the cloth end, the price for 40in. 10oz. hessian is now 14.26d a yard, compared with 15.12d formerly, and for 40in. 10oz. common hessian, the price is 13.26d a yard, using the lowest rate for cops "C.H.W.". For 8oz. hessian, there is a fall from 11.73d to 11.32d a yard. Some interest has been shown by buyers of both yarns and cloth, and spinners and manufacturers have been compelled to refuse many orders because of the rush to get delivery, especially from those who had been holding off in the hope of large reductions, as it has been in the case of hessian yarns. These are down nearly by £13 a ton, compared with former falls of £5 at a time. Raw jute is quoted from £108 for Mill Firsts, £98 for Mill Lightnings, though as low as £95 has been mentioned, with Mill Hearts from £94, and down to £90 mentioned. Good Daisies 2/3 has been named at £102 and grade at £98, with Grade Tossa 2/3 at £108 and fours at over £98, all February-March, c.i.f., U.K.

Calcutta goods are weak and the lowest mentioned was 63s 6d for 40in. 10oz. and 48s 9d for 72oz. February and March, with B Twills down to 172s 3d same shipments, all f.o.b., Calcutta. The Jute Wages Council has granted the workers an increase of 4 percent on their wages in reply to a request for 10 percent. This will take effect in about three months' time.

Engineering and Transport

GLOBAL SERVICE PLANS OF AIR INDIA INTERNATIONAL

EXPANDING OPERATIONS OF CHINESE AIRLINE

(FROM OUR NEW DELHI CORRESPONDENT)

AIR India International has acquired two more Super-Constellations, which will be put in service on 1st March. This will be done to increase the frequency of the Bombay-London service to seven from six at present. As already reported, there are plans to increase the frequency of the India-Japan service from two to three a week and extend one service from Tokyo to San Francisco. The London-New York service, it is expected, will be inaugurated in 1958, which will make Air India International a global operator.

India-Australia Air Agreement

The present eight-year-old air agreement between India and Australia is about to be revised. An Australian air mission will shortly arrive in New Delhi to negotiate it. The existing agreement was made in 1949. Since then Air India International has opened a service to Australia, and is anxious to have operational rights up to Perth. The Australians, who operate their services up to Calcutta, are similarly anxious to extend their service to Madras.

According to latest reports, the sale deal of three Constellations to the Afghan airline, Aryana, has fallen through, at least for the time being. Pan American, which is also in the market offering a similar type of aircraft for sale, has quoted better terms, it is learned. Besides, Pan American owns 49 percent of the share capital of Aryana.

Aeroflot Services

The new air route to London via Kabul, Tashkent and Moscow has already been referred to in this column. So also has a recent agreement between the Indian Airlines Corporation and Aeroflot which provides connections to New Delhi, Calcutta and Bombay. A reciprocal agreement was also recently reached between Aeroflot on the one hand and Finnair and S.A.S. on the other, for the joint operation of services between Scandinavia and Soviet Russia. As a result of this, the Helsinki-Moscow route is now flown four times weekly by Aeroflot and twice weekly by Finnair, schedules having been co-ordinated to provide services on six days a week at departure times. The agreement between Aeroflot and S.A.S. provides for four flights weekly on the route Moscow-Riga-Copenhagen and a similar number via Moscow-Riga-Stockholm, extended to Oslo once weekly by S.A.S. The operation of these flights is shared equally by the two carriers and Aeroflot provides immediate connections four times weekly between Riga and Leningrad.

Sino-Russian Arrangements

The other main international routes operated by Aeroflot consist of services to the Far East. There are two daily flights in each direction from Moscow to Peking via Kazan, Sverdlovsk, Omsk, Novosibirsk, Krasnoyarsk, Irkutsk and Ulan-Bator (Mongolia). One of these is operated throughout by Aeroflot, while on the second service, the sector Irkutsk-Ulan-Bator-Peking is flown by the Chinese airline, Minhaiydu. In the outward direction, a night-stop is made at Irkutsk by all services, and there is an additional weekly flight each way between Moscow and Ulan-Bator. Services to the North Korean capital of Pyongyang are maintained six times weekly by the same route to Irkutsk and thence to China and Pyongyang. Intermediate calls are made at Hailar, Harbin and Shenyong (Mukden) in north-east China (Manchuria), and this sector is operated alternately by Aeroflot and Ukamps. Another connection with China is made via Alma-Ata, from where local services are operated twice weekly to Ili and Urumchi in the eastern province of Sinkiang; this route is operated jointly by Aeroflot and Minhaiydu.

The remaining international route of Aeroflot consists of a twice-a-week service from Moscow via Ural'sk, Aktyubinsk, Dzhusaly, Tashkent (where a night stop is made) and Termez to Kabul; here connections are available with the services of the Indian Airlines Corporation to Delhi and Calcutta. The arrangements for pool services with Finnair and S.A.S. also involve inter-line agreements for through-bookings from any point on the network of one carrier to any point on the other's system. Aeroflot has recently concluded a number of further inter-line agreements with western carriers and the following are known to have such arrangements with Aeroflot: Air France, Air India International, B.E.A., Czechoslovak Airlines, Finnair, Yugoslav Airlines, K.L.M., Polish Airlines, Hungarian Airlines, Minhaiydu, Pan-American, Sabena, S.A.S., Swissair, Bulgarian Airlines, Roumanian Airlines and Ukamps.

Air France-Aeroflot Link-up

Special mention should be made of the Air France-Aeroflot service—Paris-Prague-Moscow in both directions. The introduction of the Tu-104 will eventually continue eastward from Moscow to Novosibirsk to connect there with flights to Peking, thus providing a very rapid through service to China. As a result of the Aeroflot agreement with Air India International, it is possible

to book through from Russian cities via Kabul to points in south-east Asia and Australia.

Indian Air Service to China

Two officers of Air India International, Captain V. Vishwanathan and Mr. V. G. Gadgil, recently left for China to undertake a survey of Chinese aerodromes, and of the traffic potential of an India-China air service. This is a prelude to an India-China air agreement now under consideration. China is slowly coming into its own in the world of aerial traffic. The name "Minhaiydu", abbreviation for the Civil Aviation Administration of China, is probably not as well-known, for the airline was formed comparatively recently and is at present in the process of building up its route network.

The international routes of Minhaiydu to Alma-Ata and Irkutsk in co-operation with Aeroflot have already been described. Other routes to points outside China are a weekly service flown with 11-14s from Peking via Kunming (night stop) to Mandalay and Rangoon and weekly Li-2 flights from Canton via Nanking to Hanoi in North Vietnam. The Burma service provides excellent connections in both the directions at Rangoon with B.O.A.C. flights on their Europe-Far East route as well as with the services of other carriers. Unconfirmed reports suggest that there may now also be a line from Peking to Lhasa, capital of Tibet, probably flown via Chungking.

The Chinese domestic network is now being developed; principal routes include four-times-a-week services between Peking and Canton via Chengchow and Wuhan (Hankow) and between Peking and Shanghai via Hsichow and Nanking; eight weekly flights between Peking and Chungking via Taiyuan and Sian, two of which continue to Kunming; and four weekly services between Peking and Lanchow via Taiyuan and Chengchow, continuing after an overnight stop to Chuichuan (Suchow), Hani and Urumchi, where connections are made with flights to other cities in Sinkiang. In addition to several other local services, there are also flights four times weekly between Chungking and Shanghai and once a week between Chungking and Canton, both via various intermediate points as well as the northern route from Peking, with some flights operating via Tsientsin, to Shenyang (Mukden), Harbin and Tsitsihar. Aircraft employed on these lines are mainly Li-2s, although 11-14s are now making an appearance on a few of the principal lines.

The service at present touching the city of Hailar in north China is the joint Aeroflot-Ukamps line between Chita and Pyong-Yang. The winter, 1956, edition of Minhaiydu's time-table contains two new domestic routes; a twice-weekly service between Kweiyang and Chungking, where connections are made to and from Peking and other cities, and a weekly service from Urumchi to Sharasume in the far north of Sinkiang province. It is rumoured that a new international service to Japan may be opened shortly.

PROGRESS OF CALTEX OIL REFINERY

PRODUCTION EXPECTED TO START THIS YEAR

(FROM OUR NEW DELHI CORRESPONDENT)

WHEN the Caltex oil refinery "goes on stream" this year, India will become almost entirely independent of imports of refined petroleum products. The refinery, costing Rs. 15 crores, is being built by Caltex Oil Refining (India) Ltd. It will process 675,000 tons of crude oil annually, which will yield 13,500 barrels a day of refined products such as motor spirit, kerosene, diesel oil, jet fuel for aircraft and heavier industrial type fuels. When the sphere of operations widens, perhaps, by-products such as petroleum ether, benzene, liquid paraffin, wax and asphalt will be processed.

India's current consumption totals about 4 million tons of crude oil, but it is growing in such a way that it is difficult to say exactly how much it will be in 1960. The selection of Visakhapatnam for a refinery was based primarily on the natural facilities offered by its harbour. At the moment, the major commodities which pass through the port are manganese ore and tobacco. After the Caltex refinery goes on stream this year, the port will handle large ocean-going tankers bringing crude oil. Dredging operations and the building of new oil berths are part of the port's expansion schemes. Also adding to Visakhapatnam's importance as a port is the Hindustan Shipbuilding Yard.

The refinery site is Malkapuram, which before was practically waste land near the heart of Visakhapatnam. The land was cleared and roads built rapidly. Several local traders opened shops to provide the refinery with steel, cement, asbestos, timber, bricks, crushed rocks, etcetera. In this way, the refinery has acted as a spur to the growth of local industries. The new Gosthani river water supply project in Andhra Pradesh will meet the refinery's water needs. The Machkund hydro-electric project will feed it with electricity.

Indian Staff

The refinery employs some 6,000 Indians for construction. By the time it starts work, enough staff will have been trained to run it. Already 16 Indians are being trained at the Caltex refinery in Batangas, near Manila. The Batangas refinery was chosen for training because it is very similar to the Visakhapatnam one. Caltex has plans to

send more people abroad on orientation programmes.

The refinery will have the flexible two-stage crude distillation unit, the fluid catalytic cracking unit with gas recovery facilities, the propane de-carbonisation unit, treating and blending units and a polymer plant. It will have one of India's most modern machine shops where all the repair work will be carried out.

Oil Prospecting

The latest progress report on oil prospecting in India indicates that an aeromagnetic survey of the Jaisalmer area was undertaken by a Canadian team under the Colombo Plan during March-April 1956. The same team conducted an aeromagnetic survey of 10,000 line-miles of the Gangetic plains and the Punjab plains.

Petroleum Consultant

The services of Mr. A. I. Leverson, a petroleum consultant, were obtained under T.C.M. for advising India on the programme of oil exploration and various allied organisational matters.

Oil Drilling Equipment

A contract for the supply of three oil drilling rigs and some other equipment for oil exploration has been placed with the Russians. The contract also provides for the supply of technical personnel by Russia for the erection and operation of the drilling rigs as well as the seismic equipment, and for the training of Indian technicians. The services of a Russian drilling engineer, Mr. Zagrabians, have been obtained on a salary of Rs. 3,500 a month, in addition to free accommodation, medical attendance, etcetera. A contract for the services of four technicians (one geologist consultant and three other experts) has been signed with the Russian Government. One drilling rig with accessories, which was on display at the Indian Industries Fair, has been purchased from the Rumanian Government. This deal stipulates that technical staff to erect and operate the drilling rig and to train a sufficient number of Indians will be provided by the Rumanian Government. A part of the erection team has arrived in India.

Two Russian teams for seismic and gravity-cum-magnetic work, consisting of 15 persons and 11 persons respectively, are working in the Hoshiarpur-Ferozepore areas since the end of December, 1956.

German Oil Experts

Dr. A. Benz, a German oil expert who visited India in December, has recommended large-scale exploration work in Punjab, Jammu and Kashmir, Jaisalmer and Cutch.

Three German oil experts have already arrived in India for a 12-week visit to various oil prospecting sites in order to advise the Oil and Natural Gas Commission.

Oil Prospecting in Rajasthan

The Government is exploring the possibility of utilising the services of a French firm, known as Compagnie General de Geophysique, on a contract basis, for some geophysical work in the Rajasthan area. The firm sent an advance party of two officials for about 10 days to visit Jaisalmer in order to get an idea of the terrain where geophysical work has to be carried out. The company has subsequently submitted proposals which are being considered by the Oil and Natural Gas Commission.

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Plantation Topics

CALCUTTA TEA AUCTIONS IN JANUARY

FAIR GENERAL DEMAND BUT PRICES MOSTLY LOWER

OFFERINGS during the month, totalled over 350,000 chests, and averaged about 70,000 chests a week. This heavy weight of tea met with quite a good general demand, but prices for most kinds showed an irregular decline of about 2 annas a lb. in each Sale, say Messrs. Carritt Moran and Company Private, Ltd. in their monthly tea market review. Any bright liquoring teas and those showing seasonal improvement were, however, well supported at firm to dearer rates. Tippy teas also met with keen competition and sold at dearer rates. Fannings generally met with better support than broken and any thin liquoring broken were a particularly weak feature. C.T.C. teas shared in the general decline, although a few selected invoices sold well. Darjeelings met with much less support and even the most flavoury invoices could only be disposed of at prices well below valuations.

Darjeeling leaf appearance was generally browner than in the previous month, but continued to be commendably free from stalk. Cup quality showed a marked seasonal improvement and the offerings included a number of attractive autumnal teas. Assam leaf appearance showed a distinct falling away and this was particularly noticeable in the teas of C.T.C. manufacture. With a few exceptions, cup quality showed an improvement, though very few really good autumnal teas were on offer. A seasonal decline in the leaf appearance of the Doora's offerings was apparent with the cup quality generally rather plain, although a few invoices showed fair autumnal character. Cachar leaf appearance showed a decline compared with the high standard of the previous month and the majority of the offerings were rather plain in cup.

Quotations	1956-57		1955-56	
	Rs.	As.P.	Rs.	As.P.
Sale No. 27 Plain B.P.	2	4	1	7
Sale No. 28 " "	2	4	1	7
Sale No. 29 " "	2	3	1	8
Sale No. 30 " "	2	1	1	7
Sale No. 31 " "	1	15	9	1

Internal Sales

Leaf offerings totalled approximately 15,700 chests for which there was a good general demand. The teas with a clean leaf appearance followed the trend of the previous day's export sale. Those of a residue description and the green leaf teas on offer received fair support. A total of approximately 120,800 chests of Dust was offered. The demand in the earlier sales maintained the price level of the previous month, but in the three later sales, the demand weakened and prices showed a general decline. The very few lines of bright liquoring C.T.C. Assams on offer were well supported and continued to realise satisfactory prices, but the remaining kinds in this category declined by about 4 annas, and sometimes more. The black leafy exportable types continued to sell well and at a premium, although they shared in the general decline of the later sales. Commons, Doora's and orthodox Assams were firm or dearer in the first two sales, but there was less demand for orthodox Assams in the third sale and prices declined by about 1½ annas, and in the two final sales shared a further decline with Doora's and Commons of 4½ to 5 annas.

Quotations	1956-57		1955-56	
	Rs.	As.P.	Rs.	As.P.
Sale No. 27 Clean Common Dust	2	0	6	1
Sale No. 28 " " "	2	0	6	1
Sale No. 29 " " "	2	1	0	1
Sale No. 30 " " "	1	14	6	1
Sale No. 31 " " "	1	13	3	1

Export sales up to No. 30 of the 1956-57 season totalled 1,537,974 chests at an average price of Rs. 2-8-4 against the previous season's 1,422,357 chests at an average price of Rs. 2-3-7. Internal sales at 42,036 chests of Leaf and 519,699 chests of Dust (Rs. 1-10-8 and Rs. 2-3-7) go against 68,183 chests and 435,153 chests (Rs. 1-5-2 and Rs. 2-1-0) in the corresponding period of the previous year.

The price of export quota rose in the first week of the month from 36 pies a lb. to a peak of 48 pies a lb. declining irregularly thereafter to 34 pies in the third week, and strengthening to 42 pies at the close.

The estimated North Indian crop to the end of December, 1956 was 536,658,577 lbs., compared with 534,196,432 lbs. to the same date last year. The average figure at this date for the three years 1953-55 was 510,882,110 lbs.

The Government of India has issued a notification fixing the price of tea for the purpose of determining the export duty, at Rs. 3-15 a lb., against Rs. 4-3-0 a lb. in force from 1st January. The export duty at this price will be 6 annas a lb. against 8 annas a lb. in force previously.

Arrivals (in chests) in Calcutta warehouses during the period 24th December, 1956 to 23rd January, 1957 with the corresponding figures of the previous year in parentheses were as follows: by steamer 317,186 (194,774), by rail 136,345 (78,537) and by air 17,155 (16,080) making a total of 470,686 (289,391) chests. From the beginning of the season, 1st April, 1956 to 23rd January, 1957, arrivals have been: by steamer 2,787,710 chests

(2,838,887), by rail 1,001,842 (788,895) chests and by air 149,446 (177,187) chests, making a total of 3,939,998 chests (3,804,969).

IMPLICATIONS OF THE RUBBER ENQUIRY REPORT

CHECKS ON PRIVATE INITIATIVE (FROM A SOUTH INDIAN CORRESPONDENT)

SOME reactions to the Plantation Enquiry Commission's report on rubber are now available in South India. It is recognised that the Commission has made an attempt to point out some of the major problems of the rubber plantation industry and to suggest solutions for them. In its opinion, the most important problem is the widening gap between the production and consumption of rubber. Last year, there was a deficiency of about 6,000 tons. This is expected to increase to 14,000 tons by the end of the second plan period. The Commission emphasises the need to step up the Indian production of raw rubber with a view to reaching self-sufficiency. With this end in view, the Rubber Board has drawn up two ambitious schemes. One of them is a plan to replant 70,000 acres of the existing old and worn-out area with high yielding strains within ten years and with Government subsidy. This scheme has been approved by the Central Government and the Rubber Board has gone ahead to some extent with its implementation. The Plantation Enquiry Commission has made two important recommendations on replanting. It wants the scheme to be implemented within seven years, but it is doubtful whether the target can be reached within that period. The Commission wants that 50 percent of the area recommended for replanting be reserved for small growers holding 50 acres and less. It is difficult to understand the logic behind this. There are enough provisions in the present scheme to attract small growers. They are given preference in the matter of subsidy. While the small grower gets Rs. 400 an acre, the estate owner is allowed Rs. 100 less. This should be a good enough encouragement. The Rubber Board officials report that the small growers are rushing with applications for replanting subsidy. Whether this enthusiasm of small growers will last for long is very doubtful. Even if it does will it be advisable to earmark 50 percent of the targeted acreage for small growers? They, of course, should be encouraged to play an active rôle in replanting, but the provision that 50 percent of the targeted acreage be reserved for them is inadvisable.

Fund for Replanting

Another recommendation of the Commission on the subject is that a replanting fund should be created by crediting the element in the price of rubber allowed for rehabilitation with the Rubber Board. To a certain extent this recommendation is different from the methods suggested for coffee and tea. Tea and coffee estates are asked to contribute Rs. 50 and Rs. 37-8 an acre respectively towards the replanting fund. The price of tea is subject to fluctuations and two-thirds of our production is sold in the world market. Although coffee prices are controlled in the Indian market no provision is made for rehabilitation. When compared with coffee and tea, rubber enjoys a special privilege and, therefore, the rubber growers cannot oppose this recommendation. Though this element for rehabilitation has existed since 1952, very few growers have used it for the purpose. So it would be advantageous to the industry as a whole if the Rubber Board will collect it hereafter and use it for the purpose of replanting. The Commission has also recommended a number of principles to be followed in regulating replanting, but details are not available.

In his note of dissent, Mr. K. G. Sivaswamy opposes strongly new cultivation by estate owners. He wants new planting to be undertaken directly by the Government or the Government to take majority shares in the existing companies which are permitted to undertake new planting on a large scale. It does not appear that Mr. Sivaswamy has given any serious thought to the practical side of his proposal. To entrust the Government with the task of extending India's rubber cultivation instead of leaving it to more competent people, namely the planters, is a dangerous and unwise proposition.

Synthetic Rubber Plant

Dealing with the Government's scheme for setting up a plant to manufacture synthetic rubber the Commission says that it should be co-ordinated with the production of natural rubber so that rubber growers may have no cause for alarm. It is a welcome suggestion. The Commission wants the Government to make a clear policy statement about rubber development. The rubber growers are very apprehensive about the proposal to start the manufacture of synthetic rubber in India. Nobody knows how long rubber prices will be maintained at the present level or how long the rubber economy in India will continue to be insulated. To allay these fears and to make rubber growers earnest about raising their output, a policy statement as suggested by the Plantation Enquiry Commission is necessary.

Planters Criticised

As in the case of tea and coffee, strong attacks are made on big planters and managing agencies connected with the rubber planting industry. The Commission recommends that the dividends and the managing agency commission as well as managerial remuneration be reduced in order to increase the internal resources for replanting and to meet labour welfare costs. Here, the Commis-

sion was labouring under a wrong conception of things. A dissatisfied estate manager will have no strong inclination to improve the affairs of his company. The managing agents have rendered valuable services in building up the plantation industry to its present status. Any effort at ousting them will do more harm than good. Those who have invested money in rubber planting companies are not getting their due share in dividends. Yet the Commission wants dividends curbed. The Central Government has declared itself against imposing a ceiling on personal incomes. It does not appear that the Commission was thinking in this line when it was writing its report. Of course, it was appointed at a time when the atmosphere was filled with hatred towards the plantation industry propagated by responsible people, even in the Government, and it is no wonder the Commission has made such sweeping remarks about this industry.

Bureaucratic Control

Bureaucratic control of the rubber planting industry has also been recommended by the Commission. In addition to its present tasks, the Rubber Board has been assigned the new duties of the collection of the replanting fund, valuation of estates, regulation of sales of estates and the assessing of the economic needs of the industry. It appears that the Commission was holding the view that it is inevitable to bring the plantation industry under the wings of bureaucracy for its healthy growth. The plantation industry is still rich in managerial talent which has made it one of the most efficient industries in the world and any attempt to smother it with official control will do serious harm.

COCHIN TEA SALES

At Dust Sale D. 550,000 lbs. of tea were on offer. There was a good general demand for the commonest grades and the best liquors were steady. Others were irregularly 1 anna lower.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop and weather telegrams has been received from different districts for the month of January, 1957:

Upper Assam: Weather generally seasonable with useful rain in Dibrugarh but dull, wet and unseasonable in Panitola; the season will probably be an early one in Tingri.

Central Assam: Weather generally seasonable; the season has closed and the cold weather has set in in Nazira; good rain has fallen generally and prospects are now brighter in Moran; early start to plucking expected in Jorhat.

Lower Assam: Weather generally dull and wet for January; growth two weeks ahead of normal in Borsola; the season will probably be an early one in Bishnath.

North Cachar: Weather generally seasonable; the season will probably be an early one in North Cachar; blight bright prevalent in North Cachar; blight not so severe in Lakhimpur.

South Cachar: Weather generally favourable but rainfall much above normal for the season to date in Haikalandi and Longai; good rain has fallen generally and prospects are brighter in Chutlabheer; blight bright prevalent in Chutlabheer and severe in some districts of Haikalandi.

Eastern Doora's: Good rain has fallen generally and prospects are now brighter in Kachini; the cold weather has set in and the season has closed at Jainti; hailstorms reported from Jainti but little damage resulted; blight bright prevalent in some districts of Kachini.

Central Doora's: Weather seasonable; Season will probably be an early one in Dalgao; blight bright prevalent in some districts of Dalgao.

Western Doora's: Weather generally favourable, but rainfall much above normal for season to date; immediate prospects fair; good rain has fallen generally and prospects are brighter in Oodlabari; season has closed in Dam Dim and Nagrakata; blight bright prevalent in Oodlabari.

Darjeeling: Weather seasonable.

Terai: Weather seasonable with light rain.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 1-2-57 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
Crepe:		
	Sht. Cuts. 1	1.05
	Sht. Cuts. 2	1.00
Water White	—	1.162
R.M.A. No. 1X	17/19	1.114
R.M.A. No. 1	110/15	—
Scrap Crepes:		
	Crepe 2	1.06
	Crepe 3	.981
		.89
Sc. Crepe No. 1	.90 Nom.	—
do. 2	.82/88	.764
do. 3	.75/80	—
Flat Bark	65/70	.671
	Sc. Crepe 3X	.80

To arrive at f.o.b. Colombo prices, add 53.53 cents a lb for crepe other than scrap crepe and 31.53 cents for scrap crepe to the above market prices.

Calcutta Markets

GOOD GENERAL DEMAND AT TEA EXPORT SALE

FAIR BUYING IN DUSTS

AT Sale No. 33, held on 11th and 12th February, offerings at the Export auction consisted of 65,235 packages for which there was a good general demand at slightly easier rates. Once again bright liquoring teas were a strong feature and were keenly competed for at dearer rates, while the very few best C.T.C. teas were also well supported. The majority of C.T.C. offerings, however, were 1 anna easier Commons and Mediums with declining quality were generally 1 anna easier, although the broken grades received better support than in recent weeks. "Tea for price" was also from 1 to 1 anna easier. Well-made and stylish whole leaf grades were slightly dearer, but the poorer kinds were often up to 2 annas easier Tippy teas received fair demand, but Darjeelings were generally 2 to 4 annas below last rates.

Quotations	1957		1956	
	Rs.		Rs.	
Clean Black Pekoe	2	4	1	11
Plain B.P.	1	15	0	13
Medium Assam E.P.	2	0	1	8
Best C.T.C. Assam B.P.	2	8	0	2

At the Internal Sale Dust offerings consisted of 18,718 chests for which there was a good general demand. Clean leaf types and bright liquoring sorts sold well at about valuations particularly orthodox and C.T.C. Assams. The few lines of non-withered Doora's with improved liquors were also well supported, but the remaining offerings were definitely easier at the commencement of the sale and at the close, were as much as 2 annas lower.

Quotations	1957		1956	
	Rs.		Rs.	
Medium Doora's Dust	1	12	6	1
Medium Assam Grainy	1	13	0	1
Dust	1	13	6	1
Medium Assam C.T.C.	2	2	0	2
Dust	2	2	0	2
Best Assam C.T.C. Dust	2	2	0	2

There was a good general demand for the 2,521 chests of other grades on offer and the cleaner leaf teas were well supported although they were at times easier.

UNSETTLED CONDITIONS IN FREIGHT MARKETS

UNSETTLED conditions have prevailed in a dull week's trading, in spite of the fact that there was a fair volume of tonnage fixed to India and Pakistan for grain cargoes. The transatlantic coal rate has fluctuated between 97s 6d and 99s 6d for single voyages, but a contract April-September was arranged at 92s which is indicative of owners' views of the future trend. Wheat was arranged from British Columbia or U.S. Pacific-West Coast India at 210s for May loading and later at 200s April-May, but Karachi paid the higher figure of \$U.S.31.25 for similar business. A number of ore fixtures were reported including Dungen-Japan at 85s, Bombay-Genoa 195s, Mormugao-Genoa 185s and three small ships Mormugao-Trieste at 186s 3d, 190s and 200s. Antwerp-Colombo paid 190s for bagged fertilisers, but a similar cargo to Cuddalore was arranged at 157s 6d. There was some activity in local coal markets, but with Pakistan charterers unwilling to exceed 80s for Karachi, business failed to materialise. A tender for 17 vessels to Korea has been called with shipment over April-May and it is difficult to see where the tonnage will come from for this order.

SUGAR MARKET UNCHANGED

During the week ended 13th February, sugar sales in the Calcutta market averaged 4,500 bags daily. Arrivals a day were 5,000 bags and stocks totalled 95,000 bags. Rates for ready sugar export Kantapur delivery were Rs. 31-6 for ordinary grain and Rs. 33-8 for big grain. Ex-mill prices improved a little while the local wholesale market remained unchanged.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 5th February and 11th February, 1957)
Cowhides: Wet salted (Ord.) 14,000 pcs. on the basis of Rs. 7 to Rs. 9: Wet salted 4,000 pcs. on the basis of Annas 10; Wet salted (Slaughtered) 18,600 pcs. on the basis of Rs. 12-4 to Rs. 21.

Goatskins: Wet salted (Daissee Killed) 95,000 pcs. on the basis of Rs. 285 to Rs. 320 and Rs. 365 to Rs. 375; Assam-Dinaipur 28,000 pcs. on the basis of Rs. 265 to Rs. 290; Purneah-Kissengani 2,000 pcs. on the basis of Rs. 280 to Rs. 290; Pakur-Patna 12,000 pcs. on the basis of Rs. 24 to Rs. 250; Muzafferpore-Pakur 64,100 pcs. on the basis of Rs. 275 to Rs. 310.

Bazaar Stocks

(11th February, 1957)
Cowhides: Wet salted 2,76,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 43,000 pcs. Assam-Dinaipur-Murshidabad 91,000 pcs; Muzafferpore - Patna - Pakur - Purneah - Kissengani 57,000 pcs.

COMPANY AND PUBLIC NOTICES

ORIENT PAPER MILLS LIMITED.

NOTICE.

NOTICE is hereby given that an Extraordinary General Meeting of the ORIENT PAPER MILLS LIMITED will be held on Wednesday, the 13th March, 1957 at 8, India Exchange Place, Calcutta-1 at 2-30 P.M. to consider and, if thought fit, to pass, with or without modification, the following resolutions:—

AS AN ORDINARY RESOLUTION:

1. "RESOLVED that consent of the company be and is hereby given to the transfer of the Coal Mining Lease dated the 19th August, 1955, granted in favour of the company by the Orissa State Government for a period of 30 years, to the Central India Coal-Fields Limited for the unexpired residue of the said term of 30 years together with the benefits, rights, liberties and privileges and subject hereunto to the payment of the rent reserved by and the performance and observations of the conditions and covenants as contained in the said Lease and payment by the Central India Coal-Fields Ltd. of the actual cost of this company incurred in connection with the Colliery and that the directors of the company be and are hereby authorised to effect the said transfer and to do the useful in this connection."

AS A SPECIAL RESOLUTION:

2. "RESOLVED that the Articles of Association of the company be altered in the manner following:

A. For Article 37, the following shall be substituted, namely:

"37. The company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any share shall be created except upon the footing and condition that Clause 14 hereof is to have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the company's lien, if any, on such shares."

B. For Article 38, the following shall be substituted, namely:

"38. (a) For the purpose of enforcing such lien, the Board of Directors may sell the shares, subject thereto in such manner as they think fit but no sale shall be made unless a sum in respect of which the lien exists is presently payable and until notice in writing of the intention to sell shall have been served on such member, his executors or administrators or his committee, curator bonis or other legal representatives as the case may be and default shall have been made by him or them in the payment of the sum payable as aforesaid for seven days after the date of such notice.

(b) The net proceeds of the sale shall be received by the company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue if any shall be paid to such member, his executors or administrators or assigns or his committee, curator bonis or other legal representatives as the case may be."

C. The word 'three' appearing in line 4 of the Article No. 184 be substituted by the word 'six'."

By Order of the Board.

BIRLA BROTHERS PRIVATE LIMITED,
Managing Agents.

8, India Exchange Place,
Calcutta, the 8th February, 1957.

N.B. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

The Company Meeting and Dividend table appears on page 219.

THE ORISSA MINERALS DEVELOPMENT CO., LTD.

The Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders a dividend at the rate of 20% per annum without any deduction in respect of taxation payable by the Company for the half-year ended 30th June, 1956.

By Order of the Board.

BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 11th February, 1957.

THE TINGAMIRA TEA SEED COMPANY, LIMITED.

NOTICE is hereby given that the 32nd Annual General Meeting of the Shareholders of THE TINGAMIRA TEA SEED COMPANY, LIMITED, will be held at "McLeod House," No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Tuesday, the 12th March, 1957, at 4 P.M. for the following purposes:—

- To consider the Profit and Loss Account for the year ended the 31st March, 1956, and the Balance Sheet as at that date and the Reports of the Directors and the Auditors
- To declare a Dividend.
- To appoint a Director in place of Mr. R. H. D. Campbell, who retires by rotation and who being eligible, offers himself for re-appointment.
- To appoint Auditors for the year ending 31st March, 1957, and to fix their remuneration.

As Special Business.

To consider and, if thought fit, to pass the following resolution:—

"That the Board of Directors be and is hereby permitted with effect from the Commencement of the Companies Act, 1956 to borrow moneys from time to time for the carrying on of the business of the Company notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say reserves not set apart for any specific purpose."

The Share Transfer Books of the Company will be closed from 1st March, 1957 to 12th March, 1957, both days inclusive.

By Order of the Board,
McLEOD & CO. LTD.,

A. T. DOIG,

Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 7th February, 1957.

NOTE:—

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.

2. Payment of the proposed Dividend if declared, will be made on or after 19th March 1957, only to those members whose names are registered in the Books of the Company on the 12th March 1957, or to their Mandates.

No application for Warrants will be necessary. Claims on behalf of holders of Shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT.

The Resolution being Item No. 5 of the above Notice is intended to provide the Board of Directors with authority to enable them to borrow moneys from time to time for the Company's business in excess of the statutory limit being the paid-up capital of the Company and its free reserves, pursuant to Section 253 (1) (d) of the Companies Act, 1956.

THE BORREA COAL COMPANY LIMITED NOTICE OF INTERIM DIVIDEND.

The Board of Directors of the above Company has sanctioned payment of the following Interim Dividends in respect of the year ending 31st December, 1956, without any deduction for Income-tax paid by the Company

On Preference Shares for ... 6½% per annum
half-year at rate of ... 5 %
On Ordinary Shares

payable on or after 7th March, 1957, to those shareholders (or their mandatories) whose names appear in the Company's books on 28th February, 1957, as the registered holders of the above shares.

The Share Transfer Registers of the Company will be closed from 21st to 28th February, 1957, both days inclusive.

By Order of the Board.

F. W. HEILGERS & CO. (PRIVATE) LTD.
Managing Agents.

Chartered Bank Buildings,
Calcutta, 31st January

All rights reserved.

Wednesday 13th February, 1957.

GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY				
2,48,91,47,000	3	1946	1986 or later	73½	90,24,300	4	1914	1974	99	36,50,000	4	1904	1964	98½
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months' notice.	73½	76,90,100	4	1915	1975	99	35,00,000	4	1905	1965	98½
57,00,69,000	2½	1946	1961	93½	68,02,300	3	1921	1st 1981	82	15,00,000	4	1906	1966	98½
45,93,07,000	2½	1946	1961	96½	1,50,00,000	6½	1921	2nd 1981	144N	44,00,000	4	1907	1967	98½
50,35,63,000	3	1951	1958	99½	£892,600	5	1923	1953-83	£79½	75,00,000	4	1908	1968	98½
1,16,17,46,000	3	1938	1963-65	74½	£901,000	5	1924	1954-84	£79½	40,00,000	4	1909	1970	98½
1,10,11,78,000	3	1943	1968-68	92½	50,00,000	3	1916	1976	84½	56,00,000	4	1910	1971	98½
75,86,72,000	2½	1947	1962	93½	1,49,49,500	5	1927	1957-87	102	75,00,000	4	1911	1972	98½
	2½	1948	1962	93½	1,49,30,000	5	1928	1958-88	103	30,00,000	4	1912	1973	98½
30,33,10,000	3	1959	1964	94½	80,00,000	4	1921	1991	95	60,00,000	4	1904	1964	99½
14,77,48,000	2½	1946	1976	83½	£835,100	3½	1932	1962	£91½	30,00,000	4	1905	1965	99½
63,30,26,000	4	1926	1969-70	86½	50,00,000	3	1938	1968-68	90	20,00,000	4	1906	1966	99½
1,15,05,83,000	3	1945	1970-73	86½	50,00,000	3	1943	1973	79½	£566,600	4	1908	1968	95½N
1,14,06,89,000	3	1944	1957	93½	50,00,000	3	1944	1974	83½	£333,000	4	1910	1970	100
5,83,73,000	4½	1928	1958-68	92½	50,00,000	3	1949	1959	97	25,00,000	4	1912	1972	99½
75,29,00,000	3½	1933	1961	98½	50,00,000	3	1949	1959	97	18,00,000	4	1913	1973	99½
1,13,65,64,000	3½	1935	1959-61	97½	50,00,000	3	1950	1960	95½	60,00,000	4	1914	1974	99½
1,38,17,07,000	3½	1934	1964	98½	50,00,000	3	1951	1961	98½	40,00,000	5	1919	1957-79	102½
1,03,67,92,000	3½	1955	1965	98½	50,00,000	3	1953	1963	100	66,00,000	6	1920	1955-80	118N
33,82,00,000	3½	1956	1967	98½	50,00,000	4	1953	1963	98½	25,00,000	4	1927	1961-80	99½
66,64,00,000	3½	1956	1967	98½	90,00,000	4	1953	1963	98½	10,00,000	3½	1936	1966	94
57,27,00,000	3½	1956	1967	97½	77,00,000	4	1956	1966	97½	A=Held by the Govt. of India.				
BOMBAY					MADRAS					MADRAS				
3,44,00,000	3	1944	1958	93½	1,00,00,000	3	1949	1979	A	3,00,00,000	3	1949	1979	A
6,00,00,000	3	1949	1962	94½	1,00,00,000	3	1950	1960	95½	40,00,000	5	1919	1957-79	102½
3,00,00,000	3	1950	1960	96½	1,00,00,000	3	1951	1961	98½	66,00,000	6	1920	1955-80	118N
3,00,00,000	3½	1951	1962	98½	1,00,00,000	3	1953	1963	100	25,00,000	4	1927	1961-80	99½
3,30,00,000	4	1952	1964	100½	1,00,00,000	3	1955	1965	98½	10,00,000	3½	1936	1966	94
5,00,00,000	4	1953	1963	100½	1,00,00,000	3	1956	1966	99½					
MADHYA PRADESH					MADRAS					MADRAS				
52,69,800	3	1946	1958	98½	1,00,00,000	3	1957	1967	99½	20,00,000	4	1913	1973	99½
2,03,00,000	3	1948	1964	93	1,00,00,000	3	1958	1968	99½	1,00,00,000	3	1959	1969	99½
1,00,00,000	3½	1951	1962	98	1,00,00,000	3	1959	1969	99½	1,00,00,000	3	1960	1970	99½
MADRAS					1,00,00,000	3	1960	1970	99½	1,00,00,000	3	1961	1971	99½
1,29,76,000	3	1939	1959	96½	1,00,00,000	3	1962	1972	99½	1,00,00,000	3	1963	1973	99½
1,08,00,000	3	1944	1958	98½	1,00,00,000	3	1964	1974	99½	1,00,00,000	3	1965	1975	99½
2,82,19,000	3	1945	1960	96½	1,00,00,000	3	1965	1975	99½	1,00,00,000	3	1966	1976	99½
3,90,93,200	2½	1946	1961	93½	1,00,00,000	3	1966	1976	99½	1,00,00,000	3	1967	1977	99½
4,47,00,000	3	1950	1960	99	1,00,00,000	3	1967	1977	99½	1,00,00,000	3	1968	1978	99½
5,00,00,000	4	1952	1964	99	1,00,00,000	3	1968	1978	99½	1,00,00,000	3	1969	1979	99½
5,00,00,000	4	1953	1963	99½	1,00,00,000	3	1969	1979	99½	1,00,00,000	3	1970	1980	99½
UTTAR PRADESH					1,00,00,000	3	1970	1980	99½	1,00,00,000	3	1971	1981	99½
1,09,39,800	3	1936	1961-66	90½	1,00,00,000	3	1971	1981	99½	1,00,00,000	3	1972	1982	99½
2,23,36,000	3	1944	1958	98½	1,00,00,000	3	1972	1982	99½	1,00,00,000	3	1973	1983	99½
2,65,31,900	3	1945	1960	95½	1,00,00,000	3	1973	1983	99½	1,00,00,000	3	1974	1984	99½
2,41,19,800	2½	1946	1961	93½	1,00,00,000	3	1974	1984	99½	1,00,00,000	3	1975	1985	99½
2,00,00,000	3½	1951	1962	97½	1,00,00,000	3	1975	1985	99½	1,00,00,000	3	1976	1986	99½
2,00,00,000	4	1952	1964	99	1,00,00,000	3	1976	1986	99½	1,00,00,000	3	1977	1987	99½
5,00,00,000	4	1953	1963	99½	1,00,00,000	3	1977	1987	99½	1,00,00,000	3	1978	1988	99½
WEST BENGAL					1,00,00,000	3	1978	1988	99½	1,00,00,000	3	1979	1989	99½
1,75,00,000	3½	1951	1962	98½	1,00,00,000	3	1979	1989	99½	1,00,00,000	3	1980	1990	99½
2,00,00,000	4	1952	1964	99½	1,00,00,000	3	1980	1990	99½	1,00,00,000	3	1981	1991	99½
3,60,23,200	4	1953	1965	99½	1,00,00,000	3	1981	1991	99½	1,00,00,000	3	1982	1992	99½
7,00,00,000	4	1955	1967	99½	1,00,00,000	3	1982	1992	99½	1,00,00,000	3	1983	1993	99½
7,00,00,000	4	1956	1968	99½	1,00,00,000	3	1983	1993	99½	1,00,00,000	3	1984	1994	99½
2,95,85,200	5	1933	1953-63	100½	1,00,00,000	3	1984	1994	99½	1,00,00,000	3	1985	1995	99½
5,99,72,900	4	1936	1956-61	99	1,00,00,000	3	1985	1995	99½	1,00,00,000	3	1986	1996	99½
5,00,05,700	3	1946	25-1-1958	99	1,00,00,000	3	1986	1996	99½	1,00,00,000	3	1987	1997	99½
2,00,00,000	3	1953	15-7-1963	99½	1,00,00,000	3	1987	1997	99½	1,00,00,000	3	1988	1998	99½
COCHIN					1,00,00,000	3	1988	1998	99½	1,00,00,000	3	1989	1999	99½
30,00,000	3½	1936	1956-61	99½	1,00,00,000	3	1989	1999	99½	1,00,00,000	3	1990	2000	99½
1,00,00,000	3	1945	1955-58	98½	1,00,00,000	3	1990	2000	99½	1,00,00,000	3	1991	2001	99½
HYDERABAD					1,00,00,000	3	1991	2001	99½	1,00,00,000	3	1992	2002	99½
3,34,70,000	4	1953	1963	99½	1,00,00,000	3	1992	2002	99½	1,00,00,000	3	1993	2003	99½
2,12,21,800	4	1955	1967	99½	1,00,00,000	3	1993	2003	99½	1,00,00,000	3	1994	2004	99½

These notes refer to the Debentures on the next page.

Option to repay at par on 5 months' notice—

(a) after 5 years from date of issue.

(b) at any time.

(c) on or after 1-1-61.

(d) after 14-11-53.

Option to repay on 6 months' notice—

(e) at any time after 30-6-61 at 101%.

(f) at 101% between 1-1-60 & 31-12-64.

(g) at 102% after 30-6-59 but before 30-6-64.

(h) on or after 31st July 1956 at Rs. 102% or at par on or after 21st July 1955.

Option to repay on 5 months' notice—

(i) at any time at 3% Premium.

(j) at 1% Prem. after 1-2-54 but before 1-3-57 and 1% Prem. on or after 1-3-57.

(k) at any time at par.

(l) at any time after 31-3-62 at the rate of 1% Premium.

(m) Redeemable at 103% on 31-12-64 with option to redeem on any interest date at same premium after 30-6-59.

(n) at any time on two months' notice.

(o) to be redeemed at a premium of 10% Rs. 70,000 to be redeemed annually by drawing on 3 months' notice with option to redeem all after 6 years from date of issue on 6 months' notice. Option not exercised, repayment to be made after full term.

Option to repay.

(p) at par after September, 1956.

(q) at par on or after 1-12-59.

(r) on 30-6-62 or any subsequent interest payment date on one month's notice.

(s) Rs. 1 lac Debentures to be redeemed annually by drawings from 1-6-57 with option to redeem at 100% between 1-6-57 to 1-6-60 and at 101% afterwards.

(t) With option to redeem at Rs. 101% after 10 years or at 100% after 13 years.

(u) With option to redeem all or any of the Debts. at 101% at any time after 31-3-64 and at 100% at any time after 31-2-66.

(v) Rs. 60,000 are being redeemed annually repayment of Debentures commencing serially from No. 1 to No. 60 on 31-12-48.

(w) Redeemable at any time at 5 per cent premium (a) on 6 months' notice by the Company or (b) in the event of the Security becoming enforceable or at par if the Corporation of Calcutta or Howrah purchase the undertaking on 1st January, 1945 or every seventh year thereafter.

(x) At par all or any of the Debts. on 31st Dec., 1960 or on any subsequent interest date.

(y) Redeemable (a) at 102% on 1st Oct., 1974 or in the event of voluntary liquidation or the undertaking becoming enforceable or (b) at 105% at any time after 31st March 1952 on six months' notice from the Co. (c) also redeemable out of a sinking fund (commencing in 1938) by drawings at 102% or purchase at or under 102%.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					13-2-57	A year ago						13-2-57	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	114 1/2	132	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	76 1/2	77
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	105	113	1918	Britannia Steam Navigation (July)	15.00	6 1/2	250	15 1/2	15 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	117	1920	British India Corporation (Apr. Mar.)	7.50	6	5	8 1/2	8 1/2
1901-2	Burrakur (June Dec.)	22.98	7	100	113 1/2	120	1935-39	British India Corporation (Feb.)	81.00	8	100	119 1/2	119 1/2
1901-2	Burrakur (June Dec.)	4.50	6 1/2	10	8 1/2	120	1909-10	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	127 1/2	127 1/2
1895	Equitable (May Nov.)	4.00	6	100	100 1/2	116 1/2	1907-11	Burn Engineering (Feb. Aug.)	15.00	6	100	110 1/2	109 1/2
1931	Khas Kairati (Mar. Sept.)	1.93	5	10	5	5	1937	Calcutta Electric Supply (Mar. Sept.)	15.00	6	100	91	91 1/2
1920	New Beerbhoom (Jan. July)	2.00	7	10	12	13 1/2	1936	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	60
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	110	113	1938	Calcutta Tramways (Jan. July)	2.50	5 1/2	81	81	81 1/2
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	110	110	1905-24	Carew & Co. (January)	8.00	6 1/2	100	99 1/2	105
1884	Banalore (Jan. July)	6.00	6	100	125	128 1/2	1940	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	127 1/2	144 1/2
1938	Basanti (Oct.)	5.00	6 1/2	10	93	93	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	51 1/2	66 1/2
1894	Bengal Nagpur (Apr. Oct.)	3.00	7	100	99	98	1937	Dacca Electric Supply (July)	6.00	6	10	93	99 1/2
1901	Bowreah 'A' (Apr. Oct.)	6.00	8	100	140	135	1945	Dalmia Cement (Bharat)	2.372	6	40	37 1/2	37 1/2
1919	Bowreah 'B' (6) (1) (Apr. Oct.)	6.00	8	100	140	135	1916	Delhi Flour Mills (Oct.)	10	10	102	104	104
1919	Bradbury 'B' (Jan. Dec.)	14.75	7	100	72	72	1935	Deshhergarh Power Supply 'A' (Jan.)	16.00	5	100	93	93
1929	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	250	324 1/2	324 1/2	1940	Deshhergarh Power Supply 'B' (Jan.)	12.00	4 1/2	100	93	93
1928	Cambodia (July)	1.00	7	100	144	133 1/2	1940	Duncan Brothers & Co. Ltd.	45.00	4	100	60 1/2	60 1/2
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1926	Dunlop Rubber 'First' (Jan. July)	30.00	6	100	119	128 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1926	Dunlop Rubber 'Second' (Apr.)	40.00	6 1/2	100	60	102 1/2
1912	Elgin (May Nov.)	11.00	8	100	135 1/2	135 1/2	1928-29	East India Distilleries (Jan. July)	2.00	7	10	17 1/2	17 1/2
1943	Elgin 'B'	4.20	5	10	92	92	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	17 1/2	17 1/2
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	92	92	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	75	76
1919	Kesoram (Jan. July)	20.00	7	100	87 1/2	87 1/2	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	61	62
1925	Khatari Makaanji (Nov.)	10.00	6	100	113 1/2	113 1/2	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	65	66
1937	Kothari (Nov.)	12.00	6	100	88	88	1947	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	65	66
1920	Muir (Feb. Aug.)	30.00	6	100	101	101	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
1909	New Great Eastern (Mar.)	3.00	5 1/2	200	81 1/2	89	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
1920	New Victoria (Apr. Oct.)	26.05	6	5	185 1/2	185 1/2	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
1935	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
1935	Swadeshi (Bombay) (Mar.)	15.00	5	100	115	115	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
1931	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90 1/2	90 1/2	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	113	120	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
1908	Vishnu (Apr.)	16.00	7	500	550	550	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	66	67
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	100	118	1945	James Wright (Jan. July)	1.30	6	50	41	40
1915	Alexandra (Feb. Aug.)	9.00	7	100	97 1/2	97 1/2	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1896	Alliance (Mar. Sept.)	15.00	6	100	97	99	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1917	Anglo-India (May Nov.)	7.00	7	100	103	120	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1908	Auckland (July Jan.)	10.00	5 1/2	100	80 1/2	76	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1945	Auckland (July Jan.)	15.00	4 1/2	100	61	76	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1896	Bally (Jan. July)	20.00	7	100	102	116	1916	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1906	Barnagore (Oct. Dec.)	22.00	5 1/2	100	41	48	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1940	Belvedere (Jan. July)	7.00	7	25	111	119	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1919	Bengal (June Dec.)	10.00	5 1/2	100	79 1/2	96	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1896	Birdie (June Dec.)	23.64	7 1/2	100	90	103 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1934	Budge Budge (May Nov.)	9.00	7	100	111	119	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1919	Calcutta (Jan. July)	5.00	6 1/2	100	78	90	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1919	Caledonian (June Dec.)	10.00	7	100	109	119	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1919	Cheviot (June Dec.)	10.00	7	100	109	119	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1928	Chitavalsah (Mar. Dec.)	5.00	7	100	108	115	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1900	Clive (First) (Mar. Dec.)	8.00	6	100	78	91	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1905	Clive 'A' (Second) (May Dec.)	8.00	7	100	98	115	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1903-12	Dalhousie (July Jan.)	15.00	7	100	97	95	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1897	Delta (June Dec.)	5.00	5	100	86	115	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1912	Empire (Jan. July)	10.00	7	100	105	120 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1890-92	Fort Gloster (Jan. July)	14.00	7	100	105	120 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1948	Fort Gloster (2nd)	7.00	5	100	74 1/2	85 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1911	Fort William (May Nov.)	10.00	7	100	115	118	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1916	Ganges (June Dec.)	6.00	7	100	112	105	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1895-98	Gouropore (June Dec.)	25.50	8	100	82	107 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1935	Hastings (Aug. Feb.)	25.00	6	100	82	107 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1913	Hooghly (July)	11.00	6	100	82	107 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1890	Howrah (Jan. July)	8.75	7	100	101	115	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1919	Howrah 'A' (Jan. July)	17.50	7	100	107	121	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1919	Hukumchand (June Dec.)	40.00	7	100	104	118	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1898-10	Kamarrhaty (Apr. Oct.)	16.00	6	100	82	107 1/2	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1930	Kankarnath (Apr. Oct.)	10.00	6	100	87 1/2	106	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1925	Kedarnath (Jan. July)	2.00	7	100	68	95	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1907	Kelvin (Mar. Sept.)	9.00	7	100	108	115	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1895-98	Khardah (May Nov.)	9.00	7	100	108	115	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1900-13	Kinnison (July Jan.)	15.00	6	100	89 1/2	104	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1910	Landsdowne (July Jan.)	15.00	7	100	99	116	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1912	Lawrence 'A' (July Jan.)	5.00	7	100	100	119	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1906-07	Lawrence 'B' (July Jan.)	10.00	5 1/2	100	76	95	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1904	Nalhati (July Jan.)	7.50	7	100	110	123	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1945	Nalhati (July Jan.)	10.00	4 1/2	100	73	81	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1917	National (May Nov.)	5.00	7	100	112	124	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1939	Nellmaria (Apr. Oct.)	5.00	7	100	97 1/2	112	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1915	New Central (Jan. July)	33.00	6	100	102	114	1915	Jardine Henderson Ltd.	50.00	5 1/2	100	61	61
1908-09	Northbrook (July												

COAL COMPANIES

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

Paid-up Capital Ordinary	Number of Shares	Net Block Account	Reserve & other funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	13-2-57 6-2-57 A year ago
25,50,000	27,30,536	25,05,000	3,60,797		Amalgamated	3-4	236	2,92,390	28,610	3-5 6-7 5-1	10	182 191 231
1,00,00,000	1,96,15,238	1,40,49,223	18,85,658		Bengal P	4-10	2	26,18,936	7,31,563	7-7 8-8	200	463 463 540
4,49,350	3,08,193	70,000	2,24,300		Bengal Bhatdee	5-12	2	15,149	4,951	1-1 1-1	10	62 61 16
2,25,000	2,48,198	5,30,654	3,64,478		Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil	10	16 16 16
15,97,000	14,16,666	6,91,475	13,32,378		Bhutanagar	1-12	152	81,389	39,978	6-1	10	62 61 61
40,00,000	69,01,474	20,23,235	32,55,121		Bhutanagar Collieries P	6-12	6	2,32,221	27,433	Nil-Nil	10	142 142 142
7,15,000	15,63,291	14,29,045	68,704		Bhutanagar	6-12	106	20,819	1,87,446	Nil-6-1	10	121 121 151
16,00,000	38,87,275	16,18,636	7,186		Bokarr & Ramgur	6-12	315	1,21,936	79,196	10-10	10	201 201 291
7,30,000	18,56,889	24,29,024	11,60,064		Borrea P	6-12	106	214,682	84,207	10-10	10	21 21 15
90,92,480	2,39,17,611	1,75,02,136	28,91,839		Burrakur P	6-12	21	7,43,659	36,168	2-3 3-3 3-1	10	21 21 15
69,97,000	34,57,430	756	3,65,960		Central India	3	166	2,45,758	9,927	2-1	5	10 12 11
6,00,000	16,67,572	13,30,519	1,752		Central Kurkend P	6-12	323	34,743	82,768	2-1	10	12 12 11
16,00,000	24,00,428	Nil	50,309		Churulia	6-12	106	6,374	2,129	1-1	4	24 24 31
2,240,000	2,239,116	2,313,125	2,140,348		Dheme Main	6-12	19	60,029	1,81,318	Nil-Nil	10	61 57 83
29,53,760	1,15,25,712	33,35,049	24,17,696		East Indian	6-12	19	8,87,453	82,379	7-7 7-7	10	251 261 332
10,00,000	6,74,708	2,07,498	3,32,378		Equitable P	6-12	307	12,979	24,844	7-7 7-7	10	15 15 16
6,50,000	3,17,780	1,25,000	7,32,425		Gusick & Muslia	6-12	20	24,156	2,401	1-1	10	23 23 24
8,00,000	6,31,200	5,66,816	1,407		Hurridah	6-12	19	2,79,524	45,985	1-10 1-10	10	22 22 20
55,00,000	31,71,936	24,32,396	25,61,314		Kalapanari	6-12	21	1,38,130	2,21,237	Nil-Nil	100	152 152 191
30,00,000	24,60,896	1,77,175	26,967		Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	100	152 152 191
5,00,000	10,29,548	16,60,000	11,25,332		Karanpura Collieries P	1-7	2	2,26,982	6,965	Nil	100	97 119 165
1,38,400	6,75,000	95,000	11,80,294		Katras Jheriab	6-12	326	5,92,347	1,33,475	28-28 25-30	100	62 62 64
6,65,750	10,84,977	85,000	9,597		Khas Kajora P	6-12	326	49,776	1,918	5-5	10	91 91 91
7,48,240	3,46,339	2,00,000	10,14,803		Mundulpur	6-12	326	79,868	79,868	Nil	10	21 21 21
7,00,000	5,13,418	26,617	61,041		Nazira	12	347	92,517	31,201	5-5	10	61 61 7
17,75,232	31,15,787	20,01,763	3,79,539		New Bansdeppur	3-9	5	59,011	6,071	3-7 3-7	10	10 10 10
6,00,000	11,17,646	75,000	46,831		New Bansdeppur P	4-10	7	2,64,711	94,383	3-7 3-7	10	17 17 19
2,50,000	7,69,622	1,75,500	10,12,916		New Manonm	3	302	46,201	70,222	Nil-Nil	10	91 111 121
1,15,000	4,42,488	2,85,193	1,53,246		North Dumda	1-7	306	7,954	32,184	Nil	21	23 23 24
7,50,000	1,20,000	12,19,987	23,26,757		North West	3-9	2	51,420	15,950	Nil-Nil	10	171 171 171
8,34,000	9,21,342	10,862	4,36,017		Ordeal P	6-12	106	22,197	56,646	3-5 5-5	10	151 151 181
15,75,000	12,39,443	16,50,000	13,39,443		Paraspa P	6-12	107	1,08,077	8,118	3-5 3-5	10	141 141 141
2,50,000	2,62,407	7,000	11,3-3		Pencer Valley	6-12	3	2,008	18,381	6-7 7-7	10	191 191 251
23,99,500	36,99,424	20,17,105	67,893		Pure Silatpur	6-12	3	2,008	18,381	6-7 7-7	10	191 191 251
13,50,000	7,98,001	9,28,385	14,29,842		Raneegunge	3-9	79	3,67,448	23,188	2-3 2-3	10	101 91 x.d
20,00,000	23,74,261	7,52,027	1,01,427		Rewa	6-12	236	4,96,775	26,029	7-6 8-12	10	23 23 22
2,50,000	1,56,194	1,34,374	1,01,427		Samia	12	48	1,80,660	31,543	7-7	10	121 121 131
2,80,000	10,92,193	8,36,598	7,87,728		Sarsule	1	353	38,009	11,078	25 30	15	21 51 81
8,00,000	23,624	5,29,306	6,32,757		Seepore P	6-12	12	2,42,112	49,299	Nil-11 11-11	10	291 291 34
17,50,000	22,81,985	10,75,016	63,654		Sendra	6-12	106	51,533	11,411	11-11 11-11	10	9 9 11
8,00,000	1,42,060	14,01,053	23,80,817		South Karanpura	2	21	59,079	51,533	11-11 11-11	10	9 9 11
10,00,000	15,50,085	15,375	1,910		Standard	12	106	70,093	17,411	5-5	10	201 201 211
3,50,000	4,62,000	3,47,000	12,896		Talcher	9	277	22,689	3,85,056	Nil	21	21 21 31
49,38,000	33,66,550	50,000	2,17,164		Union	6-12	279	54,089	9,659	5-2 5-2	10	131 131 161
7,00,000	32,65,173	21,569	61,480		Western Bengal	3	166	4,99,468	7,262	3-3	10	51 51 61
					West Jamuria	6-12	19	2,72,772	1,46,650	Nil-Nil	10	81 81 11

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other funds Premiums & forfeited Shares if any	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
	Splindles	Looms									1954	1955	1956		13-2-57	6-2-57	A year ago
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227				10	51 1/2	51 1/2	5
32,72,340	22,197	305	27,69,676	23,18,349	24,551	Benares P	3-9	120	1,27,187	4,79,347				10	4	4	13
71,120	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	3-9	27	3,66,176	47,818				40	40	40	38
27,00,000	31,476	624	33,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199				10	7 1/2	8	101
15,00,000	38,764	992	28,31,200	88,48,588	31,22,417	Birra Cotton	6-12	42	16,69,225	2,76,936			30	15	10	30 1/2	95
5,00,000	42,872	641	37,54,142	22,72,588	1,44,348	Bornore P	6-12	138	34,028	23,47,377	Nil-10	Nil-10		100	123	123	385
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767				10	7 1/2	7 1/2	9
3,27,92,900	1,00,808	2,762	9,94,63,168	1,74,48,395	2,94,83,803	Delhi Cloth & Genl P	6	233	1,81,41,278	82,759			9	25	36	38 1/2	38
19,00,000	32,944	318	34,12,181	25,71,925	1,53,684	Dunbar	6-12	138	9,92,376	1,37,851	Nil-10	Nil-2 1/2		100	199	199	304
63,00,000	34,300	1,200	22,44,751	36,33,360	43,06,363	Elgin P	9	25	32,80,464	93,386				10	26 1/2	26 1/2	27 1/2
1,20,00,000	59,250	1,872	2,38,99,575	1,60,53,992	47,29,268	Kesoram P	6	22	37,41,719	2,45,435	8 1/2	8 1/2		20	15 1/2	16	15
4,00,000	58,664	964	17,48,143	3,75,679	14,08,655	Mohini P	12	45	3,53,311	5,158				25			
33,96,286	38,000	1,825	17,44,546	52,19,601	12,65,055	Muir P	12	208	2,65,055	1,77,296				100	75	75	116
22,89,682	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,77,941	13,76,473				21 1/2	2 1/2	2 1/2	2
3,07,984	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	5 1/2	5 1/2		10	16	16	111
19,47,750						Swadeshi (Cawnpore) P	12	353	43,71,838	7,09,029	7 1/2	7 1/2		100	12 1/2	12 1/2	10
5,00,000											11 1/2	11 1/2		100	11 1/2	11 1/2	10
17,50,000														100	12 1/2	12 1/2	10
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412									100	12 1/2	12 1/2	10
Po														100	12 1/2	12 1/2	10
40,50,000	48,754	1,310	31,31,708	1,89,73,217	43,89,979	Bangalore W C Silk F	12	26	56,34,938	2,38,649	30	30		100	572 1/2	572 1/2	556
1,78,47,470	1,20,012	2,770	3,20,71,600	1,87,39,278	23,30,514	Bukingham Carnatic F	12	46	1,01,86,075	2,38,649	10	10		100	183	183 1/2	170
20,00,000	38,000	1,200	22,44,751	36,33,360	11,26,357	Lambodia P	12	21	1,96,274	27,593	Nil	5		10	14 1/2	14 1/2	13
12,00,000	32,864	407	3,41,058	9,00,000	16,53,507	Coimbatore Cotton	12	188	3,35,756	51,404				100	386	386	352
20,76,900	72,832	407	47,91,212	17,90,300	22,227	Coimbatore Spg & Wvg	6	46	7,52,942	1,677				100	386	386	352
6,50,000	30,640	295	12,45,505	17,90,300	58,77,434	Kaleswarar	12	139	2,55,786	1,677				100	335	335	305
24,00,000	30,512	200	60,83,320	19,25,000	4,09,960	Kothari Textile P	6	141	6,24,560	42,942	5	10	10	100	15 1/2	15 1/2	17 1/2
23,64,000	48,756		15,01,051	21,70,200	78,950	Lakshmi	12	186	31,41,248	2,209				50	258	262	178
1,75,02,480	4,65,324		2,15,02,107	4,13,81,878	51,04,081	Madura	12	106	77,86,509	18,86,813	20	20		15	461	461	491
12,00,000	21,856		5,43,188	31,04,081	10,32,498	Malabar Spg & Wvg	12	246	45,193	45,835				200	108	108	109
12,00,000	24,252	603	20,49,893	69,00,000	19,91,757	Mettur Industries	12	29	48,44,863	45,835	35	42 1/2		100	440	440	375
60,00,000	5,000		14,15,992	5,90,279	1,34,963	Mysore Spun Silk	12	142	1,753	3,986				10	81	81	41
13,61,786	20,137	Nil	1,36,608	2,43,421	2,65,911	Palani Andavar P	12	30	7,39,437	2,697				50	148	148	158
4,00,000	15,540	416	4,42,118	2,43,421	2,65,911	Sitaram Spg & Wvg	12	164	87,724	3,083				50	148	148	158
7,79,700	28,104	270	12,98,563	18,23,501	11,71,824	Vasanta P	12	67	16,37,459					80			

† Liquid Assets.

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Shares	Net Block Account	Reserve & other funds	Cash & Securities	N
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MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary.	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts Closed	Applying Agents	Net Profit including taxation	Carry forward	Dividends per cent			Part of Share	Latest financial statements available until			
									1954	1955	1956		Rs.	P.	Rs.	P.
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.	
MININGS.																
£2,369,796		£1,73,459	£2,534,298	Burma Mines Ltd.	12	152	£608	£304	..	..	..	31s	21s	21s	21s	
30,00,000	43,47,289	22,78,385	34,23,753	Chrestien Mica Industries Ltd P	12	312	11,97,125	10,883	7 1/2	..	..	10D	14 1/2	14 1/2	14 1/2	
15,00,000				Consolidated Fin Mines	3	97	£10,355	£22,218	10	..	..	5D	14 1/2	14 1/2	14 1/2	
£318,088	£238,420	£1,57,464	£112,683	Indian Copper Corporation	12	98	£1,299,804	£117,083	25	45	..	5s	14 1/2	14 1/2	14 1/2	
£914,200	£876,054	£1,853,056	£1,376,109	Metall Corp P.	3	343	-2,39,771	-4,51,131	Nil	..	..	10S	9 1/2	9 1/2	9 1/2	
29,194,300	61,58,847	21,01,886	13,722	Orissa Minerals Development	6-12	21	4,40,024	1,18,435	10-10	10-10	..	10D	21	21	21	
2,63,673Dd	23,37,496	35,58,897	32,52,617	Tavoy Fin Dredging	12	14	£9,059	-£19,118	Nil	..	..	10	21 1/2	21 1/2	21 1/2	
20,00,000												2s	4	4	4	
£375,000	£445,323	£317,487	£234,026													
CEMENT, LIME, SLATE, ETC.																
43,14,600D	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	..	10D	6 1/2	6 1/2	6 1/2	
70,976Dd				Bengal Potteries	12	155	8,02,008	12,651	10	10	..	10D	14 1/2	14 1/2	14 1/2	
31,70,655	33,23,186	14,32,396	1,06,102	Bisra Stone Lime	3-9	21	3,47,556	20,179	5-8 1/2	8 1/2-8 1/2	8 1/2-..	10	31	30 1/2	31	
10,00,000	25,95,369	27,63,242	4,20,854	Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	12 1/2	..	10D	12	12 1/2	12 1/2	
60,00,000	62,91,811	98,26,915	2,11,38,275	Kumardhubi Fireclay & Silica P	12	21	6,03,311	49,404	15	15	..	10	17	17	17	
26,50,000	77,49,749	72,13,923	2,14,327	Reliance Firebrick & Pottery	2-8	..	1,10,349	18,901	Nil-15	10-..	..	10	20	20	20	
5,00,000	10,81,502	8,62,360	90,359	Scene Valley Portland Cement	12	..	7,88,487	41,941	5	6	..	5	7 1/2	7 1/2	7 1/2	
75,00,000	59,94,174	22,45,000	6,74,212	Sutna Stone & Lime	6-12	3	69,598	652	5 1/2-5 1/2	5 1/2-6 1/2	..	10	18	18	18	
3,22,560	1,63,551	61,287	2,27,012													
CHEMICAL INDUSTRIES.																
£2,00,000	1,50,41,342	42,71,273	68,648	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	6	8	..	10	18 1/2	18 1/2	21 1/2	
40,00,000	99,765	60,000	37,865	Bathgate & Co. Ltd P	12	324	2,18,875	-20,65,382	Nil	Nil	..	10	14 1/2	14 1/2	21 1/2	
11,45,800D				Bengal Chemical & Pharm. P.	4	245	14,18,436	11,70,500	6	6	..	100	102	102	107	
11,08,900A	56,08,902	43,35,000	1,49,08,7401	Frank Ross P.	2	129	46,897	858	Nil	Nil	..	6	2 1/2	2 1/2	2 1/2	
22,54,700B				Smith Stanstreet P.	6	191	7,14,527	1,18,395	10	20	..	5	10	10	17 1/2	
4,95,000	82,635	69,079	15,993													
5,00,000	4,60,152	11,00,929	3,05,878													
ELECTRIC LIGHTING POWERS.																
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-9	32	3,05,594	46,084	5-5	5-5	..	100	145	145	150	
8,00,000	26,10,592	6,55,886	4,84,309	Bareilly Electric Supply	6-12	32	83,783	20,090	5-5	5-5	..	10	15 1/2	15 1/2	14	
17,00,000	80,72,095	27,42,869	11,75,299	Benares Electric Light Power	6-12	32	5,94,018	38,507	6 1/2-6 1/2	6 1/2-6 1/2	..	10	18	18 1/2	18 1/2	
5,91,360	10,96,661	5,90,855	85,518	Bhagalpur Electric Supply	12	202	£1,441,138	£1,618	6 1/2	..	..	8	4 1/2	5 1/2	8 1/2	
£4,262,644	£18,897,213	£7,242,380	£595,368	Calcutta Electric Supply P.	12	90	£1,526,226	£136,163	6	6	..	£1	12 1/2	12 1/2	13 1/2	
6,60,040	17,68,438	5,34,904	93,184	Cuttack Electric Supply	12	202	1,24,836	26,455	3	..	..	10	8 1/2	8 1/2	8 1/2	
17,51,050	38,10,419	10,41,599	3,39,348	Dacca Electric Supply P.	12	202	3,89,244	12,706	..	..	..	10	4 1/2	4 1/2	4 1/2	
5,21,640	8,42,506	1,65,000	3,031	Jhansi Electric Supply	12	168	71,309	..	..	..	..	10	8 1/2	8 1/2	9 1/2	
22,49,550	42,84,132	14,91,996	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,454	27,527	5 1/2-4	5 1/2-4	..	10	14 1/2	14 1/2	16 1/2	
4,95,000	5,44,855	2,51,058	1,13,028	Mirzapur Electric Supply	12	202	58,676	-7,07 1/2	Nil	..	..	9	10	10	7 1/2	
5,82,390	17,12,129	1,76,819	83,869	Mozafferpore Electric Supply	12	202	73,159	2,295	3	..	..	10	7 1/2	7 1/2	7 1/2	
6,99,700	5,43,957	77,521	3,48,185	Muttra Electric Supply	6-9	329	30,021	68,093	7 1/2	..	..	10	9 1/2	9 1/2	8 1/2	
35,07,380	85,46,049	37,10,223	11,51,661	Patna Electric Supply	12	202	7,40,281	..	..	..	..	10	11 1/2	11 1/2	12 1/2	
3,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	2 1/2-2 1/2	2 1/2-2 1/2	..	10	..	..	..	
9,10,000	7,57,951	2,72,300	1,20,990	Shajahanpur Electric P.	9	202	65,624	14,394	5	..	..	10	7 1/2	7 1/2	..	
16,80,000	27,99,505	5,36,596	3,38,023	Sijua (Jherria) Electric	12	32	3,29,874	5,599	7 1/2	..	..	10	11 1/2	11 1/2	11	
56,00,000	1,62,42,470	35,82,369	13,28,418	United Provinces Electric	3-9	32	5,39,988	80,098	5-5	5-5	..	100	146	146	169	
5,98,500	7,78,123	2,07,493	7,77,619	Upper Ganges Valley Elec.	6-12	32	93,211	8,097	4 1/2-4 1/2	4 1/2-5	..	100	13 1/2	13 1/2	14	
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	6 1/2-6 1/2	6 1/2-6 1/2	..	10	18	18	18 1/2	
ENGINEERING & METAL.																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Mozafferpore) P.	10	300	1,52,744	1,01,965	..	..	..	10	8	8	8 1/2	
50,00,000	51,82,373	16,39,137	1,37,153	Bharta Electric Steel	12	31	11,67,212	3,95,940	10	12 1/2	..	10	16 1/2	16 1/2	17 1/2	
39,61,853	46,94,558	60,13,429	42,18,134	Braithwaite India	12	289	27,02,711	5,59,761	16 1/2-14	25	..	7	28 1/2	27 1/2	28 1/2	
12,00,000	11,90,577	20,99,831	2,31,294	Bridge & Roof	6-12	24	6,16,247	1,51,297	7 1/2-7 1/2	7 1/2-7 1/2	..	10	36	36	36	
19,78,570	31,90,232	5,14,301	3,64,092	Britannia Building & Iron P.	3	109	1,08,001	51,637	5	15	..	10	5 1/2	7 1/2	12	
39,37,520	30,18,167	36,42,365	1,28,594	Britannia Engineering	12	165	11,47,552	1,36,118	15	15	..	10	14 1/2	13 1/2	19	
5,00,000	5,44,177	1,00,600	2,58,594	British India Electric Cons.	6-12	24	91,780	-5,26,329	Nil-Nil	Nil-Nil	..	100	12 1/2	13 1/2	13 1/2	
84,00,000	1,54,84,115	1,30,96,539	15,49,676	Burn P. (Engineering)	4	32	95,08,823	1,12,719	10	15	20	100	330	315	303	
12,50,000	20,64,700	22,00,000	45,733	Houghly Docking	12	32	1,72,120	2,037	12 1/2	12 1/2	..	50	132	132	136	
36,94,590	23,07,100	6,65,009	55,515	Indian Galvanizing	12	24	5,46,700	41,267	4	..	..	10	19 1/2	19 1/2	26	
5,18,37,080	18,00,34,354	11,70,76,011	6,37,45,937	Indian Iron & Steel P.	3	32	8,54,28,198	4,49,314	10	10-10	..	10	28 1/2	28 1/2	25	
1,54,00,000	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	222	-26,954	-82,872	..	..	..	50	7 1/2	7 1/2	9	
19,49,250	30,46,716	47,33,987	13,61,471	Indian Standard Wagon P.	3	32	41,06,372	24,072	19	25	30	10D	18 1/2	18 1/2	160	
6,58,800	35,69,979	7,73,15,122	1,64,34,729	Indian Steel & Wire Products	3	122	13,11,483	2,58,856	30	30	..	10	69	69	87	
30,00,000	45,57,847	57,91,388	15,35,612	Jessop & Co. P.	10	290	47,27,193	14,130	15	30	..	10	27 1/2	28 1/2	57	
51,00,000	44,15,822	43,12,118	1,56,293	Kumardhubi Engineering P.	11	21	6,23,372	21,425	16 1/2	16 2/3	..	3	9 1/2	9 1/2	11	
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12 1/2	..	..	2	5	5 1/2	6 1/2	
49,96,000	37,52,077	4,90,631	5,22,904	National Iron and Steel	3	192	11,68,033	5,28,690	Nil	6 1/2	..	4	7 1/2	7 1/2	6	
6,00,000	9,22,727	6,10,321	1,36,103	Saran Engineering	3	25	1,68,352	9,264	12 1/2	6 1/2	..	10	5 1/2	5 1/2	9 1/2	
60,00,000	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	9,44,777	1,47,573	10	..	..	10	20 1/2	20 1/2	20 1/2	
SUGAR BREWERIES, ETC.																
14,00,000	12,16,880	12,32,202	1,10,458	Bairampur Sugar	6	25	-37,960	48,371	15	1 1/2	Nil	5	6 1/2	6 1/2	10 1/2	
19,49,025	9,79,539	5,00,000	1,42,483	Belsund Sugar	9	234	1,38,925	49,906	10	..	..	7 1/2	11 1/2	10 1/2	11	
15,00,000	4,67,680	13,50,000	20,40,435	Bharat Sugar P.	6	316	4,04,260	13,206	15	15	..	10	17	17	17	
33,57,580	22,31,255	36,89,916	26,47,195	Buland	10	92	14,37,927	8,477	..	..	..	10	7 1/2	7 1/2	11	
30,00,000	44,63,474	27,37,030	3,59,067	Carew (Sugar) P.	6	158	2,63,567	12,445	7 1/2	2 1/2	..	10	20 1/2	20 1/2	21	
18,00,000	14,38,021	57,83,651	16,43,641	Cawnpore Sugar P.	10	25	12,40,968	82,023	10	15	10	10	23 1/2	23 1/2	24	
26,00,000	26,48,921	37,31,883	2,42,447	Champanan Sugar	6	25	7,25,484	29,568	15	..	..	10	21 1/2	21 1/2	22	
16,20,620	20,28,769	33,35,766	9,55,327	Garbhanga	3	171	9,61,067	1,12,387	15	..	..	10	5 1/2	5 1/2	6	
12,59,649	16,38,916	41,32,151	8,94,911	Gyer Meakin (Breweries)	3	110	7,70,601	8,143	10	11 1/2	..	5	7 1/2	7 1/2	7 1/2	
15,93,000	23,89,532	2,24,658	3,84,911	Gwalior Sugar P.	9	237	-57,978	8,819	..	..	..	100	76	76	76	

† Liquid Assets. * 1956.

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	A year ago
SUGAR BREWERIES, ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	64	64	64
9,00,000	1,28,558	17,64,369	38,134	Purabpur Sugar P.	10	25	5,08,340	8,871	74	74	..	10	174	174	174
15,59,320	26,52,127	35,00,000	4,84,351	Ramnagar Cane & Sugar P.	3	32	18,11,504	20,350	15	20	..	10	241	241	241
19,99,600	25,62,563	39,88,218	13,92,315	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	22	22	204
8,00,000	1,42,169	6,54,762	1,85,115	Ryam Sugar P.	9	25	1,43,798	24,340	5	..	..	10	111	101	144
11,99,000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	9	25	32,553	3,554	..	..	..	10	111	101	144
20,00,000	72,62,286	36,66,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	35	12,99,571	34,046	15	174	Nil	10	114	114	124
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,567	7,991	..	..	..	10	13	13	144
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	1,39,515	1,39,515	Nil	Nil	..	10	43	43	44
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	124	..	..	10	14	15	23
8,00,000	38,92,308	21,57,559	3,60,236	Upper Ganges Sugar P.	3	227	10,24,525	82,931	25	25	..	10	154	154	944
14,00,000A	14,24,740	23,74,425	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20	..	100AC	280	280	127
7,00,000B												124BC	284	284	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,206	9,53,526A	A Firpo (Restaurateurs)	10	35	84,518	4,475	..	..	..	10	44	44	44
1,50,00,000	1,40,80,594	6,21,715	51,361	Air India Ltd.	12	269	6,02,785	14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	..	..	100	..	..	..
47,50,000C	3,08,51,695	17,00,000	16,26,711	Aluminium Corp. P.	3	132	25,21,116	1,16,199	Nil	Nil	5	100	101	111	94
2,50,000D												24Dd	64	64	24
20,00,000	42,38,002	14,50,000	54,97,530	Anderson Wright, Ltd. P.	12	12	89,042	18,284	74	Nil	..	10	111	111	114
30,00,000	10,11,675	37,63,719	14,41,315	Angelo Bros.	3	268	11,84,131	3,43,961	124	20	..	10	213	213	244
30,00,000	17,54,454	27,66,265	5,49,574	Assam Match	12	274	8,35,902	1,18,395	124	124	..	10	202	202	194
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	97,045	5,14,537	Nil	Nil	..	3	314	314	44
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	3	204	8,82,993	32,683	2	4	..	10	101	101	7
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	124	..	100	165	165	186
12,00,000	2,55,604	4,49,899	4,52,019	Baranagar Coke	3-9	128	2,19,706	45,389	74-7	74-7	6-11	10	164	164	211
6,00,000	76,411	Nil	20,72,417A	Bengal Timber Trading P.	3	128	6,43,164	1,19,103	..	..	..	100	41	41	44
50,00,000	19,53,822	Nil	19,59,389	Bharat Airways Ltd.	4	22	3,19,589	3,19,229	..	..	..	10	51	51	44
20,00,000	7,25,715	66,08,979	66,08,979	Birds Investments P.	3	160	4,59,013	37,512	124	124	..	10	141	141	19
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	..	10	141	141	14
22,50,000	13,98,796	43,18,775	3,38,473	British Ceylon Corporation P.	12	4	27,75,295	18,955	..	..	..	74	94	94	114
3,25,00,000	59,89,738	1,18,60,524	2,50,83,651	British India Corporation P.	12	33	30,23,938	2,76,584	11	..	..	5	81	81	11
32,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	3	235	60,996	1,550	5	6	5	10A	64	64	84
32,50,000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	44	44	5
90,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,911	12	11	..	100	121	121	124
1,60,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	..	10	251	251	314
51,28,000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	..	100	134	134	154
75,00,000	13,79,357	4,33,828	1,02,21,271A	F & C Osler (India) Ltd. P.	3	51	8,97,594	1,26,757	124	124	..	10	214	214	204
80,00,000	12,88,300	21,97,641	80,55,360A	French Motor Car	3	51	8,97,594	1,26,757	124	124	..	20	214	214	204
14,00,000	14,92,000	10,02,000	11,394	Ganges Rope	3-9	19	89,571	27,194	74-7	74-7	..	100	186	186	1954
2,25,000	55,893	5,34,893	General Investments Trust P.	3	357	18,384	12,435	24-24	24-24	31-21	75	43	43	43	43
65,00,000	34,18,813	42,00,000	1,09,15,522	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,809	1,51,360	74	14	..	10	114	114	134
20,00,000	27,68,043	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	254	254	19
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	254	254	19
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250	240
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	11	11	1
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	84	84	7
15,16,00,000	7,42,66,399	1,88,86,788	5,50,32,187	Imperial Tobacco	4	325	3,66,59,515	24,94,274	6	8	..	10	144	144	13
1,80,00,000	2,41,97,583	53,39,989	10,13,114	Indian Aluminium Co., Ltd. P.	12	293	26,79,662	14,08,274	10	124	..	10	144	144	13
1,52,89,220	1,27,37,878	1,37,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	6	8	..	10	294	311	304
5,00,000C	22,07,260	2,21,285	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	10PO	84	84	74
83,75,000D	1,44,398	5,38,000	17,67,876A	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	..	..	10D	24	24	114
8,27,970	4,84,735	18,15,487	10,93,705	Indian Wood Products	3	88	17,28,038	2,76,619	274	30	..	10	42	42	42
20,00,000	15,362	4,45,241	3,20,757	Investments and Finance P.	2-8	21	27,800	51,001	24-24	31-21	31-21	100	65	65	65
2,40,000	1,53,621	1,53,621	1,53,621	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	24	24	11
5,87,500C	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	69,996	1,550	5	6	..	50	44	44	44
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	74	74	..	100	80	80	107
2,00,00,000	3,17,362	6,02,358	3,21,617	Macfarlane & Co.	3	133	14,078	4,434	..	..	..	50	34	34	24
6,34,000C	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	74	74	..	100	24	24	24
68,300Dd	36,41,519	54,56,063	1,85,74,341	Martin Burn Ltd. P.	3	309	71,18,708	2,03,456	134	181	..	10	244	244	244
1,50,00,000	37,46,252	80,86,909	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	257,234	17	224	..	100C	240	240	240
40,00,000	1,10,37,201	69,74,449	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	124	164	10	29	29	254
22,27,950	74,50,000	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,72,169	1,44,443	10	15	20	10	204	213	21
40,00,000	72,01,982	15,00,000	33,325	National Rolling & Steel Ropes	6	7	3,79,123	75,726	..	..	..	10	104	104	94
79,97,000	61,97,995	78,53,576	23,37,209	National Tobacco P.	12	79	12,06,160	9,03,430	54	54	54	10	104	104	104
83,32,100	2,322	5,11,187	29,55,297	New India Investment Corp.	12	35	1,38,595	1,72,173	..	..	..	75	53	53	65
80,0															

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portfolios if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	12-2-57	1-2-57	1 year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CEMENT														
12,71,67,253	18,41,79,999	9,27,02,709	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,963	8	10	10	100	168	203
ELECTRIC LG POWER														
8,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6	5	..	100	99	105
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7	7	..	1,000	1,207	1,302
1,74,99,700	2,14,85,122	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7	7	..	100	109	117
39,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	122	130
1,34,45,256	3,37,65,356	65,82,055	58,39,877	Lata Hydro Elec Power sup P	6	267	37,75,587	21,171	7	7	..	100	122	133
1,02,78,750	3,98,37,405	1,41,56,578	1,29,22,549	Lata Power P	6	267	77,32,961	27,952	7	7	..	1,000	1,218	1,345
ENGINEERING & METAL														
83,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asdown	12	268	3,79,566	1,35,820	12	..	..	100	258	373
5,00,000	29,341	4,43,904	59,350	East Engineering	3	115	62,291	1,598	15	5	..	50	69	96
40,00,000	11,28,513	10,00,000	9,74,569	Larsen & Toubro P	3	351	14,60,736	28,740	10	10	10	100	17	164
40,95,100	81,25,753	2,02,500	49,393	Machinery Mfgs Corp Ltd P	3	330	2,02,006	64,676	NU	NU	..	100A	76	88
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie	7	283	1,49,085	64,938	..	..	..	100	177	181
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Constructor P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	145	149
1,31,250	4,80,59,980	26,78,952	44,49,439	Lata Locomotive & Eng P	3	269	3,303	50,350	NU	NU	..	100	145	149
4,18,72,400	32,44,07,755	16,63,05,536	12,34,83,510	Lata Iron & Steel P	3	269	9,26,44,872	4,04,945	14	14	14	750	173	177
6,63,75,000														
INSURANCE COMPANIES														
20,00,000	..	23,84,912	95,96,333	British India General	12	297	4,24,629	1,18,606	..	..	..	10	350	350
5,15,000	..	11,04,64,687	1,35,48,181	Empire of India Life	12	253	..	..	..	..	..	10	350	350
6,45,120	25,01,134	36,33,999	16,36,605	Indiar Mercantile	12	75	..	1,13,109	..	..	..	20	45	45
18,74,940	..	2,88,61,155	2,61,49,142	Jupiter General P	12	35	38,351	6,53,316	..	..	..	15	6	6
1,06,81,590	..	1,68,81,793	27,25,14,452	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	43	43
6,00,000	..	57,83,74,430	53,48,59,427	Oriental Life	12	298	..	..	..	..	..	200	3,710	3,970
15,99,270	..	29,41,866	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15	15
MISCELLANEOUS														
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Delapur Sugar	9	42	33,89,000	61,389	..	..	..	50	229	231
50,00,000	2,20,64,392	4,12,86,156	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	687	709
42,00,000	1,21,04,585	31,74,431	31,14,306	Bombay Steam Navigation P	6	256	4,54,215	30,135	..	..	..	50	262	273
99,99,250	5,083	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	4	..	..	25	74	76
11,99,700	1,32,957	7,34,142	14,05,223	Kemur (Chemists)	3	87	68,232	16,942	..	..	..	100	190	180
5,97,71,400	3,74,00,779	1,81,13,445	2,39,042	National Rayor Corp.	12	352	53,19,604	5,72,076	10	..	..	200	241	245
9,39,08,069	18,36,63,413	12,46,31,675	7,10,16,357	Scindia Steam Navigation	6	198	32,72,555	22,72,555	2	2	..	20	18	18
7,00,000	27,45,055	37,30,000	11,27,080	Scindia Steam Navigation	11	146	35,49,059	21,561	80	80	..	10	92	91
1,39,95,990	2,25,39,547	13,22,272	4,37,991	State Chemicals P	6	269	16,84,488	34,425	NU	NU	7	10	15	15
70,07,475	75,25,791	34,08,586	22,83,813	State Chemicals P	6	269	3,00,461	11,453	9	8	12	25	45	46
1,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,35,281	5,61,994	11	11	..	100	175	175

*1956

†Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	12-2-57	1-2-57	1 year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	60
21,59,300	33,40,889	6,00,702	Arrah Sasaram D & G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67	67
84,00,000	41,30,202	3,11,349	Bankura Damodar River S.S.G.	3	165	46,807	..	2 1/2	2 1/2	2 1/2	100	58	58
19,00,000	29,09,643	4,91,171	Jarawai Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10
17,50,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	..	..	..	100	59	59
81,00,000	35,46,011	..	Chaparmukh Sighat S.S.G.	3-9	32	62,834	10,849	1-29	1-1	1-1	100	52	52
4,75,000	3,20,040	4,75,300	Cherra Chibhalu Ropeway	3	88	7,071	9,917	1-1	1-1	1-1	100	5	5
2,47,850	2,75,015	65,226	Darjeeling Ropeway	3	101	18,097	4,549	7 1/2	2 1/2	2 1/2	100	7	7
22,50,000	62,20,813	13,52,600	Dohri-Rohat	3	335	6,42,311	37,814	6	10-12 1/2	10-12 1/2	100	13 1/2	13 1/2
10,10,700	20,10,843	1,68,140	Putwari Islampur S.S.G.	3-9	32	-33,018	5,917	98-98	99-1	1-1	100	63	63
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	52	52
6,00,000	13,87,138	4,43,410	Howrah Sheekhale D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65
19,50,000	27,95,889	2,47,135	Kallighat Falls S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	60	60
8,91,100	15,16,175	10,351	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4	6	..	100	72	72
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129	129
1,75,000	5,41,779	2,04,841	Tezpur Balipara Dhamway F	3-9	165	-43,574	5,944	..	..	..	100	..	..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1	329. Sri G. D. Bhagat—15, Shib Thakur Lane Calcutta	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay	349. Chandmull Batla—7, Canning Street Calcutta
321. F. C. Williams—14 Old Court House St. Calcutta	330. Mahindra & Mahindra Ltd.—Gateway Building Apollo Bunder Bombay	340. K. U. Jheriyani—Travancore, K. J. Pinnay & Co. Ltd.—2 Netaji Subhas Road Calcutta	350. K. G. Agarwal—Empire House, Hornby Road Fort Bombay
322. Messrs Pata Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Rd. Fort Bombay-1	331. N. C. Roy & Sons—Canning St. Calcutta	341. U. N. Chatterjee—2, Royal Exchange Place Calcutta	351. L. & F. (Management) Private Ltd.—J. K. Building Douglall Road Ballard Estate Bombay
323. Anderson Wright & Co.—7, Wellesley Place Calcutta	332. M. Paspatti—21, Ravelin Street Fort Bombay	342. Eastern Smelting & Refining Co. Ltd.—10 Clive Row Calcutta	352. C. G. Mahant—Ewart House Bruce Street Fort Bombay
324. Indo Corporation Private Ltd.—5, Swinhoe St. Calcutta-19	333. Jaisuria Bros. Ltd.—33, Netaji Subhas Road Calcutta	343. V. J. Pillani—Victoria Bunder Calcutta	353. N. K. Bhattacharya—14, Netaji Subhas Road Calcutta
325. John Rutherford Blake—Virginia House, 37, Chowringhee Calcutta	334. Sahu Jain Ltd.—Dalmanagar, Patalda Ghachand—Scindia House, Douglall Road Bombay	344. The National Tea Corporation—130, Cotton Street Calcutta	354. L. C. Kanol—P. B. Mission Row Estate Calcutta
326. Sarwala Bros.—53, Netaji Subhas Rd. Calcutta	335. Bherwal & Co.—53, Netaji Subhas Road Calcutta	345. Associated Commercial Co. Ltd.—181/1 Harrison Road Calcutta	355. G. G. Robertson—16 Strand Road, Calcutta
327. Marwa Textiles (Agency), Ltd.—Waudby Road Fort Bombay-1	336. B. J. Sons Ltd.—Hornby Road, Fort Bombay	346. Senhasayee Brothers (Travancore), Ltd.—Elloor Factory Alwaye	356. B. Baloria—10, Clive Row Calcutta
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram South India		347. Associated Commercial Co. Ltd.—181/1 Harrison Road Calcutta	357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta

WORLD'S BEST

FOUNTAIN PEN INK
SULEKHA WORKS LTD.
CALCUTTA-32.

CAPITAL

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INDIA'S BEST

GUM & PASTE
SULEKHA WORKS LTD.
CALCUTTA-32.

DELAYING PAYMENT FOR IMPORTS

PROBLEMS OF ATTRACTING FOREIGN CAPITAL

THE recent reduction in the United Kingdom Bank rate might have some slight significance for India's foreign exchange position. It could, for instance, help towards the rather ambitious scheme for importing a larger proportion of this country's requirements of capital goods against medium-term credits. Much will depend on what is meant by "medium-term". It must be admitted right away that seven-year facilities will take a good deal of negotiating. But whatever the final figure agreed upon, the reduction in Britain's Bank rate will mean that India's largest supplier will now be able to grant more favourable credit facilities than it could a month ago. That is always provided it is prepared to do so. If India were to offer some reasonable guarantee of repayment, many British concerns might be attracted, although the recent examples set by certain Continental suppliers, especially the West German, have been far from promising, in spite of the lower interest rates prevailing there. The new scheme offers certain competitive opportunities for the enterprising supplier, especially to the public sector. For purchases for private industry some sort of Government-backed guarantee scheme might prove of great assistance. It is important to realise, whatever the tone of announcements from New Delhi, that there is as yet little recognisable incentive for the overseas manufacturer in the new scheme. If it is seriously intended to use this method to relieve India's foreign exchange position, then that, together with a reasonable measure of security, are the first things which should be arranged.

The same lack of any new attraction can be seen in the proposal for increased foreign participation in developing private industry, at least to the extent of the exchange required. It is true that Indian buyers will have to pay more for capital goods secured in this way, and that the overseas supplier will find some incentive and considerable scope for competition, in that. But, presumably, it has not been price which has limited foreign participation in Indian industry hitherto, so much as uncertainty about repayment or terms of co-operation. There is still much thinking to be done on this point. Government policy, whatever it might now become under the stress of present difficulties, has not always been accommodating in the past. A feeling has been allowed to develop among many would-be foreign investors that India strikes too hard a bargain considering the uncertain prospects she has to offer for the future. Whether this is true or not, it is damaging to any scheme for increasing foreign participation in either the public or the private sector. On the whole, therefore, it is difficult to see what success the Government expects from its new schemes for meeting exchange difficulties while they are in their present uncertain form. It appears, on the face of things, to be asking too much and offering too little. Whether there will be many takers is doubtful, unless this is merely a prelude to a complete change in Government policy on foreign capital. But there is no sign of this yet. At the moment, there is nothing permanent about a wave of enthusiasm caused by what it is hoped will be a temporary shortage of exchange. The Government has not been kept short of advice on this point in the past. But a change has never been more obviously necessary or urgent than it is now.

The foreign exchange position might become even worse than it is at present. Foreign capital is, therefore, the only answer and it is no use ignoring the fact that the rate of economic development will be directly related to it for as far ahead as can be safely forecast. There is nothing new in this fact; it is remarkable that it has taken so long for New Delhi to grasp it. A number of points will now have to be considered. The first is how far the Government is prepared to go to meet the new need by granting special concessions to foreign capital. The field of opportunity already appears to have been widened to include consumer-goods manufacture. This should attract many foreign concerns into an essential branch of activity which would otherwise have to rely on the internal capital market for its resources.

An important matter which now calls for consideration is the length the Government is prepared to go to improve the lot of the foreign executive living in India. A start was made some time ago by allowing technicians two years in this country free of income taxes. This has been a big help to foreign firms trying to establish themselves here. The only comment on this concession is that its duration is too short. The erection and installation of modern machinery can take longer than two years and it is often an important aid to efficiency and smooth working if the man responsible for putting the plant together can stay for a year or two and organise its operations. Under the present arrangements this is not possible; the result is that an unnecessary break in continuity may occur just at the time it is most important to avoid it. The division of foreign technicians into two distinct classes, those who are tax-free and those who reside in this country and are therefore not, has caused understandable frustration among the less fortunate. These two types may be working side by side, but on vastly different rates of remuneration. It is generally appreciated that the tax-exemption principle cannot be extended to all resident technicians without causing discontent among other foreign executives whose designations cannot always be so clearly defined, and among corresponding Indian grades. But the question arises whether the present level of personal taxation in this country is not too high to attract the resident foreigner whether he is a technician or not. There is no doubt about the answer to that question, or the

fact that by taxing foreigners at prevailing levels India is losing more than in fact she is collecting. The principle of differential taxation is not always attractive, especially to a country like this one which is wedded to socialism. But the fact has to be faced that if India wants foreign assistance, she will have to accommodate the foreign residents who go with it. At the moment, there are few attractions for such people in a country which appears, at times, to be eager to eliminate all the essential appendages of modern western-style living with the least possible delay.

The great mistake when turning to foreign capital as one solution of the present exchange difficulties would be the opinion that all will be well if there is an official pronouncement on the matter. The foreign investor is likely to be far more impressed by facts, not intentions. It has to be remembered that India has now not only to live down her own previous lukewarm attitude to capital from overseas, but also the reputation

LOCAL BRANCHES

Calcutta—33 Netaji Subhas Road—Ballygunj—200/72
Rash Behari Avenue, Barrabazar—18 Cross Street
Howrah—6A, 10/11, 12/13 Hathfield—10 Soane's
Bazaar Street, New Market—10 Lindsay Street
Shambazar—133 Cornwallis Street Howrah—18
Grand Trunk Road
Kolkata—19, West Bengal—1 Asansol Bankura Burdwan
Jaipur—Ka'impong Puriella Raiganj and Siliguri
Branches in East Pakistan—Chittagong Dacca Dinapur,
Khairatabad Mirakind Mysorensingh Narayana
Bangalore
Branches in Orissa—Sambalpur.

Without Prejudice

BANK EMPLOYEE ASKS FOR
COMPENSATIONINABILITY TO PROTECT FAMILY
DURING COMMUNAL RIOTING
(FROM OUR LEGAL CORRESPONDENT)

THIS is rather an out-of-the-way case, which is worth considering both from the viewpoint of the ordinary law of the land and that of the law under the Industrial Disputes Act. Sri Charan Das Saraf was clerk-in-charge, Imperial Bank of India, Fazilka, and the family disasters for which he sought redress, and which were the subject of decision by the Labour Appellate Tribunal of India reported in December 1956, took place as long ago as August 1947. His case was that he was clerk-in-charge of the Minwali Treasury Pay Office from 1st January, 1945, till the date of its closing down due to murderous communal disturbances. Minwali was a Muslim locality and from March 1947 it was not considered advisable to live there with one's family. Accordingly, the members of the family of this employee were living in Chiniot, his native place. Charan Das himself, with considerable pluck, stuck to his post. But as the communal riots spread, Chiniot too became dangerous to live in and his wife and family had to move out and seek shelter in a refugee camp. Greatly perturbed as to their safety, the employee, according to his own account, wired several times to his parent branch for leave to go to his wife and children and protect them. No heed was paid to these requests, which, therefore, it may be deemed, were refused if they ever reached headquarters, and the clerk-in-charge was impliedly ordered to remain where he was and protect the bank's interests. Charan Das did so. But his family, consisting of his wife, son and daughter, tried to escape into India by way of Lyallpur on 27th September, 1947. On the way, they were slaughtered one and all. His elder brother was also brutally murdered.

In the words of the Appellate Tribunal later: "The contention on behalf of the workman is that all this misfortune befell him because he stuck to his duties at the behests of the bank and looked after the bank's interests at the risk of his own life and of his dear one's lives. Ultimately he, with other members of the staff, reached Sargoda and handed over all the records to the agent. The contention on behalf of the employee is that he must be compensated for his misfortunes, which he would not have sustained but for his attempting to protect the interests of the bank. The contention on behalf of the bank is that they are

not responsible in any manner for the applicant's misfortunes and that they cannot justify his claims against the bank." The lower tribunal held that the employee was not entitled to any compensation but recommended sympathetic consideration by the bank. The employee appealed.

* * * *

The above is the sort of thing which might happen again in the course of rioting to any employee, high or low, so let us briefly consider the matter according to the common law of the land, apart altogether from industrial legislation. Assume a case—and it is a violent assumption—where an employee could prove that his presence with them in their danger would have saved his wife and children in all reasonable probability. Would a suit for damages lie? More than doubtful, one thinks. The employee could have lawfully disobeyed the implied order to remain at his post and could have left it and gone to the aid of his family without subjecting himself to any punitive measures. True it may be, and probably is, that in such circumstances the employers have no duty to an employee's dependants. But they have a duty to him, and that is not to expect him to obey orders which expose him to physical danger to his person. The employee could have walked out on the ground that the order to remain was unlawful in that by obedience to it he might reasonably apprehend injury to himself or even death. There is very little English case law on the point, for the simple reason that since the Gordon Riots of 1780 there has been nothing in the way of serious communal rioting in Britain. Nevertheless, there is one authoritative decision of the Privy Council, and curiously enough it is also a banking case, so we will cite it. It was heard in London in 1930. A young gentleman was employed as a bank clerk by the Ottoman Bank in Aidin. He stuck to his post during the "Young Turks" rioting right up to the fall of the town, when he was captured, tried and sentenced to death. He managed to escape and got to Smyrna, where he reported to the bank for service.

By this time, Kemal Pasha, head of the Young Turks, was dictator in Constantinople. With incredible naïveté, the bank posted the clerk to its Constantinople branch and ordered him to proceed there. He pointed out that he was well known there and that in Constantinople he would be of little use to the bank and none at all to himself since he would be hanged within a week of his arrival. He offered to serve in any branch anywhere but not in Turkey. The bank persisted in its order, and eventually he refused to go to Constantinople. The bank thereupon dismissed him, and he sued the bank for damages for wrongful dismissal. The writer well remembers the astonishment with which he read that the bank not

only defended the suit but let it go right up to the Privy Council. The bank clerk was awarded heavy damages, their lordships holding that the bank, having branches outside Turkey, could have easily sent him to one of them, and that no employee is obliged to obey a command, compliance with which would involve him in personal danger or which he reasonably apprehends might so involve him. Not so long ago—until the year of grace 1947, some might contend—the relationship of Master and Servant implied obedience, submission and respect on the part of the servant, but return the master, by necessary implication, had the duty of protection of his servant and of his servant's interests. And it does not need any Industrial Disputes Act to enable one to realise that to send an employee to work in a public office in the capital (where he is known) of a country in which he is under sentence of death by hanging is to confound the duty of obedience to a lawful order with submission to lunatic tyranny.

* * * *

But even with the slackened standards of today, to justify disobedience to an order to "stay put" or for transfer, there must be this element of personal danger or reasonable fear of it, and not necessarily from actual violence; a raging epidemic of cholera, for example, might justify refusal to remain or to go, as the case might be. Otherwise the duty of obedience still remains at common law. A pert and determined young housemaid who flourished 116 years ago, Miss Emily Turner by name, earned the disapproval of Chief Baron Alderson but gave us the leading case on the subject which is still the law. Her mother was ill, dying in fact, or so Emily said, and asked permission to absent herself for one night to visit the said parent. Her employer, disbelieving her story, refused permission, whereupon Emily "up and went", returning the next day to report for duty as usual. Her employer summarily dismissed her for absence without leave. The wrathful "young person", as she would have been termed in those days, consulted an attorney, who consulted a barrister, and the ex-housemaid launched a suit for damages for wrongful dismissal against her former mistress in the Court of King's Bench. From where she got the £200 or so to finance the suit, or whether her attorneys were of the "on spec" Dodson and Fogg type, is not disclosed. What is disclosed is that her claim was heard by the Lord Chief Baron Alderson, who dismissed it in words which constitute the common law as at this present, his lordship holding that she had disobeyed a lawful order and that the servant's moral obligation to her mother was not sufficient to excuse her from performing her legal obligation. The general law, under which we now live, of the matter was thus laid down by the learned Baron. "The general rule is obedience. The master is the judge of the circumstances under which the servant's services are required, subject to this, that he is to give only lawful commands. Commands, otherwise lawful may yet," he said, "be properly disobeyed, where obedience would lead the servant in good faith to apprehend danger to life or person or where from an infectious disorder raging in the house the servant might properly feel bound to leave it in order to avoid infection." One has a kindly feeling, somehow, for this fearless little housemaid, Emily Turner, who wrought more than she knew, not dreaming that she was laying down the law to be administered well over a hundred years later 6,000 miles away and throughout a Commonwealth.

* * * *

So it seems that Sri Charan Das Saraf could have left Minwali on account of the reasonable fear of danger to himself when the communal disturbances spread there. No doubt he was unaware of his legal rights, but that fact would not avail him. Ignorantia legis non excusat, and everyone is presumed to know the law; a remarkable presumption since a great part of the time of Appellate Courts is occupied in demonstrating that the judges themselves do not know it. The Appellate Tribunal had no alternative but to dismiss the appeal, saying: "(C. D. Saraf) has put forward the contention once again that because he stuck to his post in the interest of the bank, his entire family was wiped out and that he is entitled to compensation. We are not prepared to accept this contention. We can only sympathise with him in his misfortune. We fail to see how there is any legal obligation on the part of the bank to pay him any compensation. . . . The Bank is not responsible for the communal disturbances or the other events that occurred. . . . Nevertheless, the Labour Appellate Tribunal of India endorsed the recommendation of the lower one that "the case of this employee may be sympathetically considered by the bank"; and, no doubt, it has been, or will be, so considered.

[Charan Das Saraf and State Bank of India L.L.J. 1956. (Dec.) Vol. II. 529.]

Charan Das Saraf and State Bank of India L.L.J. December 1956. p. 529.

1930. A.C. 277.

*See Barwell and Kar on Master and Servant Ch. 5.

*Turner v Mason (1845). 14. M and W 112.

THE last ten years have seen some significant changes in newspaper ownership in India but few important journals, so far as I can recall, have gone out of business altogether. Yet that unhappy process recently seems to have been accelerating in other parts of the world, and I would not care to say what might happen in India in twenty years' time under the impact of more and more socialisation of the means of production and distribution. To live and prosper, newspapers require circulation and advertisements, and the two are interdependent. Last month, two famous newspapers, in two widely separated countries, closed their doors because their proprietors could not continue to shoulder the heavy losses they were incurring. The Glasgow Evening News, made famous under the editorship of the late Neil Munro, the Scottish novelist, ceased publication because it could no longer stand the high cost of bidding for the support of that city's 600,000 potential readers against two other evening publications. A few days previously, the Melbourne Argus had also announced its closure. This was despite the fact that it had for some time past enjoyed the support of the powerful Daily Mirror group in London which evidently decided to cut its losses and quit before the Australian property sank into further difficulties. The unfortunate thing is that the casualties always seem to occur among the more responsible and reliable organs of opinion. Mr. Francis Williams of the New Statesman and Nation writes in his column "Fleet Street Notebook" that the circulation of that journal increased by 4,400 between July and December 1956. In the same time, the readership of the Spectator dropped by only a few hundred, while the "popular" weekly journals such as Picture Post, Illustrated and John Bull all showed heavy falls. The Manchester Guardian, the Observer and the Sunday Times are increasing their readership by the month. So there is still a demand for serious journalism. The trouble is that it cannot always keep pace with increasing costs of production.

I have been asked by a number of people whether the Capital cost of living index for Europeans went up in January. On page 252 of this issue they will find their answer. It certainly did go up—with a jump—and the reason, as everybody had of course expected, was the increased price of liquor. I cannot see the planners in New Delhi being excessively worried about this. No doubt they will want to remind Calcutta's Europeans that they are lucky to get liquor at all in Prohibitionist India. That is all very well. But to some people, and they are not necessarily addicts either, liquor is what an economist would call a "conventional" necessity. And I know a few European homes in Calcutta where this sharp rise in prices is regarded with considerable anxiety. I have no consolation to offer them. Their standard and mode of living, to say nothing of their tax-paying habits, fits them admirably for the rôle of tax-gatherer's milch cow, and that is likely to be true for as long as they choose to stay in India. I remember the speech given by Sir Alexander, then "Sandy" Sim, when he was President of the Bengal Chamber in 1955-56, where he compared the number of Europeans who paid surtax with the total of assesses. I was startled, and so were many others. There are no figures to show just how much of his income a European in India does pay out in taxes, both direct and indirect; it might prove an interesting statistical exercise to compile some. But it does not take a statistician to appreciate that a European far more than a working or middle-class Indian, is being squeezed not only by rising prices and increased indirect taxes, but by the lower ceiling of direct taxation as well.

A DITCHER'S DIARY

I know a few Europeans who are living on the hope that relief may be on the way. I know more who are looking forward to the threatened reorganisation of the tax structure with considerable misgiving. They know all about the need to catch the evader, but that they will believe when they see. In the meantime, bitter experience seems to have taught them that whoever is going to suffer from higher taxation, they can generally expect to be included whether in their standard of living now, or their expectations of the one they will be able to have when they retire.

A London correspondent writes: "With due respect to the pious memory of the Calcutta Scottish, the Calcutta Light Horse was, I suppose, the corps d'élite of the several A.F.I. regiments that at one time flourished on the eastern side of India. It is right and proper, therefore, that its long life prior to its being disbanded in 1947 should have been commemorated in an official regimental history compiled by a committee of Lighthorsemen, who have been assisted in an account of the early Volunteer movement in India by the researches of Sir Patrick Cadell, a former member of the Indian Civil Service. The commemorative volume is entitled Calcutta Light Horse A.F.I. 1759-1881-1947 and has been produced for the trustees of the regimental funds by Gale & Polden Ltd., of Aldershot, printers and publishers of many regimental archives. The book is a simple and compact record of the unit, with no pretensions to literary grandeur, but in every way worthy of a famous body of horsemen. Incidentally, it provides much useful information on the beginnings of the Volunteer movement which in pre-independent India, as in Britain itself, was the forerunner of those Territorial and Auxiliary forces which played notable rôles in two world wars. From this point of view, the historian of the future will find the story of the Calcutta Light Horse of more than a little value. But, of course, the book has been written primarily for old Lighthorsemen and their friends and, as such, it is an integral piece of the city of Calcutta's own story. The regiment was the direct lineal descendant of the Calcutta Volunteer Cavalry founded in 1759, which by 1857 had become the Calcutta Volunteer Guards (Cavalry). Through successive phases the cavalry existed primarily as the mounted unit of an infantry regiment and it was not until 1889 that it was hived off from the parent body (by then known as the Calcutta Volunteer Rifle Corps) and made a separate regimental command under the name of the Calcutta Light Horse. Of the many things of interest in this regimental saga, two may be noted here: the Light Horse always elected their officers from their own ranks, which must be rare if not unique in military annals; secondly, in the two great wars of our time it was as a pool of officer material that the regiment rendered its greatest service. Out of a total strength of 374 in 1914, 286 became officers with the three regular Services; in 1939-45 the number was 383." Among the regiment's imposing array of silver and trophies (whose permanent home is yet to be decided) are two pieces presented by the late Shirley Treemearne, founder and first editor of Capital. A matter of reasonable pride to this newspaper.

While carrying out my little sortie into the history of the Calcutta Light Horse, I was reminded that perhaps the oldest surviving institution in this city is now the tank in the middle of Dalhousie Square. If there is another, then I should like

to learn about it, because it seems the tank may not be with us much longer. I have not studied the plans for relaying the tram tracks inside the Square, so I do not know whether it has been decided to fill the tank in altogether. But I suppose they will differ little in essentials from those which have already turned the Maidan south of Esplanade into a miniature dust bowl and I cannot see the tank surviving long under conditions like those. I am well aware of the traffic situation in the Square; I have occasion to regret it more than most. But if its alleviation is going to mean losing the tank and those few square yards of greenery which go with it, then I must add my voice to the remarkably few that have been raised in protest. I am sure it must be most unhygienic to have an open stretch of water in the middle of a city like this; I would not dare to count the number of rats it must harbour. But I still think it is worth a better fate than to be filled in to provide a tram track. Besides, it might be interesting to know by how many degrees it lowers the summer temperatures in this oven-like city. As I remarked about the Maidan a fortnight ago, it is a pity Calcutta is busy disposing of her open spaces just when all efforts should be concentrated on preserving them.

Motoring around some of the more expensive residential areas over the week-end, I was a little shaken to discover the merry abandon which presides over the construction of new buildings in this city. Houses arising from the edge of a pavement three feet wide, which borders a fairly busy thoroughfare scarcely having room for more than two rows of motor-cars, are by no means uncommon. Private gardens, unkempt though they were, seem to be gradually disappearing. And, worst of all, perhaps, the trees which are the source of beauty in any city—in Paris and Rome, for instance—seem to be getting fewer and fewer each year. For a long time now, I think, we have been hearing the rumour that Calcutta, like all great cities, has its building regulations. But one wonders whether they serve any purpose other than to embellish official files which lie sandwiched between mountains of dust and nests of white ants. One is charmed by the conscientiousness and the vigour with which our city fathers discuss the award of pipeline contracts, and the piety with which they offer resolutions as an antidote against epidemic diseases. But one wishes that a system could be devised whereby the demands on verbal energy could be made just so much the less exacting as to enable decisions to take practical effect, instead of merely providing the opportunity for filling municipal pigeon-holes. It is time firm and positive direction were given to such enterprising souls as care to build these days despite the threat held out by the rent control laws. To me it seems there are two main lines along which expansion should proceed. One is that in the heart of Calcutta, or what you might call Greater Calcutta, it is necessary to conserve land for parks and roadways by making taller, multi-storied buildings—in other words, going in for "vertical expansion." The second is to improve our suburban road and rail transport in order to promote the growth of "garden cities" for the more sensitive souls whose nerves get frayed by metropolitan life. The idea of an underground railway has, I feel, too long diverted attention from the possibilities of improving surface transport. But now that our foreign exchange and general financial position is such that we know we cannot afford to sink so low as a Tube, we should perhaps aim at something which is more practical even if less spectacular.

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STOCK MARKETS IRREGULAR
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London, 20th February.

THE stock markets have moved irregularly and within narrow limits during the past week, generally recording little material change on balance. There has been no further response to the reduction in Bank rate which, as mentioned previously, had been largely discounted by the recent rise, but a number of factors have adversely affected sentiment. These include the uncertainty on Wall Street, the Middle East situation, the January overseas trade figures and the Opposition victory in the North Lewisham by-election. The industrial and gold share markets have been fairly well maintained on balance, but gilt-edged securities have been irregular, with sentiment affected by the £300 million Funding issue and competition from other smaller issues. There has been little or no business in the new Funding stock, which has been quoted rather nominally around the issue price of £80. Foreign bonds and rails have attracted little attention and their movements on balance have been small. Dollar stocks have fluctuated with Wall Street and have been mostly easier. The industrial market has responded to small selective buying and recorded a modest advance on balance. South African gold shares have generally been little changed on the week, although there was a small demand for Free State issues at one time. Copper shares have fallen back under the influence of Wall Street and a lower world price for the metal. Oil shares have often been firmer, particularly

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western hemisphere issues. Rubber shares have moved within narrow limits, but are better where changed, helped by the bumper dividend announced by Linggi Plantations. Tea shares have also attracted a small and selective demand and are better where changed.

The Money Market

Apart from Friday, money was tight throughout the past week. Supplies of credit were inadequate and the market had to pay anything from 3½ per cent to 4½ per cent. On Friday, large Government disbursements brought a complete change in the situation. There was a surprise element in the week's Treasury bill tender. It had been assumed in some quarters that there would be a further downward trend in the bill rate. The result of the tender, however, was the contrary, as due to the money position during the week, the market's bids moved against the Government and the average rate was approximately ½ per cent higher at 4½ 5s 6.04d percent. Other bids, however, were more competitive and the market got only about 10 per cent of its requirements. Applications for £190 million worth of 91-day bills totalled £347,980,000, of which £170 million were allotted at an average rate of 4½ 5s 6.04d percent against 4½ 4s 8.29d percent in the previous week. This week £200 million worth of 91-day and 63-day bills are on offer.

Activity on Wall Street

The recent forward drive in long-dated U.S. Government obligations which carried prices well above the December lows has halted during the past week. Federalists started to slip gradually early in the period, but gathered momentum following the news that the Treasury had requested Congress for permission to increase interest rates on savings bonds. This action dimmed hopes for early improvement in the tight money market which had been predicted in some bond circles in recent weeks. Investment quality corporates have also weakened following early steadiness. Rails have been mixed while convertibles have fluctuated irregularly over a fairly wide range. In the foreign department, Italians have been firm, with German Nationals showing little change. Inactive Czech 6 percents of 1960 have been higher by four points on small sales, while Japanese have ruled firm, with gains of a point or more. The Union of South Africa 4½ percents have lost some of their gains.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 12th February showed gold stocks unchanged at \$22,252 million. Foreign deposits fell by \$62 million to \$304 million, while foreign investments rose by \$75 million to \$3,745 million. The Federal Reserve sold \$190 million worth of bills, \$14 million of certificates, \$25 million worth of notes and \$10 million worth of securities held under repurchase agreements. Total discounts and advances fell by \$319 million to \$520 million, while the aggregate of excess reserves of member banks fell by \$500 million to \$172 million. Daily average excess reserves of member banks rose by \$56 million to \$434 million, while their daily average borrowings rose by \$101 million to \$176 million. Business loans of the New York city banks rose by \$90 million to \$11,090 million compared with a rise of \$74 million to \$9,922 million in the corresponding week a year ago.

Vegetable Oils Inactive

Inactive conditions have prevailed in most sections of the oil and oilseeds market, with prices tending lower towards the close, being further depressed by weaker opening advices from the United States. Only a mild buying enquiry has been noticed for Straits bulk coconut oil in the region of £93½ c.i.f., while re-sellers have been disinclined to go below £94. At the same time, business has been reported from the East in actual oil at the parity of £97½ to Northern Europe. Linseed oil has been fractionally steadier in near positions, but buyers have been disinclined to follow. Most of the short-covering in Nigerian groundnut oil, it was believed, was completed, with some traders preferring to default rather than pay the high level of around £155 currently asked for oil afloat. Continental brokers, it was reported, were trading Argentine groundnut oil down to the parity of £137 c.i.f., Rotterdam, whereas first-hand selling levels hardened to the range of £139 to £141 c.i.f. Buyers and sellers of copra have stayed well apart and groundnut has been generally featureless, with most sellers prepared to consider near bids. Moderate trading has been reported in East African castorseed on North Continental account, but dealer prices have tended lower. Old crop East African sunflowerseed, it was reported, have been traded down to £47½ c.i.f., February-March shipment, but this has lacked confirmation.

Rubber Market Dull

In contrast with recent weeks, price movements were small during most of the week ended 14th February. This was largely a reflection of dull trading. Factory orders on the U.K. and Continental account were small and mostly for off grades. Traders were chary of extending their commitments pending the settlement of the nical position in Singapore. Values failed to hold an early sharp advance and at the close, were about a 1d a lb. higher on balance with, however, the tendency uncertain. The sole crepe market was not unduly burdened with supplies and traders reported some increase in the offtake. Sellers were unwilling to shade prices and 43d was still asked for 1 inch smooth No. 1 on the spot, although some holders indicated their possible acceptance of 4d a lb. less.

Stocks and Shares

PRICES FALL SHARPLY ON SECURITIES
CONTRACTS ACT ANNOUNCEMENT

TRADING RESTRICTED BY TIGHTNESS OF MONEY

Wednesday Evening.

SENTIMENT has suffered badly in the stock market since the news arrived that the Securities Contracts (Regulation) Act was to come into effect from today. Prices have dropped all round, and the rate for Indian Irons at this afternoon's settlement was Rs. 27. The extreme tightness of money is affecting the general trend, especially as resources are being husbanded for a number of large new issues. It is believed that the regulation of stock exchanges, as proposed under the Securities Contracts (Regulation) Act, might not affect the system of trading for the time being; later, of course, bye-laws will have to be amended to conform with the new legal provisions. The Budget, which reports from New Delhi reiterate will be a "lame duck" affair, is nevertheless awaited with some uncertainty.

Individual industries have had little to report that is cheering. Coals remain depressed, now that colliery owners have given more details of the effects of the Appellate Tribunal's award; a feature here has been the small business in Burrakurs after a long period during which interested support has had them in the deep freeze. Teas are fairly quiet as the auction results have not been particularly encouraging. Jutes remain neglected since the decline in fibre prices has been virtually offset by the weakness of manufactured goods. Business in Government securities has been small.

Details of the week's trading follow.

The Government securities market ruled steady, but the volume of business was on a restricted scale due to a shortage of scrip. The 3% Conversion Loan recorded a sharp improvement of nine annas to Rs. 74-4, while 3% Non-Terminable Paper was nominally quoted around Rs. 73-6. In short-dated loans, 3% 1957 was asked for up to Rs. 99-12-6 and 3% 1958 was traded at Rs. 99-9 ex-voucher. Three percent 1959-61 was initially marked back to Rs. 97-10 ex-voucher but was later quoted one anna higher, while 3½% 1961 hardened to Rs. 99-7. In medium-dated loans 3½% 1962 was on offer around Rs. 93-15 and 3% 1963-65 was unchanged at Rs. 94-3; 3% 1964 continued in demand at Rs. 94-5 without attracting sellers, and 3½% 1964 was traded around Rs. 98-5. The 3½% 1962 had sellers over at Rs. 97-13 and 3½% 1965 remained quiet at Rs. 98-3. In long-dated, 3% 1966-68 was asked for at Rs. 92-4 and 3% 1970-75 was quoted higher at Rs. 87-3; 3½% 1974 was marked at around Rs. 98-8. State Loans were quoted unchanged and business was of a retail nature.

Among miscellaneous preference shares, Calcutta Electric met with heavy selling pressure and were marked down from Rs. 9-8 to Rs. 9. Associated Hotels were quiet at Rs. 59 and Bharat Collieries were placed at the previous quotation of Rs. 51. British India Corporation were reported at Rs. 118. Elgin Mills 8% were crossed at Rs. 125-8 and Hall and Anderson were reported after a long lapse at Rs. 70. Indian Iron and Steel were crossed at Rs. 103 and Metal Box at Rs. 92. New Victoria were reported at Rs. 4-15 and Rohtas Industries at Rs. 64-4. Shaw Wallace were crossed at Rs. 67 and Tezpur Tea at Rs. 12-4. In jutes, Bally were placed at Rs. 102, Reliance at Rs. 91 and Budge Budge at Rs. 102.

In the banking section, United Commercial were easier at Rs. 56-4 while Punjab National and Hind Bank were unchanged at Rs. 55 and Rs. 36-8 respectively. Bank of Bikaner were reported at Rs. 20-4.

In railways, the only share dealt in was Dehri Rohtas at the lower rate of Rs. 12-10.

Cotton textile shares moved to lower levels in sympathy with the general trend of the market. Cawnpore Textiles were easier at Rs. 7-12, as were Dunbar at Rs. 190 and New Victoria at Rs. 1-14. Kesoram reacted from Rs. 15-5 to Rs. 14-10. Elgin Mills were unchanged at Rs. 26-4.

The difficulties being experienced by coal companies because of increased costs were reflected in the prices of coal shares, which moved to lower levels. Here is a chart showing representative price movements:

	Opening 14-2-57 Rs.	Closing 20-2-57 Rs.
Amalgamated	18 10	18 6
Bengal	462	456
Dhemo Main	6	5 10
East Indian	27	26 8
Katras Jherriah	61	60
Seebpore	28	27 12

Burrakur improved today from Rs. 21 to Rs. 21-5. Business in jute shares was on a very restricted scale and selling orders were difficult to execute. Here is a chart showing representative price movements:

	Opening 14-2-57 Rs.	Closing 20-2-57 Rs.
Anglo-India	140	136
Bally	161	158
Barnagore	105	102
Delta	143	140
Howrah	19 2	18 12
Kinnison	148	145
Megna	77	75
National	20 11	19 8

Contrary to the general trend, Gourepore were steady at Rs. 226, Northbrook at Rs. 22-1 and Reliance at Rs. 9-12.

In electrics, Calcutta met with some selling pressure and closed easier at Rs. 12-14. Other issues in this section were unchanged, with Agra at Rs. 145, Jubbulpore at Rs. 14-4, Patna at Rs. 11-12 and United Provinces at Rs. 14-7.

The only steady feature in the sugar section were Ramnugger, which were slightly better at Rs. 25-6. Carew eased to Rs. 7-3, as did Cawnpore to Rs. 18-8. Anxiety over the Kashmir issue brought a fresh wave of depression and Indian Irons were hammered down from an opening price of Rs. 28-12 to Rs. 26-14, bear-covering at the close brought a slight recovery to Rs. 27. Braithwaite eased from Rs. 28-4 to Rs. 27-15 and Burn from Rs. 330 to Rs. 325. Jessop and Richardson & Cruddas met with selling pressure, and reacted from Rs. 27-12 and Rs. 20-10 to Rs. 26-4 and Rs. 19-4.

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Aluminum Corp.—Rs 10-12—10-14 10-9—10-11—(9-11)
Associated Hotels (Pref.)—Rs 65—58—58—61—(64-4)
Anglo Bros.—Rs 20-15—2-12—20-15—2-12—(22-5).
Bharat Commerce & Industry—Rs. 3-9—3-10—3—8
British Ceylon Corpn. (Pref.)—Rs 8-8—8-8—8-8—8-8
(10).
B. I. Corpn —Rs 8-1—8-1—7-11—7-14—(11-8).
Do (Pref.)—Rs 118—118—118—118—(131-8).
Bararoo Coke—Rs 16-5—16-3—16-5—16-8—(19-6).
Calcutta Tramways—Rs 16-3—16-6—16-3—16-6—(16-4)
Dunlop Rubber Investment—Rs 9-14—10—9-12—9-12.
Durand Rubber—Rs 25-7—25-25—25—(31-2).
Eastern Investment—Rs 130—130—130—130—(151-2).
Electric Construction Equipment—Rs. 10-10—10-12—
10-10—10-10.
French Motorcar—Rs 21-12—21-13—21-8—21-8—(20-8)
F. & C. Osler—Rs. 7-12—7-14—7-12—7-14—(15).
Gillanders Arbuthnot—Rs. 11-12—11-14—11-2—11-4—(13-4).
Do (Pref.)—Rs 60-4—60-4—60-4—60-4—(72).
Hall & Anderson—Rs. 9-1—9-5—9-1—9-5.
Do. (Pref.)—Rs. 70—70-4—69-12—69-12.
Hindusthan National Glass (Pref.)—Rs. 101—102—10—
102.
Hindusthan Pilkington Glass—Rs. 10—10—10—10.
Hoare Miller—Rs. 8-6—8-6—8-15—(7).
Imperial Tobacco—Rs. 14-5—14-7—14-2—14-6—(14).
Indian Cable—Rs. 29-10—29-13—28-14—29-2—(29-13).
Indian Aluminium—Rs 13-14—13-15—13-6—13-10.
Ivan Jones—Rs. 2-12—2-13—2-12—2-12—Re. 1-10).
Indian Rubber Mfg.—Rs. 24-3—24-3—24-1—24-1—(11-1).
Jardine Henderson—Rs 79-79—78—78-8—(107).
Do. (Pref.)—Rs 61—61—61—61—(78)
Metal Box—Rs. 27-2—27-2—27-2—27-8—(24-14).
Do (Pref.)—Rs. 92—92—92—92—(98).
Burnin Burn—Rs 24-2—24-2—25-15—23-10—(26-15).
National Carbon Deposition—Rs 2—2—2—2—(2-5).
National Carbon—Rs. 26-6—26-6—25—25—10.
National Rolling—Rs. 10—10-2—9-15—9-15—(9-14).
National Tobacco—Rs 10-8—10-8—10-8—10-8—(10-10)
National Insulated Cable—Rs 20-4—20-8—20-3—20-8—
(21).
Osler Electric Lamp—Rs. 3-10—3-10—3-10—3-10.
Rallis India—Rs. 37-8—37-13—37-8—37-13—(35-10).
Rohtas Industries—Rs 19-10—19-10—19-9—19-9—(17).
Do. ("B" Pref.)—Rs. 64-4—65—64-4—64-12—(69).
Shaw Wallace—Rs 11-7—11-8—11-6—11-7—(15-4).
Do. (Pref.)—Rs 67-7—67-6—67—(84).
Walford Transport—Rs 2-2—4—4—2-1—2-1—(2-5).
Do (P.O.)—Rs. 12—1—12—1—12—1—12—(14).
Western Stockholders Investment—Rs 14—15—14—1

OIL SHARES

British Burma Petrol—Rs 2-11—2-12—2-11—2-12.
Indo-Burma Petrol—Rs 35-12—35-14—34-6—34-12—(C).
Do. (Pref.)—Rs. 99-8—99-8—91-1—100-8—(107-1)
Tide Water—Rs. 12-2—12-2—12-2—12-2—(17-10).

PAPER MILLS

India Paper Pulp—Rs. 22-10—22-10—22-10—22-10—(C)
Orient Paper Rs 33-9—33-9—31-9—31-12—(33-3).
Shree Gopal—Rs. 16-5—16-5—16-5—16-5—(18-2).
Titagurh—Rs. 38-12—38-12—37-14—38-12—(44-2).
Do. (P.O.)—Rs. 4-8—4-3—4-2—4-2—(4-14).

REAL PROPERTY

Midnapore Zemindary—Rs. 22-12—23-4—22-12—23-4

Commodity Markets

BRITISH TEXTILE REVIEW

HOPES AND DOUBTS IN

LANCASHIRE

SOME progress is being made towards the settlement of two of the British textile industries' overseas problems, import restrictions in Australia and the export of cheap cloth from India and Hongkong. However, Sir Cuthbert Clegg's mission encountered more difficulty in Hongkong than in India; and Hongkong, as the tireless Mr. Cyril Lord, wealthy cotton-textile manufacturer, has reminded Members of Parliament, is not only a source of indigenous manufactures, but also a channel through which Japanese materials are poured duty-free into the U.K. (Dramatically distributing wallets containing money of Japan, India, and Hongkong, Mr. Lord warned M.P.s: "One day this currency may be more valuable than our own.") In spite of the uncertainties of the U.S. quota tariff, the tempo of the wool-textile industry is unabated, and it would be quickened further if all the labour wanted were available. Some firms are confident enough of the permanence of this vitality to undertake the erection of new mills—their decisions being influenced, doubtless, by the prospect of a big trade in the European market. (However, the traditional markets are not being neglected: the National Wool Textile Export Corporation has announced new plans to promote sales in South Africa, already the U.K.'s second market for wool yarn and its third market for wool cloth abroad.)

The cotton-textile industry is firmly maintaining the improvement that began last year, but with less confidence in its permanence. There is no ground for complacency in the export figures for last year (while the decline in the quantity of yarn exported was checked, the quantity of piece-goods exported was again substantially reduced, and the value of yarn and woven goods exported slipped further from £97.7 to £88.7 million, compared with £112 million in 1954); and at home it is by no means certain that the expansion of orders in recent months represents more than an adjustment of traders' stocks. The dwindling of stocks when confidence is weak is usually gradual, but when confidence returns and prices begin to rise the volume of

orders expands rapidly. However, this expansion cannot be maintained unless consumers' demand increases correspondingly, and at this end of the trade, the trends are not all favourable.

Machinery for Home and Abroad

Any illusions built up in the past months must have been dispelled by the decision of the Bradford Dyers' Association to cease production at its Paisley works—or, rather, by the manner in which this decision was announced. The Paisley branch is small in relation to this group's total capacity, but there was an ominous undertone in the company's reference to "the serious excess capacity existing in all sections of the textile industry." Not everyone in the industry would accept so broad a statement, but it would be agreed that the process of concentration had not gone far enough. The wool-textile industry can evidently look after itself, but so far as Lancashire is concerned, this seems to be an opportune time for a thorough investigation of capacity in relation to requirements. The Government has been reorganised: Mr. Peter Thorneycroft, whom cotton-textile interests found unsympathetic as President of the Board of Trade, has become Chancellor of the Exchequer, being replaced at the Board of Trade by Sir David Eccles, of whom Lancashire has little experience. The change does not seem to bode much good for Lancashire's cotton and rayon textiles, but it could at least be the occasion for a clear assessment of the position of these textiles in the national economy.

It is calculated, roughly, that the cotton-textile industry has still been working, on an average, at no more than 70 percent of capacity, even though recently trade has received and over a longer period capacity has been reduced. Production of cloth is now approximately one-quarter less, that of yarn nearly one-third less than in 1951. Even if output can be stabilised on the present basis, it will be necessary to close some more of the less-efficient units and to continue re-organisation and re-equipment of the remainder. The machinery-making firms of Lancashire and Yorkshire should receive steady orders from their customers at home if these customers are to strengthen their power to compete. But the machinery-makers will look abroad for any appreciable expansion of trade. The value of shipments last year did not regain the peak of £50.4 million reached in 1950, but it advanced somewhat compared with 1955, from £43.3 million to 45 million. India, a strong competitor in textiles, was the principal customer

for machinery; Russia, concerned with domestic requirements, was second; even the U.S.A. was a substantial importer of British textile machinery. It should be mentioned, however, that textile machinery firms are increasingly interesting themselves in other activities—even nuclear engineering.

Rayon in the Cotton Mills

Lancashire is now using about 30 percent of man-made fibres (still mainly rayon) to 70 percent of cotton. The cotton mills are now taking considerably more than half of total deliveries of man-made staple fibre, whereas their proportion was still appreciably less than half in 1955; and they are also major consumers of continuous-filament yarns. That output of man-made fibres achieved a new record in 1956—482.6 million lbs, 2 percent more than in 1955—is attributable to the increase in proportions of these fibres used in both the cotton and the wool-textile industries. An increase in prices of filament viscose and acetate yarns in January, so far from disturbing this trend, served as a reminder of the remarkable stability of rayon prices. Those yarns had remained at steady prices since 1951; and even now viscose fibre, and the heavy-denier high-tenacity viscose yarns used for industrial purposes, are unaltered. Technical advances are likewise stimulating the use of man-made fibres. At a conference last month organised by the Leek and Macclesfield section of the Textile Institute, the potentialities of bulked and stretched yarns were particularly stressed. It was argued that more advanced machinery ought to be evolved, and it was pointed out that in applying the new techniques, the manufacturers and finishers of fabrics were lagging behind the processors of yarns. But Mr. W. T. Winterbottom, president of the Textile Institute, said of the development of bulked yarns: "It opens the doors of our industry wide to the scientists and will lead to the novel position... where scientists will be in charge of the mills." The textile industry could stop worrying about surplus capacity, he said, if it would keep abreast of the latest developments.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.4 percent to 427.3 during the week ended 2nd February, 1957, compared with 425.8 (revised) for the earlier week. The index was also higher by 2.3 percent and 13.3 percent respectively when compared with the corresponding week of the previous month and that of last year. The index for Food Articles went up further by 1.8 percent to 407.0 as a result of an increase in the prices of gram (+4%), rice (+3%), wheat, dal, arhar, tea for internal consumption and coffee (+2% each) and bajra (+1%). The price of tea for export fell by 3 percent. The index for Industrial Raw Materials declined by 1.3 percent to 527.0 due to a fall in the prices of manganese ore (average export price) (—18%), linseed, castorseed and lac (—6% each), copra (—4%), rapeseed (—2%) and raw cotton, raw jute and groundnuts (—1% each), although prices of cottonseed (+4%), mica (+3%) and gingellyseed (+2%) were marked up. Prices of linseed oil (—3%), coconut oil, gingelly oil and copper (—2% each) and groundnut oil, cotton yarn and gingelly cake (—1% each) were marked down while those of groundnut cake (+6%), copra cake (+5%) and timber (+4%) moved up and the index for Semi-Manufactures stood at 412.9, compared with 413.1 in the earlier week. The index for Manufactures worked out to 386.9, compared with 386.6 (revised) for the previous week; the price of foreign liquors advanced by 16 percent. Prices of black pepper and betelnuts (+1% each) moved up while cashewnuts (—2%) witnessed a fall and the index for the Miscellaneous group stood at 588.9, compared with 588.6 (revised) for the earlier week.

INDEX NUMBERS BY GROUPS AND SUB GROUPS
(Base: Year ended August, 1939=100)

Groups and Sub-Groups	2-2-57	26-1-57	5-1-57	4-2-56
I. Food Articles:	407.0	399.7	382.4	331.1
Cereals	520*	506	476	398
Pulses	439	426	424	345
Others	258	258*	252	236
II. Industrial Raw Materials:	527.0	533.7	517.2(R)	468.4
Fibres	507	511(R)	501(R)	468
Oilseeds	594	601	572	490
Minerals	523	543	509	431
Others	430	433	437	441*
III. Semi-Manufactures:	412.9	413.1	411.1(R)	354.7
Leather	433	433	433	394
Mineral oils	210	210	210	229
Vegetable oils	626	629	619(R)	429
Cotton yarn	489	493*	490	439*
Metals	328	328	328	280
Oilcakes	454	440	439	363
Others	372	362	362	364
IV. Manufactures:	386.9	386.6(R)	387.9(R)	375.2
Textiles	416	415	418	409
Jute	442	441	458	418
Cotton	414*	414*	414*	403*
Rayon and Silk	442*	442*(R)	442*(R)	494*
Woolen	266	266	266	278
Metal Products	394	394	394(R)	371
Others	299	298	298	284
V. Miscellaneous:	588.9	588.6(R)	594.1(R)	531.6
All Commodities:	427.3	425.8(R)	417.8(R)	377.2

R=Revised.

* = Estimated.

New Delhi

PROGRESS OF ROURKELA STEEL PROJECT

POSSIBILITY OF PRODUCTION STARTING BY END OF NEXT YEAR

(FROM OUR NEW DELHI CORRESPONDENT)

THERE is a possibility that the Rourkela steel plant will go into production by the end of 1958. On behalf of the Government of India, Indian-Gemeinschaft Krupp-Demag GmbH., a concern specially set up for this purpose, undertook the work of planning the location, lay-out, production basis (raw materials, energy supply, etcetera) and the production schedule of this plant. It also undertook to plan a new township providing housing accommodation for approximately 100,000 people, employees of the iron and steel works, and their families. In August, 1953, the Government of India formed Hindustan Steel Private Limited, as the owner and the managing body of the Rourkela steel works.

The new iron and steel plant will have an initial capacity of one million tons a year of steel ingots and approximately 720,000 to 750,000 tons a year of rolled products. The works will consist of three blast furnaces integrated with a coke-oven plant, a power plant, a steel-melting shop with four open-hearth furnaces (capacity 80 tons each), three oxygen-blowing converters (capacity 40 tons each), and a foundry. The steel produced will be processed by a continuous hot strip mill, a plate mill and a cold rolling mill, the hot strip mill being so designed that its production can later be increased to 1 million tons of rolled steel a year. Provision has also been made for the installation of a tinning line with an annual capacity of 50,000 tons a year.

The total plant and equipment ordered from the German suppliers is valued at approximately DM 850 million, while the total cost of erection, excluding pay and allowances for the erection personnel, amounts to roughly DM 160 million. To this is to be added the cost of auxiliary and civil engineering works by Indian contractors. In addition to the Indian labour, approximately 1,500 to 2,000 German engineers and erection personnel are employed in the construction of the works.

Participating German Firms

Some 22 German firms are taking part in the building of the Rourkela iron and steel plant, the major orders being shared by the following: Coke ovens, Dr. C. Otto and Comp. GmbH., Bochum; by-product plant, Heinrich Koppers GmbH., Essen; blast furnaces, Gutehoffnungshütte Sterkrade AG., Oberhausen-Sterkrade; gas cleaning plant, Lurgi Apparatebau-GmbH., Frankfurt/Main; power plant, Siemens-Schuckert-Werke AG., Erlangen; steel-melting shop, Arbeitsgemeinschaft Krupp-Voest Eisen-und Stahlwerke AG., Linz/Donau; blooming and slabbing mill, Sack. Maschinenfabrik GmbH., Düsseldorf; continuous hot strip mill, Demag AG., Duisburg; plate mill, Fried. Krupp, Essen; hot-dip tinning line, Demag AG., Duisburg; complete pressure water system for hot and cold rolling mills, Demag AG., Duisburg; cold rolling mill, Siemens, Siemens-Maschinenbau GmbH., Dahlenburg; and finishing equipment for rolling mills, Scholomann AG., Düsseldorf. Furnaces: (a) soaking pit furnaces, Westfalen GmbH., Wiesbaden; (b) pusher-type furnaces, Ofu, Ofenbau-Union GmbH., Düsseldorf; (c) roller hearth furnaces, Ofag, Ofenbau-AG., Düsseldorf; and (d) annealing furnaces, Matthias Ludwig, Industrie-ofenbau, Essen; gas, steam and water lines will come from Mannesmann-Seiffert Rohrbau GmbH., Düsseldorf.

All cranes will be furnished by Messrs Demag AG., Duisburg, Messrs Kampnagel AG., Hamburg, and Messrs Krupp-Ardelt GmbH., Wilhelmshaven. The electrical equipment will be supplied by Messrs AEG Berlin, BBC Mannheim, and SSW Erlangen. All structural steel work for the rolling mills will be supplied by a group of German structural fabricating firms. Civil engineering will be carried out under the supervision of a combine of German contractors, and the water supply and distribution system will be planned and supplied by another group of German firms.

Work on Bhilai Steel Project

The progress of the Bhilai steel plant is described by the Russians in the following words: "It is not by chance that Bhilai was chosen as the location of the plant. Iron ore will come from deposits only 100 kilometres away, and manganese ore from the Balaghat and Bhandara deposits. At the outset, the enterprise will consume some 2 million tons of iron ore and more than 30,000 tons of manganese ore. It is also intended to get the necessary limestone and dolomite from sources near the plant. The main source of coking coal for the enterprise is to be the Jharia and Bokaro deposits in Bihar. An additional source will be the nearby Korba deposits in the State of Madhya Pradesh, which will also supply the plant with producing coal. The enterprise will consume 1,782,000 tons of coking coal a year.

"The iron and steel works at Bhilai will have the following departments and shops: coke and by-product, agglomeration, blast furnace, open-

hearth furnace, rolling-mill, repair and auxiliary. The coke and by-product department will consist of three coke oven aggregates with 65 ovens in each. In the blast-furnace department there are to be three furnaces, each having a useful capacity of 1,033 cubic metres each. Six 250-ton furnaces will be installed in the open-hearth department. The equipment for the rolling mill department will include a blooming mill, soaking pits, a rail and structural mill, a continuous billet mill and a No. 350 bar mill. The enterprise will have its own heat-and-power plant and steam-blowing station, and there will be administrative, educational and utility service premises.

Size of Construction Job

"The construction job will involve a large volume of work: the excavation of 4,500,000 cubic metres of earth, the laying of 100,000 cubic metres of bricks, the building of 103 kilometres of railway spurs, the erection of 555,000 cubic metres of reinforced concrete and concrete structural units, the assembly of 100,000 tons of structural steel, etcetera. But before work could begin on the construction site, it had to be made ready: the Tandula Canal that cut across it had to be diverted; and electricity and water supplied. Last autumn the diversion of the canal was completed; a 25 kilometre high-voltage transmission line was built from the city of Raipur, and an electric sub-station was put up on the construction site. By the end of the year, construction of the premises for a 6,000 kW diesel-electric station had been completed; and a water-main for technical purposes had been laid from the Sonat river and another for drinking purposes from the city of Raipur. The diesel generators are now being assembled.

"To house the Indian and Soviet experts engaged on the job, a hotel and cottages have been put up in the neighbourhood of the construction site. Work has begun on the dwellings of the future city where the iron and steel workers are to live. A large number of qualified engineers, technicians and workers will be needed to run the plant in Bhilai. By agreement, training of personnel is proceeding along two lines: at iron and steel works in India and the U.S.S.R. At the Indian enterprises, Soviet specialists are acting as consultants for Indian engineers and technicians in line with a specially drawn up programme. In the period from 1956 to 1958, 189 Indian engineers and technicians and 497 workers will receive practical training at Soviet iron and steel works.

Designs for the Plant

"Some 12 Soviet designing institutes, with the State Institute for Designing Iron and Steel Works at the head, had a hand in drawing up the project for the iron and steel works in Bhilai. To make management more operative, the construction job itself has been sub-divided into seven building sectors: coke and by-product department, blast-furnace department, open-hearth department, rolling-mill department, auxiliary shops, heat and power plant, and steam blowing station. Each building sector is headed by an Indian engineer with a Soviet specialist acting as chief engineer. All general questions concerned with contractors fall within the competence of the Indian head, while the chief engineer decides all technical questions and questions concerning the organisation of labour, quality of work and building schedules.

"Other functionaries on the building boards are chief experts, with the posts filled by Soviet engineers. There are six such chief experts concerned with the organisation of work, assembly of electrical equipment, metal construction, technological equipment, underground wiring and piping, and highways and railways. The chief experts are responsible for quality of work and building schedules; they decide technical questions and make recommendations. The plant is to be put into operation in two stages. First to start producing in 1958 will be two coke oven aggregates, two blast furnaces, two open-hearth furnaces, the rolling mill, the heat and power plant, the steam blowing station, and all the auxiliary shops. The rest of the equipment—a coke-oven aggregate, a blast-furnace, four open-hearth furnaces, the rail and structural mill, the continuous billet mill—the No. 350 bar mill, and the agglomeration factory—will be ready to produce in 1959.

Climate-testing of Machinery

"Some 100,000 tons of structural metal will be required for the construction job, 60,000 tons of which are to be manufactured by the Soviet Union. The chief Soviet supplier is the Dniepropetrovsk Works. Various Soviet machine-building enterprises are to produce more than 110,000 tons of technological equipment. They include, among others, the Urals Heavy Machinery Works, the Irkutsk Heavy Machinery Works, the Dniepropetrovsk Metallurgical Equipment Works, and the Leningrad and Sverdlovsk plants. Many enterprises

of the U.S.S.R. Ministry of the Electrical Industry are supplying motors and cables. In view of the fact that the equipment being despatched to India must be suitable for service under tropical climatic conditions, special artificial climate laboratories for testing models of the machines have been set up at a number of Soviet enterprises manufacturing them."

East German Credit Offer

The East German Government has told the Government of India that some of its leading industrial and financial organisations are prepared to supply capital goods on the terms outlined by the latter. These terms are that a maximum of 20 percent will be paid cash down, and the balance will be repayable in not less than seven years after the arrival of the machinery in India. They apply to the private as well as the public sector, even in the case of projects which have been accepted in principle, but for which substantial plant and machinery orders have not yet been placed. The acceptance of such projects, therefore, will remain only "in principle," unless long-term credit on the lines indicated is available or the foreign exchange position improves. East Germany, it appears, has financial organisations which are prepared to supply capital goods on the approved terms to private individuals and to the Government. In the case of the private sector, the Indian Government will offer no commitment or guarantee beyond releasing the foreign exchange needed to repay the loan. The Secretary to the Heavy Industries Ministry, Mr. L. K. Jha, recently sent a circular letter to commercial bodies outlining the conditions for the import of capital goods under the new development programme. A similar letter has been sent to Central Ministries and State Governments, thereby placing new development programmes on an equal footing in both sectors.

West German Trade Mission

A West German trade delegation, headed by Dr. Warner von Bergen of the German Foreign Office, will arrive here early next month. It will discuss double taxation and flag discrimination problems. It might also discuss the supply of capital goods on a long-term credit basis.

COST OF LIVING INDEX NUMBER FOR EUROPEANS IN CALCUTTA

(Base: August, 1939)

THE Cost of Living Indices for Europeans, by groups, have been brought up to January, 1957. As compared with December, the January Index for Food and Drink indicates a rise of 18 points, while the indices for Clothing, Fuel and

Lighting, Miscellaneous and Rent remain unchanged at 397, 180, 254 and 131 points, respectively.

Correlating all the factors, the Cost of Living Index for Europeans in Calcutta shows that the cost of living advanced by 4 points during January, 1957.

Cost of Living Index Number for Europeans in Calcutta Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		Jan. 1956	Feb. 1956	Mar. 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	Dec. 1956
Food and Drink	25.4	353	350	353	354	360	365	366	366	367	367	363	371
Fuel and Lighting	3.4	171	171	171	171	171	171	177	180	180	180	180	180
Rent	21.5	131	131	131	131	131	131	131	131	131	131	131	131
Clothing	7.7	386	386	392	392	392	392	392	392	397	397	397	397
Miscellaneous	42.0	254	254	254	254	254	254	254	254	254	254	254	254
Combined Index	100.0	260	259	260	261	262	263	264	264	265	265	264	270

Compiled and constructed by the Statistical Department of "Capital".

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August, 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to January, 1957. As compared with December, the January Indices for Food and Clothing show drops of 5 points and 3 points, while those for Fuel and

Lighting, and Miscellaneous remain unchanged at 268 and 283 points, respectively.

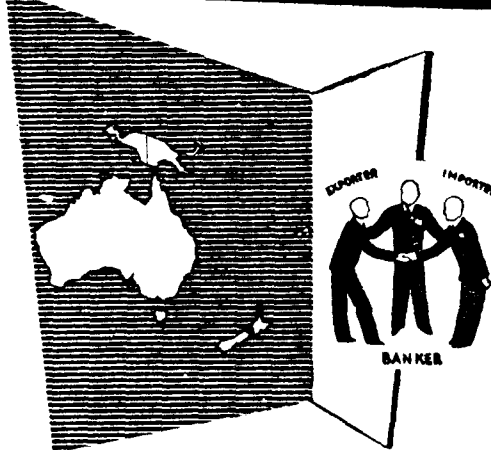
Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living declined by 3 points during January, 1957.

Middle Class Cost of Living Index Number for Calcutta Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		Jan. 1956	Feb. 1956	March 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	Dec. 1956
Food	53.6	446	442	455	461	470	475	486	484	484	486	482	473
Fuel and Lighting	4.4	235	235	235	235	235	235	256	265	265	268	268	268
Clothing	12.4	307	307	326	320	326	326	334	346	346	346	346	343
Miscellaneous	29.6	282	282	283	283	283	283	283	283	283	283	283	283
Combined Index	100.0	396	394	402	406	411	414	418	421	422	424	422	414

Compiled and constructed by the Statistical Department of "Capital".

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CHANCELLOR OUTLINES AIMS
OF ECONOMIC POLICYMEASURES TO INCREASE
INVESTMENT

(FROM OUR LONDON CORRESPONDENT)

THE Chancellor of the Exchequer provided his first summing up of the Government's economic policy for the present year in the course of an address to the National Production Advisory Council on Industry, a body covering practically all sections of the community concerned with trade and industry. He outlined four prior conditions for the raising of the country's standard of living, namely, enlargement and modernisation of our productive capacity by adequate investment by cutting down personal expenditure on consumer goods and on Government spending; the maintenance of competitive costs by seeing that incomes did not rise more quickly than output; the building up of overseas markets; and higher productivity in the factories. Last year, the country had done well as far as the first and third of these conditions were concerned, but had done badly on the second and fourth. This year extra efforts were necessary to set things right. There was no particular reaction to Mr. Thorneycroft's sober review of the situation and the outlook, but then his pleas for the building up of a satisfactory balance of payments position and the replenishment of the gold and dollar reserves are all too obvious essentials if further crises are to be surmounted. The meeting was given up to a comprehensive review of the industrial situation as a whole, and most of the reports considered were reasonably confident ones. Indeed Mr. Thorneycroft's was perhaps the least optimistic.

In some ways, figures which have been released subsequently help to justify the confidence which the various departmental Ministers displayed. The petrol and fuel oil outlook appears to be less serious than was expected a short while ago, and though there is no immediate possibility of rationing being lifted, at least the fears of even greater cuts may be discounted. Productivity in the coal mines so far this year has shown a most welcome increase, output being no less than 738,000 tons up on the same period of last year. The miners are responding so well that the National Coal Board has just announced its willingness to revise its earlier refusal to consider the men's request about the bonus shift payment and is prepared to grant this in return for help in recruitment of extra labour and the employment of Hungarians in the pits. Steel production also continues to grow, and following upon the recent levelling off in production in the steel-using industries, or rather in some of them, stocks have increased substantially and imports are being kept down to reasonable levels. On the other hand, about employment there may be a certain amount of anxiety, particularly in labour circles. The latest statistics disclose that unemployment last month showed an increase of 85,700 and the proportion of unemployed workers to the total working population was 1.8 percent, against 1.4 percent in December and 1.2 percent in January of last year. The total number of unemployed at 382,600, of whom 342,500 had no work at all, was larger than the number of notified vacancies. If this induces a more realistic attitude on the part of labour to wage claims and unofficial strikes, as it well might, it may not prove as disastrous as some may think.

Views of Mr. Cobbold

The economic debate in the House of Commons the other day was disappointing. The Chancellor of the Exchequer was in Paris dealing with the European free trade plan, and in his absence neither Mr. Birch nor Mr. Ian Macleod, who spoke for the Government, did much more than cover old ground. It must be admitted, of course, that they were not really called upon to do any more by the arguments of the Opposition. Departing from tradition, Mr. Cameron Cobbold, Governor of the Bank of England, contributed a speech which was read for him at the Coventry Chamber of Commerce in which he took the unusual step of explaining the recent cut in Bank rate. He confirmed that the reduction is a technical adjustment to market con-

ditions, with no implications of any change of basic policy, and indeed was originally considered last October. As far as the future is concerned, Mr. Cobbold mentioned two legitimate expectations: (1) to see policies formed which will keep expenditure within our means over the next few years; and (2) to see a first dividend from such policies in the coming financial year.

January Trade Figures

The full effects of the closing of the Suez Canal on Britain's overseas trade is made evident in the provisional figures for January, for the slowing down of imports in November and December is now disclosed as being due to diversion via the Cape route rather than to a fall in consumption. Imports, at £376.2 million in January, reached a post-war record. The highest previous import figure was £368 million, in August, 1951. With exports at £261 million and re-exports at £11.7 million, Britain's trade gap, as measured by the excess of imports over exports and re-exports, widened last month to £103.6 million. This is the highest figure since July, 1955. Last month's deficit compares with an average trade gap of £32.2 million in the last quarter of 1956. In December, the gap was £42.9 million. Imports in January were 9 percent more than in January, 1956, and 16 percent up on the monthly average for the last quarter of 1956. Last month's exports, at £261 million, were 1 percent more than in January last year but 7 percent below the monthly average for the last quarter. They were £7.3 million higher than in December. Shipments to the vital dollar markets were fairly satisfactory. At £34 million, they were £3.1 million up on December, but included a further instalment of £2.1 million silver bullion repayment to the United States. Excluding this special item, exports to North America, normally lower at this season, were 10 percent below the monthly average for the last quarter of 1956, but 22 percent higher than in January last year.

First Funding Operation

The Government's decision to launch a £300 million loan as the first move in its funding operations took the market by surprise. A move along these lines had long been expected, but not perhaps quite so soon. It represents an addition to the £143 million 3½ percent Funding Stock, 1959-2004, and the issue price was £30 to offer a flat yield of £4 7s 6d and a gross return to the final redemption of £4 11s percent. This is closely related to current market conditions and was aimed to appeal to insurance companies, pension funds and similar institutional investors, to whom it offers the attractions of a good rate over a long period. Lists were opened and closed last Thursday and it was oversubscribed, with up to £1 million receiving full allotment and over that 91 percent. It is obvious that the main object of this particular piece of funding was to replenish the authorities' heavily-depleted supplies of long-dated stock for subsequent re-sale through the tap to the market, and that the bulk was taken up by public departments. The official aim, following the Bank rate cut, is obviously to prevent a fall in long-term interest rates at this juncture. For this purpose, fresh supplies of ammunition are needed. Looking ahead, the authorities are doubtless hoping that events will develop in such a way as to permit a further but gradual easing of short-term rates, which would pave the way for an economical operation to deal with loan maturities before June. Meantime, the normal influences of the tax-gathering season are already having a perceptible effect in reducing the banks' liquidity ratios.

Report of Textile Mission

At a meeting of the Cotton Board Standing Consultative Committee on 8th February, the delegation which recently visited India and Hongkong under the leadership of Sir Cuthbert Clegg reported on its mission, which began on 9th January and ended with its return to this country on 3rd February. While in India, it had discussions in Bombay, Ahmedabad and Delhi. It left for Hongkong on 23rd January and stayed there almost a week, having talks with representatives of all the trading interests involved before returning to Bombay on 30th January for some final conversations there. In India, the delegation was able to carry through its discussions against a background of friendly

contacts with the leading members of the Indian industry extending over a long period. This was most helpful in establishing a better comprehension by each side of the views of the other. The Indian representatives finally expressed their willingness to accept the possibility of a ceiling for a period of three years upon their exports to the U.K., subject to the conclusion of satisfactory arrangements. There was no similar history of previous contacts with the industry in Hongkong for the reason that developments there are of such recent growth. Nevertheless, the delegation was received in the most hospitable and friendly manner, and though the two sides did not arrive at any understanding in their discussions, they hope that after the industry's representatives there have had time to give further consideration within their own bodies to the subject matter of the discussions, further exchanges and communications may lead to a favourable conclusion.

The delegation's report to the Standing Consultative Committee, therefore, was, in brief, to the effect that while it could not at this stage claim a final solution of the whole problem, it believed that very considerable progress had been made. The Consultative Committee, after a full discussion of the report, endorsed the belief of the services it had rendered to the industry. The Consultative Committee also agreed with the delegation that, as Pakistan was another Commonwealth country with a legitimate interest in these matters, it would be well to offer to make a personal visit there in the near future and bring all those concerned in that country into the present series of discussions. The Committee approved arrangements for detailed study to be undertaken at the Cotton Board of a number of practical issues which arise out of the work of the delegation. The President of the Board of Trade, Sir David Eccles, is to be asked to receive Sir Cuthbert Clegg and his colleagues so that they may report to him as they did to Mr. Thorneycroft before their departure. In view of the further activities which are considered necessary, the Consultative Committee does not propose to report in detail to the trade associations which have already agreed that the Committee should have authority to act for the industry in the matter. Similarly, there will be no more detailed public report by the delegation for the time being.

Value of Wholesale Stocks

Last August, Mr. Macmillan described stocks and capital expenditure as two of the most volatile elements in the company. He announced the Government's intention of trying to secure more accurate and up-to-date statistics to help in the planning of economic policy. Quarterly figures of capital expenditure were made available recently as part of the programme. The Board of Trade is now going a stage further and will invite about 1,200 companies trading wholesale to provide quarterly figures of the value of their stocks and capital expenditure. It is estimated the total value of the stocks in question will be about £1,000 million. It is emphasised that the information will be given voluntarily, and will be "treated in the strictest confidence." Government departments have information about the stocks of certain key commodities, but have at present no adequate information about changes in wholesale stock, which are nearly three-quarters of the total. The 1,200 companies now to be approached are thought to hold nearly half the total value of stocks in the wholesale trades covered by the enquiry.

Outlook for Jute Industries

In a brief statement with the annual report, Mr. W. G. N. Walker, Chairman of Jute Industries, says the company's productive capacity is being fully taken up and orders in hand are satisfactory. In some sections, however, profit margins are lower than at this time last year. On the sharp rise in raw jute prices which occurred after the close of the financial year on 30th September, Mr. Walker says that it is too early to predict how the current year's results will be affected. Stock profits were almost always exceeded by subsequent stock losses. In the group balance-sheet, stocks, which are valued at or under cost, are up from £2,385,352 to £2,638,036. The chairman will make a general statement at the annual meeting on 4th March.

Brevities

The official "cost-of-living" index (taking the price level on 17th January, 1956, as 100) was 104 on 15th January compared with 103 on 11th December. This figure is the highest since the new system of calculation was introduced. More precisely, the rise was from 103.4 to 104.4.

War risk rates for cargoes to China, Formosa and Korea have been halved by Lloyd's and other London marine underwriters. For South China ports, the rate goes down from 2s 6d to 1s 6d a ton. For North China, the rate is cut from 4s to 2s. The rate for Korea and Formosa was reduced from 2s to 1s.

Of the money invested in premium bonds since the scheme started in November, £120,000 has since been withdrawn, leaving more than £58 million still invested.

Discussions are taking place to eliminate differences in the requirements for British and U.S. airworthiness certificates. The exchange of aircraft between the two countries and the use of British engines in American aircraft have shown the need for simplifying existing requirements.

Imperial Chemical Industries is reducing the price of its wrought titanium and titanium alloy products by about 10 percent. This has been made possible by the expanding use of titanium in the aircraft industry, increasing efficiency, and the continuing decline in the price of I.C.I. raw titanium metal.

Bombay

RISE IN COTTON PRICES
CONTINUESE. I. C. A. IMPOSES STIFFER
MARGINS

(FROM OUR BOMBAY CORRESPONDENT)

THE cotton market continues to boom, with prices touching new high levels on fresh mill and speculative support. In accordance with a directive from the Forward Markets Commission, the East India Cotton Association has introduced a more stringent system of margins. A sliding scale will be operated and a deposit of Rs. 25 a bale will be collected if the Jarilla contract moves above Rs. 700 a candy and Vijay above Rs. 850 a candy. This will be increased to Rs. 35 a bale in case the two contracts touch Rs. 725 and Rs. 875 a candy respectively. The object, of course, is to arrest the upward trend, but the measure seems to have failed to serve its purpose. The futures market has risen. Jarilla has advanced to Rs. 695 and Vijay to Rs. 825 a candy. Normally, the new system of margins might have had some effect, but reports of unfavourable weather in the Vijay-growing areas and the expectation of a special export quota for China have helped to counter what was intended as a restraining factor. As it happens, the damage to the Kalyan, Surti and Vijay crop is now believed to be negligible and the 50,000-bale export quota of 25/32 inch cottons to China has not been announced. But the market continues to reflect an optimistic mood. The spot market is also bright, with most cottons now near the ceiling rates. This is somewhat surprising, considering that the mills and the trade both complain of accumulating stocks of cloth. Crop estimates have not been revised downward, while the production of cloth continues to run at a high level. The consumption of cotton during the four months ended last December amounted to 1,726,268 bales, of which 1,525,011 bales were domestic cotton. This compares with 1,704,448 bales and 1,518,895 bales, respectively, in the corresponding period of last season. The fact that the textile industry is maintaining its purchases at high levels despite the prolonged dullness of the cloth market suggests that it is expecting a revival.

Cloth Excise Duties

Demand hardly seems to have picked up and the general feeling is that the Government will revise its policy on excise duties in the near future. Last week, there was increased demand for superfine dhoties and poplins. Coarse and medium counts also attracted some attention. Delhi, Calcutta and Kanpur have been the major centres to show interest, while enquiries from the south have been limited. It appears that stocks at consuming centres are inadequate and dealers here expect fresh orders within the next few days. The Bombay market is well stocked and if new business is placed, it will not mean that the mills will be able to reduce their holdings. Despite expectations of business, prices of almost all varieties remain unchanged. There has been some activity in the export market. Britain has purchased grey cloth. The Sudan has shown some interest and East Africa has also accounted for a fair volume of business. It seems that Hongkong and Burma will also place fresh orders. The trade believes that export prospects will improve. A little over 35 million yards were passed for shipment in Bombay during the first fortnight of this month. The all-India export figure for January was 96 million yards, of which Bombay accounted for 90 million yards. This is better than the figures for previous months.

The yarn market remains inactive and the undertone is easy. This is mainly because of a stringency in the money market. Dealers and consumers have bought only for their immediate needs. Art silk yarn prices have declined despite a shortage of stocks. The market has moved irregularly, with staple fibre yarns particularly quiet. There have been some scattered enquiries for Indian cotton yarns, particularly from upcountry markets for coarse and medium counts, but the prices offered are considered too low in relation to the level of raw cotton. In rayon, 150 April tenderable qualities opened at Rs. 656 for April delivery but began to decline because of a lack of buying interest. The offtake of rayon cloth continues to be poor. Snia dull 120 for February delivery opened at Rs. 793 but dropped to Rs. 775 a case. Staple fibre yarns 2/40s opened at Rs. 652 for February delivery but dropped to Rs. 643 before closing at Rs. 644. April delivery was quoted at a premium of Rs. 7, but the outlook is unpromising.

Castor Futures Erratic

Castor futures have been somewhat erratic, mainly because of reports that the recent cold wave had damaged the crop. But the damage is not as serious as was thought, so prices dropped to quotation improved to Rs. 156-4. There has been a marked decline in arrivals at the recent lower levels. But as export houses have still to cover their contracted quantities, a sizeable recovery could occur. The position is somewhat complicated by the fact that American importers expect a further decline in the price of Indian castor oil, and are therefore holding off their purchases. It is true that the United States can buy from Latin America too, but it is doubtful whether adequate quantities will be available from there.

Uttar Pradesh

FEWER CANDIDATES FOR
U.P. ELECTIONSPROSPECTS OF CONGRESS
VICTORY

(FROM OUR LUCKNOW CORRESPONDENT)

UTTAR PRADESH, which has the largest electorate of any State, will go to the polls between 24th February and 8th March. As against 2,602 candidates who last time contested the elections to 430 seats in the State Legislative Assembly, the number this time is only 1,739. For 86 seats in the Lok Sabha there are now 323 candidates in the field. The Congress is the only party which is contesting all the Assembly and Lok Sabha seats. The pattern of distribution of the Opposition candidates shows that while the leftists are concentrating on the poorer districts of eastern U.P., the Jan Sangh is devoting its attention to the comparatively more prosperous districts of the west. Judging by the nomination figure of 256, the P.S.P. is making a bid for retaining its present position as the principal parliamentary opposition. The Socialist Party of Dr. Ram Manohar Lohia has set up 135 candidates for the Assembly and 17 for the Lok Sabha.

Training in the technique of sealing ballot boxes is being given to polling officials and arrangements for setting up 39,150 polling booths are being finalised. There has not been any organised insurrection on the part of disappointed ticket-seekers against the Congress, but the danger of sabotage from within is not ruled out. The Congress takes its stand on its past achievements whereas the Opposition directs its attack towards the Congress failure to fix ceilings on land, to introduce co-operative farming and to reduce the incidence of the sales tax. The Jan Sangh goes so far as to call for the total abolition of the sales tax. Out of 430 seats the Congress secured 390 seats in the first general elections, and no one doubts that the party will again be returned to power, perhaps with a slightly reduced majority.

Nationalised Road Transport

The State Government's expansion programme for nationalised road transport is now expected to go ahead without further hitch, following the High Court ruling in favour of the relevant legislation. Before the current financial year is out, 15 more routes are expected to be taken over by the State, bringing the total to 352. It may be recalled that the first five year plan had envisaged a mileage of 6,500 for passenger transport services run by the State. Actually the Government could achieve a total mileage of only 6,000 miles at the end of the first plan. The second plan has not fixed

any target for road transport, but a sum of Rs. 8,550,000 has been earmarked for the purpose. While the roadways have been a commercially profitable proposition for the State Government, the problem of offering alternative routes to the displaced operators admits of no easy solution. The operators in this State are drawn from the middle classes. According to reports, they may move the Supreme Court for a stay order.

Drop in Small Savings

Mr. K. S. Malhotra, National Savings Commissioner, who paid a visit to Lucknow early last week, said that collections in U.P. this year had been poor. The target for U.P. is Rs. 16 crores every year during the second plan period. According to Mr. Malhotra, the withdrawals from the savings banks had been very heavy but he could not give the reason. He admitted that rising prices could have had an adverse effect on savings. The results of a national sample survey showed that the offtake of precious metals like gold and silver in the rural areas was much less now than before. This, he said, showed that the money was being invested in national savings. Referring to the State Government's plea for a revision of the formula for assessing the share in the collections of respective States, Mr. Malhotra said that it could not be done this year in any case. The targets fixed for U.P. in the first plan period were on an *ad hoc* basis and many other States had been complaining that they were on the low side compared with the targets they themselves were expected to attain.

Birth Rate among Low Earners

According to a survey conducted by the Department of Anthropology, Lucknow University, on the problems of fertility and family planning in Kanpur, the birth rate is high among women belonging to families with an income of less than Rs. 50 a month. Fertility declines sharply in the next group of women with incomes ranging between Rs. 50 to Rs. 100, and then gradually increases again with rising incomes. The enquiry, which was financed by the Research Programmes Committee of the Planning Commission, revealed that an average woman gave birth to 6.66 children in the course of her maternal life. The survey also brings out a staggering rate of infant mortality. For every 1,000 children born, 249 die before their first birthday. Contrary to the common belief that Indian women, particularly among the poorer classes, had an attitude of resignation towards child birth, the survey states that a large number of them have a desire, however, vague, to limit the size of their families. Fifty percent of the 1,500 women covered expressed themselves positively in favour of family limitation, 33 percent did not want it, while 17 percent were not in a position to offer any definite reply.

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Engineering and Transport

ADMINISTRATION REPORT OF
CALCUTTA PORTBETTER WORKING RESULTS
IN 1955-56

THE total income for the financial year 1955-56 amounted to Rs. 9,96,93,011 against the revised estimate of Rs. 9,55,73,526, showing an excess of Rs. 41,19,485. The excess was mainly due to the additional traffic of 320,735 tons handled over the revised estimated figure and the changed pattern of trade which passed through the Port during the year. The various income heads which contributed to the excess were: Income from goods Rs. 30,44,780; income from vessels Rs. 3,48,723; income from land and buildings Rs. 85,326; income from railways Rs. 1,30,060; miscellaneous income Rs. 17,357; sale of unserviceable material Rs. 3,58,582; interest earned on deposits and investment of cash surpluses Rs. 1,51,797; special credits Rs. 3,148.

The total expenditure during the year amounted to Rs. 9,34,41,109 against the revised estimate of Rs. 9,21,02,050, showing an excess of Rs. 13,39,059.

The result of the year's working was better than what was originally anticipated. The estimated surplus according to the revised estimates was Rs. 34,71,476, but the year actually ended after providing for minor works chargeable to revenue with a surplus of Rs. 62,51,902 as follows: total income Rs. 9,96,93,011; total expenditure Rs. 9,34,41,109; surplus Rs. 62,51,902. This was due to the increase of 320,735 tons in the total traffic handled and the change in the pattern of trade passing through the Port. It is proposed to appropriate Rs. 42.5 lakhs of the surplus to the Revenue Reserve Fund, the resources of which have been depleted during the previous years in meeting revenue deficits and Rs. 20 lakhs to the Vessels Replacement Fund as the amount available in that Fund is below the net risk figure.

Revenue Reserve and other Funds

The balance in the Revenue Reserve Fund on 31st March, 1956, after transferring Rs. 42.5 lakhs out of the revenue surplus to that Fund, amounted to Rs. 4.24 crores. The Fire Insurance Fund had a closing balance of Rs. 65.79 lakhs on the same date, and the balance in the Vessels Replacement Fund on that date, after transferring Rs. 20 lakhs out of the revenue surplus, was Rs. 115.68 lakhs. The year opened with a credit balance of Rs. 99.18,471, of which Rs. 73,36,180 represented

money unspent out of Government loans received during the previous year. The Commissioners raised during the year a 4 percent 30-year loan of Rs. 90 lakhs and the proceeds of this loan were utilised for repaying the uncancelled debt of Rs. 97 lakhs of the 6 percent 1925-55-85 loan of Rs. 1.25 crores. For financing capital works mostly comprising projects covered by the first five year plan, the Commissioners borrowed from the Government two loans aggregating Rs. 2 crores carrying interest at 4 1/2 percent and repayable in 23 equated annual instalments, after an interest-free period of seven years. The expenditure during the year on capital works in progress amounted to Rs. 15,42,71,10.

Port Charges

There were no major increases in port charges during the year. The total expenditure incurred on the upkeep and maintenance of the Port including the cost of services rendered in connection with handling goods worked out to Rs. 11-10-2 a ton of cargo handled, against Rs. 11-12-3 during the previous year, thus registering a fall of Re. 0-2-6 which was mainly due to the additional traffic of 216,922 tons handled, compared with the previous year. The average income for the year from charges levied on goods alone was Rs. 1-4-9 a ton or Re. 0-12-5 more than the average expenditure incurred for handling goods, resulting in a surplus of Rs. 62,51,902.

The original budget estimates were framed on the assumption that the total traffic which was likely to pass through the Port would be 7,360,000 tons. The actual traffic handled during the year however amounted to 8,030,735 tons. A break-up of these figures in terms of the principal commodities handled is given below:

Imports.	Assumed figures.	Actual figures.
Salt	450,000	491,180
Foodgrains & Flour	300,000	205,896
Other cargo	2,000,000	2,711,986
	2,750,000	3,409,062
Exports		
Coal including bunker	2,140,000	1,945,642
Gunnies	920,000	936,054
Ores	800,000	867,740
Tea	200,000	145,424
Other cargo	550,000	726,805
	7,360,000	8,030,735

The total tonnage of import cargo discharged at this Port during the year was 3,409,062, compared with 3,240,436 during 1954-55. The principal increases were in betelnuts (6,616 tons), chemicals other than soda (15,894 tons), electrical goods (5,142 tons), iron and steel (193,918 tons), machinery (43,770 tons), manure (5,245 tons), oilman stores (6,104 tons), railway plant and material (49,285 tons), salt (36,387 tons), timber (54,593 tons), tinplate (13,673 tons), wire (23,970 tons) and sundries (140,986 tons). Decreases were recorded in bricks (5,986 tons), cement (28,933 tons), foodgrains (229,059 tons), lubricating oil (8,134 tons), metal other than iron and steel (8,512 tons), motor vehicles (5,424 tons), oils other than lubricating oil (6,966 tons), paper (5,354 tons) and sugar (152,231 tons). The net increase thus was 144,954 tons.

Export Cargo

The total tonnage of export cargo shipped from this Port during the year was 4,621,673, as compared with 4,573,377 during 1954-55. The principal increases were accounted for by the following: bones and bone meal (10,073 tons), bunker oil (5,826 tons), foodgrains (52,755 tons), gunnies (17,936 tons), hemp (5,160 tons), mica (5,316 tons), ores (311,384 tons), oil cakes (13,140 tons), scrap (45,046 tons) and sundries (60,477 tons). Decreases were in coal including bunker (452,255 tons) and tea (32,279 tons). The net increase was 42,579 tons.

Turn-round of Shipping

The average rate of discharge (in tons) a ship a day in the case of general imports was as follows with the corresponding 1954-55 figures given in brackets. U.K. vessels 261 (204.6); U.S. vessels 243 (169.9); Continental vessels 307 (199.3); Far Eastern vessels 298 (211); coastal vessels 265 (235); other vessels 321 (293.2). In the case of foodgrains the average rate of discharge a ship a day worked out to 711 tons against 704 tons during the previous year. The average rate of loading a ship a day in the case of general exports excluding coal was as follows (in tons) and the 1954-55 figures within brackets: U.K. vessels 318 (263.9); U.S. vessels 348 (284.2); Continental vessels 292 (224); Far Eastern vessels 333 (234.7); coastal vessels 305 (230.6) and other vessels 320 (334.8). In the case of coal exports, the average rate of loading a ship worked out to 848 tons against 1037.9 tons during the previous year.

Development Scheme

Due to the initial delay of over two years in starting work on the development projects covered by the first five year plan, the inclusion of certain large projects at a later stage and difficulties encountered in obtaining material and equipment such as cranes and vessels immediately against placement of orders, the progress made on the execution of the projects was not up to earlier expectations. Of the 30 projects included in the scheme, four have been completed, ten are in an advanced stage of completion, 15 are in active progress and only one project namely the River Training Work at Fulta-Hooghly Point Reach is still in the investigation stage. The number of projects to be carried over to the second five year plan for completion is 26 and the cost involved is approximately Rs. 8,5621 crores.

Calcutta Markets

DEMAND WEAKENS AT TEA
EXPORT SALE

RECOVERY IN DUSTS

AT Sale No. 34, held on 18th and 19th February, offerings at the Export auction consisted of 64,275 packages. There was a fair general demand which weakened as the Sale progressed. Tippy teas and a few bright liquoring invoices were well supported and were sometimes dearer, while well-made and stylish whole leaf grades were a strong feature. Commons, Mediums and C.T.C.'s were all 1 to 1 1/2 annas easier at the commencement of the Sale, but they weakened further as the Sale progressed and at the close, were fully 2 annas and sometimes 2 1/2 annas easier. The poorer leaf grades also shared in the general decline and there was less demand for Darjeelings.

Quotations

	1957 Rs.	1956 Rs.
Clean Black Pekoe	2 2 0	1 13 0
Plain B.P.	1 13 0 to 1 13 6	1 5 0
Medium Assam B.P.	1 14 0	1 7 0 to 1 8 0
Best C.T.C. Assam B.P.	2 6 0 (Nom.)	2 5 0 to 2 6 0

At the Internal Sale, Dust offerings amounted to 18,001 chests for which there was only a fair demand at the beginning, but this improved as the Sale progressed and although prices were easier early in the Sale, they showed some recovery later. The few bright liquoring C.T.C. Assams with a clean leaf appearance sold well, but the more ordinary descriptions showed a further decline. Leafy orthodox Assams opened 1 anna to 1 1/2 annas below last rates, but the powdery kinds were more popular and at the close, were selling at about valuations and were occasionally dearer. Commons and orthodox Dooras were a little irregular, but the clean black leaf types were generally firm to dearer.

Quotations

	1957 Rs.	1956 Rs.
Medium Dooras Dust	1 13 0	1 7 6 to 1 8 0
Medium Assam Grainy		
Dust	1 13 6	1 8 6 to 1 9 6
Medium Assam C.T.C.		
Dust	2 2 0	
Best Assam C.T.C. Dust	2 10 0 (Nom.)	2 7 0 to 2 9 0

Other grades offered amounted to 2,578 chests for which there was a fair demand, but prices showed a decline of about 2 annas.

FREIGHT MARKETS UNCERTAIN

BECAUSE of the American dock strike, there has been slackness in the past week's coal market and uncertainty about the reopening of the Suez Canal has also kept the market in check. Fixtures of ore March-April position from Bombay to Poland have been reported at 207s 6d via Cape or 157s 6d via Suez f.i.o.t. A small steamer of 2,600 tons was fixed Mormugao-Trieste at the rate of 147s 6d f.i.o. via Suez and Mormugao-Japan paid 127s 6d f.i.o. A fixture of 5,000 ten percent coals Calcutta-Chalna has been concluded at 52s f.o.b.o. In Pacific Coast-West Coast India grains, two ships have been fixed at the rate of 215s gross terms, and the charterers are open for further tonnage. Australian shippers paid 240s for bagged wheat for the Persian Gulf.

SUGAR MARKET WEAK

During the week ended 20th February, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 5,000 bags and stocks totalled 100,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-3 for ordinary grain and Rs. 33-8 for big grain. The market weakened by 2 annas to 4 annas a maund.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 12th February and 18th February, 1957)
Cowhides: Wet salted (Slaughtered) 20,000 pcs. on the basis of Rs. 12 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 58,200 pcs. on the basis of Rs. 230 to Rs. 245, Rs. 285 to Rs. 310 and Rs. 360 to Rs. 375; Assam-Dinajpur-Jalpaiguri 10,100 pcs. on the basis of Rs. 255 to Rs. 310; Purneah-Kissenganj 15,600 pcs. on the basis of Rs. 285 to Rs. 310; Pakur-Patna 9,500 pcs. on the basis of Rs. 235 to Rs. 250; Muzafferpore-Pakur 4,000 pcs. on the basis of Rs. 275 to Rs. 295.

Bazaar Stocks

(18th February, 1957)

Cowhides: Wet salted 2,98,000 pcs.

Goatskins: Wet salted (Daissee, Killed) 48,000 pcs.; Assam-Dinajpur-Jalpaiguri 69,900 pcs.; Muzafferpore-Patna-Pakur-Kissenganj 1,24,500 pcs.

LINSEED QUIETER

Quieter conditions have prevailed in the past week and prices have declined with smaller offerings from sellers; turnover has been very poor, in anticipation of a further decline when the new crop arrives. Dull conditions prevailed in the oil

section where overseas as well as local buyers were very bearish and sellers were offering further discounts to unload their ready stocks. Latest quotations were as follows: February Rs. 22-6 a maund and April-May Rs. 20-8 a maund.

SHELLAC MARKET STEADY

During the week ended 19th February, the market was quiet at the beginning and steady at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 95 value; 95, 98 buyers.
Lemon No. 1 Shellac	Rs. 95, 98 buyers; 99 done buyers.
Lemon No. 2 Shellac	Rs. 90 value; 90 to 93 buyers.
F. O. Std. 1 Shellac	Rs. 84-84-8 buyers; 86 done buyers; 87 buyers.
Pure TN Shellac	Rs. 80 basis done buyers; 82 buyers; 83 basis done buyers.
4% I.T.N. Shellac	Rs. 70 to 74 buyers.
No. 1 Kusmi Seedlac	Rs. 96-8, 95, 98 value; 100 done buyers.
No. 2 Kusmi Seedlac	Rs. 89, 87-8 90-8 value; 91 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 85, 82-8 to 87 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 78 done; 78-8 to 84-8 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 74, 72 to 77-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 67-8 value; 66 to 72-8 buyers.
Kireelac	Rs. 25 done buyers; 26, 24, 24-8 buyers.

Shipments during February until the 11th were 10,401 packages comprising shellac 6,322 packages, seedlac 2,775 packages, buttonlac 70 packages and others 1,234 packages.

HINDUSTHAN MERCANTILE
BANK LTD.

Head Office

10, CLIVE ROW, CALCUTTA.
Chairman — Sri M. L. Jalan.

CAPITAL

Authorised Rs. 2 Crores
Issued and Subscribed Rs. 1 Crore

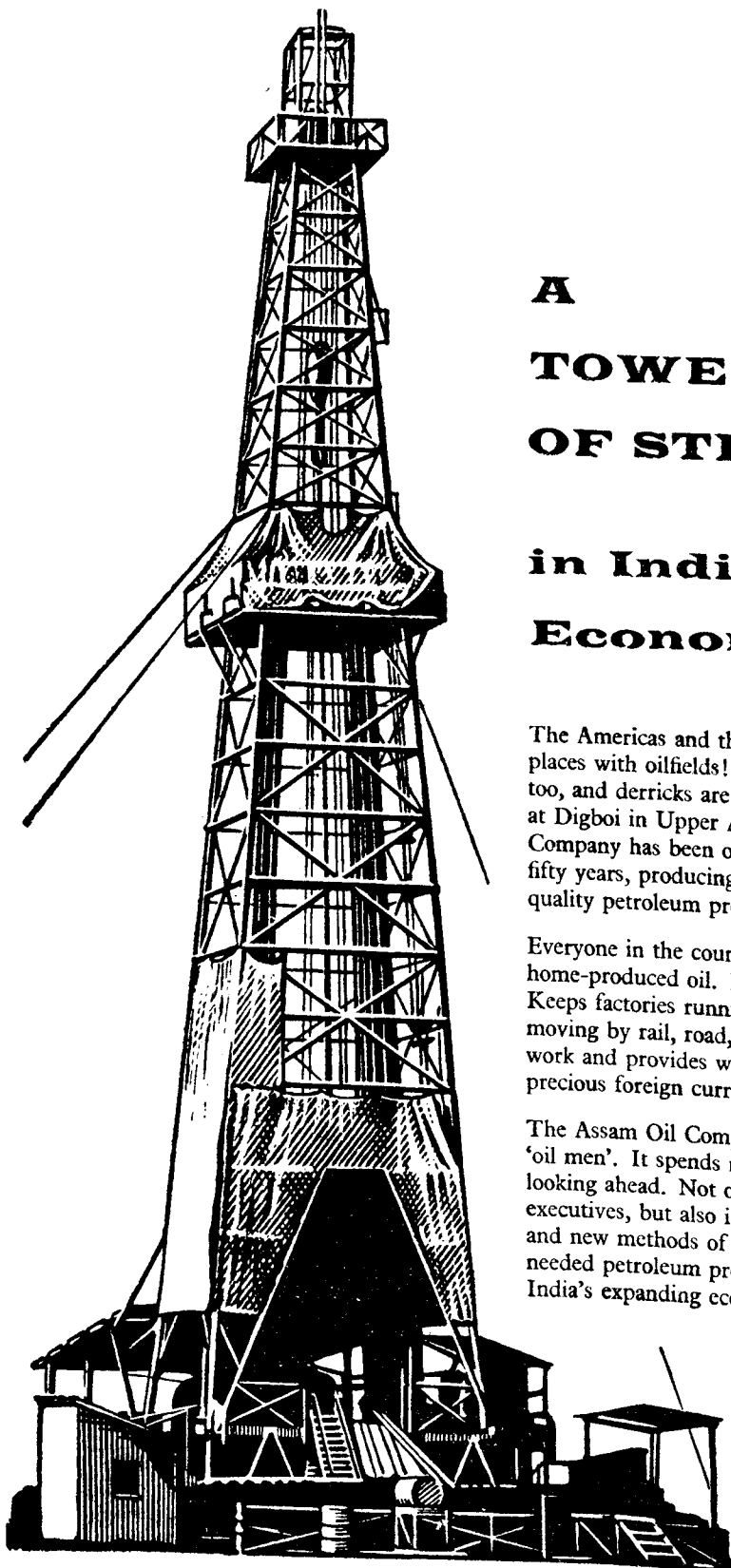
Paid-up Rs. 50 Lakhs

All Types of Banking business transacted.
Branches & Agencies Throughout India

Deposits received on various terms.
Special concession on deposits from
Widow and Orphans.

Loans granted on approved securities.
Terms on applications.

P. H. Kothari, B.Com., LL.B.,
General Manager.



A TOWER OF STRENGTH in India's Economy

The Americas and the Middle East are not the only places with oilfields! Oil is produced here in India, too, and derricks are a familiar part of the landscape at Digboi in Upper Assam. The Assam Oil Company has been operating this oilfield for over fifty years, producing some 300,000 gallons of high quality petroleum products daily.

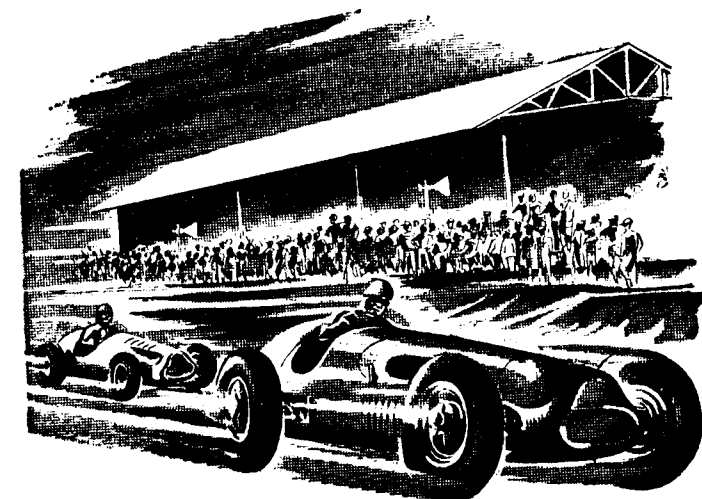
Everyone in the country benefits from this flow of home-produced oil. It speeds food production. Keeps factories running smoothly. Keeps goods moving by rail, road, sea and air. Takes people to work and provides work for them—as well as saving precious foreign currency.

The Assam Oil Company itself employs over 8,000 'oil men'. It spends much time and money in looking ahead. Not only in training technicians and executives, but also in finding new sources of oil and new methods of processing it into the much-needed petroleum products which are so vital to India's expanding economy.

ASSAM OIL
COMPANY

B.O.C.

A member of the
Burmah Group of Oil Companies



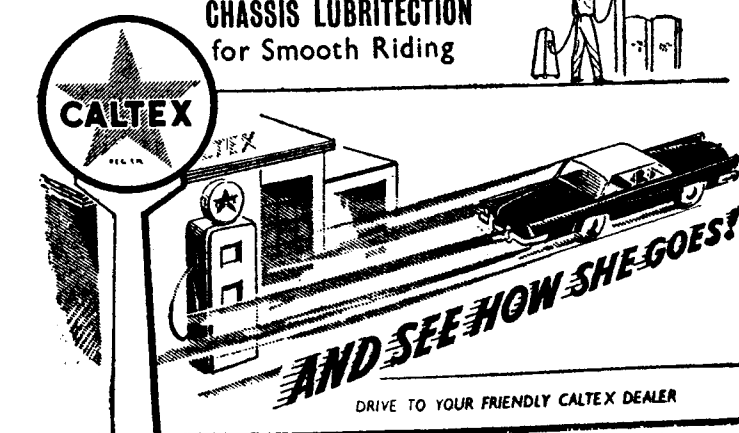
Motor racing is more than just a thrill for spectators—it is a proving ground for cars, fuel, lubricants and drivers. The technical skill of the designers is put to the test. Caltex have a vast experience in designing and blending fuels and lubricants which assure you of extra power, speed, dependability, smooth riding and economy.

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for Power and Speed

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for Dependability
& Economy

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CHASSIS LUBRICATION
for Smooth Riding



DRIVE TO YOUR FRIENDLY CALTEX DEALER

COMPANY AND PUBLIC NOTICES

THE PREMCHAND JUTE MILLS LTD.

NOTICE is hereby given that an Extra-Ordinary General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at No. 81, Sovabazar Street, Calcutta, on Wednesday, the 20th day of March, 1957, at 11-30 a.m. to consider and if thought fit to pass the following Resolutions:

- (As an Ordinary Resolution)—Resolved that the Company do hereby approve of and give consent to the variation in the Managing Agency Agreement so as to fix the remuneration payable to Messrs. Raja Janakinath Roy & Brother Private Ltd. with effect from 1st day of April, 1956, at a sum of Rs. 2,500/- per month, that is, Rs. 30,000/- per annum. Further resolved that the Directors be and they are hereby authorised to effect the variation in the Managing Agency Agreement.
- (As an Ordinary Resolution)—Resolved that Messrs. Raja Janakinath Roy & Brother Private Ltd. be re-appointed as Managing Agents of the Company for a further period of 10 years commencing from the 1st day of April, 1956, on the terms and conditions of the draft Agreement placed before the Meeting and for the purpose of identification endorsed by the Managing Agents of the Company. Further resolved that the Directors be and they are hereby authorised to enter into and execute the said Agreement.
- (As a Special Resolution)—Resolved that the Regulations and Articles contained in the Document submitted to this Meeting and for the purpose of identification endorsed by the Managing Agents of the Company be and are hereby approved and adopted with such modifications, if any, as may be agreed to at this Meeting as the Articles of Association of the Company as substitution for and to the exclusion of all the existing Articles of Association thereof.
- (As a Special Resolution)—Resolved that the Managing Agents do retain the Commission they receive from Messrs. Triton Insurance Co. Ltd. for Insurance of the Company's properties, goods and effects and from Messrs. Northern Assurance Co. Ltd. for Insurance of Jute-in-Transit agreed to be purchased by the Company and for Insurance of the Company's Cash-in-Transit.

A Member, who is entitled to attend and vote at the Meeting, is entitled to appoint a proxy to attend and vote instead of himself and that the proxy need not be a Member.

By Order of the Board,

THE PREMCHAND JUTE MILLS LTD.,
RAJA JANOKI NATH ROY & BROTHER
PRIVATE LTD.,
BUTTA KRISHNA ROY,
Director,
Managing Agents.

81, Sovabazar Street,
Calcutta,
Dated, the 14th February 1957.

THE PREMCHAND JUTE MILLS LTD. EXPLANATORY STATEMENT BY WAY OF CIRCULAR LETTER TO SHAREHOLDERS.

For Resolutions Nos. 1 & 2.

Dear Sir/Madam,

At an Extra-Ordinary General Meeting of the Company held on 27th April, 1956, a Resolution was passed by the Shareholders of this Company that subject to the approval of the Central Government, the terms and conditions upon which Raja Janakinath Roy & Brother Private Ltd. shall continue to hold Office as the Managing Agents of the Company for 10 years from 1st April, 1956, shall be as set forth in the Draft Agreement produced at the said Meeting. The said Draft Agreement was then sent to the Central Government for approval. The Central Government has approved of the said Draft Agreement with the variation as stated hereunder. The said Draft Agreement as approved by the Central Government will now be placed for approval of the Shareholders in an Extra-Ordinary General Meeting of the Company to be held on 20th March, 1957.

We give below, abstract of the proposed variations to be made in the terms of the Managing Agency Agreement.

Abstract of the Remuneration of the Managing Agents under the Draft Managing Agency Agreement approved by the Shareholders at an Extra-Ordinary General Meeting of the Company held on 27th April 1956—

Clause 4: "Until the net profits of the Company determined in accordance with Sections 349 & 350 of the Indian Companies Act 1956, exceed the sum of Rs. 3,00,000/- per annum, the Company shall as from the 1st day of April, 1956, pay to the Managing Agents for their service as such a sum of Rs. 2,400/- per month i.e. Rs. 28,800/- per annum. When the said net profits of the Company exceed

Rs. 3,00,000/- per annum, the Company shall pay to the Managing Agents for their service as such a Commission of 10% of the net profits of the Company determined as aforesaid subject to a minimum payment of Rs. 50,000/- per annum in the case of inadequacy of profits".

Abstract of the terms of the Remuneration of the Managing Agents as now approved by the Central Government:—

"The Company shall, as from the 1st day of April, 1956, pay to the Managing Agents for their service as such a Commission of 10% on the net profits of the Company determined in accordance with Sections 349 & 350 of the Indian Companies Act, 1956, but in the case of no profit, or inadequacy of profits, the Company shall as from the 1st day of April, 1956, pay to the Managing Agents a sum of Rs. 2,500/- per month i.e. Rs. 30,000/- per annum."

A copy of Draft Managing Agency Agreement as approved by the Central Government is available for inspection at the Registered Office of the Company during usual business hours.

Memorandum specifying the nature of interest of Directors:—Sri Priya Nath Roy, a Director of the Company is a Member and a Director of Raja Janakinath Roy & Brother Private Ltd., the Managing Agents. None other Directors of the Company is concerned or interested in the above mentioned Managing Agency Agreement.

For Resolution No. 3.

Alterations are proposed to be made in the Articles of Association of the Company in conformity with the provisions of the Companies Act, 1956. A copy of the said Articles of Association proposed to be altered as also a note showing the alterations made in the Articles and for the purpose of identification endorsed by the Managing Agents of the Company are available for inspection during usual business hours.

For Resolution No. 4.

The Managing Agents receive Commission from Messrs. Triton Insurance Co. Ltd. for Insurances of the Company's properties, goods and effects. The Managing Agents also receive Commission from Messrs. Northern Assurance Co. Ltd. for Insurance of Jute-in-Transit agreed to be purchased by the Company and also for Insurance of the Company's Cash-in-Transit.

Special Resolution No. 4 is necessary in view of provisions of Section 359 of the Companies Act, 1956.

By Order of the Board,

THE PREMCHAND JUTE MILLS LTD.,
RAJA JANOKI NATH ROY & BROTHER
PRIVATE LTD.,
BUTTA KRISHNA ROY,
Director,
Managing Agents.

81, Sovabazar Street,
Calcutta,
Dated, the 14th February 1957.

THE STANDARD COAL COMPANY, LIMITED.

NOTICE is hereby given that an Annual General Meeting of THE STANDARD COAL COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 10-50 a.m. on Wednesday, the 27th day of February, 1957, for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1956, and to receive the Directors' and Auditors' Reports thereon.
- To declare the Dividend recommended by the Directors.
- To appoint a Director in the place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 13th to 27th February, 1957, both days inclusive.

By Order of the Board,

F. W. HEILGERS & CO. (PRIVATE) LTD.,
Managing Agents.

Calcutta, 31st January, 1957.

NOTE (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The Dividend, if declared, will be paid on or after 6th March, 1957, to those shareholders so entitled whose names appear in the Company's books on the 27th February, 1957, or to their mandatories. No application for Dividend Warrants will be necessary.

THE ASSOCIATED HOTELS OF INDIA LIMITED.

Agenda for the 40th Ordinary General Meeting.

NOTICE is hereby given that Fortieth Ordinary General Meeting of the Shareholders of the above Company will be held at the Registered Office, Cecil Hotel Annexe, Simla, on Saturday, the 9th March, 1957 at 3 p.m. for the following purposes:—

- To consider and adopt the Directors' Report, Audited Balance Sheet and Profit & Loss Account for the year ended 31st March, 1956, and the Auditors' Report thereon.
- To confirm the payment of 7% dividend on the Preference Shares of the two half years ended 30th September, '55 and 31st March, '56 respectively.
- To confirm the ad-interim dividend of 6% already declared on the Ordinary Shares and to confirm and declare a further 6% dividend, thus making a total dividend of 12% (subject to tax).

(The dividend if declared, will be paid to the registered shareholders or their nominees, whose names are on the Company's Register on 9th March, 1957. The payment will be made within a month after its declaration).

- To appoint a Director in place of Sir Usha Nath Sen, who retires by rotation and being eligible, offers himself for re-election.
- To appoint a Director in place of Shri M. L. Khaitan who retires by rotation and being eligible, offers himself for re-election.
- To elect Auditors and fix their remuneration.
- To transact any other business of the Company, which it may be competent for the Meeting to transact.

The Share Transfer Registers will remain closed from 24th February, 1957 to 9th March, 1957, both days inclusive.

By Order of the Board,

S. S. REEN,
Secretary.

Delhi, 11th February, 1957.

NOTE: A member of the Company who is entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

THE ORISSA MINERALS DEVELOPMENT CO., LTD.

NOTICE is hereby given that an Annual General Meeting of THE ORISSA MINERALS DEVELOPMENT COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 11-30 A.M. on Wednesday, the 20th day of March, 1957, for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the half-year ended 30th June, 1956, and to receive the Directors' and Auditors' Reports thereon.
- To declare the Dividend recommended by the Directors.
- To appoint a Director in place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 7th March, 1957, to 20th March, 1957, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Chartered Bank Buildings,
Calcutta, 11th February, 1957.

Note: (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The Dividend, if sanctioned, will be paid on or after 28th March, 1957, to those shareholders so entitled whose names appear in the Company's books on the 20th March, 1957, or to their mandatories. No application for Dividend Warrants will be necessary.

THE GOKAK MILLS LIMITED.

NOTICE.

NOTICE is hereby given that the Transfer Books of the Company will be closed from 8th March, 1957 to the 28th March, 1957, both days inclusive.

The Dividend, if sanctioned, will be paid to those Shareholders whose names stand on the Register of the Company on the 28th March, 1957.

By Order of the Board,

FORBES FORBES CAMPBELL & CO.
PRIVATE LIMITED,
Managing Agents.

Bombay, 11th February, 1957.

THE COMMISSIONERS FOR THE PORT OF CALCUTTA

NOTICE.

Repayment on the 1st September, 1957 of 5% Calcutta Port Trust Debenture Loan 1927-57-87 issued on the 1st September, 1927.

The Commissioners for the Port of Calcutta, in pursuance of the right reserved by them at the time of issue to repay the 5% Calcutta Port Trust Debenture Loan 1927-57-87 for Rs. 1,50,00,000 issued on the 1st September 1927 at any time after the expiration of thirty years from the date of issue, on six months previous notice, hereby give notice of their intention to repay the said loan on the 1st September 1957.

The holders of debentures of this loan should tender their debentures at the Local Authorities Loan Section, State Bank of India, Calcutta, at least three weeks before the due date of repayment with the following endorsement on the back of each debenture:—

"Received payment in full of all demand for Principal and interest thereon"

(Signature of holder)

Interest on the Loan will cease from the 1st September 1957.

P. C. MITTER,
Secretary,

Calcutta Port Commissioners' Office,
15, Strand Road, Calcutta,
The 11th February 1957.

THE GROB TEA CO. LTD.

AN ad-interim dividend of 10% for Season 1956, without any deduction for Income Tax paid by the Company, has been declared payable on 13th March, 1957.

The Share Transfer book of the Company will be closed from 4th March, 1957 to 13th March, 1957 both days inclusive.

OCTAVIUS STEEL & CO. LTD.,
Managing Agents.

Calcutta 18th February, 1957.

THE KUMARDHUBI FIRECLAY & SILICA WORKS LTD.

NOTICE is hereby given that the Register of Members in respect of 7% Preference Shares of the Company will be closed from 22nd February to 8th March, 1957, both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LTD.,
Managing Agents.

Calcutta, 12th February, 1957.

RALLIS INDIA LIMITED

CLOSURE OF REGISTER OF MEMBERS.

NOTICE is hereby given that the Register of Members and the Transfer Books of the Company will be closed from 1st March, 1957 to 14th March, 1957, both days inclusive.

By Order of the Board,
KENNETH SHEPPARD,
Secretary.

16, Hare Street,
Calcutta, 14th February, 1957.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Indian Cable Co. Ltd.	22-2-57	11 a.m.
Hulibari Tea Assoc. Ltd. (E)	22-2-57	11 a.m.
Odaleah, Ltd. (Tea)	22-2-57	2-40 p.m.
New Chumta Tea Co. Ltd. (E)	22-2-57	3 p.m.
Kodala, Ltd. (Tea)	22-2-57	3-20 p.m.
Bombay Burmah Trading Corp., Ltd.	25-2-57	3 p.m.
Standard Coal Co., Ltd.	27-2-57	10-50 a.m.
Indian Steel & Wire Products Ltd.	27-2-57	3-30 p.m.
Teesta Valley Tea Co. Ltd. (E)	28-2-57	11 a.m.
State Bank of India	28-2-57	4 p.m.
Associated Hotels of India Ltd.	9-3-57	3 p.m.
Tingamira Tea Seed Co., Ltd.	12-3-57	4 p.m.
Orient Paper Mills Ltd. (E)	13-3-57	2-30 p.m.
Orissa Minerals Development Co. Ltd.	20-3-57	11-30 a.m.
Premchand Jute Mills Ltd. (E)	20-3-57	11-30 a.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED.—Dimakusi Tea Co. Ltd.—10 p.c. (o) (Int.), Gohpur Tea Co. Ltd.—10 p.c. (o) (Int.), Grob Tea Co. Ltd.—10 p.c. (Int.), Ah Tea Co. Ltd.—10 p.c. (Int.), Associated Hotels of India Ltd.—6 p.c. (f) (o).

O.—Ordinary Dividend. I.—Interim Dividend.
P.—Preference Dividend. L.—Less Income Tax.
F.O.—Preferred Ordinary Dividend. L.—Final Dividend.
D.—Deferred Dividend. Cn.—Cumulative.
‡ Less Tax at 60 in the 2

THE DIMAKUSI TEA CO. LTD.

NOTICE is hereby given that an Interim Dividend of 10% for Season 1956 on Ordinary shares has been declared payable on or after 6th March, 1957.

Shareholders whose names appear in the books of the Company on 25th February, 1957, will be entitled to this distribution and Dividend Warrants will be issued to them or in accordance with their instructions.

The Share Transfer Books of the Company will be closed from 25th February to 6th March, 1957, both days inclusive.

By Order of the Board,

For WILLIAMSON MAGOR & CO., LTD.,
V. S. VIJI,
Secretary.

Managing Agents.

Calcutta, 14th February, 1957.

N.B. Shareholders are requested to notify any change of address.

THE GOHPUR TEA CO. LTD.

NOTICE is hereby given that an Interim Dividend of 10% for Season 1956 on Ordinary shares has been declared payable on or after 6th March, 1957.

Shareholders whose names appear in the books of the Company on 25th February, 1957, will be entitled to this distribution and Dividend Warrants will be issued to them or in accordance with their instructions.

The Share Transfer Books of the Company will be closed from 25th February to 6th March 1957, both days inclusive.

By Order of the Board,

For WILLIAMSON MAGOR & CO., LTD.,
V. S. VIJI,
Secretary.

Managing Agents.

Calcutta, 14th February, 1957.

N.B. Shareholders are requested to notify any change of address.

THE TEEN ALI TEA CO. LTD.

AN ad-interim dividend of 10% for Season 1956, without any deduction for Income Tax paid by the Company, has been declared payable on 11th March, 1957.

The Share Transfer book of the Company will be closed from 4th March, 1957 to 11th March, 1957 both days inclusive.

OCTAVIUS STEEL & CO. LTD.,

Managing Agents.

Calcutta, 18th February, 1957.

SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office:

24, NETAJI SUBHAS ROAD, CALCUTTA.

Phone: 22-5988, 22-5989.

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BHOWANIPUR, BASIRHAT & KHULNA.

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All Sorts of Banking Business Transacted

S. N. BANERJEE M.A., General Manager.

United Bank of India Ltd.

Head Office:

4, CLIVE GHAT STREET, CALCUTTA

TOTAL ASSETS

OVER Rs. 45,00,00,000/-

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Extensive international trade is essential for the development of national economy. A country's foreign trade largely depends on efficient banking service. With a network of correspondents at all important trade centres of the world the United Bank is equipped to render adequate service and give expert guidance in matters of foreign trade.

Foreign Agencies

ENGLAND, U.S.A., AUSTRALIA, CANADA, FRANCE, BELGIUM, HOLLAND, GERMANY, NORWAY, SWEDEN, SWITZERLAND, ITALY, AND JAPAN.

RIV

ball & roller bearings

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JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations	
					20-2-57	A year ago						20-2-57	A year ago
					Rs.	Rs.						Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15,00	6	100	114	131½	1920	Birds' Investments (Dec.)	24,00	5½T	100	70	77
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11,25	7	100	85	113	1895-99	Bombay Steam Navigation (July)	15,00	6T	250	14	151
1896-97	Borra (June Dec.)	4,00	6½	100	103	117	1903-99	Britannia Biscuit (Feb. Aug.)	15	8	10	14	151
1901-20	Burrakur (June Dec.)	22,98	7	100	112	122	1909-11	British Ceylon Corporation (14) (Apr. Mar.)	7,50	6	5	8½	10
1946	Burrakur (June Dec.)	4,50	6T	10	7½	81x	1937	British India Corporation (Feb. Aug.)	81,00	6	100	118	131½
1895	Equitable (May Nov.)	4,00	6	100	100	116x	1906	Burn Eng (1st & 2nd) (Feb. Aug.)	13,00	7	100	128	139
1931	Khas Kajora Mar. Sept.)	1,93	5	10	5	5	1938	Burn Engineering (Feb. Aug.)	15,00	6	100	110	123
1920	New Beerhoom (Jan. July)	2,00	7	10	11	13½	1905-24	Calcutta Electric Supply (Mar. Sept.)	21,900	5	100	55	60
1898-99	Ondal (June Dec.)	2,00	6½	100	104	113	1906	Calcutta Silk Manufacturing (July Jan.)	2,00	6	100	55	60
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10,00	5	100	108½	110	1937	Calcutta Tramways (Jan. July)	2,250	5T	100	81	82
1884	Bangalore (Jan. July)	6,00	6	100	108½	110	1946	Carew & Co (January)	8,00	6½	100	99	105
1938	Basanti (Oct.)	5,00	6½	100	120	128½	1946	Cawnpore Sugar Works (Feb. Aug.)	10,00	8	100	115	144
1896	Bengal-Nagpur (Apr. Oct.)	3,00	7	100	7	8	1940	Chrestien Mica Industries Ltd.	30,00	5½T	100	53	66
1900	Bowreah "A" (Apr. Oct.)	6,00	8	100	98	110	1937	Dacca Electric Supply (July)	6,00	6	100	94	99
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6,00	7	100	125½	135	1945	Dalmia Cement (Bharat)	3,500	6	100	36	37
1919	Bradbury "B" (Jan. Dec.)	14,75	7	250	63	72	1945	Dalmia Cement (Bharat)	2,372	6	40	36	37
1920	Buckingham & Carnatic (Jan. July)	21,30	7½	100	324½	324½	1945	Delhi Flour Mills (Oct.)	90	7T	100	101	133
1928	Cambodia (July)	1,00	7	100	142½	133½	1916	Deshmukh Power Supply "A" (Jan.)	16,00	5	100	84	93
1912	Central India (Apr. Oct.)	50,00	5	500	531½	525	1935	Deshmukh Power Supply "B" (Jan.)	12,00	4½	100	57	67
	Delhi Cloth & General (Oct.)	20,00	4½	25	531½	525	1940	Duncan Brothers & Co Ltd.	45,00	4	100	119	128½
1912	Elgin (May Nov.)	11,00	8	100	124	135	1948	Dunlop Rubber "First" (Jan. July)	30,00	6	100	91	101½
1943	Elgin "B"	4,20	5	10	9	9½	1926	Dunlop Rubber "Second" (Apr.)	40,00	6T	100	91	101½
1919	Elphinstone (May Nov.)	25,00	7T	100	90	94	1928-29	East India Distilleries (Jan. July)	2,200	7	100	17	17½
1919	Kesoram (June Dec.)	20,00	7	100	90	94	1897	Eastern Investments Ltd (Apr.)	2,500	5T	100	100	100
1925	Khatav Mankani (Nov.)	10,00	7	100	113½	114	1928	General Investment & Trust (Feb. Aug.)	1,00	5	100	70	76
1937	Kothari (Nov.)	12,00	6	10	79	88	1947	General Investment & Trust (Feb. Aug.)	1,00	6T	100	61	66
1906	Muir (Feb. Aug.)	30,00	6	100	10½	104	1946	Gillanders Arbuthnot (Apr. Oct.)	2,500	5T	100	60½	72
1913	New Great Eastern (Mar.)	3,00	5½	200	78	89	1947	Gladstone Lyall & Co Ltd.	15,00	6T	100	61	66
1920	New Victoria (Apr. Oct.)	26,05	6	5	180	185	1948	Godfrey Phillips India Ltd.	30,00	5½T	100	67	68
1933	Palani Andavar (Mar.)	2,00	7	5	42	32	1946	Gwalior Sugar (Redeemable) (Dec.)	6,75	7	100	67	68
1935	Swadeshi (Bombay) (May)	15,00	5	100	58½	58½	1940	Gwalior Sugar (Dec.)	5,00	7	100	67	68
1927	Swadeshi (Cawnpore) (Mar.)	35,00	6	100	105½	115	1940	Humayan Properties Ltd (Nov.)	12,00	6	100	9	10½
1931	Vasanta (Apr. Oct.)	3,00	6½	100	90	90	1936	Indian Aluminium (Mar. Sept.)	40,00	5T	100	77	75½
1908	Vishnu (Apr.)	16,00	7	500	557½	550	1945	Indo Burma Petroleum (Jan. July)	50,00	7T	100	100½	107½
JUTE MILLS.													
1927	Agarpara (Jan. July)	10,00	7	100	101	118	1937	Indian General Navy & Railways	2,244	6	100	69	80
1905	Alexandra (Feb. Aug.)	9,00	7	100	101	118	1927	Indian Cable Co (Nov.)	12,88	6	100	127	140
1896	Alliance (Mar. Sept.)	15,00	6	100	93	98	1938	Indian Standard Wagon (Aug. or Sept.)	1,966	7	100	105	109½
1917	Anglo-India (May Nov.)	40,00	7	100	90	99	1946	Investment and Finance (Feb. Aug.)	2,00	5	100	70	76
1908	Auckland (July Jan.)	10,00	5½	100	103	117½	1935	Investment and Finance (Feb. Aug.)	2,00	6T	100	61	66
1945	Auckland (July Jan.)	15,00	5½	100	103	117½	1945	James Wright (Jan. July)	1,30	6	50	36	40
1918	Bally (Jan. July)	20,00	4½	100	78	98	1937	Jardine Henderson Ltd.	50,00	5½T	100	95	108
1896	Barnagore (Oct. Dec.)	2,200	7	100	61	71½	1945	Jessop & Co.	10,00	5	100	100	100
1906	Belvedere (Jan. July)	7,00	5T	100	102	116	1916	Jupiter General Insurance (Sept.)	4,99	6½	100	100	100
1940	Bengal (June Dec.)	10,00	7	25	307	48	1915	Kumardhubi Engineering (June)	12,00	5	100	100	108½
1919	Birla (June Dec.)	23,64	5½	100	77	90	1915	Do Fireclay & Silica (June)	2,00	7	100	115	116
1896	Budze Budze (May Nov.)	9,00	7½T	100	96	103	1915	Martin Burn Ltd.	30,00	5	100	101	107
1934	Calcutta (Jan. July)	6,00	6½	100	102	119	1910	McLeod & Co Ltd.	10,00	5T	100	68½	76
1919	Caledonian (June Dec.)	10,00	7	100	78	90	1936	McLeod & Co.	40,00	5	100	97½	108½
1919	Cheviot (June Dec.)	10,00	7	100	100	119	1930	Mettur Chemical & Industrial (Sept.)	20,00	6	100	92	98
1928	Chitavalsah (Mar. Dec.)	5,00	7	100	100	119	1949	Metal Box Co of India Ltd.	30,00	6T	100	92	92
1900	Clive (First) (May Dec.)	8,00	6	100	103	115	1938	Midnapore Zemindary (Feb.)	8,76	5	100	9½	8½
1905	Clive "A" (Second) (May Dec.)	8,00	6	100	103	115	1930	Mysore Chemical Mfg (Sept.)	2,00	5	100	100	100
1903-12	Dalhousie (July Jan.)	15,00	7	100	101	95	1930	National Insulated Cable	10,00	5½	100	69	80
1897	Delta (June Dec.)	5,00	5	100	82½	115	1942	National Tobacco (June Dec.)	25,00	5	100	60	70
1912	Empire (Jan. July)	10,00	5	100	102	120½	1944	National Tobacco (Jan. Dec.)	20,00	4½	100	40	48
1890-98	Fort Gloster (Jan. July)	14,00	7	100	103	123	1936	Northern India Oil (Jan. July)	2,00	6	100	40	48
1948	Fort Gloster (2nd)	7,00	7	100	103	123	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4,00	7	100	94	104
1911	Fort William (May Nov.)	10,00	5	100	102	118	1936	Premier Construction "First" (Apr.)	10,00	6½T	100	91	99
1916	Ganges (June Dec.)	6,00	7	100	100	119	1936	Premier Construction "Second" (Apr.)	15,00	6½T	100	91	99
1895-94	Gouropore (June Dec.)	26,50	8	100	117	105	1936	Portabore (Sugar) (Oct.)	6,00	10	100	15	16
1935	Hastings (Aug. Feb.)	25,00	6	100	84	105	1936	Ramnagar Cane & Sugar (Aug.)	4,00	6	100	100	100
1912	Hooghly (July)	11,00	6	100	107½	14½	1936	Rohas Industries (April)	20,00	7	100	123	130
1899	Howrah (Jan. July)	3,75	7	100	103	14½	1936	Rohas Industries "B" (Apr.)	86,00	4½	100	64½	67
1903-16	Howrah "A" (Jan. July)	17,50	7	100	102	118	1944-46	Shaw Wallace & Co Ltd.	75,00	6T	100	87	84
1919	Hukumnand (June Dec.)	40,00	7	100	102	118	1937	Shree Gopal Paper	7,50	6	100	116	123
1898-94	Kamarhaty (Apr. Oct.)	16,00	7	100	102	118	1936	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6,00	6	100	87	95
1900	Kankarnah (Apr. Oct.)	10,00	6	100	84	106	1936	Shree Krishna Gyanodaya Sugar "B"	12,00	5	100	74	80
1935	Kedarnath (Jan. July)	2,00	6	100	102	116	1936	Smith Stanistreet (Chemists) (Nov.)	5,00	10	50	36	41½
1907	Kelvin (Mar. Sept.)	10,00	7	100	68	95	1936	South Behar Sugar (Oct.)	5,00	7	100	9	9½
1895-09	Khardah (May Nov.)	9,00	7	100	101	115	1936	Spencer & Co "A" (Provisions) (Jan. July)	23,20	6½T	100	102	108
1900-13	Kinnison (July Jan.)	15,00	6	100	86	106	1936	Spencer & Co "B" (Provisions) (Jan. July)	36,80	6½T	100	102	108
1910	Landsdowne (July Jan.)	15,00	7	100	104	119	1937	Star Paper (Apr. Oct.)	10,00	5	100	115	121
1912	Lawrence "A" (July Jan.)	5,00	7	100	99	116	1937	Surat Electricity (Apr.)	5,00	6	100	99½	117½
1905	Lawrence "B" (July Jan.)	10,00	5½	100	100	118	1925	Tata Chemicals (Nov.)	60,00	5	100	110½	121½
1945	Naitahi (July Jan.)	7,50	7	100	104	123	1939	Tata Hydro Electric Power (Sept. Mar.)	89,28	7	100	115½	126½
1917	National (May Nov.)	5,00	4½	100	70	81	1910	Tata Iron & Steel (First) (Nov.)	75,00	6T	150	113	122½
1939	Nellimarla (Apr. Oct.)	5,00	7	100	104	124	1906	Tata Iron & Steel (Second) (May)	83,82	7½T	100	113½	127½
1915	New Central (Jan. July)	33,00	6	100	91	102	1918	Tata Power (May Nov.)	96,97	7½T	100	113½	127½
1908-09	Northbrook (July Jan.)	15,00	7	100	102	114	1928	Tezpor-Balipara Tram (1) (June Dec.)	2,25	6	100	139	151
1906-12	Rameshwara (Jan. July)	7,00	5½	100	80	97	1936	Titagarh Paper Mills (Mar. Sept.)	11,50	8	100	90	95
1901	Reliance (Jan. July)	20,00	7	100	91	102	1937	Titagarh Paper Mills "2nd"	11,50	8	100	90	95
1928	Rammuger (Feb. Aug.)	11,70	8	100	76	106	1928	(Mar. Sept.)	15,00	4½	100	85	87
1920	Soorah (Feb. Aug.)	10,00	7½	100	100	113	1936	Vellore Electric (Sept. Mar.)	1,25	6	100	8½	8
1895-01	Standard (July Jan.)	9,00	7	100	85	102	1934	Vizagapatam Electric Supply (July)	1,00	6½	100	82½	82½
1897	Titagarh (Feb. Aug.)	21,50											

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Latest Market Quotations as available until
Rs	Rs	Rs	Rs			Rs	Rs	1954 1955 1956	20-2-57 13-2-57 A year ago
25,50,000	27,30,532	25,05,099	3,60,797	Amalgamated	3-9	2,92,390	28,610	31-5 61-74 5-...	181 181 234
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	26,18,986	7,31,563	74-74 81-81 ...	462 463 539
4,49,350	5,08,192	70,000	2,24,303	Bengal Bhatdee	6-12	15,149	4,851	11-11 ...	61 61 7
1,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	-50,568	-1,07,984	Nil-Nil Nil-Nil	16 16 16
15,97,000	14,16,665	5,91,475	13,32,378	Bhaigora	9	8,13,899	39,978	...	61 61 61
40,00,000	68,01,474	20,23,235	32,68,326	Bharat Collieries P	9	2,52,221	-1,97,446	Nil-Nil Nil-Nil	10 10 10
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	-20,810	Nil-Nil Nil-Nil	144 142 144
18,00,000	38,87,275	16,18,636	7,185	Bokare & Ramgur	4-12	315	-79,196	Nil-Nil Nil-Nil	121 121 151
7,50,000	18,56,889	24,29,021	11,60,064	Borra P	6-12	106	2,14,682	10-10 10-10	201 201 291
90,92,480	2,39,17,614	1,75,02,136	28,93,839	Burrakur P	6-12	21	7,43,650	21-31 31-31 31-...	21 21 131
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	21 21 5	10 6 6
8,00,000	16,67,572	13,30,519	15,752	Central Kurkend P	6-12	323	34,743	...	121 121 11
6,00,000	1,43,676	7,32,536	Churulia	6-12	106	-6,374	2,129	...	21 21 31
15,00,000	24,00,428	Nil	50,309	Dharm Main	6-12	19	-60,039	Nil-Nil Nil-Nil	61 61 81
2,40,000	2,439,116	2,313,125	2,140,348	East Indian	4	128	2,96,155	181 221 181	27 27 312
29,63,160	1,15,25,712	83,55,048	24,17,690	Equitable P	6-12	19	8,87,453	71-74 ...	251 251 331
1,00,00,000	2,47,708	2,47,486	1,32,971	Gujarat & Muslia	3	307	12,979	...	15 15 161
6,50,000	5,06,856	33,155	4,95,544	Havre Kajora	6-12	20	24,156	...	11 11 41
8,00,000	3,17,780	7,25,000	7,92,425	Hurridadi	6-12	19	2,70,524	71-10 121-121 Nil	221 221 241
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,39,130	Nil-Nil Nil-Nil	221 221 20
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	Nil-Nil Nil-10	141 151 181
20,00,000	24,60,896	1,77,175	26,997	Karanpura Collieries P	2	21	2,26,982	Nil 21 5	97 97 165
5,00,000	10,29,548	16,60,000	11,25,324	Katras Herriah	1-7	2	5,92,347	28-28 25-30 35	621 621 611
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	...	91 91 91
5,65,750	10,84,977	85,000	9,599	Mundulpur	6-12	326	-79,868	Nil-Nil Nil-...	21 21 31
7,48,240	3,45,939	2,00,000	10,14,803	Nazira	12	347	92,517	5 5 ...	61 61 7
7,00,000	5,13,418	26,617	61,641	New Bansdeopur	3-9	5	59,011	31-74 71-...	10 6 101
17,76,230	31,15,787	20,01,763	3,78,339	New Beerbhoom P	4-10	7	2,64,716	31-31 31-5 ...	17 17 191
6,00,000	11,11,646	75,000	46,881	New Vanbhoom	3	202	46,201	Nil-Nil Nil-Nil	91 91 121
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	...	21 21 21
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	Nil-Nil 61 71-...	171 171 171
1,57,500	1,57,500	1,57,500	1,57,500	...	...	...	...	...	...
7,50,000	1,20,000	12,19,987	23,26,757	Ondal P	6-12	106	22,197	5-5 5-5 ...	151 151 181
8,34,000	9,21,342	10,862	4,36,011	Pargana P	6-12	207	1,08,075	31-31 31-31	141 141 131
15,75,000	13,39,443	16,50,000	13,39,443	Pencr Valley	3-9	236	2,48,261	71-74 71-74	191 191 231
2,50,000	2,62,405	7,500	11,539	Pure Sitalpur	6-12	1	2,008	...	6 6 6
23,99,500	36,99,424	20,17,105	67,893	Raneegunge	3-9	19	3,67,448	21-21 21-31 31-...	111 101 121
13,50,000	7,98,001	9,28,385	14,29,641	Rewa	6-12	236	4,98,775	71-61 81-121	231 231 231
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	71 71 ...	121 121 131
2,50,000	1,56,194	1,34,374	1,34,374	Searsole	1	353	88,009	25 30 ...	121 121 81
2,80,000	10,92,193	8,36,598	7,97,772	Seepore P	6-12	2	2,42,112	142-14-14 17-17-17	21 21 30
8,00,000	23,624	5,29,306	6,32,757	Sendra	6-12	1	5,29,306	...	21 21 30
17,50,000	22,81,965	10,75,016	63,654	South Karanpura	2-12	106	-4,098	Nil-11 11-11	9 9 9
8,00,000	1,42,060	14,01,053	23,80,817	Standard	6-12	21	-59,079	Nil-11 11-11	91 91 91
10,00,000	15,50,085	15,075	1,919	Talcher	9	277	22,680	71-71 5-5	201 201 211
3,50,000	4,62,090	3,47,000	12,886	Union	6-12	279	-54,089	5-21 21-21	21 21 161
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	3	166	4,09,468	...	131 131 131
7,00,000	32,65,173	21,569	61,490	West Jamuria	6-12	19	-2,72,772	Nil-Nil Nil-Nil	10 10 10

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other funds	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Latest Market Quotations as available until
Rs			Rs	Rs	Rs			Rs	Rs	1954 1955 1956	20-2-57 13-2-57 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,000	Basanti P	12	1,97,268	41,227	...	51 51 5
32,72,340	22,197	505	27,69,676	23,18,009	24,351	Bengali P	3-9	-1,27,187	-74,347	...	4 4 36
7,11,290	36,000	932	17,17,120	2,20,369	30,842	Bengali Laxmi	12	5,66,176	47,818	...	40 40 40
15,00,000	14,176	624	23,33,000	15,50,000	3,84,224	Bengali Nagpur P	6-12	-5,23,389	18,199	Nil	71 71 71
6,00,000	28,164	992	28,31,200	88,48,588	31,22,417	Birla Cotton	4	16,69,225	2,76,936	30 30 15	301 301 385
30,00,000	12,972	641	37,34,142	22,72,388	1,44,348	Bowen P	4-12	84,028	-23,47,473	Nil-Nil Nil-5	100 123 123
3,27,32,900	510	510	9,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	37,253	36,767	...	71 71 91
1,00,563	1,01,808	2,762	9,44,631,68	7,44,48,393	2,94,83,803	Delhi Cloth & Genl P	6	1,81,41,278	82,759	9 9 ...	25 36 36
19,00,000	42,944	318	34,12,181	25,71,925	1,53,884	Dunbar	6-12	9,92,376	1,37,951	Nil-11 Nil-21	191 191 304
54,00,000	1,200	1,200	22,44,751	86,33,360	43,96,383	Elgin P	9	32,80,464	93,386	10 10 ...	261 261 191
1,20,00,000	19,250	1,872	1,38,99,575	1,60,53,852	47,29,268	Kesoram P	9	37,41,719	2,45,435	81 81 ...	20 141 201
3,00,000	35,864	864	17,48,143	9,75,679	74,08,658	Mohini P	12	3,53,316	5,158	...	25 25 25
30,00,000	38,000	1,825	47,44,346	32,19,601	12,65,055	Muir P	12	18,77,941	-7,77,290	...	10 75 75
22,89,382	18,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	18,83,371	-13,76,473	...	21 111 111
19,47,750	23,196	795	22,37,946	18,38,739	2,02,179	Rampooria Cotton	6	6,16,936	1,094	61 61 ...	16 16 111
5,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	43,71,838	7,00,026	71 71 ...	100 121 121
1,57,50,000	...	...	...	...	...	...	...	...	...	...	111 111 101
40,50,000	48,754	1,310	91,31,708	1,89,73,211	43,89,979	Bangalore W C Silk F	12	56,34,938	2,38,649	30 30 ...	100 565 572
1,78,47,800	1,20,012	2,770	1,20,71,600	1,87,39,278	23,80,414	Bangalore W C Silk F	12	1,01,66,075	2,38,445	30 30 ...	100 183 183
28,00,000	...	...	18,33,003	22,32,074	11,26,236	Bombay Carnatic F	12	1,96,274	27,593	Nil 5 ...	10 141 141
20,00,000	72,632	407	3,41,058	9,00,000	38,53,502	Colimbatore Cotton	12	5,53,750	61,404	...	386 386 356
6,50,000	50,640	295	12,25,506	17,90,000	22,227	Colimbatore Sp & Wvg	6	-7,52,342	-10,23,340	...	50 88 871
24,00,000	30,512	200	60,83,320	19,23,000	4,09,960	Kaleeswarar	6	2,05,780	7,877	...	100 135 335
23,64,000	48,756	...	15,01,051	21,70,200	78,350	Kothari Textile P	6	6,24,560	42,942	...	10 151 151
1,75,02,480	4,65,324	...	2,15,02,101	1,13,81,878	31,04,681	Madura	12	77,86,509	18,86,813	20 20 ...	50 252 258
11,856	...	...	5,43,189	3,50,363	0,32,398	Madurai Sp & Wvg	12	-85,193	-84,039	...	100 109 109
44,252	603	...	20,49,893	69,00,000	1,19,31,050	Mettur Industries	12	48,44,863	45,835	35 35 ...	400 440 440
30,00,000	...	...	14,15,992	8,90,279	1,34,663	Mysore Spur Silk	12	1,753	3,886	Nil 10 ...	10 81 81
13,61,780	...	...	1,56,908	1,00,000	24,24,408	Palani Andavar P	12	1,39,437	2,687	...	10 147 148
20,137	...	...	1,42,118	1,43,421	2,65,911	Sitaram Sp & Wvg	12	87,724	3,083	...	100 310 320
7,79,700	15,540	416	1,29,563	18,23,501	1,71,824	Vasanta P	12	16,37,450	...	...	...

I Liquid Assets

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent			and at share	Latest Market quotations as available until			
	Spindles	Looms								1954	1955	1956		19-2-57	12-2-57	A year ago	
Rs.			Rs.	Rs.	Rs.			Rs.	Rs.			Rs.	Rs.	Rs.	Rs.		
33,00,000	48,652	1,016	78,94,641	23,32,650	13,56,778	Ahmedabad Advance P	6	269	13,76,721	17,089	5	7	12	100	180	180	155
50,00,000	48,254	896	20,17,010	9,99,960	10,78,394	Apollo	12	22	1,49,501	-2,24,486	Nil	..	..	100	2	2 1/2	2 1/2
40,00,000	11,135	980	58,44,089	24,00,000	34,03,977	Beharilal Ramcharan	12	150	-41,800	45,646	..	..	..	100	441	441	544
2,50,08,000	2,03,942	1,911	1,92,50,220	1,32,32,051	1,63,58,662	Bombay Dyeing etc	12	199	34,80,550	73,129	8	10	..	250	5481	550	5291
10,00,000	35,052	548	4,48,718	25,25,759	71,44,104	Bradbury P	3	282	11,48,739	30,375	..	..	..	50	2301	2301	191
20,00,000	28,848	496	26,33,370	5,00,306	38,109	Broach Fine Counts	3	43	11,47,892	..	..	..	..	250	..	..	..
1,08,42,800	1,18,286	2,760	34,74,147	24,63,862	32,49,451	Central India P	12	22	30,09,708	6,34,956	22	22	..	100	4831	4921	4821
1,08,42,800	1,18,286	2,760	34,74,147	24,63,862	32,49,451	Central India P	6	269	37,631	28,119	..	3	Nil	100	118	1211	1371
26,00,000	24,916	894	37,34,829	16,00,566	38,370	Colaba Land & Mill	12	144	-12,83,292	33,89,439	..	..	..	100	70	70	60
16,00,000	43,512	..	13,26,202	26,53,597	18,49,560	Coorla	3	38	1,46,029	1,28,751	..	..	..	100	125	125	1181
34,00,000	49,164	920	58,70,007	27,75,000	26,87,829	Dawn	12	262	2,92,574	1,07,563	..	..	..	100	312	312	312
25,00,000	13,848	782	24,22,107	1,00,000	33,29,538	Edward Textiles	12	280	1,98,579	30,168	71	..	..	50	501	51	325
40,00,000	46,072	784	22,83,234	38,21,476	43,47,258	Elphinstone P.	12	59	1,96,991	49,479	..	..	..	100	302	304	326
39,04,700	77,966	..	19,78,309	45,23,176	23,64,706	Finlay	12	36	12,85,523	85,195	..	..	..	100	219	220	231
50,00,000	71,672	1,387	61,31,596	2,46,297	52,000	Gokak	6	156	5,20,791	1,801	4	..	..	10	..	..	..
12,00,000	40,856	1,116	64,14,598	58,13,239	10,75,932	Hind Mills Ltd P	3	305	4,27,954	6,195	4	..	..	1,000	5,600	5,600	3,825
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,706	31,82,629	Indian United	12	15	1,32,22,197	5,89,816	..	..	..	10	10 1/2	10 1/2	12
50,00,000	47,824	1,202	15,80,490	61,57,161	4,26,274	Indore	8	305	..	..	..	..	..	1,000	5,250	5,250	3,830
50,00,000	50,074	1,426	31,41,539	3,16,447	21,31,031	Indore Malwa United	12	103	25,31,563	9,551	6	9	..	100	1371	1381	95
6,66,000	12,664	459	5,64,300	48,64,818	28,76,437	Khandesh	12	122	1,96,715	63,142	..	..	..	1,000	..	..	..
84,000	..	..	..	..	..	..	..	..	..	..	..	..	..	250	..	..	..
29,92,500	55,280	1,514	50,33,012	49,54,666	24,68,047	Khataul Makanji P.	6	149	4,92,851	22,865	..	..	..	100	2111	2111	227
1,00,00,000	1,11,464	1,846	38,73,299	1,34,00,000	3,16,145	Kohinoor	12	146	31,21,795	33,980	18	18	..	100	3281	3281	335
32,00,000	51,972	1,213	35,78,446	70,70,640	9,87,456	Lakshmi P.	12	14	13,97,807	14,744	191	17	..	250	700	680	650
29,59,700	36,416	551	30,90,508	19,58,091	12,15,175	Minerva	12	126	1,98,449	16,588	6	6	..	100	..	..	..
94,91,850	52,408	1,020	74,24,442	75,31,527	19,74,444	Model Mills Nagpur	6	78	47,76,626	27,241	..	..	..	250	180	180	150
51,76,500	71,652	1,652	59,39,038	37,05,398	31,988	Morarjee Goudidas	6	104	17,68,613	1,41,489	14	14	15	100	2271	2271	230
24,83,500	48,794	500	43,79,635	50,54,445	30,78,517	Mysore Spg & Mfg P	2	261	49,43,379	19,401	17	12	18	50	1041	1041	99
24,00,000	45,944	432	23,52,760	7,45,700	10,79,300	New City of Bombay	12	12	15,67,753	8,456	..	..	..	100	1511	1501	1401
30,00,000	46,084	1,029	22,77,098	25,72,444	27,32,598	New Great Eastern P	12	42	12,48,697	153	..	..	..	100	235	2391	210
49,94,100	24,708	469	51,34,024	39,06,536	35,25,828	Omshanshi	10	273	12,39,408	1,79,408	..	..	..	100	..	..	..
48,00,000	34,244	728	59,94,222	35,02,899	1,54,21,521	Phoenix	12	119	21,027	27,380	..	..	..	100	1411	145	120
5,00,000	3,582	277	99,277	61,43,564	3,28,231	Sassoon & Alliance Silk	12	251	21,10,343	8,507	..	..	..	10	9 1/2	9 1/2	14
25,00,000	60,242	1,288	47,75,324	1,09,49,474	45,94,677	Sassoon Spinning	12	339	22,21,695	10,145	..	..	..	10	40	40	35
16,00,000	1,11,386	2,234	11,46,629	1,51,25,292	38,22,524	Sholapur	3	183	24,07,965	1,95,119	..	..	..	1,000	1,400	1,400	1,900
42,00,000	34,840	1,276	15,03,546	49,02,108	18,69,2661	Simplex	3	36	18,98,596	35,933	..	..	..	50	179	178	194
50,00,000	68,068	1,646	33,20,221	59,06,251	18,83,697	Sree Nivas Cotton P	12	327	20,80,610	1,53,662	..	..	..	100	1611	165	210
1,00,00,000	56,404	2,000	1,24,92,659	94,75,000	36,68,939	Svadeshi P	12	169	15,47,509	67,611	8	12	..	100	2181	2171	2171
24,00,000	31,454	528	31,454,946	58,65,610	12,46,610	Tata	12	289	8,25,355	43,485	10	16	..	25	50	491	50
32,78,938	53,245	1,800	1,10,89,972	57,21,006	17,34,476	Vishnu P	12	44	7,77,492	23,125	4	8	..	100	1411	1471	181
37,00,000	54,280	1,495	59,58,889	38,84,372	6,72,046	Western India	3	305	52,10,285	8,027	..	..	..	1,000	5,280	5,280	3,875
12,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	..	..	..	..	..	..	..	..	..	..	..	..

MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary.	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts Closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent.			Paid-up Capital Share	Latest Market Quotations as available (m)			
									1954	1955	1956		Rs.	Rs.	Rs.	A year ago.
MININGS.																
£2,369,796		£1,73,459	£2,534,298	Burma Mines Ltd.	12	153	£608	£304				31s	2s	21s	2s	
30,00,000	43.47.289	22,78,383	34,23,759	Chrestien Mica Industries Ltd. P.	12	312	11,97,133	10,883	7s			10C	14s	14s	16s	
£318,088	£238,420	£57,484	£112,683	Consolidated Tin Mines	3	67	10,533	£22,218	10			5D	8s	7s	9s	
£294,200	£876,056	£1,853,056	£1,376,169	Indian Copper Corporation	12	88	£1,299,804	£117,083	7s	7s		5s	11s	11s	2s	
29,194,900	61,58,847	2,01,886	13,723	Metal Corpn P.	3	343	-2,39,779	-4,51,131	Nil	45		2s	3s	3s	3s	
2,63,873Dd	23.31.496	35,58,897	32,52,617	Orissa Minerals Development	6-12	21	4,40,034	1,18,835	Nil			10D	9s	9s	11s	
20,00,000	£445,323	£317,497	£234,026	Tavoy Tin Dredging	12	14	£9,059	-£19,118	10-10	10-10		10D	2s	2s	3s	
£375,000												10	21s	21s	25s	
												2s				
CEMENT LIME, SLATE, ETC.																
43,14,600	41.51.412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675				100	6s	6s	7s	
70,976Dd												10D	1s	1s	1s	
31,70,655	33.23.186	14,32,396	1,06,702	Bengal Potteries	12	155	8,02,009	42,631	10	10		2s	3s	3s	3s	
10,00,000	25,95,360	27,63,242	4,20,854	Bisra Stone Lime	3-9	21	5,47,558	20,179	5-8s	8s-8s	8s-10s	10	31	31	41	
60,00,000												100	12s	12s	14s	
26,50,000	62.91.811	98,26,915	2,11,38,275	Dalmia Cement (Bharat) P.	12	123	56,57,136	2,87,995	10	12s		100	12s	12s	14s	
5,00,000Dd												2D	3s	3s	3s	
15,00,000	77.49.749	72,13,923	21,34,327	Kumardhubi Fireclay & Silica P.	12	21	6,05,311	49,404	15	15		10	17	17	17	
6,00,000	10,81,502	8,02,369	80,559	Reliance Firebrick & Pottery	2-8		1,10,349	18,001	Nil-Nil	10-10		10	20	20	20	
75,00,000	59,94,174	22,45,060	6,74,212	S. N. Valley Portland Cement	12		7,88,487	41,941	5	6		10	7s	7s	7s	
3,22,560	1,63,551	61,267	2,27,012	Sutna Stone & Lime	6-12	3	69,598	652	5s-6s	5s-6s		10	18	18	16s	
CHEMICAL INDUSTRIES.																
62,00,600	1,50,41,342	42,71,273	68,648	Alkali & Chemical Corp of India	9	121	19,39,845	1,19,168	6	8		10	18s	18s	21s	
40,00,000	99,765	60,000	37,863	Bathgate & Co. Ltd. P.	12	324	2,18,875	-20,65,382	Nil	Nil		10	1s	1s	2s	
11,45,800																
11,08,900A	56,08,902	43,35,000	1,49,08,740	Bengal Chemical & Pharm. P.	4	245	14,18,430	11,70,500	6	6		100	102	102	107	
22,54,700B																
4,95,000	82,695	69,079	15,903	Frank Ross P.	2	129	46,939	858	Nil	Nil		5	2s	2s	2s	
5,00,000	4,60,132	11,00,929	3,05,878	Smith Stanstreet P.	6	191	7,14,527	1,18,395	10	20		6	10	10	17s	
ELECTRIC LIGHTING POWERS.																
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-9	32	3,05,594	46,084	5-5	5-5		100	14s	14s	159	
8,00,000	26,70,592	6,55,886	4,84,369	Bareilly Electric Supply	6-12	32	83,783	20,090	5-5	5-5		10	15s	15s	14	
17,00,000	80,72,095	22,47,869	11,75,299	Benares Electric Light Power	6-12	32	5,94,018	38,507	6s-6s	6s-6s		10	18	18	18s	
5,91,360	10,96,663	5,90,855	65,318	Bhagulpur Electric Supply	12	202	41,818	41,818	6s			10	8s	8s	8s	
£4,262,646	£18,897,213	£7,242,380	£25,95,369	Calcutta Electric Supply P.	12	90	1,44,138	£136,163		6		10	12s	12s	13s	
6,60,040	17,68,438	5,34,904	83,134	Cuttack Electric Supply	12	202	£1,526,226	26,455	3			10	8s	8s	8s	
17,51,050	38,10,419	10,41,599	3,99,348	Dacca Electric Supply P.	12	202	1,24,636	12,706				10	8s	8s	8s	
												10	4s	4s	4s	
5,21,640	8,42,565	1,65,000	3,037	Jhansi Electric Supply	12	168	71,309					10	8s	8s	9s	
22,49,550	14,91,996	6,31,332	4,84,369	Jubbulpore Electric Supply	3-9	32	2,14,454	27,527	5s-4	5s-4		10	14s	14s	16s	
4,95,000	5,44,854	2,51,058	1,13,138	Mirzapur Electric Supply	12	202	58,676	27,739				9	10	10	7s	
5,82,390	17,12,129	1,78,813	83,900	Mozufferpore Electric Supply	12	202	73,159	-7,079	Nil			10	7s	7s	7s	
6,99,770	5,43,057	77,521	3,49,169	Muttia Electric Supply	6-9	329	30,021	2,295	3			10	9s	9s	8s	
9,07,390	85,46,049	37,10,223	11,51,601	Patna Electric Supply	12	202	7,40,283	68,005	7s			10	11s	11s	11s	
3,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	2s-2s	2s-2s		10				
9,10,000	7,75,951	2,72,306	1,20,990	Shajahanpur Electric P.	9	202	65,624	14,394	5			10	7s	7s	8s	
16,80,000	1,95,905	5,36,596	3,38,039	Sijua (Jherriah) Electric	12	21	3,29,874	44,269	7s			10	11s	11s	11s	
56,00,000	1,62,42,470	35,82,369	13,28,118	United Provinces Electric	3-9	32	5,39,988	80,098	5-5	5-5		100	146	146	169	
5,98,500	7,78,128	2,07,493	7,77,619	Upper Ganges Valley Elec.	6-12	32	93,211	8,097	4s-4s	4s-4s		10	13s	13s	14s	
4,97,500	9,83,503	4,45,371	6,17,617	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	6s-6s	6s-6s		10	18	18	18s	
ENGINEERING & METAL.																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Mozufferpore) P	10	300	1,52,744	1,01,965				10	8	8	8s	
50,00,000	51,82,373	16,39,587	1,37,153	Bhartia Electric Steel	12	31	11,67,212	3,95,940	10	12s		10	17	16s	13s	
48,94,358	60,13,020	42,18,134	42,18,134	Braithwaite India	12	289	27,02,716	5,59,761	16s-14s	25		7	28	28s	28s	
12,70,570	11,00,577	20,99,891	2,31,294	Bridge & Root	6-12	24	6,16,247	1,51,297	7s-7s	7s-7s		10	36	36	36s	
39,37,520	31,90,232	5,14,361	3,64,092	Britannia Building & Iron P.	3	109	1,08,001	51,637	5	10		10	6s	5s	9s	
30,18,167	36,42,365	1,00,000	1,28,898	Britannia Engineering	12	165	11,47,552	1,36,719	15	15		10	13s	13s	13s	
5,44,177	1,00,000	6,394	6,394	British India Electric Cons.	6-12	24	91,780	-5,26,929	Nil-Nil	Nil-Nil		10	12s	12s	7s	
84,00,000	1,54,84,115	1,30,96,539	15,49,676	Burn P. (Engineering)	4	32	95,08,823	1,12,719	10	15		100	330	330	300	
12,50,000	20,64,770	22,00,000	45,733	Hooghly Docking	12	32	1,72,120	2,037	12s	12s		50	132	132	138	
36,94,590	23,07,100	6,65,000	55,916	Indian Galvanizing	12	24	5,46,700	41,267	4	10		10	19s	19s	26s	
18,37,080	18,00,345	11,70,76,011	£37,45,032	Indian Iron & Steel P.	3	32	8,54,28,108	4,49,314	10	10-10		10	27	28s	32s	
15,00,000Dd	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	22	-26,9s	-82,872				50D	7s	7s	9s	
19,49,250	30,46,716	47,33,987	13,61,471	Indian Standard Wagon P.	3	32	41,06,372	24,502	19	25		25	188s	188s	160	
25,500	2,74,14,189	2,14,40,051	Indian Steel & Wire Products	3	122			9,71,078	30	30		10	69	69	87s	
31,00,000	45,57,847	57,91,388	15,35,612	Jessop & Co. P.	10	290	75,05,632		30	30		100	154s	154s	19s	
15,30,000	44,15,822	43,12,118	1,56,283	Kumardhubi Engineering P.	11	21	47,27,193	14,130	15	30		10	26s	27s	60s	
												3	9s	9s	11s	
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12s			2	4s	5	6s	
49,96,000	37,52,077	4,90,631	5,22,904	National Iron and Steel	3	192	11,68,033	5,28,690	Nil	2s		10	7s	7s	7s	
60,00,000	9,22,727	6,10,321	3,10,321	Saran Engineering	3	25	1,68,352	9,264	12s	6s		4	5s	5s	9s	
	1,55,63,347	3,51,516	12,57,737	Textile Machinery	12	22	9,44,777	1,47,573	10			10	19s	20s	20s	
SUGAR BREWERIES, ETC.																
14,00,000	12,16,880	12,32,202	1,10,458	Balrampur Sugar	6	25	-37,960	48,371	15	7s		Nil	5	6s	6s	10s
19,49,025	9,79,539	5,00,000	1,42,483	Beisund Sugar	9	234	1,38,935	49,906	10			7s	11s	11s	11s	
15,00,000	4,67,680	13,50,000	20,40,450	Bharat Sugar P.	6	316	4,04,260	13,206	15	15		10	17	17s	17s	
33,57,580	22,31,255	36,89,916	26,47,109	Buland	10	92	14,37,927	8,477				10	7s	7s	7s	
44,63,474	27,37,400	5,59,062	16,43,647	Carew (Sugar) P.	6	158	2,63,567	12,445	7s	2s		10	7s	7s	10s	
18,00,000	14,38,021	57,83,651	9,55,327	Cawnpore Sugar P.	25	125	12,40,968	82,023	7s	7s		10	20s	20s	21s	
26,46,921	37,91,883	2,42,443	4,24,443	Champanan Sugar	6	25	7,25,494	29,503	10	15		10	21s	21s	24s	
28,26,630	12,59,649	33,35,766	41,32,151	Dher Meakin (Breweries)	8	171	9,61,957	1,12,387	15			5	6s	5s	6	
12,59,494	16,38,916	3,84,913	3,84,913	Gwalior Sugar P.	9	110	7,70,601	8,143				100	76	76	68	
23,89,532	2,24,658					237	-57,978	8,819								

† Liquid Assets. * 1956

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	20-2-57	13-2-57	A year ago
													Rs.	Rs.	Rs.
SUGAR BREWERIES, ETC.															
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	64	64	64
9.00.000	1,28,559	17,64,369	98,734	Purtalpur Sugar P.	10	25	5,08,340	6,871	74	74	..	10	174	174	174
16.59.820	26,52,127	35,30,000	4,84,350	Ramnagar Cane & Sugar P.	3	1	18,11,564	20,350	15	20	..	10	254	254	254
19.99.500	25,62,553	39,38,218	13,92,915	Raza Sugar	10	92	1,07,819	3,144	..	..	..	10	..	..	..
8.00.000	4,42,169	6,54,762	1,45,115	Ryam Sugar P.	6	25	1,43,798	2,440	..	..	..	10	22	22	204
11.99.000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	6	25	33,553	3,554	6	Nil	..	10	111	111	114
20.00.000	72,62,286	36,56,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	174	..	10	114	111	124
7.94.500	13,54,858	11,85,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	..	..	..	10	13	13	144
9.99.950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	8	94	-1,39,515	-1,39,515	..	..	..	10	44	44	44
16.00.000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	124	..	..	10	14	14	23
8.00.000	38,92,308	21,57,557	3,80,236	Upper Ganges Sugar P.	3	227	10,24,525	82,931	25	25	..	10	154	154	94
14.00.000A	..	..	..	..	..	..	..	..	..	..	..	100AC	280	280	127
2.00.000B	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20	..	124BC	284	284	18
MISCELLANEOUS															
8.00.000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	44	44	44
1.50.00.000	1,40,80,594	6,21,715	51,361	Air India Ltd.	12	269	-6,02,785	-14,30,401	..	..	..	100	..	..	..
2.00.00.000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	..
47.50.000C	3,08,51,605	17,00,000	16,26,711	Aluminium Corp. P.	3	132	25,21,116	1,16,199	..	..	..	100	104	104	..
20.00.000	42,38,502	14,50,000	54,97,530	Anderson Wright, Ltd. P.	12	1	-89,042	18,284	74	..	..	24Dd	64	64	24
80.00.000	10,11,675	37,63,179	14,41,315	Angelo Bros.	12	1	11,84,131	3,43,961	124	20	..	10	111	111	224
20.00.000	17,54,434	27,66,265	5,49,534	Assam Match	3	268	8,35,902	1,18,395	124	20	..	10	204	204	194
13.99.998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	12	274	8,35,902	1,18,395	124	20	..	10	204	204	194
20.00.000	61,61,507	23,00,000	61,84,697	Associated Hotels of India P.	3	21	-97,045	-51,437	..	..	..	3	34	34	5
80.01.400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	124	..	100	165	165	186
12.00.000	2,55,604	8,49,890	4,52,013	Bararee Coke	3-9	128	2,19,706	45,339	74-7	74-7	6-..	100	164	164	166
6.00.000	76,414	..	30,72,417	Bengal Timber Trading P.	6	128	-4,43,164	-1,19,103	..	..	..	100	41	41	44
50.00.000	19,53,822	..	19,59,059	Bharat Airways Ltd.	3	128	-4,43,164	-1,19,103	..	..	..	100	41	41	44
20.00.000	7,25,715	66,08,959	66,08,959	Birds Investments P.	3	160	4,59,013	37,512	124	..	..	10	54	54	144
45.97.020	76,85,085	31,11,814	2,29,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	124	10	..	10	144	144	19
22.50.000	13,98,796	43,18,775	3,38,373	British Ceylon Corporation P.	12	4	27,75,295	1,85,955	10	10	..	10	144	144	114
8.25.00.000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	-30,23,938	-27,36,584	..	..	..	74	94	94	114
92.50.000A	..	..	..	..	..	..	..	..	..	..	..	74	94	94	114
32.50.000B	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	..	10A	64	64	84
5.00.000	5,92,780	2,40,684	1,02,376	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	..	..	..
90.00.000	17,81,146	80,09,268	2,06,11,689	Dunlop Brothers & Co. Ltd.	12	169	4,51,864	4,97,914	12	11	..	100	121	121	124
1,60.00.000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15	15	..	100	121	121	124
51.26.000	54,12,212	1,48,29,523	1,48,29,523	Eastern Investments Ltd. P.	12	21	12,83,240	3,06,138	9	9	..	100	132	132	154
75.00.000	13,79,357	4,33,826	1,02,21,271	F & C Osler (India) Ltd. P.	3	84	-4,26,249	-5,26,954	..	..	..	100	130	130	15
90.00.000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	124	124	..	20	24	24	204
14.00.000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	74-74	74-74	..	100	186	186	195
2.25.000	34,18,813	42,00,000	1,09,53,000	General Investments Trust P.	3	357	18,384	12,435	24-24	24-24	..	75	43	43	134
65.00.000	27,68,049	5,00,324	12,84,357	Gillanders Arbuthnot & Co. Ltd. P.	3	105	29,71,800	1,51,380	..	..	..	10	111	111	114
20.00.000	31,71,333	7,81,000	88,384	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	..	..	..
40.00.000	32,90,010	17,22,203	6,22,424	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	254	254	19
10.00.000	..	..	..	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	250	250	240
35.20.000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	14	14	7
20.00.000	20,42,899	19,08,958	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	..	..	..	10	84	84	7
15.16.00.000	7,42,66,339	1,88,86,788	5,50,32,187	Imperial Tobacco	3	325	3,06,58,515	24,94,274	6	8	..	10	144	144	14
1.60.00.000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,79,662	14,08,074	..	..	..	10	134	134	144
1,52,99,220	1,27,87,878	1,37,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	124	..	10	294	294	294
83.75.000C	22,07,260	2,21,286	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	100PO	84	84	74
1.25.00.000	..	..	..	..	..	..	..	..	..	..	..	100	64	64	54
8.27.970	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	..	..	100	64	64	114
20.00.000	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	98	17,28,038	2,76,619	274	30	..	10	244	244	384
5.00.000	2,55,728	12,78,254	12,78,254	Investments and Finance P.	2-8	21	27,880	51,001	24-24	34-24	..	100	65	65	65
2.40.000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	24	24	11
5.87.500C	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..
1.17.500D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	..	..	50	44	44	44
2.00.00.000	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	..	..	..	100	784	784	107
6.34.00.000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	..	..	50	34	34	44
1.50.00.000	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	74	74	..	100	..	..	..
1,37.53.000	36,41,510	94,56,063	1,85,74,341	Martin Burn Ltd. P.	9	309	71,18,708	2,03,456	134	184	..	100	244	244	264
40.00.000C	37,46,252	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17	224	..	10	234	234	244
5.00.000D	1,10,37,201	69,74,249	7,33,389	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	124	..	100D	240	240	244
1,15.00.000	..	..	..	..	..	..	..	..	..	..	..	10Dd	274	274	244
40.00.000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,								

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & Other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Ra.	Ra.	Ra.	Ra.				Ra.	Ra.	1954 1955 1956	Ra.	19-2-57 12-2-57	19-2-57
CEMENT												
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8 10 10	100	166 168	203 104
ELECTRIC LTG POWER												
6,99,95,600	1,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 5 5	100	99 99	104 104
2,92,83,500	4,18,62,358	52,34,507	63,30,599	Andhra Valley Power Supply P	6	267	46,19,171	23,735	7 7 7	1,000	1,202 1,207	1,297 1,297
1,74,99,700	2,14,85,122	39,32,487	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,739	45	7 7 7	100	110 109	117 117
38,08,200	17,49,053	4,75,323	14,87,357	Poona Electric Supply P	12	229	3,86,015	21,171	7 7 7	100	122 122	146 146
2,34,45,225	3,76,85,356	58,39,874	1,29,22,549	Tata Hydro Elec Power sup P	6	267	37,75,597	27,932	7 7 7	1,000	1,220 1,218	1,365 1,365
5,02,78,750	5,98,37,405	1,41,56,578		Tata Power P.	6	267	77,32,961					
ENGINEERING & METAL												
53,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,566	1,35,820	12 5 5	100	255 258	370 370
5,00,000	23,341	4,43,904	1,39,48,481	Empire of India Life	12	115	62,291	1,598	15 5 5	50	69 69	99 99
40,00,000	11,28,513	16,00,000	9,74,884	Larsen & Toubro P.	3	351	14,80,736	28,740	10 10 10	10	17 17	13 13
40,05,100	81,25,753	2,02,500	49,333	Machinery Migra. Corp. Ltd P	3	330	2,02,006	64,676	NU NU	100A	177 177	177 177
1,00,00,000	15,00,978	16,66,194	1,06,260	McKenzie	7	283	1,49,085	64,938	NU NU	100	142 142	140 140
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25 5/8 28 1/3	300	177 177	177 177
1,31,250	4,80,59,980	36,78,952	44,49,498	Tata Locomotive & Eng. P.	3	269	3,303	50,350	NU NU	100	142 142	140 140
4,18,72,400				Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14 14 14	750	171 173	226 226
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510									
INSURANCE COMPANIES												
20,00,000		23,84,913	95,96,333	British India General	12	297	4,24,629	1,18,606	NU NU	10	13 13	13 13
5,15,000		11,04,64,904	1,39,48,481	Empire of India Life	12	115	62,291	1,598	15 5 5	50	69 69	99 99
8,45,121		16,63,999	9,74,884	Indian Mercantile	12	75	1,18,109		NU NU	20	45 45	45 45
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	39,351	4,65,316	NU NU	15	61 61	91 91
1,06,81,590		1,68,81,793	17,25,18,932	New India	12	179	13,38,653	71,250	16 2/3 16 2/3	15	43 43	39 39
8,00,000		57,83,74,430	53,44,54,429	Oriental Life	12	298			NU NU	200	3,705 3,710	3,960 3,960
15,99,270		29,41,860	59,86,789	Vulcan	12	255	6,05,803	2,81,242	10 10	10	15 15	15 15
MISCELLANEOUS												
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	15,61,405	37,22,790	NU NU	15	22 22	214 214
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	NU NU	50	228 229	214 214
50,00,000	2,20,64,302	4,12,86,155	2,67,21,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16 21	125	690 687	532 532
42,00,000	1,21,04,053	1,14,431	31,14,431	Bombay Steam Navigation P.	6	256	4,54,215	39,135	NU NU	50	260 260	188 188
99,99,250	3,085	19,47,486	1,28,30,992	Industrial Investment Trust	12	299	5,81,909	2,83,136	4 4	100	74 74	72 72
11,99,900	13,32,957	7,34,142	14,35,223	Kemur (Chemists)	3	87	68,232	16,942	NU NU	200	190 190	215 215
1,57,71,400	5,74,15,779	1,81,15,445	1,39,48,481	National Rayon Corpn.	12	352	53,19,694	3,72,076	10 10	100	233 241	213 213
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	199	38,40,882	5,62,020	2 2 5	20	191 191	184 184
7,00,000	27,45,055	37,40,000	11,27,186	Shivrajpur Synd. (Manganese)	11	146	34,49,459	21,661	80 80	10	93 93	103 103
1,39,95,990	2,25,39,547	13,22,272	4,37,981	Tate Chemicals P.	6	269	16,84,480	34,425	NU NU	10	15 15	15 15
7,07,470	75,25,701	34,38,586	22,83,813	Tate Oil P.	3	87	68,232	16,942	NU NU	25	43 43	42 42
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,934	11 11	100	176 175	183 183

*1956

†Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & Other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Ra.	Ra.	Ra.				Ra.	Ra.	1954 1955 1956	Ra.	20-2-57 13-2-57	20-2-57
CALCUTTA											
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	29,367		2 1/2 2 1/2	100	60 60	61 61
21,59,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	53,735	3-3 3-3 3-3	100	67 67	76 76
34,00,000	3,11,048		Bankura Damodar River S.S.G.	3	165	46,607		2 1/2 2 1/2	100	58 58	60 60
19,00,000	29,09,643	4,91,171	Daraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	NU NU	100	10 10	10 10
17,90,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839		2 1/2 2 1/2	100	59 59	60 60
31,00,000	35,46,011		Chaparmukh Sighat S.S.G.	3-9	32	62,834	10,849	12-12 12-12 12-12	100	52 52	56 56
4,75,000	3,20,040	4,75,306	Cherra Chhatrak Roadway	3	101	7,071	9,917	12 12 12	100	7 7	7 7
2,47,650	2,75,015	63,226	Darjeeling Roadway	3	101	18,097	4,540	12 12 12	100	7 7	7 7
22,50,000	62,20,813	13,52,600	Dehri-Rohas	3	335	6,42,311	37,814	6 7 10-12 1/2	100	12 12	13 13
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G.	3-9	32	33,016	5,917	98-98 99-1 1-1	100	63 63	56 56
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3 3-3 3-3	100	52 52	72 72
6,00,000	13,87,138	4,43,410	Howrah Sheekhla D.B.G.	3-9	32	28,027	20,122	3-3 3-3 3-3	100	65 65	51 51
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	1,99,473		2 1/2 2 1/2	100	60 60	61 61
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257		4 5	100	72 72	69 69
13,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6 6-6 6-6	100	129 129	140 140
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THE NEW IMPORTANCE OF BRITISH BUSINESS

BENGAL'S ATTRACTIONS AS A HOME OF INDUSTRY

THE words of any President of the Bengal Chamber always deserve careful consideration in the country's economic interests. This year, those of Mr. O. T. Jenkins at last week's annual meeting here in Calcutta had more than usual significance for future industrial progress. Since the acute shortage of foreign exchange ceased to be merely the economists' nightmare and became instead an inescapable restriction on the planners' designs, it has been clear that British business will have new responsibilities in the next few years. The connections which the Chamber represents are perhaps this country's main hope in the short period of increasing foreign participation in Indian industry and providing guarantees for the import of development equipment on long-term credit. Mr. Jenkins was able to pledge the Chamber's full support, and there is no doubt that this will be forthcoming. The British business community has proved its willingness to co-operate in every way with India's development plans, and will continue indefinitely so long as it is granted the indispensable facilities for doing so. What these consist of can be ascertained from the rest of what Mr. Jenkins had to say. They are, indeed, nothing more than is required for the smooth and efficient functioning of any kind of business in this part of the world, Indian or foreign.

In his criticism of Central Government policy, Mr. Jenkins confined himself to the effect of controls, and with special reference to the coal industry. No doubt he had in mind at the time, among other things, the casual reception which the case of the private collieries had received the same week in New Delhi. When a matter of life and death for such an important section of private industry, and eventually for the economy, can be treated in such a cavalier fashion, it is permissible to ask whether the controls on this industry are being used deliberately to strangle it. It is scarcely surprising that this should be so now it is clear that the comparative efficiency of public and private management is likely to be tested most rigorously in the coalfields. When controls can so easily be used to ensure that private industry cannot win when the State's own interests are involved, it is little wonder that its spokesmen oppose them. To represent this as being in any way obstructionist and unco-operative is to confuse the national interest indeed. Mr. Jenkins's humorous example of the difference between British and American ways of doing things need not be dismissed as a joke. It represents a serious fact, and one which has cost Britain a great deal of industrial strength since the war. No amount of talk about socialism or improving the lot of the ordinary people can obscure the fact that there is a wrong and a right way of doing things, and that in India the present controlled way is often the wrong one. If any proof is needed of this fact, there is no need to look further than the fate of the coal industry which is being held in a stranglehold to serve the interests of an out-of-date ideology which has absolutely nothing to do with the national interest.

What Mr. Jenkins had to say about West Bengal was no more than has already been heard in speeches from many sources during the past few years. On this occasion, however, it does appear to have inspired a qualifying statement from certain State Government quarters. The question is a vexed one, and a good many quite irrelevant claims have been made from both sides. It is useful to get the facts straight. As Mr. Jenkins said, "few industrialists or business men would today set up an enterprise in Bengal given equal opportunities elsewhere". There is no suggestion here that capital is leaving this region in force for other destinations, a fact which the State Government sources appear to have been at pains to deny, although there may have been isolated instances. But there is a clear allegation that with all its

long-acquired external economies, Bengal is not an attractive place in which to sink capital "given equal opportunities elsewhere" and no indignation or self-conscious denials will serve to contradict that. Mr. Jenkins later mentioned the lack of regard which is paid in Calcutta for the city's amenities. There is no need to consider this as a possible reason for Bengal's lack of attraction for capitalists although it may give a clue to the cause. Briefly, this reason may be summed up as the attitude which exists in this State to the responsibilities inseparable from economic progress. It is not the first in the world to have experienced difficulty in a process of adaptation. But that is no case against the necessary steps being taken without delay, and, most important, the reality and significance of the situation being recognised. Complacency is the greatest danger of all.

Most of the evils Mr. Jenkins mentioned would clear up of their own accord if two fairly simple principles were accepted. The first is that remuneration should bear some relation to effort and skill; the second, that discipline is more important to the economic health of the community than the current vague notions of social justice. Because these principles have been termed simple does not imply that the acceptance of them is an easy matter. But unless they are accepted, Bengal's difficulties are likely to persist long after the rest of the country is on the way to prosperity. Those industries which have already thrown in their lot with this State, and that includes the larger part of British business in India, can expect their fate to be decided accordingly.

The concern expressed by Mr. Jenkins about low productivity and indiscipline are genuine enough, and are common to all industrialists in Bengal. Incentives in the form of amenities have been known to help the situation. But it is still true that some of the worst records for labour

troubles are held by those companies which provide the best facilities for their workers' welfare. Many disillusioned British industrialists will no doubt consider that their money would have been better spent in paying tribute to self-seeking trade union leaders if their business methods and moral principles permitted it. The prevalence of a type of business man in Bengal who is interested in realising his investment and making quick profits, is an effect of the general malaise rather than a cause. He operates where honest business finds difficulty in competing and where trade union practices are corrupt. The most effective cure for this kind of industrial parasite is that he should be forced to hold his own in honest competition with sound business, and this will not be while the latter is forced to retain uneconomic labour and prevented from enforcing discipline. To say that, quoting a daily newspaper report, "there is a dearth of real investors in West Bengal" is merely to state the obvious. The real question is why there should be such a dearth. Until this question is answered satisfactorily the reluctance to site industrial establishments in this State will continue. Mr. Jenkins mentioned the case of the Life Insurance Corporation. When Calcutta's claims to the location of this institution were outlined in these columns some time ago, discretion forbade mention of the fact that what might, for various reasons, have been to the national advantage, was not necessarily in the interests of the efficient and economical working of the Corporation itself.

The struggle for productivity will be a serious one in this State during the next few years and Mr. Jenkins did well to point out its importance in agriculture as well as in industry. At this moment, the State's most important industry—jute goods—is losing money fast for no reason other than that the price of its raw material is kept up by out-of-date cultivation methods. Up to now, most of the concern for this matter and practically all of the effort taken to correct it, have come from the mill interests. But this alone is not enough. If the industry's competitive position is further endangered by the continued high price of jute, as it has already been through the imposition of an uneconomic labour policy, then Bengal will lose its largest source of livelihood and the

sion presumably will have to await once again an examination of colliery accounts, as they are now being affected by the Appellate Tribunal's award of January, 1957. One other feature of the proposed increase in prices deserves to be noticed. Of the figure of Rs. 1-8 a ton, only Rs. 1-2 a ton is being allowed to cover the extra costs resulting from the revised award (as against the colliery owners' claim for Rs. 1-12 a ton). The remaining six annas a ton is meant to compensate the industry for what it will have to pay out to its workers by virtue of the revised award taking effect from May last year. On both counts, therefore—in meeting current production costs as well as in meeting the retrospective liability—the higher prices the Government now proposes are inadequate in the light of the industry's calculations. The allocation of six annas a ton to cover the retrospective liability is particularly curious. Simple calculation shows that if, even accepting the Government's estimates, production costs have been raised by Rs. 1-2 a ton by the revised award for the last nine months, a price compensation of six annas a ton from now on will have to be given for roughly 27 months before the liability is fully recouped.

The Government might claim that the period for clearance will be less as production will rise. But the industry, on the contrary, could point to the serious financial loss it will suffer by having to pay out money to labour now which it will not recover for more than two years from the prices it charges to consumers. In any event, it is clear that the industry will take nearly two years, and probably a little more, to recover from the six annas a ton increase in the price what the Appellate Tribunal says it should pay away to its workers immediately. In that case, it would be interesting to know whether the Government intends that there should be no finality about the increase in coal prices for this period. The implied somnolence would be in keeping with its past attitude to the industry, but hardly suitable at a time when measures to increase coal supplies are urgently necessary. It would also be relevant to enquire whether colliery-owners have the ready money to pay workers their retrospective dues, which are estimated to amount to well over Rs. 42 crores under the revised award. With the Government preparing its scheme for the compulsory deposit of company reserves, and with the extreme tightness prevailing in the money market, some thought as to where such a large sum is to come from would not be wholly out of place. Producers whose financial resources have been depleted by the uneconomic working of recent years, and who have committed the little that remains with them for expansion plans or other essential requirements, can hardly be expected to raise liquid funds to meet sudden commitments of this size.

The recent treatment of the coal industry raises the question why the Government, in spite of its new-found devotion to the principles of auto-financing, chooses this particular industry to jettison even those principles. Auto-financing has been recommended especially for basic industries, among which coal is one of the most important. It is being promoted by new pricing policies, but there is clearly a strong contrast between those New Delhi has adopted for coal and those it has adopted for other industries. The results are painfully evident in the fact that the expansion of productive capacity in the former is much slower than elsewhere. If economic expansion is to proceed on balanced lines, more equitable treatment of the various industries will be necessary. We do not seek to suggest that official policies on auto-financing in basic industries are a model of rationality; they are not, because they are hampering the flow of new investment at the same time as they are depriving present shareholders of their rightful dues. All that is implied is that in the case of coal, New Delhi's decisions have been particularly irrational. The prospects of getting new investment are extremely slender under the prevailing conditions of working, as the state of coal shares in the stock market shows. In addition, coal companies are not being allowed scope to accumulate resources on their own. Costs continue to rise faster than prices, with the result that profit margins are being squeezed, where they exist at all, and resources which could be conserved for expansion are being given away to workers at the behest of tribunals which have chosen to become the self-appointed arbiters of the nation's economic policies. The Government will have to reconsider urgently the need for a more liberal pricing system for coal if the expansion of the rest of the economy is not to be retarded. To increase the productive capacity of the steel plants and the carrying capacity of the railways—two of the kingpins in India's development plans—may not be of much value if the supporting strength of the coal industry continues to be slowly and steadily drained away.

THE URGE TO EMIGRATE

BRITAIN'S ATTITUDE TOWARDS LOSS OF POPULATION

A CARTOON by Nicolas Bentley in the London *News Chronicle* recently portrayed a small boy looking up at a kindly old gentleman and answering him: "When I grow up? Goin' to be a emigrant, of course." The cartoonist's idea was not much exaggerated. Among the rather more mature, but still young, people of Britain there are many who regard emigration as the obvious first step to a promising career. Long queues outside the immigration offices of the dominion governments in London have this year provided daily evidence that such people's intentions are serious. The movement out of Britain is viewed from some quarters with alarm. Politically, it is no compliment to a government that plans to double the standard of living over 25 years and whose Chancellor of the Exchequer has lately designated Britain "the Opportunity State." Economically, it is approved by the people who believe that Britain cannot much longer properly support her 50 million population but deplored by those who believe that the loss of the most energetic and enterprising elements will make the task of maintaining the remainder more difficult.

The Government itself is not much perturbed. Looking at the matter historically, it perceives that without British emigration there would have been no British Commonwealth. Increasing numbers of non-British immigrants have been admitted into the sparsely-populated countries of the Commonwealth, where, it is argued, British interests must gradually weaken unless the flow of British migrants is maintained. The authorities do not admit that the recent interest in emigration reflects a sudden loss of confidence in Britain, nor that the numbers emigrating are even now excessive. Roughly 100,000 persons have been emigrating from Britain annually for some years past, and the current rate, though considerably higher, is still short of the figure of 200,000 a year which the British Government can contemplate, it seems, with equanimity. Nonetheless, the position is a little disturbing. It appears that the rationing of petrol last year was the deciding factor in the minds of many recent applicants. But few of these people, probably, were directly affected by the new restriction. It was symbolic. They had imagined that all such restraints had been permanently removed. But they had watched prices persistently rising; and they had waited with growing impatience for the reduction of taxation to which Chancellors of the Exchequer always aspired but which they seemed incapable of achieving. Moreover, the shortage of oil products, as a result of a few days' fighting in Egypt, suggested to many people that Britain would be hopelessly vulnerable in a major war. Undeniably, there has been some loss of confidence, some deterioration of morale.

Nor are the economic implications of this development altogether reassuring. Emigrants do not represent a cross-section of the population. Their average age is much less than the average age of the nation, and their average skill is much more than the average. In crude economic terms, children and old people have to be supported by the working population. The receiving countries want men and women with special skills (whether industrial or professional); and in any case it is questionable how many present-day Britons are both able and willing to do tough development work or farming in the outlying regions of the dominions. The argument advanced by the advocates of emigration, that British industry is not suffering, and will not suffer, from the loss of skilled personnel, is hotly disputed by many industrialists. They point out, for instance, that Britain is seriously short of engineering draftsmen, who are being enticed in increasing numbers to the industrially-developing dominions. It is now generally recognised that Britain is not doing enough to train technologists, and semi-skilled workers capable of applying the new techniques. Is she to lose every year an appreciable proportion of those she does train?

In that question we have, perhaps, the essence of the whole problem. This is not a new predicament: it has been familiar for years in the difficulty of satisfying at the same time the demands of overseas countries for capital goods and the needs of British industry for modernisation and expansion. We know now that the only satisfactory solution of this problem is to produce more of the wanted goods. We must recognise that a country with a pioneering emigrant tradition must train in greater numbers the kinds of people whom she and the receiving countries need. The truth is that Britain, even while turning towards the European market, can never afford to neglect the development of her trading partners in the Commonwealth. Even those—or especially those—which do not need large-scale immigration need technical assistance, and technicians "on loan" are temporarily lost from the mother country. The British authorities do not sharply distinguish between the foreign-currency

earnings of the U.K. and those of the other sterling countries. From their viewpoint, development of the overseas sterling area is vital to the health of sterling. For that reason, as well as to promote British export trade with the overseas sterling area, the authorities approve in principle the efflux of development workers. But the immediate effects of the efflux do not necessarily favour sterling. These workers could probably earn foreign exchange more effectively in the U.K. than abroad at this time; their absorption into the dominions causes some inflation there in the first place. But we must take the long view—and at the same time hope for such conditions in Britain as will confirm its place as a land of opportunity.

CURRENT COIN

Finance for Business.—A large part of Mr. R. L. Powell's presidential speech to the recent annual general meeting of the Upper India Chamber of Commerce was devoted to discussing the "mounting difficulties" of finance which industry and commerce experienced in 1956. Conditions in the money market remained generally tight throughout the year and there was a tendency for interest rates to rise and for credit to be restricted. At the same time, the increase in industrial production and the generally rising price levels of raw materials, stores and machinery, together with higher taxes, Mr. Powell said, meant that manufacturers and traders needed more working capital for running their businesses. This happened in spite of a steep increase in bank advances as the "exactions of tax gatherers grew, and all their demands have to be satisfied in cash." Mr. Powell enumerated the following causes of this shortage: Section 18 (A) of the Indian Income Tax Act continued to draw off large sums of money representing payment in advance of tax on profits which were frequently not represented by money receipts. Sales tax, excise duties, cesses and other impositions aggravated the drain on working capital. Their effect continued to be particularly damaging where the impost was so high that it could not be recovered in the selling price of a product, and operated as a direct tax on the producer, payable in cash when goods sold left his factory. Transport delays and bottlenecks continued to tie up large sums of money, and the delays were both internal and external—the latter due to the Suez Canal closure. The most powerful single factor however was the deficit on foreign trade account. The Governments at the States and the Centre were not prompt payers and Mr. Powell hoped that the State Trading Corporation, through which a growing volume of trade was to be channelled, would settle its debts "in accordance with the best commercial practice, rather than with the worst traditions of red tape." While reserving his comments on the measure in the last Union Supplementary Budget requiring companies to deposit with the Reserve Bank 25 percent of their past accumulated profits and reserves, together with a high proportion of current net profits, Mr. Powell felt that in practice, the long-term effects might prove worse than the short-term, for "in the short-term it may divert surprisingly little working capital from industry". The difficulties of obtaining risk capital were equally great. Mr. Powell said that due to the atmosphere of disillusionment in the stock market, the All-India Index for Variable Dividend Industrial Securities had fallen 10 percent by the close of the year to 118.7 from 131.7 in December, 1955, in spite of the rise in industrial activity and wholesale prices. The investor understandably preferred preference shares and loans; once again the root of the trouble was the injury which the Government's taxation policy and nationalisation of life insurance had done to his confidence. And the activities of the nationalised life insurance corporation, it was reported, had been only an inadequate substitute for the enterprise under private management. Mr. Powell has been succeeded by Mr. J. K. Srivastava, as president of the Chamber for the current year. Mr. K. M. Wilcox is the vice-president and the other members of the Committee are Messrs. A. H. Buckland, A. P. Gupta, H. Hill, P. A. F. Lugs, and P. K. Sahgal.

Foreign Exchange Shortage.—The shortage of capital, especially foreign capital, for development was stressed by Mr. K. P. Goenka while addressing the third quarterly general meeting of the Indian Chamber of Commerce in Calcutta last week. He said that industrial production increased in 1956, but serious problems had now arisen. The foreign exchange shortage threatened the prospects for new industrial development. The crisis was the result of insufficient realisation at the time the second plan was formulated that the huge development programmes might well be frustrated by the lack of external finance. Later, certain unrealistic decisions, such as to impose a ceiling on the output of the cotton mill industry

and to maximise revenue earnings from export duties, made it worse. The sterling reserves had been badly depleted and India had now been compelled to borrow from the International Monetary Fund, while steps had been taken further to tighten import controls. Simultaneously, efforts were being made to increase export earnings, but the limitations of the situation were pretty obvious and "it is a difficult proposition to build up an export market at short notice." Some benefits might be gained in the next two or three years if Indian goods were offered at competitive prices and the Government helped ensure that production costs were brought down. In the immediate future, however, the position would continue to be difficult. It was now the Government's policy to encourage foreign participation in new industrial ventures "to the extent of the capital goods requirements of the country." Greater emphasis was being laid on long-term loans for the supply of capital goods. Mr. Goenka thought this to be a step in the right direction. But he emphasised that in order to obtain external credit, conditions would have to be made sufficiently attractive for foreign capital. "The fact cannot be overlooked that capital is in great demand throughout the world and it would be attracted only to such countries as offer the most attractive possibilities to investors abroad", he pointed out.

Industrial Fair in Basle.—The 41st Swiss Industries Fair which is to be held from 27th April to 7th May this year in Basle is among the large industrial fairs in Europe in the spring. It will take place at about the same time as the fairs in Milan, Lyons, Hanover, Brussels and Birmingham. The Basle Fair offers a good opportunity for foreign visitors to become acquainted with Swiss industrial production. The exhibits are divided into 17 different groups covering applied art and ceramics; office and business requisites; paper, printing and advertising; textiles and clothing; footwear and leather goods; watch-making; furniture; sports goods; toys; music; chemical, pharmaceutical and cosmetic goods; household utensils; the electrical industry; gas, water and heating; machinery; industrial requisites of all kinds; transport; the building industry; and foodstuffs. The traditional export industries will be prominently represented. The main export groups at the 1957 Fair will be watches, textiles (with the special exhibits "Creation" and "Madame-Monsieur"), textile machinery, general engineering and the electrical industry. In Basle itself, the Fair's accommodation department arranges suitable accommodation for visitors.

Protecting Preserved Fruits.—Mr. K. R. Damle, chairman of the Tariff Commission, while opening the public enquiry on continuing protection for the preserved fruits industry last Thursday, discussed a number of problems which faced the industry. The current period of protection is scheduled to expire on 31st December. After giving an estimate of the current demand for all categories of preserved fruits which, according to the Agricultural Marketing Adviser, is 23,000 tons and is likely to increase to 40,000 tons by 1959-60, Mr. Damle quoted the Ministry of Food and Agriculture as having estimated the number of units licensed under the Fruit Products Order at 720 in 1955. Of these, only 121 were engaged in the manufacture of protected categories of preserved fruits. The chairman regretted that although the industry has been protected since 1946, a proper assessment of its capacity has not yet been made. This, he said, is partly due to the small size of the units and partly due to their wide distribution. The Agricultural Marketing Adviser has, however, estimated the capacity of the mechanised units at 14,000 tons a year for canned fruits and vegetables, of which the capacity for preserved fruits of the protected categories is about 5,600 tons. Mr. Damle discussed in considerable detail the position of raw materials and mentioned some of the outstanding complaints of the manufacturers. The points to which he has drawn particular attention are grading of fruits, location of factories, and the quality and prices of sugar, cans and bottles. Manufacturers state that the industry is now better equipped and is in a position to make superior products. But consumers and importers are generally of the opinion that the indigenous products are not as good as the imported ones. Mr. Damle said. It is agreed that the quality of the indigenous products has improved but much remains to be achieved. The Ministry of Food and Agriculture has estimated that about 1,000 tons of fruit products were exported from India during 1956, of which 200 tons were of the protected categories.

Textile Fibre Standards.—Some highly ingenious instruments have been devised to measure cotton fibre properties, and these are being used to an increasing extent both by merchants and by mills anxious to obviate any imperfections in the raw material used in the production of quality fabrics for special uses. A new move is now announced which will help to ensure that these

instruments all give the same results. Through the International Cotton Calibration Standards Committee, a set of standard test cottons will soon be made available for merchants and spinning mills throughout the world. This Committee, which developed the programme for establishing the standards, represents the American Cotton Manufacturers' Institute, the American Cotton Shippers' Association, the International Federation of Cotton and Allied Textile Industries, the National Cotton Council of America and the United States Department of Agriculture. Several hundred laboratories throughout the world are expected to use the standard cotton for calibrating cotton fibre instruments, so that when fibre instruments in, say, Memphis, Manchester and Frankfurt get the same results on their standard sample, they will be more likely to agree with each other in their commercial testing. The blending, preparation and distribution of the samples will be carried out by the Cotton Division, Agricultural Marketing Service, of the United States Department of Agriculture. The testing and certification of the standard cotton will be the responsibility of the five sponsoring organisations and their designated laboratories. At first, cotton calibration standards will consist of three samples, having high, medium and low readings in the Micronaire test for fineness, and the Pressley test for strength. Later, additional fibre property tests may be included in the programme.

British Plastics Exports.—The British plastics industry had another record production and export year in 1956, according to statistics released by the British Plastics Federation. Output, which has been more than doubled since 1950, reached about 335,000 tons, an increase of more than 10,000 tons compared with the 1955 total of 324,000 tons. The increase is at a slightly reduced rate compared with 1955, output for 1954 having been 274,000 tons. Thermoplastics materials, including P.V.C., polythene and polystyrene, were again responsible for more than 50 percent of the output. Expansion plans now in progress will mean still higher production capacity for various plastics this year and subsequently. Exports of plastics materials alone in 1956 amounted to nearly 98,000 tons, valued at over £26 million—a rise of nearly 13,000 tons, valued at over £3 million, compared with the 1955 figures, the previous highest. The increase in exports is at a slightly higher rate than in 1955 (1954 exports of over 73,000 tons were valued at £20½ million). The tonnage exported is approaching five times that for 1947 (21,000 tons) and more than 20 times that for 1938 (4,300 tons). The exported materials consist of moulding powders, resins, sheet, rod, tube, film and foil, but do not include finished components and parts, large numbers of which are used in finished products, such as domestic ware and parts for the aircraft, electrical and motor industries. Australia (with imports valued at over £2.75 million) remained the best market, and India (over £2 million), France (£1.6 million), the Netherlands (£1.5 million), South Africa (£1.4 million), Sweden (£1.3 million), Italy (nearly £1.2 million) and Denmark (£1 million) were other substantial buyers. India's imports totalled 8,400 tons, against just under 5,200 tons, worth some £1.3 million, in 1955.

GOVERNMENT BY MANDATE

IN dealing with the plague, the Government of India appears to be acting very much like the future Mrs. Awkins who "first she said she wouldn't, then she said she couldn't, then she whispered, 'Well, I'll see.'" For anything more vacillating than its conduct in this matter it is difficult to conceive, and had we an illustrated comic paper here we could suggest a somewhat similar cartoon to that which appeared in *Punch* some thirty years ago, when Mr. S. H. Walpole was in office, where an old lady, looking out of a four-wheeler, observed to the policemen, who were stopping her progress, that she was the Home Secretary. Nothing would have been simpler in view of the very strong and unanimous feeling upon the subject than for the Government to have published last Tuesday the notification regarding pilgrim traffic, which appeared in a *Gazette Extraordinary* on Saturday. The solution of the matter appears to us to be simple. We believe that on Tuesday last Reuter telegraphed that, as was the case, a requisition was being very influentially signed, calling upon the Sheriff to convene a public meeting upon this question. Following upon this came the question by Sir Seymour King in Parliament last Friday upon the subject of which, of course, Lord George Hamilton would have had notice; so that when the noble lord replied that he was in communication with the Viceroy and expected to hear very shortly from him, and that pilgrimage had altogether been suspended in India, he was giving publicity to a "mandate" which he must have sent to India. We are extremely glad to find that Calcutta is saved from what might have been a national calamity; at the same time we cannot say that this Government by clamour and mandate is either edifying or dignified.

FROM

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24th February, 1897

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JUDICIAL INTERPRETATION OF EXECUTIVE POLICIES

NINA AND THE FIFTEEN WORKERS
(FROM OUR LEGAL CORRESPONDENT)

IT is not often given to a judicial officer or magistrate, not of the standing of a High Court judge, himself to raise a point of very great constitutional importance to the litigants before him, to decide it and decide it wrongly. In this particular case, the judicial officer was the learned adjudicator of an industrial tribunal in Bhopal. Finding the point an interesting one, the writer has delved into the works of Professors Bryce, Dicey, Laski and Finer in the hope of finding some guidance in the way of judicial precedent on it, and has found none whatsoever for the simple reason that the tribunal's decision and its reasons for it seem to be entirely without precedent. Before dealing with the facts, however, we must ask the non-legal reader to bear with us in some preliminary observations. Firstly, in India, the commands of Parliament (consisting as it does of the President and the two Houses of the Legislature) can be expressed only through Acts of Parliament. Secondly, an Act of Parliament, once it has been passed into a statute, becomes subject to judicial interpretation and just as the judges in England exercising that function have always refused to interpret an Act other than by reference to the words of the enactment, the words and nothing but the words, so judges in India interpret statutes by the same strict method. A judge will take no notice of the resolutions of either House, of anything which has passed in debate (a matter of which officially he knows nothing), or even of the changes which a Bill may have undergone between the moment of its first introduction to Parliament and of its receiving the Presidential assent. Nor is the judge concerned with the policy of the Government in passing it into law, nor with what the Government intended to say, but only with what it actually did say in the words of the Act itself.

Thirdly, from the most junior subordinate magistrate to the Chief Justice of India's Supreme Court, the independence of the Bench must be inviolate. As Professor Laski puts it: "The independence of the judiciary from the executive is essential to freedom....For it is obvious that if the executive could shape judicial decisions in accordance with its own desires it would be unlimited master of the State. The interpretation of the law must, therefore, be entrusted always to a body of persons whose will cannot be bound by

the will of the executive. They must be able to call the executive to account." Thus, if a renowned and popular Russian sportsman walks into my shop and, confused by her lack of knowledge of my language and subsequent interrogation, walks out of it, or tries to, with a couple of my hats which she has not paid for, no power in the land from the Queen and Prime Minister downwards can prevent me from prosecuting her for theft, nor the local magistrate from trying the case though the entire Russian team may decline to participate in the Olympic Games and the Russian Ballet refuse to honour my countrymen with its visit in consequence.

"All this," as Professor Dicey puts it, though without reference, of course, to the particular case, "would greatly surprise many foreign legists and, no doubt, often does give a certain narrowness to the judicial construction of statutes," to which we might add that the surprised "foreign legists" would be not only, or even mainly, Russian ones. Professor Dicey says that our democratic allies and friends like France and Switzerland would be equally astonished. But not a single legist in the British Commonwealth. The plain simple fact is that if the Prime Minister of England tried to interfere, in such a case, with the magistrate, he would be out of his job, and his party in the political wilderness, within a month. Within a month almost to the day. For it has actually happened in our own time. Only once, since in William III's day, the right of arbitrary dismissal of the judges was taken away from the sovereign. The Prime Minister concerned was Mr. Ramsay MacDonald, at that time, a truly great man. The real founder of the Labour Party, he was in October 1924 the unchallenged leader and superior of a Cabinet including men like Philip Snowden, J. R. Clynes, Sidney Webb, George Lansbury, J. H. Thomas, Wedgwood Benn and the rest of a very strong team. In the particular incident which brought his flourishing Government crashing down, his intentions were unexceptional. They were to come to a real and lasting understanding with Russia and secure world peace. To do so he was trying to negotiate a treaty with Russia. At that delicate time, one J. R. Campbell, editor of the Communist Party's *Workers' Weekly*, was being prosecuted before a Stipendiary Magistrate on charges involving allegations of disloyalty by him and the British members of the Party. It was rather a paltry case but the Russian Government, just as their successors did 30 odd years later in the case of the lady dis-thrower, attached considerable importance to it. So Mr. MacDonald thought it would be a tactful and helpful thing if the Government resiled from the prosecution of the communist editor and accordingly ordered that it be dropped.

Now, in the eyes of all those "foreign legists" to whom Dr. Dicey refers, the Labour Government had, no doubt, done nothing blameworthy at all; on the contrary it had made a wise, politic and gracious gesture. But it raised a furor of amazed indignation throughout Britain. The Government had tampered with the Constitution by interfering in judicial proceedings. No one's liberties would be safe. The Government was defeated in the House of Commons on the matter, had to resign, by the end of the month was overwhelmingly defeated in the country, and the idealist Mr. MacDonald was replaced by the pipe-smoking, commonsense Mr. Baldwin. And the public was right. The common man had thus probably never heard of Professor Dicey, much less read his learned works. But it was saying in practice what he said in the printed word: "Parliament, though sovereign, has never been able to use the powers of the Government as a means of interfering with the regular course of law."

No, Parliament cannot interfere, but what about the judge himself? *Quis custodiet ipsos custodes?* Suppose that learned magistrate, learned in the best and real sense of the word, and not merely technically so styled—in the case of that Russian lady athlete, instead of formally finding her guilty as he had to do on the evidence, and then treating her as a bewildered young woman, an alien in a strange land and not knowing a word of its language, acquitting her with a few considerate words of mild admonition, suppose he had said something like this: "I consider the opening of this trial before me against public interest and contrary to the policy of the Government," and had then declined to try the case. "It is absurd and childish question," you may say. "It is unthinkable that such a thing could happen. Not quite unthinkable, perhaps. And that thought brings us back to the rather queer proceedings before the civil industrial tribunal of Bhopal arising out of a civil complaint made by 15 discharged workers on the ground that their dismissal or discharge was illegal and mala fide. It was an extremely serious issue from the point of view of the workers who had been arrested and detained under the Preventive Detention Act until they were released under the orders of the Bhopal High Court, and one of the questions to be considered by the tribunal was the question of the responsibility or non-responsibility of the workers concerned and the management of the mills for their continued absence of the workers caused by their arrest and detention. This was one of the issues framed by the learned adjudicator who had found for the workers on two other preliminary issues. "Is the opening of the present dispute before this tribunal against public interest and contrary to the declared policy of the Government as alleged in para 3 of the preliminary objections?"

"Yes," said the tribunal. "It is against public interest and contrary to the policy of the Government," and so holding, found that the workers were not entitled to any relief, or even a hearing on the merits and dismissed their application; which, while desiring to avoid overstatement and with all respect to the tribunal, one finds a most amazing decision. The workers appealed to the Labour Appellate Tribunal in Bombay, which had some pungent observations to make: "It is difficult to see how a reference duly made by the State Government under the Industrial Disputes Act of 1947 can be rejected by an industrial tribunal merely because in its opinion it is against the declared policy of the Government and presumably, clared policy of the Government and presumably, therefore, against public policy.... (There) can be no question of a court or other quasi-judicial tribunal, vested with the power to decide disputes according to the civil law or the principles of social justice, taking into account or basing its decision on any assumed policy of the executive Government instead of the merits of the dispute brought before it within its jurisdiction, as any such attempt to mould its decision in the light of any such policy must be taken to violate the fundamental principles of a democratic set-up of society.... (The learned adjudicator) was bound to decide (the dispute) on the merits, irrespective of any such extraneous consideration as the declared policy of the executive Government." The appeal was allowed and the case sent back to the tribunal to be tried on the merits.

(New Bhopal Textiles Ltd. 1956. L.L.J. Vol. 1, 395.)

"Dicey on the Law of the Constitution. 8th Edn. p. 403.

"A Grammar of Politics. By Harold J. Laski. L.L.D., p. 542.

"Dicey, p. 405.

SACKCLOTH AND ASHES

In *Capital* of 14th February, the writer, trying to illustrate the law of negligence and visualising himself struck and injured by a six hit by Mr. Umrigar in a Test match at the Eden Gardens, a writer being a spectator who had paid for admission, claimed that the batsman and the club would be liable 100 percent for the injury caused, and he instance the Sheedle cricket club case where a lady who "was not even a spectator" received damages through being hit.

A correspondent writes: "Surely it is the fact that she was not a spectator and was merely 'sitting herself' outside her own house adjacent to the ground that made the club concerned 100 percent liable," and goes on to suggest that the writer deliberately going into the ground and paying for his seat there the spectator is himself contributing to negligence, if any. Our reader—not a lawyer—is right and the writer was wrong; and is grateful for the correction.

A DITCHER'S DIARY

THE report that the army is to dismantle its Red Road "bustee", which appeared in the newspapers the day following Mr. O. T. Jenkins's remarks to the annual meeting of the Bengal Chamber, seemed just about the best postscript to the most forthright plea for the preservation of the Maidan that has so far been made in public. That is until one read further and learned that the camp is only to be shifted a few hundred yards away to another part of the Maidan. The move is welcome enough, but it is a pity it could not be more complete. Perhaps it will require more appeals from men like Mr. Jenkins, who have not allowed their business preoccupations to replace completely their civic consciences. It was good to hear his words of praise for the initiative private enterprise has been showing. The transformation of an unsightly dust patch into a pleasant garden is adequate consolation for the intrusive, although tasteful, notice naming the public's benefactor. I do not see why the principle could not be extended to the avenue of gold mohurs Mr. Jenkins mentioned, if some advertiser cares to take the job on—always provided, of course, that he did not do so at the expense of his budget for the Press. Besides, as Mr. Jenkins pointed out so slyly, the contrast between the efforts of private enterprise and those of the Government could have a wholly salutary effect on present economic thinking. Although I see the Czech Exhibition site is slowly returning to normal—given the help of another monsoon or two—the goings-on south of the Cathedral must be puzzling more than this inquisitive scribe. Why, if it is a building that is to be erected, has the surrounding wall been completed first? This is the kind of mystery which is not improved by the firm conviction that it is wrong that anything should be going up at all.

This seems to be an important week for civil aviation. To begin with, there is the first scheduled appearance on the London-Australia run of the world's largest airliner, B.O.A.C.'s Britannia, about which I hope to be able to say more in the not-too-distant future. At the moment, I am most impressed by its nickname—"The Whispering Giant", which may or may not have any relation to fact, but is certainly a heaven-sent gift to the publicity man. And secondly, there are the inaugural flights of Scandinavian Airlines' new trans-polar service between Copenhagen and Tokyo. I know that S.A.S. has been operating a successful schedule across the Arctic between Copenhagen and Los Angeles for some time now. But this is the first time the "Northwest Passage" route flying directly across the North Pole, has been used to Far East. It will cut the present time from 52 hours to 30 and the distance from 10,300 miles to 8,000. I see that if the north polar region goes on warming up at its present rate, there will be no ice to fly over in 1,000 years' time. That may seem too remote a possibility to worry about, but the climatic changes there, which have been going on since the beginning of the century, have already had one or two strange consequences. One is that seals have disappeared from the west coast of Greenland and have been replaced by cod, so encouraging the growth of a substantial fishing industry. Another is that the moose of Nova Scotia is being deprived of the mosses on which it lives and has developed a form of malnutrition which is affecting it mentally—it is becoming neurotic.

When I note that the phonetic alphabet Bernard Shaw had in mind contained 40 letters, I almost find it difficult to regret its loss. But at the same time, if the project had the enthusiastic support of such a master of the English language as Shaw

In decorating the home, I have usually been most impressed by those who have adopted three main aims—to be original, attractive and inexpensive. The first two, one is often told, are incompatible with the third. But a visit to the exhibition organised by the Bengal Home Industries Association in Artistry House, Park Street, last week shows that this is far from true. How many of us, I wonder, have thought of taking three lengths of metal poles, bending them at various angles and joining them at the waist to form an extremely attractive lamp-stand? And how many have thought of using those cheap but beautifully coloured textiles, produced by small-scale industries, as furnishing material, instead of only for blouses and skirts? This latter, I admit, is apt sometimes to bring embarrassment; now and then one is liable to hear of guests arriving for a Sunday morning beer in hawaiian shirts made of something which looked like the left-overs of the hostess's curtains. But the scope for novelty and attractiveness in one's acquisitions is still immense if one has the imagination and the energy to look for the products of cottage industries. The trouble is that one needs rather a lot of both. Some of the most striking exhibits at the Bengal Home Industries show are the ash-trays made of clay, the copperware and the metallic statuettes, not to speak of the intricate trinkets and jewellery. Exhibitions such as these leave the impression that the real shortcomings of our cottage industries lie not in the quality and methods of production, but in their distribution. It was a distinguished official of this province who said some forty years ago that "in discussing the decline of Bengal's industries, one feels as if one were passing through a large graveyard in the dark, with open graves waiting for the bodies of dying enterprises." That is less true now than it was then, and some of the credit for it must go to organisations such as the B.H.I.A.

It is sincerely to be hoped the Duke of Edinburgh's new title is neither a consolation for losing

the quarrel he is supposed to have had with the Queen nor a gesture to the public that all is now well with the Royal Family. For one thing, it should be a most popular decision. It does not take much imagination to appreciate just how difficult a job the Duke has been the husband of a woman whose duties, and whose devotion to them, must fit her for anything but the rôle of ideal wife. He has shown himself capable of playing his part with just the right combination of humour and self-effacement, and seems destined to make none of the mistakes which marred the record of Victoria's consort, Prince Philip deserves his promotion. But whether the Queen intends to pay greater heed in future to his views about the duties of an up-to-date constitutional monarch is another matter; the British Press, which as usual seems to have heard about the Royal quarrel long after the American newspapers, has had a fine time debating it though. Most commentators seem to have backed Philip against the rather stuffy ideas of the Queen's "Grey Eminence", Lord Salisbury. He is supposed, for instance, to have been opposed to the recent Royal visit to Portugal, and to believe, among other things, that the Queen spends too much time at the races. And the whole thing has been given twice the credence it deserves because the Palace saw fit to issue a formal denial that there has been any "rift" at all. Why the Duke's parting from his friend, Commander Parker, should have attracted so much attention from the Press, is a mystery. It was scarcely routine, but how it came to crowd the arrival in London of Mr. Bill Haley, High Priest of the Rock 'n' Roll, off the front pages will remain one of the more inexplicable of the many strange interpretations of what British newspapers think will interest the reading public. Only *The Times* appears to have maintained its sense of proportion, at the price of surprising a few of its admirers, by featuring Mr. Haley's arrival on the main news page, and omitting any mention of Commander Parker and his unfortunate matrimonial affairs altogether.

A general election is no occasion for unanimity. But the start of India's second one this week brings me a nervous reminder of the unanimity independent observers have shown in assessing the prospects for the Congress Party. This nervousness is due to a now somewhat hazy recollection of voters' unpredictability—and not just in the United States, where, some years ago, they baffled fashionable pollsters and a presumptuous Press by the opinions they expressed about the Presidential chances of Mr. Thomas Dewey. Still, I do not think our local political pundits are going to find themselves equally confounded by the events of the next few weeks. On the contrary, as they expected, the Congress seems to have made an encouraging start in the elections to the Lok Sabha as well as to State Assemblies. The prospects it has in West Bengal seem somewhat clouded at the moment. But inventing a forecasting technique which may not be less reliable than that of the distinguished Dr. Gallup, an enterprising acquaintance has conducted a random sample survey of the posters with which various candidates, in their kindly lavishness, have adorned some of the rather drab buildings in this city. The results, he says, are by no means discouraging for the ruling party. To his dismay, however, he has been struck during this survey by the occupational characteristics of poster-pasters other than the hopeful politicians. These others seem to consist mostly of such purveyors of hope as astrologers and palmists. One sincerely wishes that a similarity in the choice of advertising media does not always imply a similarity in the substance of audience appeal.

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AHMEDABAD—Mr. Narottam Lalbhai. Committee of Directors: Mr. Ambalal Sarabhai, Mr. Madanmohan Mangaldas, AMRITSAR—Late Dewan Chand Mehra, BANGALORE—Mr. Jeebabhai Davidsoo, CALCUTTA—Mr. Jugmohan Prasad Goenka, Mr. N. P. Elias, COIMBATORE—Mr. S. R. P. Ponnuswamy Chettiar, M.L.C., Mr. R. Venkataswamy Naidu, DELHI—Late Bharat Ram.

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ANNUAL REPORT.

To be submitted to the Shareholders at the Fifty-First Annual General Meeting to be held at the Registered Office of the Company at Mahatma Gandhi Road, Fort, Bombay, on Thursday, the 7th day of March, 1957, at 4 o'clock in the afternoon.

Directors' Report for the year ended 31st December, 1956.

The Directors submit to the Shareholders the Balance-Sheet and Profit and Loss account for the year ended 31st December, 1956. The Auditors' Report is also annexed. The transactions for the past year including the balance brought forward from the previous year, Rs. 13,26,630-3-5, have resulted in a profit of Rs. 1,05,29,924 7 2.

An interim dividend was paid for the half-year ended 30th June, 1956, at the rate of 8 p. cent. free of Income-Tax on the Paid-up Capital of Rs. 2,50,00,000, which also included Rs. 15,00,000 0 0 Provision made for Income-Tax and Super-Tax for the year, Rs. 28,00,000 0 0 Bonus to Staff Rs. 13,75,000 0 0.

The Directors now propose—
To pay a final dividend for the half-year ended 31st December, 1956, at the rate of 10 p. cent. free of Income-Tax making 16 p. cent. for the year on the Paid-up Capital of Rs. 2,50,00,000, which will absorb Rs. 25,00,000 0 0.
To place to the Bank's Reserve Fund Rs. 8,00,000 0 0.
To carry forward to the next account Rs. 15,54,924 7 2.

Total Rs. 1,05,29,924 7 2.
The Bank's business continued to function satisfactorily. The Official Bank Rate remained stationary at 3½%. During the year the Bank celebrated its Golden Jubilee. To mark the event, the Paid-up Capital was increased from Rs. 250 lacs to Rs. 300 lacs by making a bonus issue to the Shareholders of 1,00,00,000 fully paid shares of Rs. 50 each from that part of the Reserve Fund representing premiums received on past issues of shares.

Under the provisions of Section 256 of the Companies Act, 1956, the following Directors of the Company retire by rotation but are eligible and offer themselves for re-election:—
Sir Cowasjee Jehangir, Baronet, G.B.E., K.C.I.E.
Mr. Bhagvandas Chumilal Mehta
Mr. A. D. Shroff.

Under the provisions of Section 260 of the Companies Act, 1956 the under-noted Directors, who have been appointed as additional Directors during the year 1956, will hold office up to the date of the Annual General Meeting, namely, up to 7th March, 1957. They stand for election in the manner provided by the Act.
Mr. Madanmohan Mangaldas.
Mr. N. K. Petigara.

The Shareholders are requested to appoint Auditors for the ensuing year and to fix their remuneration.

COWASJEE JEHANGIR, Chairman.
AMBALAL SARABHAI, JOSEPH KAY, DINSHA K. DAJI, RAMNIWAS RAMNARAIN, BHAGVANDAS C. MEHTA, K. M. D. THACKERSEY, A. D. SHROFF, MADANMOHAN MANGALDAS, N. K. PETIGARA, V. N. CHANDAVARKAR, Directors.
D. R. THOM, General Manager.
H. A. CURRIMBOY, Chief Accountant.

Bombay, 31st January, 1957.

BALANCE-SHEET AS AT 31ST DECEMBER, 1956.

CAPITAL AND LIABILITIES.	Rs.	a.	p.	Rs.	a.	p.	PROPERTY AND ASSETS.	Rs.	a.	p.	Rs.	a.	p.
CAPITAL:							1. CASH:						
Authorised Capital:							(a) hand and with Reserve Bank of India and State Bank of India (including foreign currency notes)				6,78,08,823	3	1
(a) 5,00,000 shares of Rs. 100 each	5,00,00,000	0	0				(b) outside India	17,92,129	5	9			
(iv) Interest "A" shares of Rs. 50 each	50,00,000	0	0				2. BALANCES WITH OTHER BANKS ON CURRENT ACCOUNT	1,04,17,953	6	1	1,22,10,082	11	10
Issued and Subscribed Capital:							(i) in India						
(a) 5,00,000 shares of Rs. 100 each paid for in cash	5,00,00,000	0	0				(ii) outside India						
(b) 1,00,000 "A" shares of Rs. 50 each credited as fully paid bonus shares	50,00,000	0	0				3. MONEY AT CALL AND SHORT NOTICE						
Amount called up on 5,00,000 shares of Rs. 100 each at Rs. 50 per share	2,50,00,000	0	0				(i) Securities of the Central and State Governments and other Treasury Securities, including Treasury Bills of the Central and State Governments	16,80,71,337	13	3			
Amount fully paid up on 1,00,000 "A" shares of Rs. 50 each	50,00,000	0	0				(ii) Shares						
Less: Calls unpaid							(a) Fully paid Preference Shares	8,45,183	4	0			
Add: Forfeited shares							(b) Fully paid Ordinary Shares	74,07,557	11	0			
2. RESERVE FUND AND OTHER RESERVES:							(c) Partly paid Preference Shares	75,000	0	0			
Reserve Fund							(d) Partly paid Ordinary Shares	7,020	0	0			
(Includes Rs. 1,50,00,000 received as Premiums on issues of Shares in past years)							(iii) Debentures or Bonds	63,55,750	0	0			
3. DEPOSITS AND OTHER ACCOUNTS:							(iv) Other Investments	25,24,312	8	0			
Fixed Deposits	17,00,47,127	6	11				(v) Pakistan Government and Trustee Securities						
Savings Bank Deposits	9,82,98,578	0	4				(i) Gold				16,52,86,761	4	9
Current Accounts, Contingency Accounts, etc.	42,72,46,671	12	6				5. ADVANCES:						
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.:							(Other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)						
(i) in India	7,85,00,000	0	0				(I) Loans, Cash Credits, Overdrafts, etc.:						
(ii) outside India							(i) in India	Rs. 39,22,61,387	14	11			
PARTICULARS:							(ii) outside India	Rs. 2,87,87,920	0	4	42,10,49,307	15	3
(a) Secured by part of the Bank's Investments Rs. 50,00,000 0 0							(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)						
(b) Secured by Bills Discounted Rs. 7,25,00,000 0 0							(i) payable in India	Rs. 11,21,58,699	3	6			
(iii) Unsecured Rs. 7,85,00,000 0 0							(ii) payable outside India	Rs. 3,69,03,711	7	6	15,10,62,401	11	0
5. BILLS PAYABLE							PARTICULARS OF ADVANCES:						
6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE as per contra							(i) Debts considered good in respect of which the banking company is fully secured				47,46,66,376	9	4
(i) payable in India	1,08,41,153	10	4				(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security				1,35,45,061	8	11
(ii) payable outside India	80,53,547	13	11				(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors				8,39,00,271	8	0
7. OTHER LIABILITIES:							(iv) Debts considered doubtful or bad, not provided for						
(i) Unexpired Discounts	1,58,286	12	2				(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons				63,89,239	11	1
(ii) Branch Adjustments	57,40,638	14	4				(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members				9,17,62,363	11	7
(iii) Unclaimed Dividends	2,60,487	15	0				(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons				1,04,07,404	6	8
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra							(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members				10,28,08,381	6	8
9. PROFIT AND LOSS:							(ix) Due from banking companies				9,54,155	0	2
Balance as per Balance-Sheet as at 31st December, 1955							6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION as per contra:						
Less: Final Dividend at 10 p. cent. making 16% for the year 1955, free of Income-Tax	Rs. 25,00,000	0	0				(i) payable in India	1,08,41,153	10	4			
Placed to the Bank's Land-Ed Property Account	Rs. 3,00,000	0	0				(ii) payable outside India	80,53,547	13	11			
Add: Profit for the year ended 31st December, 1956							7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS per contra						
Provision for Income-Tax and Super-Tax for the year Rs. 28,00,000 0 0													
Interim Dividend at 8 p. cent. for the half-year ended 30th June, 1956	Rs. 15,00,000	0	0										
Provision for Bonus to Staff for the year 1956	Rs. 13,75,000	0	0										
Carried forward													

THE BANK OF INDIA LIMITED—Cont'd.

CAPITAL AND LIABILITIES.—Cont'd.	Rs.	a.	p.	Rs.	a.	p.	PROPERTY AND ASSETS.—Cont'd.	Rs.	a.	p.	Rs.	a.	p.
Brought forward				96,41,99,111	2	3	Brought forward				96,41,99,111	2	3
10. CONTINGENT LIABILITIES:							8. PREMISES, LESS DEPRECIATION:						
(i) On partly paid Shares	Rs. 57,020	0	0				At cost as at 31st December, 1955	1,00,96,262	16	1			
(ii) Claims against the banking company not acknowledged as debts	Rs. 3,37,592	5	6				Additions during this year	1,37,109	10	6			
(iii) Guarantees given on behalf of customers	Rs. 4,72,40,914	4	10				Less: Written off up to 31st December, 1956	75,84,341	10	3	26,49,070	10	4
(Includes Rs. 22,36,946-13-0 in respect of guarantees given to Government Departments secured against part of the Bank's Investments and Rs. 26,000-0-0 in respect of a guarantee given on behalf of a Director)							9. FURNITURE AND FIXTURES, LESS DEPRECIATION						
(iv) Bills of Exchange Re-discounted:—													
U.S. Dollar Bills Re-discounted \$89,420.81 of which \$17,719.45 have run off as at 31st January, 1957.													
sterling Bills Re-discounted \$22,239-17-0 of which \$23,513-14-3 have run off as at 31st January, 1957.													
(v) Outstanding Forward Exchange Contracts	Rs. 31,11,25,773	15	1										
Notes:—Provision to the full extent for future gratuities to Staff has not been made—the liability for which has not been ascertained.													
The Profit and Loss Account includes expenses of The Bank of India (U.K.) Nominees Limited, a subsidiary Company of this Bank.													
Total Rupees				96,41,99,111	2	3	Total Rupees				96,41,99,111	2	3

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1956.

EXPENDITURE				INCOME (less provision made during the year for bad and doubtful debts and other usual or necessary provisions)			
	Rs.	a.	p.		Rs.	a.	p.
1. Interest paid on deposits, borrowings, etc.	1,10,01,914	14	2	1. Interest and Discount	2,72,08,211	6	7
2. Salaries and Allowances and Provident Fund Salary and Allowances to General Manager Rs. 81,900-0-0	1,07,85,761	16	8	2. Commission, Exchange and Brokerage	71,01,477	9	10
3. Directors and Local Committee Members' Fees and Allowances	78,250	0	0	3. Rents	2,38,729	3	2
4. Rent, Taxes, Insurance, Lighting, etc.	17,54,223	7	3	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil.		
5. Law Charges	77,865	13	4	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)	Nil.		
6. Postage, Telegrams and Stamps	1,42,829	12	5	6. Income from non-banking assets and profit from sale of or dealing with such assets	Nil.		
7. Auditors' Fees	76,000	0	0	7. Other Receipts	5,09,055	0	3
8. Depreciation on and repairs to the banking company's property	1,25,395	14	3				
9. Stationery, Printing, Advertisement, etc.	8,11,837	4	5				
10. Loss from sale of or dealing with non-banking assets	Nil.						
11. Other Expenditure	10,38,667	3	8				
12. Balance of Profit (Subject to Taxation)	92,03,294	3	9				
Total Rupees	2,51,04,453	3	10	Total Rupees	3,51,04,453	3	10

AMBALAL SARABHAI, JOSEPH KAY, DINSHA K. DAJI, RAMNIWAS RAMNARAIN, BHAGVANDAS C. MEHTA, K. M. D. THACKERSEY, A. D. SHROFF, MADANMOHAN MANGALDAS, N. K. PETIGARA, V. N. CHANDAVARKAR, Directors.
COWASJEE JEHANGIR, Chairman.
D. R. THOM, General Manager.
H. A. CURRIMBOY, Chief Accountant.

REPORT OF THE AUDITORS TO THE SHAREHOLDERS

We have audited the foregoing Balance-Sheet of The Bank of India Limited, as at 31st December, 1956, and also the foregoing Profit and Loss Account of the Bank for the year ended upon that date, in which are incorporated unaudited returns from all the Branches in India not visited by us for the purposes of this Report and the audited returns of all Branches outside India.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-sections (5) of Sections 211 and 227 of the Companies Act, 1956, the Balance-Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956; they are, therefore, drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that—
(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.
(b) The transactions of the Bank which have come to our notice have been within the powers of the Bank;
(c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank;
(d) The Bank's Balance-Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;
(e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance-Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1956, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

A. F. FERGUSON & CO., S. B. BILLIMORIA & CO., Chartered Accountants.

Statement pursuant to Section 212 of the Companies Act, 1956.

The Profit and Loss Account of The Bank of India Limited for the year ended 31st December, 1956, does not include any profit or loss of its subsidiary, The Bank of India (U.K.) Nominees Limited, a Nominee Company incorporated and operating in the United Kingdom, as no profit was made and no loss was sustained by that subsidiary. All expenses incurred were borne and paid by The Bank of India Limited. The shares of the subsidiary are wholly owned by the Bank.

AMBALAL SARABHAI, JOSEPH KAY, DINSHA K. DAJI, RAMNIWAS RAMNARAIN, BHAGVANDAS C. MEHTA, K. M. D. THACKERSEY, A. D. SHROFF, MADANMOHAN MANGALDAS, N. K. PETIGARA, V. N. CHANDAVARKAR, Directors.
COWASJEE JEHANGIR, Chairman.
D. R. THOM, General Manager.
H. A. CURRIMBOY, Chief Accountant.

Bombay, 31st January, 1957.

THE BANK OF INDIA (U.K.) NOMINEES LIMITED.

Directors' Report for the year ended 31st December, 1956.

The Directors submit the Balance-Sheet for the year ended 31st December, 1956. The Auditors' Report is also annexed. No Profit and Loss Account is submitted as none has been prepared. No profit was made and no loss was sustained. The expenses of the Company have been paid by The Bank of India Limited, of which the Company is a wholly-owned subsidiary.

J. DONALDSON, S. H. BRADFORD, Directors.

London, 1st January, 1957.

THE BANK OF INDIA (U.K.) NOMINEES LIMITED.

BALANCE-SHEET 31ST DECEMBER, 1956.

Capital Authorised and Fully Paid-up: 100 Ordinary Shares of £1 each	£100	Cash at Bankers	£100
	£100		£100

Signed on behalf of the Board.

J. DONALDSON, S. H. BRADFORD, Directors.

We have obtained all the information

COMMONWEALTH NEED FOR
DEVELOPMENT FINANCEHEAVY STERLING WITHDRAWALS
BY INDIA CRITICISED

INFORMAL consultations have been in progress between Britain and other members of the Commonwealth concerning financial arrangements within the group, especially those relating to long-term economic development. The emergence of the Gold Coast as the independent state of Ghana in March gives special point to the subject, as finance of the newly-independent territories is a problem requiring careful treatment. As a background, a survey of postwar investment is available in the work of Mr. A. R. Conan, economist of the Commonwealth Economic Committee, which has been published by Princeton University entitled *Essays in International Finance*. It confirms that the United Kingdom is still the main source of finance for the overseas Commonwealth (or, at least, has been so in recent years), though by no means the only source, as it was virtually before the war.

Mr. Conan's figures cover the period 1946-55. They show that the biggest importer of capital in the British Commonwealth was South Africa, absorbing a total of £750 million; of which Britain provided £500 million, the United States £100 million, the World Bank £100 million. Australia ranked next, absorbing £600 million; but, whereas in this case also the U.S.A. and the World Bank provided £100 million each, the U.K.'s proportion was smaller, £350 million. The other big outlet for American capital was India, and in this case the American proportion was much larger, again £100 million, but in a total of £250 million, while Britain's contribution was likewise £100 million. To Rhodesia, on the other hand, Britain provided

£250 million in a total of £300 million; to the colonial territories £450 million, in a total of £520 million. There have been, of course, important changes since 1955, most important, doubtless, being the acceleration of India's development. The heavy drawings on sterling balances to finance India's five year plan signify that India is relying on sterling sources for much of her requirements in this phase; but the money is her own, not Britain's. Nonetheless, the resources are from the sterling area, and it has been suggested by some critics in London that India has been receiving too large a share of the available resources of the area.

Inadequacy of Resources

Such matters are debatable, and it is proper that they should be debated. There is a good case for improving the means of consultation within the Commonwealth so that no member of it can feel dissatisfied—at least, that it has had no opportunity to object. On the one hand, it will be argued that the sterling system will collapse if every developing member of the sterling area takes as much as it can get out of the area; on the other hand, it will be argued that the system will disintegrate if members are not allowed to convert their own sterling balances into needed goods. However, the essential problem in this big task of development is not the means of distributing the resources available, but the inadequacy of those resources. In the first 10 years after the war, Britain was providing capital for the sterling countries of the Commonwealth at an average annual rate of roughly £170 million. Providing such capital, in addition to military commitments, she strained her external payments account; providing such capital, in addition to developing her own resources, she generated inflation. The payments surplus required to provide more or less adequately and without strain, funds for developing the Commonwealth has been estimated (one would think rather moderately) at £300-350 million a year, and the latest official estimate suggests that in the year to mid-1957 there will be no surplus at all.

There is, however, one important fact that is often overlooked in Britain; though it is really a matter of common sense. As territories develop, they generate their own means of further development. Some of the sterling countries' efforts at self-financing have been, admittedly, a little disappointing, but the long-term tendency is clear. Australia, New Zealand, South Africa, for example, have now internal debts far in excess of their external debts, whereas before the war the two forms of debt were of comparable size. Such countries are financing a large part of their development by borrowing at home, and their need for external finance is gradually diminishing. It will not be surprising if some of these countries become before long, in their turn, useful sources of finance for the development of other territories. In the meantime, two problems need consideration: the diversion of resources to the newly-independent territories, and the treatment of external capital in all the territories. These problems are related, insofar as treatment of capital in any area affects investment in that area.

Nationalisation Policies

An interesting development in the member countries' financing has been the attraction of external capital for ordinary commercial investment, with no disinterested, and possibly economic, motives. It is on this basis that American capital has moved into, for instance, Australia and South Africa; and British investment in the Commonwealth generally has tended to shift from official to private sources. But investment in a newly-independent country, whose policies have not yet taken shape, is obviously more speculative than investment in a mature country, whose line of development is approximately known. To lay down rules for treatment of external capital—specifying, for instance, that British enterprise may not be nationalised—would be contrary to the principle of non-interference and would certainly be resented. But it may be possible to get general agreement on compensation that would be provided in certain specified circumstances. Capital could be distributed according to economic principles, without serious political impediments. There some such assurance were forthcoming, remains, of course, for Britain the basic dilemma: that she cannot help to develop the overseas territories without sacrificing some of her own development and modernisation.

COMPANY FORMATION IN NORTHERN ZONE

Three public companies and 17 private companies with an authorised capital of Rs. 4.15 crores and Rs. 2.51 20,000 respectively, were incorporated during the month of January 1957, in the northern region consisting of Delhi, Punjab, Rajasthan and Uttar Pradesh. Of these, one public company and two private companies were registered with an authorised capital of more than Rs. 10 lakhs. One public company, having an authorised capital of Rs. 1 crore and seven private companies, having an authorised capital of Rs. 28,90,000 went into liquidation during the period under review. Names of nine public companies and 23 private companies with an authorised capital of Rs. 1 crore and Rs. 43,30,000 respectively, were struck off the register under Section 560 of the Companies Act, 1956. Prosecutions for default in repaying the Registrars were launched against eight public and eight private companies. Of the pending cases, six were disposed of in Punjab and Punjab. Six companies of Punjab and one of Punjab were convicted for their failure to file the statutory documents under the Companies Act, 1956, in a total fine of Rs. 775.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

CONDITIONS LESS STRINGENT

Wednesday, 27th February.

THE money market has been rather easier in the past week, although there has been no slackening in the demand for accommodation. Offtake of funds by the sugar and jute industries has increased, while that on account of grain and seed storage has been halted at a specified level by Government regulation. Cotton advances are still increasing. The reason for the rather less stringent conditions which prevail in the money market seems to be chiefly the cut in imports. Deposits have risen appreciably in the past few days. Conditions in the interbank market remain easy and business is reported at between 3½ and 3¾ percent.

It has been an extremely slack week in the bill market. Gunny bills have been almost absent, while those for tea have been generally small. Remittance has been moderate. After being at one time down to parity level, sterling has improved this week against both the dollar and Continental currencies. The reason is probably seasonal, although some attention has been attracted by the loan agreement which has just been signed in Washington.

Silver was quiet on fears that Tibetan coins might be arriving. The price dropped from the previous week's level of Rs. 182-8 to Rs. 179-6, quoted on Tuesday. The market was closed on Wednesday. The rate for the ready metal was Rs. 180. The London and New York prices were unchanged.

Gold was quiet in sympathy with silver. The price declined from Rs. 111 to Rs. 107-14. The sovereign, at Rs. 71-11, showed a loss of 7 annas.

During the week ended 22nd February, Government of India Treasury bills for Rs. 10,50,00,000 were sold in favour of the Reserve Bank.

A decline of Rs. 9.37 crores to Rs. 1,506.25 crores in active notes was the outstanding feature of the return of the Reserve Bank of India for the week ended 22nd February, 1957. The total note issue was Rs. 43 lakhs higher at Rs. 1,527.33 crores. Notes held in the Banking Department consequently increased by Rs. 9.80 crores to Rs. 21.08 crores. Deposits of the Central Government rose by Rs. 1.73 crores to Rs. 53.96 crores, while other Government accounts were Rs. 1.24 crores lower at Rs. 11.24 crores. Balances of commercial banks, at Rs. 56.48 crores, showed a rise of Rs. 4.89 crores. Balances held abroad declined by Rs. 7.08 crores to Rs. 113.43 crores. Other loans and advances declined from Rs. 120.33 crores to Rs. 112.66 crores, of which advances to scheduled banks against usance bills totalled Rs. 58.85 crores (Rs. 59.18 crores). Such advances amounted to Rs. 99.35 crores since 1st January, 1957. Ways and means advances stood at Rs. 7.72 crores (Rs. 6.73 crores).

The return of the State Bank of India for the week ended 15th February, 1957, shows a rise of Rs. 4.51 crores in total deposits to Rs. 265.01 crores. Investments in Government securities and other authorised investments are down by Rs. 1 lakh and Rs. 4 lakhs to Rs. 95.49 crores and Rs. 11.35 crores. Advances including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 1.05 crores to Rs. 173.51 crores. Cash and balances are, in consequence, shown at Rs. 18.04 crores, or Rs. 2.11 crores higher.

The statement of the position of scheduled banks for the week ended 15th February, 1957, shows Demand and Time liabilities at Rs. 682.75 crores (Rs. 6.36 crores on account of borrowings from banks) and Rs. 464.29 crores (Rs. 2.48 crores) compared with Rs. 676.24 crores (Rs. 6.72 crores) and the previous week. Cash and balances with the Reserve Bank have increased by Rs. 1.02 crores and Rs. 8 lakhs to Rs. 36.93 crores and Rs. 48.86 crores, respectively. There is a drop of Rs. 4.74 crores in investments to Rs. 356.20 crores. Advances and bills discounted, at Rs. 860.82 crores, show a rise of Rs. 4.57 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.5 percent and 75.0 percent, against 7.4 percent and 75.1 percent.

The Bank of India has made a profit of Rs. 92 lakhs for the year ended last December, against Rs. 85 lakhs in the previous year. Bringing in Rs. 13,26,130, there is a balance of Rs. 1,05,29,925. An interim dividend of 6 percent absorbed Rs. 16 lakhs. The taxation provision is Rs. 28 lakhs and fund gets Rs. 8 lakhs. The final dividend has been declared at 10 percent, making 16 percent for the year (same), leaving a carry-forward of Rs. 15,54,925. Deposits were Rs. 2 crores higher at Rs. 69.55 crores. Cash declined by Rs. 1.69 crores to Rs. 8 crores. Investments were Rs. 1.97 crores lower at Rs. 57.21 crores. The directors say that during the year under report the bank celebrated its Golden Jubilee. To mark the event, the paid-up capital was increased from Rs. 2.50 crores to Rs. 3 crores by issuing bonus shares to the holders of 100,000 "A" fully paid shares of Rs. 50 each from that portion of the reserve fund which represented premiums received on past issues of shares.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	22-2-57	15-2-57	24-2-56
Liabilities—			
Notes in Banking Dept.	21,07.30	11,27.90	12,59.41
Notes in Circulation	15,06,24.51	15,15,62.27	14,02,85.11
Total Notes issued	15,27,32.51	15,26,90.17	14,15,44.52

Assets—			
A Gold Coin and Bullion	1,17,75.03	1,17,75.03	40,01.97
Foreign Securities	4,12,51.91	4,12,51.91	6,67,13.97
Total of A	5,30,27.94	5,30,27.94	7,07,17.94
B Rupee Coin	1,22,01.13	1,21,38.79	1,05,03.92
Rupee Securities	8,75,03.44	8,75,03.44	6,03,22.92
Total	15,27,32.51	15,26,90.17	14,15,44.52

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural	15,00.00	15,00.00	15,00.00
Credit (Long-term Fund)	15,00.00	15,00.00	15,00.00
National Agricultural	15,00.00	15,00.00	15,00.00
Credit (Stabilisation)	15,00.00	15,00.00	15,00.00
Fund	15,00.00	15,00.00	15,00.00

Deposits—			
(a) Central Govt.	53,98.47	52,25.29	66,51.06
(b) Other Govts.	11,23.30	12,47.59	16,12.16
(c) Banks	36,48.09	51,59.91	56,16.30
(d) Others	42,26.72	42,39.50	15,97.92
Bills Payable	12,39.80	13,64.28	9,21.77
Other Liabilities	1,11,78.53	1,12,27.77	25,94.26
Total	3,14,76.51	3,10,63.44	2,08,93.17

Assets—			
Notes	21,07.30	11,27.90	12,59.41
Rupee Coin	10.20	10.83	8.75
Subsidiary Coin	15.44	13.99	5.19
Bills Discounted Int.	...	...	45.50
Govt. of India Treasury	...	...	...
Bills	2,02.83	1,54.92	3,77.59
Balances held abroad	1,06,35.15	1,13,43.32	67,65.14
Loans to Govt.	7,71.70	6,72.70	3,69.09
Other Loans etc.	1,12,95.67	1,20,32.78	56,15.93
Investments	51,55.34	44,01.91	49,28.54
Other Assets	13,02.28	13,04.38	15,25.17
Total	3,14,76.51	3,10,63.44	2,08,93.17

SCHEDULED BANKS

(In 000's of Rupees)

	15-2-57	8-2-57	17-2-56
Demand Liabilities—			
(a) Borrowings from Bank	6,35.71	6,71.56	5,47.13
(b) Others	6,76,39.12	6,69,52.51	6,24,64.15
Time Liabilities—			
(a) Borrowings from Bank	2,48.00	2,38.00	3,25.50
(b) Others	4,61,31.17	4,61,43.43	4,13,63.81
Borrowings from State	16,13.52	16,68.42	13,05.72
Bank Demand Liabilities	...	...	...
Time Liabilities	...	...	...
Borrowings from Reserve	...	...	...
Banks	92,48.11	96,38.79	38,64.50
Cash	36,93.90	35,91.28	36,30.37
Balances with the Reserve	48,86.04	48,77.85	49,90.98
Balances with other banks	9,62.24	9,75.87	10,51.00
Money at calls and short notice	10,29.44	9,84.11	7,13.53
Investments in Central and State Govt Securities	3,56,19.69	3,60,94.99	3,77,43.77
Advances	6,36,45.35	6,38,39.02	5,53,50.16
Inland Bills purchased and discounted	1,07,69.59	1,14,42.08	93,28.82
Foreign Bills purchased and discounted	56,26.93	53,43.33	44,20.90

CLEARING HOUSE RETURNS

	Week ended	Rs (thousands)	Calcutta	Bombay
22-2-57	66,75.32	72,50.26		
15-2-57	69,01.71	67,15.04		
8-2-57	59,02.33	67,15.04		
1-2-57	69,10.46	77,15.64		

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In 000's of Rupees)

	week ended	week ended
Liabilities—	8-2-57	1-2-57
Notes in Banking Department	10,48.75	9,62.87
Notes in Circulation	3,33,39.93	3,30,92.76
Total Notes issued	3,44,38.58	3,40,55.63

Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	
Sterling Securities	66,75.32	83,60.20	83,07.74
Government of India Securities	23,63.47	23,63.47	
India Notes representing assets	...	...	...
Reserve Bank of the Reserve	...	...	...
Bank of India	43,02.30	43,02.30	
B Rupee Coin	5,15.59	5,15.59	
Govt of Pakistan Securities	1,71,73.55	1,68,26.91	
Held with Reserve Bank of India	...	...	...
pending transfer to Pakistan	...	...	...
Gold Coin and Bullion	19.02	15.02	
Sterling Securities	4,40.63	4,40.63	
Govt. of India Securities	1,00.50	1,00.50	
Rupee Coin	29.51	29.51	
Total	3,44,38.58	3,40,55.63	

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	
Reserve Fund	3,00.00	3,00.00	
Deposits—			
(a) Central Government	46,17.06	45,46.52	
(b) Provincial Government	75.15	3,20.97	
(c) Banks	13,74.68	13,74.68	
(d) Others	8,23.53	8,23.53	
Bills Payable	18.78	19.39	
Other Liabilities	12,91.25	10,57.80	
Total	88,00.49	88,58.32	
Assets—			
Notes	10,48.75	9,62.87	
Rupee Coin	...	...	...
(a) Pakistan	12	13	
Subsidiary Coin	...	...	...
(b) India	18	16	
Bills Purchased and Discounted—			
(a) Internal	7.15	...	...
(c) Govt. Treasury Bills	26.00	26.00	
Loans and Advances to Govt.	2,77.09	1,45.62	
Provincial Govt Debtor Balances	23,39.20	23,45.03	
Other Loans and Advances	40,76.07	42,81.52	
Investments	10,25.93	10,58.97	
Other Assets	88,00.49	88,58.32	

United Bank
of India Ltd.Head Office:
4, CLIVE GHAT STREET, CALCUTTA

TOTAL ASSETS

OVER Rs. 45,00,00,000/-

Foreign Trade...

Extensive international trade is essential for the development of national economy. A country's foreign trade largely depends on efficient banking service. With a network of correspondents at all important trade centres of the world the United Bank is equipped to render adequate service and give expert guidance in matters of foreign trade.

Foreign Agencies

ENGLAND, U.S.A., AUSTRALIA, CANADA, FRANCE, BELGIUM, HOLLAND, GERMANY, NORWAY, SWEDEN, SWITZERLAND, ITALY, AND JAPAN.

HINDUSTHAN MERCANTILE
BANK LTD.

Head Office

10, CLIVE ROW, CALCUTTA.
Chairman — Sri M. L. Jalan.

CAPITAL

Authorised Rs. 2 Crores
Issued and Subscribed Rs. 1 Crore
Paid-up Rs. 50 Lakhs

All Types of Banking business transacted.
Branches & Agencies Throughout India

Deposits received on various terms.
Special concession on deposits from Widow and Orphans.
Loans granted on approved securities.
Terms on applications.

P. H. Kothari, B.Com., LL.B.
General Manager

The Central Bank of India, Ltd.

(Incorporated in India, Liability of Members is Limited).
(Established—December, 1911.)
Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY—1

Authorised Capital .. Rs. 6,30,00,000
Issued Capital .. Rs. 5,77,50,000
Subscribed Capital .. Rs. 5,76,66,125
Paid-up Capital .. Rs. 3,14,54,250
Reserve Fund and other Reserves .. Rs. 4,01,81,217
Deposits as at 31-12-55 .. Rs. 1,28,96,40,383

DIRECTORS

Sir Homi Mody, K.B.E. (Chairman), Cooverji Hormusji Bhambhani, Esq. (Vice-Chairman), Dhanraj D. Koneji Esq., Dharamsey Mulraj Khatau Esq., Mannohandas Madhavdas Amersey Esq., C. P. Wadia Esq., Chimanlal B. Parikh, Esq., Framroze J. Gazdar, Esq., Sir Jamsetjee Jejeebhoy, Bart. Esq., His Highness Sir Jiwajirao Madhavrao Scindia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

Branches and pay Offices throughout India, Pakistan, Burma and in London.
London Branch—159, Fenchurch Street, London, E.C.3.
New York Agents—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.

Banking Business of every description transacted on terms which may be ascertained on application.
LOCAL BRANCHES
Calcutta—33 Netaji Subhas Road—Ballygunj—200/2C, Rasi Bazar Avenue—Barabazar—71, Chus. Street, Bhowanipore—6A, Russa Road—Hatikola—106, Sovas Bazar Street, New Market—10, Lindsay Street, Shambhazar—135, Cornwallis Street, Howrah—18-A, Grand Trunk Road.
Branches in West Bengal—Asanpore, Bankura, Burdwan, Jalpaiguri, Kalimpong, Purulia, Raiganj, and Siliguri.
Branches in East Pakistan—Chittagong, Dacca, Dinapore, Khatusang, Mirakind, Mymensingh, Narsayanganj, Rangpur.
Branches in Orissa—Sambalpur.



WHAT IS UNITED STEEL?

The United Steel Companies are one of the largest producers of Steel and allied products in the Commonwealth and make one ton in eight of the total steel production of Great Britain.

THE UNITED STEEL COMPANIES
(INDIA) PRIVATE LTD.

Himalaya House, Hornby Road, P.O. Box 673, Bombay-1.
P-13, Mission Row Extension, P.O. Box 119, Calcutta-1.

Bank of America
NATIONAL TRUST AND SAVINGS ASSOCIATION

Condensed Statement of Condition December 31, 1956
(Figures of Overseas Branches are as of December 24, 1956)

RESOURCES

Cash and Due from Banks	\$1,718,256,449.87
United States Government Securities and Securities Guaranteed by the Government	1,770,054,622.81
Federal Agency Securities	36,514,528.04
State, County, and Municipal Securities	602,128,591.20
Other Securities	109,603,940.31
Loans Guaranteed or Insured by the United States Government or its Agencies	1,431,492,136.64
Other Loans and Discounts	3,921,543,854.55
Bank Premises, Fixtures, etc.	98,352,466.57
Customers' Liability on Letters of Credit, etc.	240,717,554.62
Accrued Interest and Other Resources	63,177,867.09
TOTAL RESOURCES	\$9,991,842,011.70

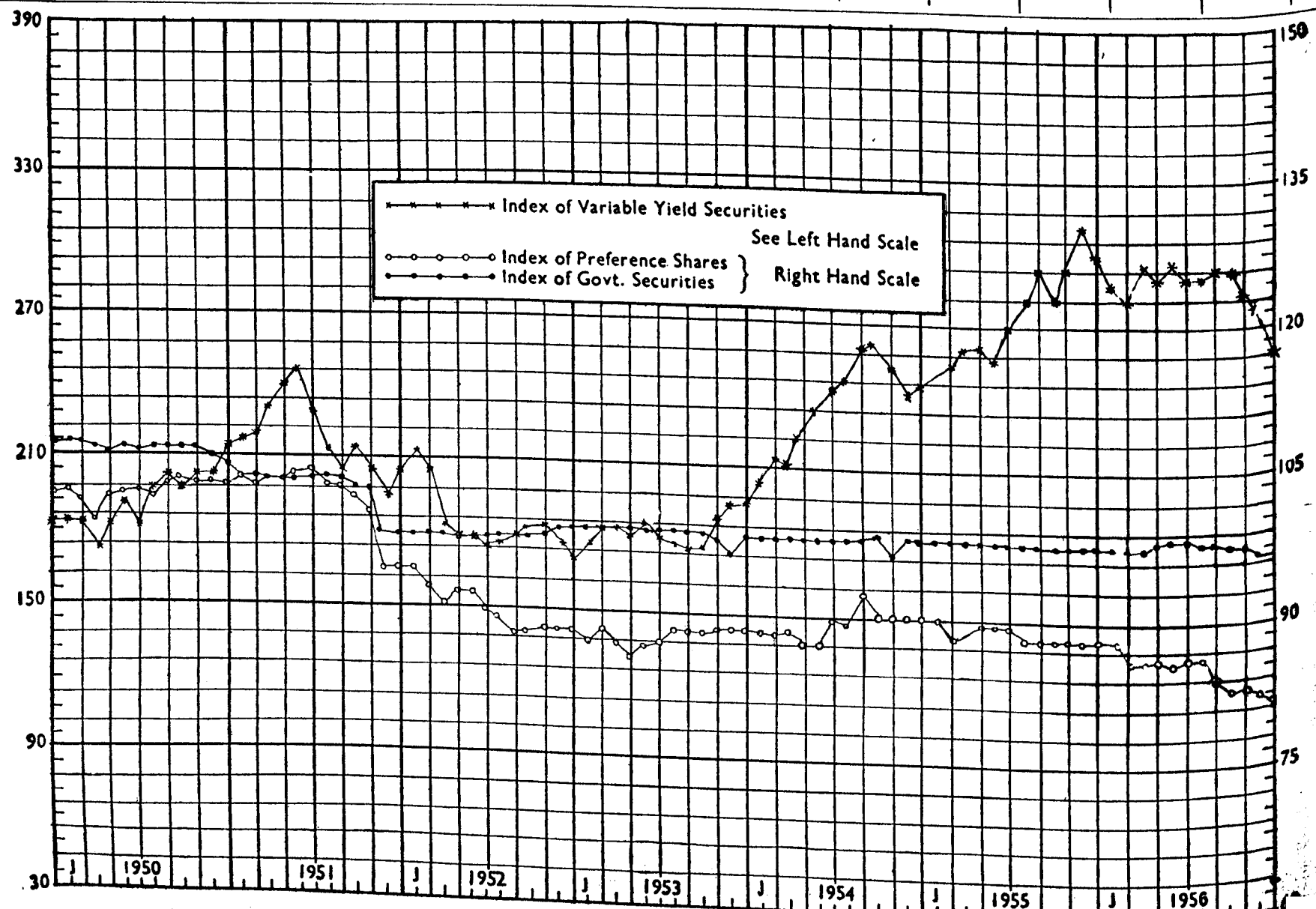
"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to December, 1956. Compared with November the December indices for Government securities and preference shares indicate drops of 0.1 point and 0.7 point, respectively.

There were decreases in banks 2.6 points, cottons 13.6 points, coals 18.8 points, jutes 11.5 points, minings and oils 19.7 points, cements 7.3 points, engineering 27.6 points, teas 53.0 points, papers 82.1 points, sugars 9.3 points and miscellaneous 17.1 points.

Combining all the factors, the Capital variable yield securities index shows that the index for stock prices in these classes of shares declined by 21.4 points during December, 1956.

		Index of Govt. Securities	Index of Preference Shares	Variable-Yield Securities.											Combined Index
				Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime etc.	Eng. and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others	
Weights.	...	...	7	12	9	11	10	6	17	4	7	9	11	100	
1953.															
January	...	98.0	86.4	131.9	188.9	167.5	144.0	105.4	88.9	162.6	179.1	517.5	133.5	223.9	176.0
February	...	97.9	87.8	133.5	199.6	175.6	147.2	101.4	91.9	165.3	189.7	549.3	148.9	234.2	182.3
March	...	98.2	86.4	136.7	204.1	184.8	144.6	96.8	92.1	165.3	196.0	569.2	155.9	222.4	183.1
April	...	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	165.3	192.2	548.6	153.9	219.3	181.1
May	...	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	181.1
June	...	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	178.7
July	...	97.6	88.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1	175.3
August	...	97.6	88.5	134.0	197.6	156.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	215.1	177.1
September	...	97.7	88.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3	180.1
October	...	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	583.1	171.9	227.0	193.1
November	...	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1	193.1
December	...	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2	193.1
1954.															
January	...	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.1
February	...	97.8	88.0	132.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.1
March	...	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7	211.1
April	...	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.1
May	...	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	228.1
June	...	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	246.1
July	...	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1	260.1
August	...	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	260.1
September	...	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.0	240.1
October	...	96.9	90.2	128.8	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7	235.1
November	...	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0	242.1
December	...	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1	242.1
1955.															
January	...	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.1
February	...	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6	252.1
March	...	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3	260.1
April	...	97.9	89.2	121.2	216.1	199.5	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	289.4	253.1
May	...	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2	271.1
June	...	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4	281.1
July	...	98.2	87.7	118.2	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3	283.1
August	...	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3	283.1
September	...	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2	286.1
October	...	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	363.9	353.0	1176.8	224.3	317.8	296.1
November	...	98.1	87.7	125.4	278.0	222.4	147.6	219.2	136.3	375.0	349.2	1304.7	223.6	350.3	311.1
December	...	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2	302.1
1956.															
January	...	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1	288.1
February	...	98.3	86.4	122.0	246.6	206.7	132.9	217.0	120.6	331.6	286.4	1242.4	193.6	301.8	282.1
March	...	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	185.6	298.2	295.1
April	...	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	343.4	321.2	1287.4	181.9	296.6	290.1
May	...	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7	290.1
June	...	98.2	86.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	189.9	314.2	290.1
July	...	97.9	86.0	128.5	283.7	201.1	112.7	226.6	124.9	330.0	313.6	1365.6	189.3	297.7	291.1
August	...	98.0	84.5	134.0	295.7	204.1	119.4	212.4	128.5	337.3	303.8	1342.4	191.9	309.0	294.1
September	...	97.4	83.6	132.5	277.1	206.7	121.0	230.0	130.7	331.3	294.9	1347.1	191.3	320.4	294.1
October	...	97.0	83.8	132.2	270.1	206.1	114.6	223.5	125.1	311.8	309.7	1311.9	178.6	308.5	278.1
November	...	96.6	82.5	132.2	268.9	214.3	106.7	202.9	111.7	311.5	330.5	1266.2	182.9	303.9	278.1
December	...	96.5	81.8	129.6	255.3	195.5	95.2	183.2	104.4	283.9	277.5	1184.1	173.6	286.8	257.1



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

Stocks and Shares

MARGIN FIXED FOR INDIAN IRONS AFTER MARKET COLLAPSES

INVESTMENT SUPPORT COMPLETELY ABSENT

IT has been a week of near-panic conditions in the share market. Prices recovered fractionally from the levels to which they sank after last week's announcement about the Securities Contracts (Regulation) Act, but the trend did not survive the week-end. A sharp drop in speculative scrip occurred at the opening of the market yesterday, followed by a complete collapse today. The procedure of emergency clearing was once again resorted to and Rs. 3-a-share deposit margin is now required of those wishing to sell Indian Irons below the value of Rs. 24-12. At the interim clearing, the settlement rate was fixed at Rs. 25 a share. The complete collapse of the market appears to have been due chiefly to tax uncertainties, coupled with depressing advices from Bombay. Sentiment has shown no improvement since the market closed.

There has been little interest in investment scrip this week. Only tea shares have shown any life at all. Coal scrip have reacted only slightly to the increase in coal prices reported from New Delhi because it is felt in the industry that the increase in costs will still remain partly uncovered. Jutes have been duller in sympathy with the lower levels ruling in the gunnies market. The engineering and the miscellaneous sections have both been quiet.

Details of the week's trading follow.

The gilt-edged market continued steady, but the volume of business was restricted due to the absence of sellers. Three percent Conversion Loan 1986 was marked up from Rs. 74-4 to Rs. 74-6 and Non-terminable Paper was traded at the higher rate of Rs. 73-7. In short-dated loans, 3% 1957 met with good enquiry at Rs. 99-12-6 and 3% 1958 was asked for up to Rs. 99-9-6. Three percent 1959-61 was quoted at the higher rate of Rs. 97-12 and 3% 1961 was steady at Rs. 99-7. 2% 1961 had buyers over at Rs. 93-4 as did 2% 1960 at Rs. 96-6. Among medium-dated loans, 3% 1963-65 continued on offer at Rs. 94-3, but 3% 1964 hardened to Rs. 94-6 buyers; 3% 1964 was taken up to Rs. 94-6 while 3% 1956 remained weak at Rs. 98-3 and 3% 1967 was traded at around Rs. 98-8. In long-dated loans, 3% 1966-68 changed hands at Rs. 92-4 and 3% 1970-75 was marked up further to Rs. 98-6. 3% 1974 was quiet at around Rs. 98-8. State Loans remained dull and prices were unchanged.

Business in preference shares was on a limited scale. In jute, Agarpara were done at Rs. 99 and Anglo-India at Rs. 102. Chitavalsah were reported at Rs. 101 and Kamarhatti at Rs. 84. Lawrence changed hands at Rs. 102, Northbrook at Rs. 78 and Union at Rs. 102. Among miscellaneous preference shares, Calcutta Electric attracted attention at the lower rate of Rs. 9-2 and Elgin Mills 8% were crossed at Rs. 124-12. Indian Iron were depressed at Rs. 101 and Jardine Henderson were crossed at Rs. 61. New Victoria came to hand at Rs. 4-14 and Shaw Wallace had buyers at Rs. 67-8.

In the banking section, United Commercial was steady at Rs. 56-8 but Punjab National met with profit-taking and closed Rs. 2 lower at Rs. 53. Hind Bank were unchanged at Rs. 36-8 as were United Bank of India at Rs. 4-10.

The only share dealt in the railway section was Dehri Rohtas at Rs. 12-7.

Only two transactions were reported in cotton textile shares, namely in Kesoram at the higher rate of Rs. 14-10 and New Victoria at Rs. 1-15.

As the proposed increase in selling prices of coal does not altogether offset the recent increases in costs, little interest was shown in this section of the market and in most cases prices moved towards lower levels as will be seen from the following table.

	Opening 21-2-57 Rs.	Closing 26-2-57 Rs.
Bengal	456	445
East Indian	26 12	26 6
Equitable	24 12	24 4
New Beerbhoom	16 8	15 8

Contrary to the general trend, there was some enquiry for Western Bengal at Rs. 5-11 and there was some interested buying of Union Coal at around Rs. 14. Burrakur fluctuated narrowly around Rs. 21 with little business passing.

Enquiry for jute shares was virtually non-existent and business was on a restricted scale. The following chart illustrates representative price movements:

	Opening 21-2-57 Rs.	Closing 26-2-57 Rs.
Anglo-India	136	135
Birla	15 14	15 4
Ganges	56	47 8
Howrah	17 8	17 5
Kinnison	144	140
National	18 14	18 8
Northbrook	22 1	21 12
Reliance	9 8	8 12

Electric supply shares were a dull market and very few transactions were reported. Agra were marked down from Rs. 145 to Rs. 143. Benares from Rs. 18 to Rs. 17-12 and U.P. from Rs. 147 to Rs. 145. Calcutta Electric were neglected at Rs. 12-15.

In sugar, Belsund were marked down from Rs. 11-5 to Rs. 10-12, Cawnpore from Rs. 18-8 to Rs. 18-4 and Durbhanga from Rs. 20-12 to Rs. 20-6. In contrast, there were small buyers of Ramnugger at Rs. 25.

Continued bear raids brought a further decline in Indian Iron & Steel from Rs. 25-14 to Rs. 24-8, but as a result of corrective measures taken by the Committee of the Calcutta Stock Exchange Association to prevent large-scale bear sales, the shares recovered at the close to Rs. 25. Despite the announcement of a satisfactory distribution of Rs. 2 a share by Braithwaite & Co., the quotation was unchanged at Rs. 27-3. Burn & Co. were easier at Rs. 320 and there were sellers of Indian Standard Wagon at the lower rate of Rs. 182. Jessops and Richardson & Cruddas continued to meet with selling pressure and in the absence of support, prices were marked down to Rs. 24-14 and Rs. 17-14 respectively. Textile Machinery were comparatively steady at Rs. 19 as were Kumardhubi Engineering at Rs. 9-12. Guest, Keen, Williams after being sold down to Rs. 23-15 recovered at the close to Rs. 24-6.

Paper shares were featureless with the exception of India Paper Pulp which had buyers at Rs. 22-8. Titagur were shaded at Rs. 36-8 and

HINDUSTHAN GENERAL INSURANCE SOCIETY LIMITED

FOR SERVICE & SECURITY

Board of Directors:

Dr. N. N. Law, M.A., Ph.D., (Chairman)
Shri J. N. Sen Gupta, M.A., B.L.
Raja Radharaman of Pilibhit.
Dr. S. B. Dutt, M.A., Ph.D. (London), Barrister-at-Law
Shri M. L. Dahanukar

Shri P. N. Talukdar, M.A. (Cantab), Managing Director.

Branches at:

ASANSOL • BANGALORE • BOMBAY • COCHIN
CUTTACK • DACCA • GAUHATI • HYDERABAD (DNJ)
INDORE • JALPAIGURI • KATHIHAR • LUCKNOW
MADRAS • NAGPUR • NEW DELHI • PATNA

FIRE • MARINE • MOTOR MISCELLANEOUS ACCIDENT

Bengal were nominally quoted at the lower rate of Rs. 85.

In cement, Ashoka were unchanged at Rs. 10.5 as were Dalmia at Rs. 12.2 and Orissa at Rs. 12.8. Jaipur Udyog were marked at Rs. 11.15 and Sone Valley were offered at Rs. 7.3.

A solitary transaction was reported in the insurance section in New Asiatic at Rs. 4.

In shipping, India Steamship were steady at Rs. 10 and a small lot of India General Navigation was placed at Rs. 7.3.

Despite the excellent report published by Angelo Brothers Ltd., and the announcement of a total distribution of Rs. 2 a share, the quotation was unchanged at around Rs. 21. Balmer Lawrie were marked down from Rs. 160 to Rs. 156 and Britannia Biscuits were offered at Rs. 13.12. British Burmah Petroleum were depressed at Rs. 2.10 as were British India Corporation at Rs. 7.6. Clive Row were unchanged at Rs. 9.14 and Dunlop Rubber were slightly better at Rs. 25.2. Hindustan Motors were offered at Rs. 7.6 and Indian Aluminium were marked down further to Rs. 13.4 as were Indian Cables to Rs. 28.2. Indo-Burma Petroleum were easier at Rs. 33.12 and Metal Box receded under selling pressure to Rs. 26. National Insulated Cables were depressed at Rs. 19.12 while National Carbon were remarkably steady at Rs. 25.12. Rallis were easier at Rs. 36 while Shaw Wallace were better at Rs. 11.8.

In the mining section, Burma Mines provided the outstanding feature and buying on London

account lifted the price from Rs. 2.9 to Rs. 3.1. Indian Copper were depressed at Rs. 3.3 as were Karanpura Development at Rs. 13.4. Orissa Minerals were unchanged at Rs. 21.8.

There was selective buying of tea shares in restricted turnover. Bateli changed hands at Rs. 26.12 as did Brahmaputra at Rs. 7.2 and Dhela-khat at Rs. 21.8. Dejo Valley were wanted at Rs. 50.8 and East India improved further on interest buying to Rs. 25.4. Jullibari came to business at Rs. 25.8 and Methoni changed hands at Rs. 19. Hantapara were easier at Rs. 185 and Hasimara were sold down to Rs. 27.4. Rajabhat were crossed at Rs. 21.8 while Ranicherra were fractionally easier at Rs. 16.8. A small lot of Gungaram were crossed at Rs. 189 and Jay Shree and New Terai were transacted at Rs. 10.7 and Rs. 20.2 respectively. Pussimbina improved to Rs. 10, but Seeyok after being taken at Rs. 14.8 later had sellers at Rs. 13. Sungma were quoted at Rs. 9.12.

The profit of the ORISSA MINERALS DEVELOPMENT COMPANY was Rs. 57,000 lower at Rs. 333 lakhs for the half-year ended last June. Bringing in Rs. 118,635, there is Rs. 3,36,299. Taxation provision absorbed Rs. 1,80 lakhs (Rs. 1 lakh) and depreciation Rs. 82,805 (Rs. 88,323). Reserves are allocated Rs. 35,632, leaving a carry-forward of Rs. 1,00,667. Iron ore raisings amounted to 148,536 tons against 191,184 tons. Despatches were 143,521 tons, showing a considerable fall from the previous figure of 214,729 tons. Raisings and despatches were low because of the lock-out following a strike.

The steel works order was maintained at 40,000 tons a month. Manganese ore raisings fell from 2,146 tons to 13,525 tons. The directors say that the market continued to improve and the prices at which the various grades could be sold during the period under review were satisfactory. Progress continues to be made on the formation of a new company to develop the Bolani area.

There is use of Rs. 53,000 to Rs. 7.42 lakhs in the profit of ANGELO BROTHERS, LTD. for the year ended last August. Bringing in Rs. 3,45,960, there is a balance of Rs. 10,85,874. The dividend is the same at 20 percent, including an interim of 7 1/2 percent. General reserve is allocated Rs. 1 1/2 lakhs against nil. The carry-forward is Rs. 3,35,874.

Bombay Market

HEAVY SELLING PRESSURE DEPRESSES PRICES

CALL MONEY ON TATA RIGHTS ISSUE STILL UNPAID

Tuesday Evening.

DEPRESSED conditions prevailed on the Bombay stock market last week, and equity prices declined sharply on heavy selling pressure. Buyers

were scared and it was extremely difficult to negotiate offers which were coming forward. A number of adverse factors contributed to the weakness. Stringent money conditions, combined with uncertainties about taxation measures, unnerved operators. Although a number of equities appeared to have declined below their intrinsic values, buyers were hesitant to enter the market from fear that Indo-Pakistani relations might deteriorate further on the Kashmir issue. Lack of funds is illustrated by the fact that the call money on rights shares issued by the Tata Iron and Steel Co. and the Associated Cement Co. has not been paid yet in spite of imposing a penal rate of interest at 9 percent on default.

Tata Steels slumped to Rs. 167.4 and Indian Irons were lowered to Rs. 19.13. There is no evidence yet that the selling pressure has been halted. Other engineering issues were freely offered at lower levels without attracting any worthwhile support. Alcock Ashdown were transacted at Rs. 252.8, as were Premier Construction at Rs. 174.4. Tata Locomotives fell to Rs. 138.8. There was little interest in automobile shares, with Premier Automobiles coming to hand at Rs. 102.4. Hindustan Motors were available at Rs. 7.7.

Sellers predominated in the mill group and increased stocks of goods with mills continued to worry investors. Bombay Dyeing declined to Rs. 536.4, but Kohinoors were bought at Rs. 325 by knowledgeable quarters, as the company has maintained the distribution. Century, however, lost at Rs. 462 on the report that its rayon plant has not been working satisfactorily. Simplex were lower at Rs. 175 and India United Ordinary were bought at Rs. 10.7.

Miscellaneous shares slumped in sympathy with the general trend and buyers were difficult to find even at lower levels. Associated Cement declined to Rs. 165.8, as did Digvijay Cement to Rs. 145. Sugar shares were barely steady, with Belapur coming to hand at Rs. 227. Bombay-Burmah declined to Rs. 661.4 on adverse reactions to the chairman's address. National Rayon lost at Rs. 225.8 and Tata Chemicals declined further to Rs. 15.2. Mining shares were depressed and Sivrajpur Syndicate were offered at Rs. 93.8. Shares of steamship companies were rather steady on prospects of expansion. Scindia Steam were transacted at Rs. 18.11 and Great Eastern Shipping were dealt with at Rs. 18.4.

Turnover in banking shares was restricted, although quotations were fractionally lower. Bank of India were done at Rs. 141 and Central Bank came to hand at Rs. 53.8. Insurance shares lacked support, with New India being quoted at Rs. 42.3.

Scattered interest was taken in electricity supply shares and investors would like to await the decision of the Government about the revision of the standard return. Ahmedabad Electric were bought at Rs. 100 and Tata Hydro were done at Rs. 122.8.

THE WEEK'S TRANSACTIONS

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

GOVERNMENT SECURITIES

2 1/2% U. P. Zemindary Compensation Bond (Collected)—Rs. 98.2—98.2—98.1—98.1.
2 1/2% Loan (1960)—Rs. 96.7—96.7—96.7—96.7.
3% Govt. Paper—Rs. 73.6—73.6—73.6—73.6.
3% Loan (1958)—Rs. 99.10—99.10—99.10—99.10.
3% " (1959-61)—Rs. 97.12—97.12—97.12—97.12.
3% " (1963-65)—Rs. 94.3—94.3—94.0—94.3.
3% " (1966)—Rs. 74.7—74.7—74.5—74.5.
3% " (1962)—Rs. 97.15—97.15—97.15—97.15.
3% " (1961)—Rs. 99.6—99.6—99.6—99.6.
4% " (1964)—Rs. 98.7—98.7—98.7—98.7.
4% " (1960-70)—Rs. 100.12—100.12—100.2—100.15.
4% West Bengal (1968)—Rs. 99.99—99.99—99.1.
4% U.P. (1968)—Rs. 97.6—97.6—97.6—97.10.

BANKS

United Bank of India (D' Share)—Rs. 4.9—4.9—4.9—4.9—(4.13).
United Commercial—Rs. 56—56—56—56—(48).

RAILWAY

Dehri Rohtas—Rs. 12.6—12.8—12.6—12.7—(13).

COTTONS

Elgin (Pref.)—Rs. 124.12—124.12—124.12—124.12—(135).
Kesoram—Rs. 14.12—14.12—14.8—14.8—(16.5).
New Victoria—Rs. 1.13—1.13—1.13—1.13—(2.1).
Do. (Pref.)—Rs. 4.14—4.14—4.14—4.14—(3.3).
Shree Bhawani—Rs. 10—10—10—10—10.

COALS

Bengal—Rs. 445—445—445—445—(547.8).
Bharat—Rs. 6.3—6.3—6.1—6.1—(8.3).
Burrakur—Rs. 21.3—21.3—20.13—21—(13.10).
Central India—Rs. 6—6—5.15—6—(7.2).
Churulia—Rs. 1.14—1.14—1.13—1.13—(3.4).
Dhenno Main—Rs. 5.12—5.14—5.10—5.12—(8.3).
East Indian—Rs. 26.14—26.14—26.2—26.2—(32).
Equitable—Rs. 25.4—25.4—25.4—25.4—(32.5).
New Beerboom—Rs. 16—16—16—16—(19.12).
Nadira—Rs. 6.12—6.13—6.12—6.13—(7).
Ranch Valley—Rs. 17—17—17—17—(22.12).
Raneegunge—Rs. 11.6—11.6—11.4—11.5—(11.4).
South Karanpura—Rs. 9.9—9.9—9.4—9.4—(10.12).
Union—Rs. 13.14—13.14—13.14—13.14—(10.12).
Western Bengal—Rs. 5.8—5.8—5.8—5.8—(7.1).

JUTES

Patna—Rs. 93—93—93—93—(136).
Patna (Pref.)—Rs. 102—102—100—102—(118.6).

Agarpara (Pref.)—Rs. 99—99—99—99—(118).
Budge Budge—Rs. 103—103—101—101—(124).
Barrackpore—Rs. 96—96—96—96—(164.2).
Chitavalasah (Pref.)—Rs. 101—101—101—101—(115).
Gouropore—Rs. 222—222—220—220—(321).
Ganges—Rs. 47.8—47.8—47.8—47.8—(86.4).
Hooghly—Rs. 19—19—19—19—(42).
Howrah—Rs. 17.8—17.8—17.8—17.8—(23.12).
Kamarhaty (Pref.)—Rs. 84—84—83—83—(106).
Kankrarah (B' Ord.)—Rs. 61—61—61—61—61.
Lawrence (Pref.)—Rs. 102—102—102—102—(118).
New Central—Rs. 12.8—12.8—12.7—12.7—(15.8).
Nahali (2nd Pref.)—Rs. 59—59—59—59—(81).
National—Rs. 19—19—18.8—18.8—(26.6).
Nuddea—Rs. 31.2—31.2—31.2—31.2—(45.8).
Nellmarla—Rs. 11.5—11.5—11.1—11.1—(11.6).
Northbrook (Pref.)—Rs. 76—76—76—76—(97).
Orient—Rs. 115—115—114—114—(173.8).
Reliance—Rs. 9—9—8.15—8.15—(11.14).
Shree Ambica—Rs. 9.8—9.8—9.8—9.8—(15.8).
Union (Pref.)—Rs. 102—102—102—102—(118).

MININGS

Burma Mines—Rs. 2.11—3.2—2.10—3.2—(2.2).
Bisra Stone Lime—Rs. 31.12—31.12—31.12—31.12—(41).
Consolidated Tin—Rs. 1.11—1.11—1.9—1.11—(2.8).
Indian Copper—Rs. 3.4—3.6—3.3—3.3—(6.7).
Karanpura Development—Rs. 13.2—13.5—13.2—13.5—(19.3).
Metal Corp.—Rs. 8.12—8.12—8.8—8.8—(11.9).
Tavoy Tin—Rs. 10—10—10—10—(11).

CEMENTS

Ashoka—Rs. 10.5—10.5—10.5—10.5—10.5.
Bengal Potteries—Rs. 3.8—3.8—3.7—3.7—(3.11).
Dalmia (Bharat)—Rs. 12—12—12—12—(14.4).
Do. (2nd Paid)—Rs. 2.15—2.15—2.15—2.15—(3.11).
Jaipur Udyog—Rs. 11.14—11.14—11.14—11.14—11.14.
Orissa—Rs. 12.12—12.12—12.12—12.12—12.12.
Sone Valley—Rs. 7—7—7—7—(7.9).

ELECTRICS

Benares—Rs. 17.10—17.12—17.10—17.12—(18.4).
Calcutta—Rs. 13—13—12.14—12.15—(13.7).
Do. (Pref.)—Rs. 9.4—9.4—9—9—(11.6).
Cutlack—Rs. 8.7—8.8—8.7—8.8—(8.12).
Kurseong Hydro—Rs. 3.7—3.7—3.7—3.7—3.7.

ENGINEERING

Bhartia Elec Steel—Rs. 15.8—15.8—15—15—(14.12).
Brathwaite & Co.—Rs. 27.3—27.3—27.3—27.3—(28.1).
Britannia Engineering—Rs. 13.12—13.13—13.9—13.9—(19.6).
Burn & Co.—Rs. 323—323—320.8—321.8—(304.8).
Guest, Keen, Williams—Rs. 24—24—24—24—24.
Indian Galvanizing—Rs. 19.7—19.7—19.6—19.7—(26.6).
Indian Iron—Rs. 26.7—26.8—24.12—24.12—(32).
Do. (Pref.)—Rs. 102—102—101—101.8—(109.8).
Indian Standard Wagon—Rs. 184—184—182—182—(166).
Indian Malleable Casting (Deid)—Rs. 3.7—3.7—3.7—3.7—(4.1).

Jessop & Co.—Rs. 25.8—26.2—24.11—24.14—(60.6).
Kumardubi—Rs. 9.11—9.13—9.11—9.11—(11.10).
Marshall's—Rs. 4.12—4.12—4.12—4.12—(6.13).
National Iron & Steel—Rs. 6.14—6.15—6.14—6.15—(7.14).
Richardson & Cruddas—Rs. 18.2—18.13—17.7—18.
Saran Engineering—Rs. 6.8—6.8—6.8—6.8—(9.3).
Textile Machinery—Rs. 19.8—19.12—18.13—19—(20.6).

INSURANCE

New Asiatic—Rs. 4.1—4.1—3.14—4.0—(4.13).

CHEMICAL

Alkali & Chemical (Ord.)—Rs. 18.4—18.5—18.3—18.4—(21).

MISCELLANEOUS

Aluminium Corp.—Rs. 10.8—10.9—10.6—10.6—(9.8).
Angelo Brothers—Rs. 20.8—20.8—20.8—20.8—(22.9).
Britannia Biscuits—Rs. 13.14—13.14—13.14—13.14—(14).
B. I. Corp.—Rs. 7.8—7.10—7.6—7.6—(11.7).
Birds Investment—Rs. 13.13—14—13.13—14—(19).
Calcutta Safe Deposit—Rs. 8.8—8.8—8.8—8.8—(8.12).
Dunlop Rubber—Rs. 24.14—25.4—24.14—25.3—(31.1).
Gillanders Arbuthnot—Rs. 11.1—11.3—11.1—11.3—(14.4).
Godfrey Phillips—Rs. 21.10—21.10—21.10—21.10—(19).
Hoare Miller—Rs. 8.5—8.7—7.1a—8.7—(7).
Imperial Tobacco—Rs. 14—14.3—13.12—14.1—(14.4).
Indian Cables—Rs. 28.10—28.12—28.4—28.6—(30.2).
Indian Aluminium—Rs. 13.5—13.6—13.3—13.4.
Jardine Henderson—Rs. 76—76—75.12—75.12—(107).
Do. (Pref.)—Rs. 61—61—61—61—(79).
Martin Burn—Rs. 23.8—23.12—23.8—23.12—(28.2).
Metal Box—Rs. 26.12—26.12—26.2—26.3—(25.2).
National Carbon—Rs. 25.12—25.14—25.12—25.12—(21.4).
National Insulated Cable—Rs. 20.8—20.8—19.9—19.12—(21.4).
National Tobacco—Rs. 10.2—10.4—10.2—10.4—(10.11).
Rohas Industries—Rs. 18—18.13—18—18—(19.10).
Do. (Pref.)—Rs. 122—122.8—122—122.8—(132).
Do. (B' Pref.)—Rs. 64.8—65.4—64.8—65.4—(63).
Shaw Wallace (Pref.)—Rs. 67—67.12—67—67.12—(84).
Western Stockholders Investment—Rs. 14—15—14—15—(17.13).
Walford Transport—Rs. 2.2—2.2—1.15—2.1—(2.6).

SAW MILL

Assam Saws—Rs. 3.9—3.9—3.9—3.9—(5.1).

OIL SHARE

British Burma Petrol—Rs. 2.10—2.11—2.10—2.10—(3.14).

PAPER MILLS

Orient—Rs. 30.10—30.14—29.12—30—(33.14).
Do. (Pref.)—Rs. 95.8—95.8—95.8—95.8—95.8.
Shree Gopal—Rs. 16.3—16.4—16.3—16.4—(17.13).
Titaghar—Rs. 37.6—37.7—36.7—36.7—(44.2).

SHIPPINGS

India Steamship—Rs. 9.15—10.2—9.15—10.1—(8).
Port Shipping—Rs. 15.11—15.12—15.11—15.12—(16.5).

PRESSING

Hooghly Ganges Hydraulic—Rs. 5.1—5.1—5.1—5.1—5.1.

SUGAR SHARES

Balrampur—Rs. 6.12—6.14—6.12—6.13—(10.12).
Belsund—Rs. 10.12—10.12—10.12—10.12—(11.12).
Cawnpore (Pref.)—Rs. 119—119—119—119—(144).
Darbhanga—Rs. 20.4—20.5—20.4—20.5—(22.3).
Shree Krishna Gyanoday—Rs. 11.1—11.2—11.1—11.2—(12.10).
South Behar (Defd.)—Rs. 4—4—4—4—4.

TEA SHARES

Bateli—Rs. 26.14—16.14—26.10—26.12—(25.4).
Bishnauth—Rs. 20.8—20.8—20.8—20.8—(37.6).



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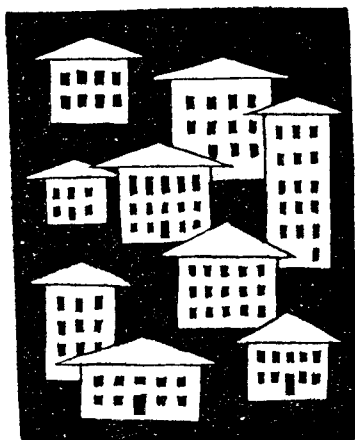
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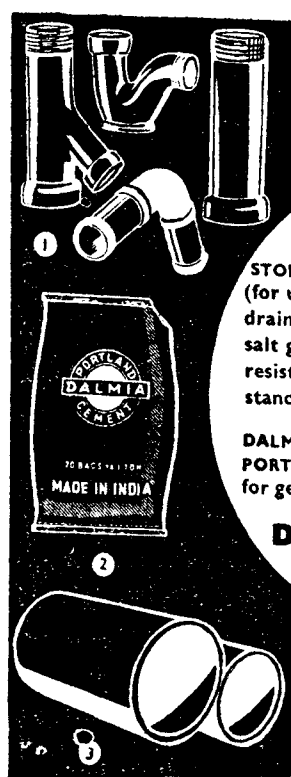
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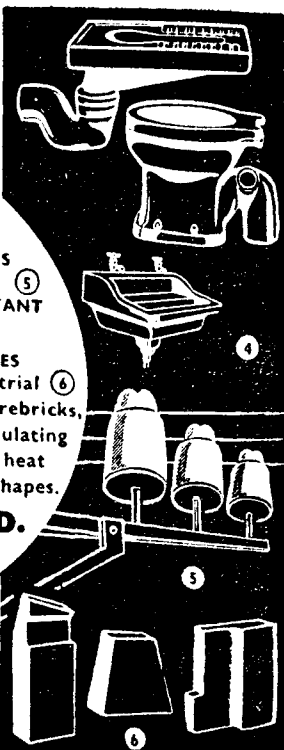
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STOCK MARKETS QUIET AND UNCERTAIN

DEMAND GENERALLY SELECTIVE

London, 27th February.

THE stock markets have continued to present an irregular appearance during the past week, and prices for the most part have moved within narrow limits. Business has been small and selective again, with interest restricted by the current political and economic uncertainties, and by the continuing activity in the new issue market. The general undertone, however, particularly in industrials, has been satisfactory. The erratic but generally lower trend on Wall Street has not been a helpful factor, although it has not had a great deal of influence on the London market. Business in the gilt-edged market has been very limited. The general trend was slightly easier until it became known that a further appreciable fall in the Treasury bill rate had taken place. This brought a recovery in prices and subsequently, there was talk of a further Bank rate reduction. The recovery eliminated the earlier small falls in and on balance there has been little change in prices. New issue activity has restricted business. Interest in foreign bonds and rails has been limited, but Japanese bonds have moved higher on small investment buying. Chinese issues, in contrast, have been dull. Selective buying has imparted a quietly firm appearance to the industrial market, which generally has been firmer on balance. Movements in most cases are small. Shipping shares particularly have been prominent, but steel shares have weakened on expectations of a very large issue of the Steel Company of Wales ordinary shares. South African gold shares have been depressed, and are appreciably lower, while coppers have lost ground under the influence of the falling world price of the metal. Other base metal issues have been easier. Oil shares have maintained their recent better trend and appreciable gains have been recorded among the leaders, in spite of the uncertain Middle East political situation. Rubber shares have attracted a selective demand, while a number of tea shares have improved.

The Money Market

Although discount houses had only a very small bill take-up due to their failure at the previous Treasury bill tender, conditions on the London money market during the past week have not been very comfortable and on one or two days, credit was very short. The average cost of money was around 3½ percent with up to 4½ percent paid during the most difficult phases of the week. Applications for £200 million worth of 91-day bills totalled £407,335,000 of which £200 million were allotted at an average rate of 82s 11.49d percent against 85s 6.04d percent in the previous week. This week £220 million worth of 91-day and 63-day bills are on offer.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 20th February shows that the gold stock increased by \$51 million to \$22,303 million. Foreign deposits fell by \$9 million to \$295 million, while foreign investments rose by \$19 million to \$3,764 million. The Federal Reserve sold \$143 million worth of bills, \$554 million worth of notes and \$74 million worth of securities held under repurchase agreements, but purchased \$447 million worth of certificates. Total discounts and advances increased by \$324 million to \$844 million, and the aggregate of excess reserves of member banks rose by \$438 million to \$610 million. The daily average excess reserves of member banks rose by \$71 million to \$505 million, but their daily average borrowings fell by \$164 million to \$552 million. Business loans of the New York city banks rose by \$67 million to \$11,157 million, compared with a fall of \$13 million to \$9,009 million in the corresponding week a year ago.

Vegetable Oils Still Dull

The vegetable oils market remained generally lifeless, with buyers and sellers still wide apart. Some short-covering interest for British East African castorseed developed in the March-April position with prices advancing £1½ a ton to £77½ a ton, c.i.f., but the ready value was no better than £76. With India continuing to pay good prices for both Ceylonese and Malayan copra, prices of coconut oil remained well out of line. During the past week, some 1,500 tons of English coconut oil were exported to the Continent in the region of £93 a ton, c.i.f., Rotterdam-Hamburg, compared with £94½ asked for Straits. Germany bought a small quantity of Argentine groundnut oil in the region of £140 a ton, c.i.f., for February shipment, but no interest was reported in Nigerian. Sudanese shelled groundnuts were offered in vain at £92 or £93 a ton to Italy for April-May shipment via Suez. Canadian linseed remained uncompetitive, with linseed oil May offered at a cheaper level, but it was too far forward for consumers to take active interest. In addition, reports that Uruguay is to release some 80,000 tons of new crop linseed for export from March onwards was considered a bearish factor. Nigerian soya beans were marked back £1 to £43 c.i.f., March-May without response, while the British East African sunflowerseed was similarly reduced to £46, but again buyers remained uninterested.

New Delhi

EFFECT OF COAL PRICE INCREASE ON INDUSTRIAL AND TRANSPORT COSTS

REPORT OF BRITISH MISSION ON HEAVY ENGINEERING PROJECTS

(FROM OUR NEW DELHI CORRESPONDENT)

BECAUSE of the Labour Appellate Tribunal's award, the price of coal has been increased by another Rs. 1-8 a ton, of which six annas a ton is meant to compensate producers for having to pay labour about Rs. 4½ crores forthwith to meet the retrospective part of the award. The total increase in labour costs due to the awards given by the lower tribunal and the Appellate Tribunal is calculated by the Government at Rs. 4-8 a ton. Even the latest increase is to be treated as an interim measure. The coal price committee is being reconstituted in order to appraise the real effect of the two awards on the cost of production of coal. The cost accountants have nearly completed their work.

The rise in coal prices will have widespread reactions. Roughly speaking, two tons of coal are needed for manufacturing one ton of steel, so the price of steel should go up by Rs. 9 a ton. The railways' fuel bill will also go up. They consume 12 million tons of coal a year, so their coal purchases should cost another Rs. 54 crores a year. This increase might have to be met either by raising freights and fares, or by reducing the railways' contribution to the general revenues. In fact, the costs of all industries using coal, including the fertiliser industry, will go up. Some of the important coal-using units which are promoting general economic development are cement and bricks, while those affecting the cost of living index are sugar and textiles. In addition to the rise in industrial costs because of the increase in coal prices, there will be a further rise on account of transport charges if railway and shipping freights are increased.

Heavy Engineering Industries

The Finance Minister, Mr. T. T. Krishnamachari, held a meeting of departmental heads dealing with production and heavy industries last week to discuss the Russian report on a machinery manufacturing plant and the British report on heavy engineering industries. One section of opinion preferred the British report, being opposed to "putting all the eggs in one basket". The Russians' report was not considered as good as their earlier one on the steel project. The meeting decided to set up a high-powered committee, with Sir J. J. Ghandy of Tatas as chairman, to examine the two reports and give an expert opinion to the Government. The committee, it is expected, will assemble here shortly.

The British heavy engineering mission, which was constituted under the aegis of the U.K. Government (as part of its contribution under the Colombo Plan) and the Federation of British Industries, with instructions to make recommendations to the Government of India on the expansion of heavy engineering capacity in this country, presented its report to the Indian High Commissioner in London on 4th February. The mission visited India in November 1956. It has recommended that in order to meet the requirements of heavy plant and machinery, the capacity for making heavy castings and forgings which has already been planned by the National Industrial Development Corporation should be supplemented by the establishment of: (a) a heavy structural fabricating works; (b) a heavy plate and vessel works; (c) a heavy machine shop to make heavy industrial machinery; and (d) a heavy machine tool works.

Independent Unit

Each of these, according to the mission's proposals, can be independent and self-contained units, which can be located in any part of the country considering the nature of raw materials needed and the likely centres of consumption. The mission considered that the heavy machine shop and the heavy machine tool works could best be located in close proximity to the National Industrial Development Corporation foundry-forge project, and that the heavy structural fabricating works would naturally be attached to a steel works. The report contains the broad outlines of each unit of the type recommended by the mission, as being less than Rs. 5 crores. The total number of units to be set up depends upon the technical and financial resources and the capacity for this stage. It is indicated that by setting up one machine tool works, two plate works, two machine shops and two structural bays, capacity would be created to provide, for example, the bulk of the machinery needed for six fertiliser plants of the size of Sindri and four steel works with a capacity of one million tons each in the third five year plan period.

The mission was also requested to consider requirements of mining machinery, although they did not all fall within the category of heavy engineering. It has recommended the setting up of a specialised factory for making mining machinery at an estimated cost of Rs. 3 crores. All the estimates given in the report are exclusive of capital, site purchase and work outside

the perimeter of the factory, such as housing for labour. The report contains recommendations for the technical training of the staff required to run the factories, and points out that for heavy engineering the proportion of skilled workers is inevitably high.

Heavy Structural Fabricating Works

The following is a summary of the proposals for the heavy structural fabricating works.

Capacity	Single Shift	Double Shift
Output	Rs. 1.07 crores a year	Rs. 2 crores a year
Tonnage	10,000-12,000 a year	18,000-20,000 a year
Scope		

All the heavier rectangular beams and columns beyond the rolling ranges.

Approximate cost	Rs. lakhs.
Plant	47
Factory buildings, complete with civil engineering work and services within the building	39
Ancillary buildings, including administration building, canteen and weigh-bridges	15
Services, including sub-station, water supply, drainage, roads and railways	8
	109

Addendum

Extension of each additional bay, complete with plant and civil engineering work within the building Rs. 70 lakhs

Estimated Number of employees, management staff and works

British standards	178 for single shift
	295 for double shift
	10 apprentices

Floor area

	Square Feet
Raw material open gantry, 80 feet by 440 feet	35,200
Production bay, 80 feet by 40 feet	3,200
Production bay, 80 feet by 800 feet	64,000
Finished goods open gantry, 80 feet by 440 feet	35,200
Administration block	10,000
Canteen	5,000
Transport and maintenance shop	10,000

Services required

Electricity load per production bay, 250 kVa. Rail and road facilities.

Water and sewage for domestic requirements.

Completion

About 2½ years after the approval of these proposals.

Heavy Plate and Vessel Fabricating Works

The following is a summary of the proposals for the heavy plate and vessel fabricating works.

Capacity	Single Shift	Double Shift
Output	Rs. 2.34 crores a year	Rs. 4 crores a year
Tonnage	10,000-12,000 a year	18,000-20,000 a year
Scope		

All types of heavy vessels, storage tanks and steel works equipment of pre-ignit stage.

Approximate cost	Rs. lakhs.
Plant	274
Factory buildings and services within the buildings	197
Ancillary buildings, offices, canteen and training school	24
Services, including sub-station, water supply, drainage, roads and railways	21
	Rs. 516 lakhs.

Estimated number of employees, management staff and works.

British Standards	725 for single shift
	1,275 for double shift
	70 apprentices

Floor Area

	Square feet
Heavy machine shop and tool room, One bay 80 feet by 520 feet	41,600
Press shop, coil manufacturing and blacksmith's shop: one bay 80 feet by 440 feet	35,200
Heavy and light vessel fabricating shops: two bays 80 feet by 440 feet=35,200 square feet	70,400

Stores and works offices serving fabricating shops on each side 40 feet by 440 feet	17,600
Heavy and light structural shops: two bays 80 feet by 440 feet=35,200 square feet	70,400
Pre-preparation and preparation bays: two bays, 80 feet by 440 feet and 80 feet 80 feet	41,600
Two open gantry stockyards: 80 feet by 320 feet, and 80 feet by 640 feet	76,800
	353,600

Administration and Ancillary Buildings

Administration block	20,000
Training school	10,000
Canteen	10,000
Transport maintenance shop	12,000

Services required

Electric sub-station, capacity 2,000 kVa. Rail access for incoming raw materials and outgoing finished products.

Water for domestic use and a small quantity for vessel testing.

Sewage disposal facilities, no effluent.

Completion

About 3½ years after the approval of these proposals.

Heavy Machine Shop

The following is a summary of the proposals for a heavy machine shop.

Capacity	Double Shift.
Output	Rs 3.31 crores a year.
Scope	

Rolling mill machinery and auxiliaries, hydraulic presses and equipment and general machining of heavy castings and forgings.

Approximate cost

	Rs. lakhs.
Plant and cranes	167
Buildings, foundations (excluding offices and external services) depending on site	134
Offices, welfare, training, canteen and weigh-bridge	18
Services, including sub-station, water supply, drainage, road and railways	12
	331

Floor Area

	Square feet
Bay 1. Heavy machine and heavy erection shop, 600 feet by 80 feet	48,000
Bay 2. Medium/light machine shop and light erection shop, 600 feet by 80 feet	48,000
Bay 3. Fabricating shop, 600 feet by 80 feet	48,000
Bay 4. Material handling and storage, 320 feet by 60 feet	19,200
Tool room, stores and sub-station bay 600 feet by 40 feet	24,000
Administration building (offices on two floors) 160 feet by 80 feet	25,600
Training school 112 feet by 80 feet	8,960
Canteen, 192 feet by 80 feet	15,360

Cranes

Three 50 ton electric overhead travelling cranes.

Three 20 ton electric overhead travelling cranes.

Two 10 ton electric overhead travelling cranes. Thirty-two 1 ton jib cranes, suitably mounted.

Services required

Electric power, 1,500 kVa.

Medium-Heavy Machine Tool Works

The following is a summary of the proposals for the medium-heavy machine tool works.

Capacity.	Single Shift.
Output	Rs. 2.70 to Rs. 3.30 crores a year
Tonnage	3,500 to 4,500 a year
Scope	

All types of heavy and medium heavy machine tools, with the exception of very large vertical boring machines and specialised machines such as gear hobbers.

Estimated Cost

	Rs. lakhs.
Plant, including cranes, machine tools and installation costs	246
Main buildings, including civil engineering works and services within the buildings	166
Ancillary buildings, including administration buildings, canteen, training school and weigh-bridge	25
Services, sub-station, water supply, drainage, roads and railways	9
	446

Floor Area

	Square feet.
1 and 2 Heavy machining and erection, two bays 560 feet by 80 feet=44,800 square feet each	89,600
3 and 4 Medium machining and erection, two bays 500 feet by 80 feet=25,000 square feet each	50,000

5 and 6 Light machining and unit assembly and tool room, two bays 500 feet by 40 feet—20,000 square feet each	40,000
	179,600

Stores and works offices serving heavy bay on one side and light bays and tool room on the other, not served by cranes:

	Square feet.
9 One, 320 feet by 20 feet	6,400
8 One 500 feet by 20 feet	10,000
11 and 12 Heat treatment, 125 feet by 80 feet	10,000
1 Paint shop 140 feet by 50 feet	7,000
10 Open-sided stockyard 300 feet by 80 feet	= 24,000 Sq. feet

Cranes and Bogies

Three 75 ton cranes with auxiliary hooks of 10 tons each, height under main hooks 35 feet.	
Two 50 ton cranes with 10 ton auxiliary hooks, height under hook 25 feet.	
Two 30 ton cranes with 10 ton auxiliary hooks, height under hook 25 feet.	
Two 20 ton cranes with 5 ton auxiliary hooks.	
Four 5 ton cranes, height under hook 15 feet.	
One 2 ton crane (heat treatment shop).	

One heavy bay will have a 15 feet pit which will allow 50 feet under the main hook of the 75 ton cranes.

Two 60 ton bogie cars.

Services.

Total connected load approximately 3,000 kVa

Mining Machinery Factory

The following is a summary of the proposals for a mining machinery factory.

Capacity.

Output	Double Shift
	Rs. 2.70 to Rs. 3.30 crores a year.

Scope.

Coal-cutting machines, conveyors, loading machines, shuttle cars, electric mine locomotives, pneumatic stowing machines, and spare parts.

Approximate cost.

	Rs. lakhs.
Factory buildings, complete with civil engineering work structure, cladding and services within the buildings	86
Ancillary buildings, including administration buildings, canteen, training school and weigh-bridges	31
Plant, including all cranes, machine tools, hand tools, vulnerable spares and installation costs	168
Services, including sub-station, water supply drainage, roads and railways	11
	296

Floor Area.

	Square feet.
Pattern shop, tool room and maintenance	13,000
Machine shops, including inspection and heat treatment, and saw shop	60,000
Electric motor switch shop and stores and test bed	10,000
Assembly shops and shipping area	45,000
Stores, including service stores and covered stock bay	30,000
Offices, canteen, training school and garage	52,000
	35,000
	245,000

Cranes

Eight 5 ton 40 feet span.	
Five 5 ton 60 feet span.	
One 10 ton with 3 ton auxiliary 60 feet span.	
One 20 ton with 5 ton auxiliary 60 feet span.	

Services required.

Electricity, water, etcetera
Anticipated maximum electrical load, 2,700 kVa

Export Risks Insurance Corporation

The Government has decided to set up an Export Risks Insurance Corporation, wholly owned by itself. The authorised capital will be Rs. 5

crores, 10 percent of which will be paid-up capital. The objects of the Corporation would be two-fold: (1) to remove the exporter's fear of losses resulting from circumstances which are beyond his control and which are not ordinarily accepted as insurance risks by insurance companies; and (2) to remove the importer's fear about the fulfilment of contractual obligations by the Indian exporter. The scheme will be voluntary. The Corporation will establish links with similar organisations in other countries.

Credit Facility for Burma Renewed

The Indian Government is not making any new loan to Burma but is renewing an old commitment. In October, 1955, the Government advanced a loan of Rs. 20 crores to Burma, which was repayable in seven years and carried 4 percent interest. It was a standby credit convertible into sterling and was available until 30th September, 1956. Burma, however, did not avail herself of this facility, and it has now lapsed. At the request of the Burmese Government, it is being renewed. It will be convertible into sterling and repayable in ten years, and will carry 4½ percent interest.

Credits from French Industrialists

The French Embassy in New Delhi has told the Indian Government that a number of French industrialists are willing to negotiate the supply of capital goods to this country on the terms indicated by the Government—20 percent cash down, and the balance to be paid in seven years after the plant and equipment have been received here.

Interest of Firestone in Synthetic Rubber

Firestone has entered the field for the manufacture of synthetic rubber in India. This company is one of the biggest consumers of rubber. Negotiations are proceeding.

More Sugar for Export

The Government has decided to permit the export of a further quota of 50,000 tons of sugar, having already allowed the export of 50,000 tons. Exports are made through trade channels, in this case through the Indian Sugar Mills Association. Two factors have helped them—a rise in world prices, and the refund of excise duty to exporters. In other words, foreigners get Indian sugar cheaper than do Indians.

Reorganisation of Finance Ministry

The Finance Minister has reorganised his Ministry. Mr. H. M. Patel has become Principal Secretary, and will be largely responsible for co-ordination and policy-making. Mr. B. K. Nehru, at present Joint Secretary for External Finance, succeeds Mr. Patel as the Secretary of the Economic Affairs Department. Mr. S. Ratnam, at present Financial Adviser on Defence, will succeed Mr. P. C. Bhattacharyya as Secretary of the Expenditure Department when the latter becomes Chairman of the State Bank of India. Later in the year, Mr. M. V. Rangachari, a member of the Finance Commission, will become Secretary for Internal Finance, as the Department of Economic Affairs will be bifurcated into External Finance and Internal Finance. When fully reorganised, the Finance Ministry will have a Principal Secretary, Mr. H. M. Patel, and four Secretaries, Mr. S. Ratnam for Expenditure, Mr. A. K. Roy for Revenue, Mr. B. K. Nehru for External Finance and Mr. M. V. Rangachari for Internal Finance. The Joint Secretary to the Finance Ministry, Mr. S. Jayashanker, will succeed Mr. Ratnam as Financial Adviser on Defence.

Swedish Trade Mission

The Swedish trade and goodwill mission has had a busy time in New Delhi. It has considered suggestions for collaboration with existing Indian units which would enable it to avoid creating problems of competition from foreign-owned concerns.

Several units in India, for example, are manufacturing domestic cooking stoves, which are inferior to the world-famous Primus stoves. Negotiations are in progress for Swedish-Indian collaboration to modernise the Indian stove and bring it to the level of the Primus stove, or to manufacture Primus stoves through one of the Indian units manufacturing cooking stoves. Similar negotiations are in progress for the manufacture of ball bearings. Swedish ball bearings are considered very good. Under the plan, Sweden will meet the requirements of foreign exchange, in addition to supplying equipment on a long-term credit basis.

Sweden like some other European countries, is worried about India's foreign exchange squeeze. The delegation has plans under which a change in the pattern of India's imports might make up for the recent import cuts. Another team is expected to visit India later in the year to study closely Indian products which could be exported to Sweden and help India in balancing her trade with that country. Sweden is not a tea-drinking country and her requirements come largely from Ceylon. But Indian tea blended in London is imported by her. She needs manganese ore, and can provide a market for some varieties of Indian textiles such as prints, poplins, towelling, bed-sheets and floor covering. She accords "most favoured nation" treatment to India, and her foreign trade is in the hands of well organised Indian business houses take advantage of the new facilities now offered for the expansion of their trade.

Indo-British Air Agreement

The Indo-British air agreement, a modification of which was negotiated last year, has been ratified for a period of two years.

London

LITTLE PROSPECT OF TAX RELIEF IN U.K.

SOCIAL SERVICES COST MORE

(FROM OUR LONDON CORRESPONDENT)

THE City has been having more second thoughts lately as a result of a better appreciation of the problems which still face the Government and a delayed realisation that the recent cut in Bank rate was, in fact, no more than a technical adjustment and certainly not an indication that the credit squeeze was likely to be relaxed. Indeed, it is now more generally accepted that the new Chancellor is not likely to relax the grip on domestic demand until the balance of payments looks a great deal healthier and the gold reserve has begun a convincing recovery. Budget reliefs, also, are not now regarded as being very likely, though these will depend largely on the extent to which defence expenditure can be reduced. The current Budget position has shown a further small improvement. Ordinary revenue totalled £183 million, and exceeded expenditure by £39 million. But Mr. Thorncroft's current surplus to date—£170 million—is £290 million below that budgeted for last April. At this time last year, there was a surplus of £396 million, which increased by a further £1 million to £397 million over the six final weeks of the financial year. The outlook is hardly encouraging, and since then Mr. Thorncroft has said that civil Government expenditure is to go up again by £110 million in the coming Budget year—or by £174 million compared with last April's original estimates. Most of this (£146 million) is due to the higher cost of social services, and this, in turn, is largely due to higher prices and wages. To offset part of this increase, he proposes reduced subsidies for welfare milk and school meals, and higher National Health contributions by employers and employees, to save £37 million in the first year and £57 million in a full year—and this has aroused vehement criticism and opposition, particularly in Labour circles.

So far, the Government has shown no signs of easing the burdens which, it is claimed, its economic policies are imposing. The real danger in the situation, as it has been all along, is the effect this more realistic approach to the inflationary spiral will have on wage claims. The engineers' claim for a 10 percent rise has again been rejected by the employers, while the shipbuilders' reply to a similar claim from their workers is due on 5th March. In a month's time, talks are due on the miners' application for an increase which will cost £15½ million, if granted. Many other claims are pending, and all are to be pressed with vigour.

Suez and the Trade Pattern

Detailed overseas trade figures for January help to clarify the effects of the closing of the Suez Canal and also to present a picture of the adjustments which would be called for if its elimination as a trade route became necessary in the future. It is apparent that there was some dislocation of trade with India and the Far East in the second half of November and the early part of December, especially in imports, as a result of the diversion of shipping. This was partly, if not wholly, made good in January. Imports of rubber rose from 22,000 tons in December to 30,000 tons in January. Imports of tea in January, at over 82 million lbs., were more than double those of January, 1956; in October-December. There was an increase of almost certainly as a result of the disturbance of shipping from India and the Far East. Imports all, were also at a seasonal high level in January in the case of wool, so that imports from the sterling area as a whole rose in January by 29 percent and were mainly responsible for the record total of all imports. Imports from non-sterling sources rose by only 8 percent.

In the case of oil imports from the Persian Gulf only has the Canal closure been serious, although the industry has displayed its flexibility by substituting supplies from other sources to minimise the effect. Imports of crude oil were the most affected, yet they reached 424,417,000 gallons, compared with 397,886,000 gallons in January, 1956. Imports of refined products were 108,797,000 gallons, against 124,092,000 gallons, and those of fuel oil and motor spirit were actually higher. The exports side is of petroleum products from the United Kingdom less than the £8,847,909 exported in January, 1956. Exports generally were not quite so fortunate, but the impact here was somewhat delayed and will take longer to adjust. Higher oil prices are reflected both in the export and import price indices for January. As both figures rose by one point, the exports index to 109 (1954=100), and the import index to 110, the terms of trade—the ratio of import to export prices—remained steady at 101.

Hire-Purchase under Control

The contrary swings of hire-purchase activities from month to month have given rise to some doubt about the effectiveness of the Government measures to control hire-purchase credit. That they have been very effective indeed is demonstrated by the latest figures of hire-purchase debt released by the Board of Trade. It is estimated that total debt fell in 1956 by £90 million. Repayments were in the region of £390 million while

new credit was only £300 million at the most. As a result, the total debt outstanding at the end of December was £361 million, of which £223 million was due to retailers (£127 million for furniture and £96 million for hardware, radio and electrical goods) and £138 million was due to finance houses, mostly relating to motor cars.

Apart from cars, hardware, radio and electrical goods have been most affected by the credit squeeze and other measures. Thus hire-purchase sales by shops selling all three were about 18 percent lower in the last quarter of 1956 than in the corresponding quarter of 1955. Hire-purchase sales of furniture in the last quarter of 1956 were about 9 percent below those of the same period of 1955, but independent retailers took the brunt of this fall, their credit sales being 13 percent down against a drop of only 4 percent in sales by multiple stores. Hire-purchase sales of cars fell away sharply when petrol rationing began, and a reflection of this was that advances by finance companies dropped by 25 percent between November and December. However, the January figures of car sales show a strong recovery, so that this kind of debt must now be expanding again. It is evident, just the same, that hire-purchase is particularly sensitive to governmental control, as the 20 percent cut in a year goes to show.

Trading with Burma

British trade with Burma showed a sharp drop after the war, and in the years since then it has not always been easy to trade in that market for one reason or another. The recent triangular operations under the American aid programme, however, has led to a revival of interest in the Burmese market, even though the methods by which imports are regulated are, to say the least of it, rather unusual. The India Section of the Manchester Chamber of Commerce, reporting recently on business during 1956, referred to the increasing proportion of the purchases of yarn and cloth made through the Civil Supplies Management Board, and to the formation by the Government and Burmese merchants of joint corporations for importing and distributing goods. The Board of Trade Journal now gives further details about the latter development and records that five of these joint venture corporations are being formed, the Government subscribing 52 percent of the capital of each body, and the remainder being open for public subscription in shares. Four of the corporations will handle tyres and tubes, textiles, hardware (including building materials), and foodstuffs, and the fifth will be concerned with raw materials and machinery for industry. Imports licences to the value of £1,200,000 have been issued to each of the first four corporations, the totals comprising £325,000 for textiles £450,000 for hardware, and £225,000 for foodstuff, and three of the corporations

have already called for offers. It is understood that exporters may submit offers either direct to the corporation concerned or through agents, and that contracts will be negotiated by the corporations and will be in their name. It is reported that some of this business has been under discussion in Manchester trade quarters recently.

Merger Scheme of Accountants

The Institute of Chartered Accounts appears to be overwhelmingly in favour of merging itself with the other main professional body in accountancy, the Society of Incorporated Accountants. At a meeting of the Institute, held last week in London, the voting was five to one in favour of the merger scheme. Since the scheme was made known about two months ago, there has been considerable opposition, mainly from chartered accountants themselves. This came to a head at the meeting. The main objection to the merger has been the allegation that the Institute would be lowering its standards by admitting accountants who have not been "articled" and who have taken only the Society's examination. It is said that this would not only let the public down but would also be a breach of faith with clerks at present articled.

Insurers Discuss Atomic Risks

Representatives from 12 European countries met last week in London to discuss the insurance of atomic risks. The British Insurance Association's Atomic Energy Committee, comprising representatives of the insurance companies and Lloyds, sponsored the conference. The Association explained that the insurance of nuclear reactors already planned would involve such high sums for material damage and third-party risks that they would strain the capacity of the insurance market of any one country. The situation called for collaboration between the insurance and reinsurance markets of the world. Although it was not the purpose of the conference to reach definite conclusions, it is understood the results were satisfactory. There are good hopes that sufficient understanding has been reached to ensure that atomic insurances will be handled by all the companies represented, in a reasonably uniform way. It will be remembered that the Association announced last May that, on the assumption that the cost of building a nuclear power station was £20 million, the material damage insurance would be well within the capacity of the British insurance market. Liability risk, however, posed problems for insurers which have yet to be solved.

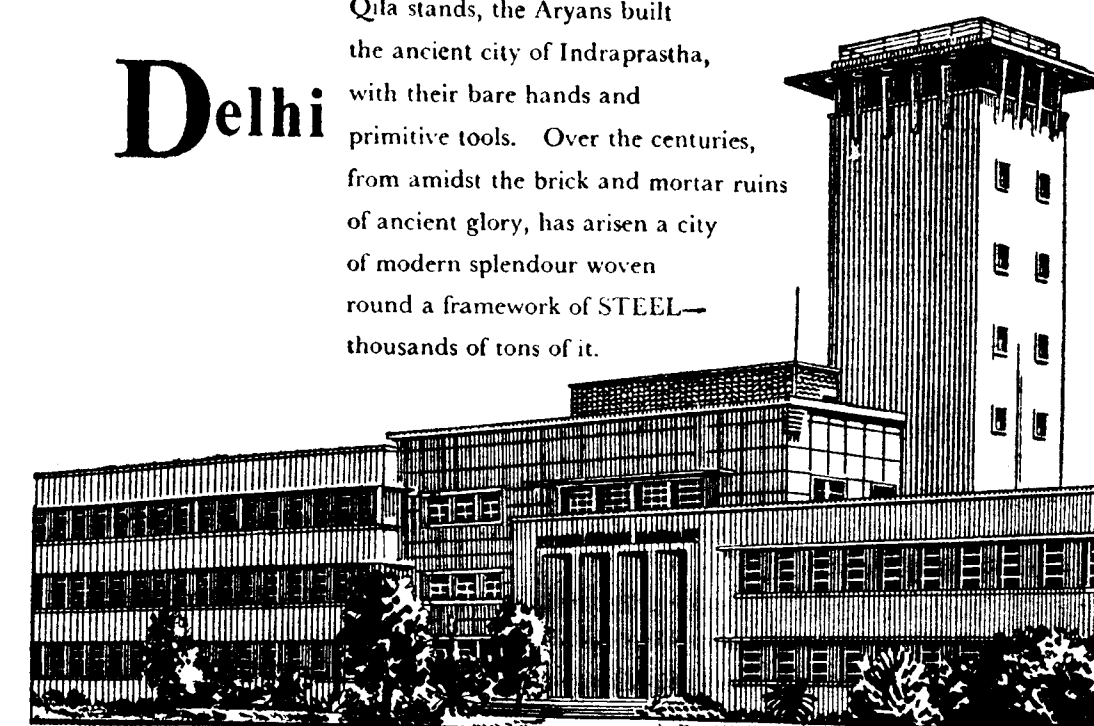
Research on Cotton and Rayon

After discussions covering a period of two years, the Councils of the British Cotton Industry Research Association and the British Rayon Research Association have agreed to co-operate in all branches of research where possible.

"Where now the city stands,
there was once naught but the city's site." OVID

It was eight centuries before the birth of Rome. On the banks of the Jamuna, where the Purana Qila stands, the Aryans built the ancient city of Indraprastha, with their bare hands and primitive tools. Over the centuries, from amidst the brick and mortar ruins of ancient glory, has arisen a city of modern splendour woven round a framework of STEEL—thousands of tons of it.

Delhi



Purana Qila,
built in the
16th century

The newly built National Physical Laboratory, New Delhi

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For
Progress

INDIAN  STEEL

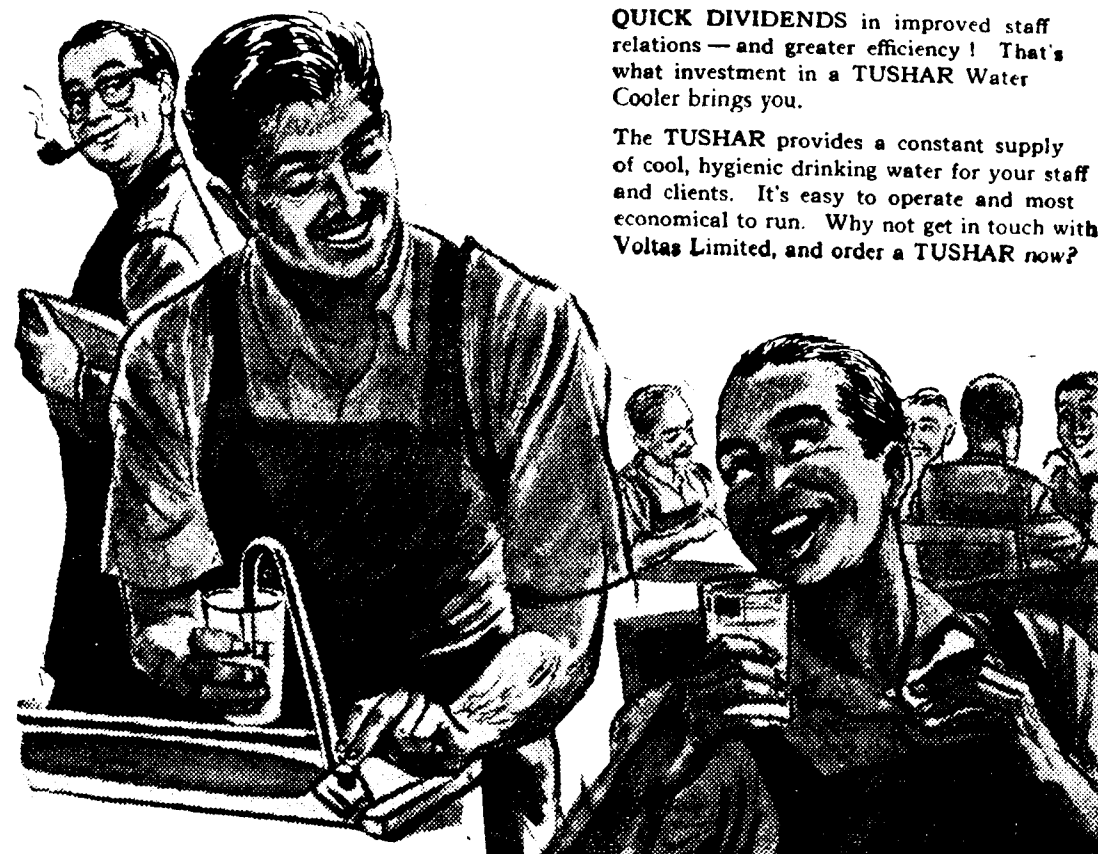
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Plantation Topics

TEA CONSUMPTION IN CANADA INCREASES

PROMOTIONAL ACTIVITIES OF COUNCIL

DURING the first six months of 1956, tea consumption in Canada increased by 11.3 percent, according to the second annual report of the tea council of Canada. The Council's Tea Sales Index, which is based on the contributions of contributing packers, indicates that a low point in sales was reached in the summer of 1955. This drop in sales coincided with a sharp increase in the price of tea. When prices dropped again there was a gradual improvement in sales which accelerated during the early months of 1956. This had the effect of reversing, at least temporarily, the sharp downward trend in sales which took place a year ago. The task the Tea Council has set itself is to help maintain and ultimately increase the per capita consumption of tea in the country. To keep pace with Canada's rapidly expanding population tea sales must increase by something like 2.5 percent a year.

The beverage industry there is highly competitive, and tea's position cannot be said to be strengthening. Moreover, the industry's advertising and promotion activities in the United States overflow and influence the market in Canada. Since October, 1954, when Tea Council of Canada's advertising first appeared, television has remained its main advertising medium. The growth of television audiences has been spectacular. When the Tea Council first began its campaign, there were, it was estimated, 1,027,000 T.V. sets in use in Canada; by June, 1956, the number of T.V. sets had doubled to an estimated 2,100,000. Almost all T.V. homes, which comprise approximately 50 percent of all Canadian households, are reached by the Council's messages because it obtains blanket coverage by using good times over almost every station in operation. But inevitably, the larger audience justifies the charging of higher rates by the stations. So far it has been able to maintain its programme in spite of rate increases, but it is by no means certain that with the growth of the television audience this situation can continue indefinitely. Newspapers, originally occupying second place in Tea Council's campaign, were gradually replaced during this second year of the Council's operation by magazine and week-end papers. It became increasingly plain during the development of the 1955-1956 campaign that the more subtle and atmospheric type of messages which the Tea Council wished to use could be better conveyed by magazines and week-end papers which have more of a glamorous appeal than have newspapers.

Preliminary Research

During the latter six months of 1955, preliminary research was conducted by the Motivation Research Centre, Montreal, on consumer attitudes to tea. This type of research seemed likely to uncover factors which would be of value to the industry and the Tea Council authorised a full-scale research programme to be undertaken during the early part of 1956. Based on the findings of the preliminary research, an altogether new type

of campaign appeared in newspapers and in *McLean's Magazine* during January, February, and March, 1956. The research had suggested that the economy theme was not an appeal of great interest to a prosperous public and that the slogan "Relax with tea", which had been used since the inception of Tea Council of Canada, although containing a valuable idea, might be misunderstood. A new slogan, "What a pick-up! Yet it relaxes....that's the magic of tea" was subsequently approved. The new slogan, further testing showed, conveys the paradoxical but valuable idea (which had been amply substantiated medically) that tea is an excellent beverage in the mild states of both tension and fatigue which are the common lot in the modern way of life. At the same time, it steers clear of any association with illness, and, in the phrase "that's the magic of tea" gives the idea of tea being something special and out of the ordinary.

Motivation Research

The full report on the motivation research into consumer attitudes to tea was received in March, 1956. Its findings were extensive but may perhaps be summarised briefly. Tea is associated with the old fashioned, the feminine, with not being grown-up and a variety of similar concepts which militate against its acceptance in Canada, particularly by younger age groups—the most important potential market. A variety of competitive beverages enjoy the opposite, and favourable, connotations. It was recommended that future campaigns should aim at surrounding tea with a new, modern atmosphere. One method of achieving this would be through giving greater emphasis to iced tea—a beverage perceived by the public as more glamorous than hot tea. The motivation study also confirmed that there is a real need for education in the basic principles of tea-making but that direct, dogmatic instructions are not well received by the public.

Cups to the Pound Survey

A major piece of research was undertaken during the year by the Tea Council in co-operation with the Canadian Association of Consumers. The object was to discover the number of cups the average housewife is obtaining from a pound of tea or 120 two-cup tea bags, a quantity which had not previously been established by research. The principal finding of this study is that from both packaged tea and tea bags, the housewife is obtaining considerably more cups than had been supposed. It is clear that many tea drinkers consume a brew which is too weak for full enjoyment. Even without an increase in cuppage the drinking of stronger tea would result in a direct increase in the consumption of leaf. In addition, a more flavoury beverage should encourage the occasional tea drinker to drink tea more often.

COFFEE EXPORT QUOTA RAISED

The 1956-57 coffee crop is estimated at 37,800 tons. After providing for consumption in the internal market during 1957 and for a suitable carry-over for 1958, the Government of India has decided to allocate 11,050 tons for export out of the current year's crop. An export allocation of 7,900 tons was announced earlier, and an additional quantity of 3,150 tons of coffee is now made available.

TEA PRICE FALL IN LONDON AUCTIONS CHECKED

THE recent big fall in tea prices at the London auctions has been arrested. Low-price descriptions, in particular, were inclined to harden further and Plain Broken Pekoe was finally indicated at 49½d a lb. compared with 49d in the previous week. Some better qualities recorded declines again though this, it was reported, was mainly because of a continued fall in quality. The trade advanced a number of reasons for the generally stiffer tone of the market. The action of the Sales Regulation Committee in spreading available supplies over a long period undoubtedly did much to check a fall, say trade quarters. They also feel that prices might in any case have tended to react after such a sharp drop as 1s a lb. There seems to be a growing recognition that the surplus between world production and consumption may not be as big as hitherto anticipated. Some quarters reckon that the excess of production over consumption may not now be more than 10 million lbs. Consumption in the U.K. is said to have been very well maintained, while in India it still shows signs of steady expansion.

COCHIN TEA SALES

At Dust Sale E, 340,000 lbs of tea were on offer. There was a strong demand, particularly for Medium sorts which were ½ to 1 anna dearer.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 15-2-57 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
	Sheet cuttings 1	1.00
	Sheet cuttings 2	0.95
Crepe:		
Water White	—	—
R.M.A. No. IX	1.10/12	1.11
R.M.A. No. 1	1.04/08	1.07
	Crepe No. 2	0.98½
	Crepe No. 3	0.92½
Scrap Crepe:		
Sc. Crepe No. 1	.89 Nom.	.87½
Sc. Crepe No. 2	.85/88	.83½
Sc. Crepe No. 3	.73/83	.75½
Flat Bark	.65/68	.65½
	Sc. Crepe 3X	.80

To arrive at f.o.b. Colombo prices, add 53.53 cents a lb. for crepe other than scrap crepe and 31.53 cents for scrap crepe to the above market prices.

Jute

PROSPECTS FOR THE NEW CROPS IN INDIA AND PAKISTAN

SOWINGS MAY BE LESS THAN LAST YEAR

IT is rather soon to talk of prospects for the next raw jute crop, but sowing time in the early districts is close at hand and weather conditions have been favourable. There are many variations of the Bengali proverb about rain in the month of *Magh*, but the burden of them all is that it is good for *rajah*, man and beast. There was only a little rain towards the end of *Magh*, but with it a beginning could be made with ploughing in many districts. The present showers may be taken as the *Magh* rains, late by about a fortnight, and, from the peasants' point of view, they are just as welcome in *Falgun*. These gentle showers are also better than a heavy downpour, for the water gets a chance to sink into the ground and make it arable. During a downpour, it falls suddenly on baked earth, rushes into the ditches and gets carried away.

Sowing of the *churs* and riparian lands in the deltaic areas of Jessore, Khulna, Faridpur and so on will commence soon, these being the earliest starters in Pakistan. At one time, the first sowings were of mesta in the Madaripur area, and mesta harvesting used to start by the beginning of May. But the Pakistani Government has prohibited the growing of mesta, so jute will have to be sown. This makes one wonder whether an early mesta crop could be grown on similar lands on this side of the border. It would be an advantage to the jute industry if it had supplies of new crop mesta coming forward at the end of May or the beginning of June, and the ryots would have time to get an *aman* paddy crop off the same ground.

Enquiries about the probable extent of sowings indicate that in both India and Pakistan they may be less than in 1956. The reason given is that paddy prices are high, especially in Pakistan. It is also expected that fairly big stocks of jute will be left in the hands of growers in that country, because despatches overseas and to India are lagging behind those of last season. Stocks in the hands of balers and dealers are large and much capital is blocked, thus restricting buying power. Restrictions in jute-growing in Pakistan have been removed. The licence fee of Re. 1 an acre has also been abolished but it remains to be seen if these measures will offset the high price of paddy.

Position in India

In India, the position is very different. It is unlikely that there will be any carry-over worth talking about, and if there is, it will mostly be mesta. Scarcity of white jute, tossa and daissee is already making itself felt. There is now a difference of Rs. 5 a maund between the price of mesta and that of white jute, and of Rs. 8 a maund between mesta and daissee jute. One would expect that the prices obtainable for tossa and daissee would assure the sowing of a bigger crop of these fibres, but it is pointed out that paddy prices are rising and may offset any inclination to increase jute and tossa sowings. Besides, the present low price of mesta may discourage the cultivation of that fibre, though it is cheaper to grow because it needs less attention and has a heavy yield in suitable areas. Another factor which may affect the extent of sowings is the fall in prices which has taken place recently. It is well known that, in spite of the good prices obtained during the season, growers are much influenced by prices at sowing time. They take these as an indication of the prices they may expect to get for their new crop, while the prices they obtained for the previous crop are looked on as something of the past.

Altogether, then, the prospects for increased sowings do not appear to be very bright, but there is no reason for pessimism, especially if the Government's propaganda is thorough. Reports will come soon of *chur* land and *berm* land sowing. Normally these are good, because the soil is moist and does not need much rain, but it would be wrong to judge the probable extent of sowings by what is done on these lands, for there is little else the ryots can grow there.

THE JUTE MARKETS

Manufactured Goods: Selling pressure by bears and liquidation by bulls continued to depress the market in the early part of the past week. The fall was halted, however, when those who control the fatka markets decided that operators must make deposits with the committee if they sold either B Twills or hessian below certain minima. That appears to have put the brake on reckless selling and some covering was reported. There were reports of business with shippers, but it was not possible to find out how much was fresh business and how much was business which shippers had booked earlier and kept "under the counter". The market derived some support from raw jute, in which there were substantial dealings during most of the week at prices which tended to harden. On Monday, however, an easier tendency developed and it was accentuated on Tuesday when, it is said, some mills were trying to sell for near ship-

Quotations on Wednesday morning were as under:

	February	March	April-June
	Rs.	Rs.	Rs.
40in. 8oz.	33-4	33	32-8
40in. 10oz.	40-8	40-7	40-6
B Twills	107-12	108-1	109
Heavy Cees	112-5	109-12	109
A Twills	133	133	131-8
Liverpools	127	126	125
Cornsacks	110-8	111	110-8

Raw Jute: There has been steady buying by mills during most of the week, but activity slackened on Monday and Tuesday. Prices tended to harden and sellers were becoming more reserved in their offerings, but then the gunny market became weak and mills withdrew from the jute market. Sellers are not, however, inclined to reduce prices because they have sold enough recently to relieve the nervousness which has prevailed in the past week or two. They are also finding some resistance in the mofussil areas to lower prices and imports are decreasing. Business was reported in Daissee mesta at Rs. 23-8 to Rs. 24-8, Murshidabad mesta at Rs. 23 to Rs. 23-8, Purnea Desal mesta at Rs. 23 to Rs. 23-8, Jungli mesta at Rs. 21-8 to Rs. 23, Northern, Assam and Agartala mesta at Rs. 24 to Rs. 24-8, Northern, Kishanganj and Assam jute at Rs. 28-4 to Rs. 28-8, Purnea Desal jute at Rs. 27, Assam and Agartala jute at Rs. 28, Murshidabad Tossa at Rs. 30 to Rs. 30-8, Northern Middles at Rs. 30-8, Daissee and Tossa Middles at Rs. 33, Daissee jute at Rs. 30-8 to Rs. 31-8, and Daissee Middles alone at Rs. 34. Pakistani N.C.'s were done at Rs. 100 to Rs. 106 a bale. Except where otherwise stated, these quotations were for Bottoms in assortments.

Arrivals in Cossipore were only 389 wagons, the lowest for a long time, but in the absence of

much buying by mills, stocks again increased. There was a good deal of buying by dealers covering against previous sales to mills.

Quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Northern	28	March-April
Assam	28	"
Murshidabad Tossa	30	"
Daissee Jute	31	One Month
Daissee Mesta	24	"
Murshidabad Mesta	23-8	March-April
Northern Mesta	24	"
Jungli Mesta	23	"
Northern ex Cossipore	27-8	One Month
Local Packing	26	"
Bimli	23 F.A.Q.	"

Mofussil: Prices are steady and buyers report difficulty in replacing jute sold in Calcutta. Imports are small and stockists are reported to be holding back because of the poor prices offered from Calcutta. More rain has fallen and ploughing is general.

THE PAKISTANI JUTE MARKETS

SMALL ARRIVALS AND BALER COVERING LIFT PRICES

(FROM A CORRESPONDENT)

MAINLY due to covering business by one or two of the larger balers, aided by extremely small imports, the Narayanganj market has steadied somewhat. Loose jute, when available, is unobtainable below Rs. 28 for B Bottoms, Rs. 26 for C Bottoms and Rs. 24-8 for X Bottoms. District Tossa, which is very scarce, is nominally quoted at Rs. 31-8 for Bottoms, 100 percent Dundee 2/3, Rs. 28-8 for Dundee 4, C Bottoms, Rs. 27 and Rs. 25 for Outport assortment and X Bottoms. Jat Tossa is quoted about 8 annas higher, but it appears that the Dacca crop of Tossa has been very small and this shortage is reflected in both pucca bale and overseas prices. The small lots of loose jute which are available are finding ready buyers, even though the moisture content has once again reached an unpleasantly high level. Fortunately, there is a certain amount of Northern jute available in the market in the form of mofussil kutcha bales.

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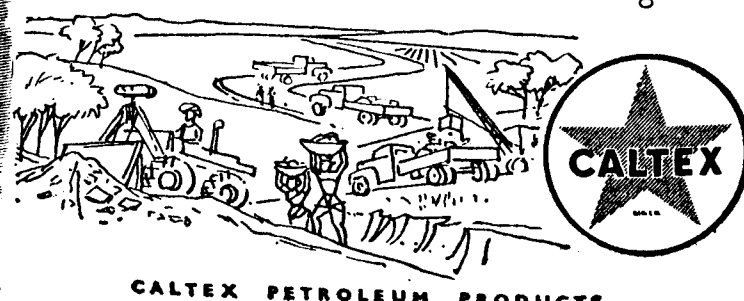
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oil comes to Visakhapatnam

Dredging operations now allow Visakhapatnam harbour's new oil berths to receive large ocean-going tankers. The first tanker carrying crude oil for the new Caltex Refinery arrived in February 1957, and pumps carried the oil through a mile-long pipeline to the Refinery's storage tanks. When processing begins, the Caltex Oil Refinery, a monument to free enterprise, will supply, by land and sea, the petroleum products so essential to India's progress.

OIL is the Lifestream of Progress



CALTEX PETROLEUM PRODUCTS

Upcountry sellers are not only resisting any further reduction in prices, but are showing very little interest in selling. They are at present preparing the ground and sowing. So far, conditions have been ideal, and indicate at least an early crop. It is, of course, far too early to make any kind of forecast.

Although it is quite impossible to estimate accurately the supply of jute even at this late stage in the season, there is no doubt that the equivalent of 1.5 million bales, at the very least, is still available in the market. Buying interest locally is limited to occasional bursts of short-covering. Under these conditions, it is hard to understand how upcountry sellers have been able to resist a further drop in prices. Their holding power has become an increasingly important factor and it appears that during the last two seasons they have built up financial reserves which will not weaken soon.

Comparisons of shipments and E.P.C. registrations up to the end of January indicate that by the end of February practically all outstanding sales will have been shipped, except, of course, those made during February. The shipping position is extremely difficult, and from the programmes of the shipping companies the indications are that there will not be ample freight available until after the first half of April. Overseas buyers, notably France and Dundee, have again come into the market and it seems that they will have to keep on buying unless their requirements this year are to be less than last year. It appears that some buyers are looking for a better shipping position during March because of the partial opening of the Suez Canal. Although the Canal will in all probability be navigable for many ships during March, there is still no certainty that the political obstacles will have been cleared, so that even during March and April, vessels carrying jute to Europe may have to continue to go round the Cape. If this happens there will once again be a premium for afloat unsold goods. The present indications of the overseas market are £99 for Export Firsts, £97 for Export Lightnings and £94 for Export Hearts, with a £3 premium for afloat goods. The local market in pucca bales stands a good deal higher than this, at Rs. 135 f.o.b. Narayanganj for Export Firsts, Rs. 175 for Export Lightnings and Rs. 165 for Export Hearts (that is to say, the equivalent of £103 10s, £99 and £95).

The Pakistani jute goods export trade is still being harassed by the new excise regulations, which are not fully understood even by those who are expected to enforce them. It does appear, however, that some semblance of order is appearing out of the initial chaos. The local market in goods has come down to the Karachi levels and mills are offering B Twills at Rs. 128, including excise duty but excluding sales tax, and 45in. 11oz. hessian at Rs. 56. Very little freight is expected for Karachi in the immediate future.

GUNNY SHIPMENTS DURING JANUARY

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of January, 1957 after providing for short shipments. These figures include shipments to coastal ports.

	Hessian	Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	5,755.6	33,439.9	39,195.5	
Short Shipped	312.9	1,437.4	1,750.3	
January 1957 (Net)	5,442.7	32,002.5	37,445.2	
December 1956 (Net)	3,859.3	33,813.9	37,673.2	
November 1956 (Net)	5,430.4	41,962.5	47,392.9	
	Sacking			
Gross	29,082.3	2,297.6	31,379.9	
Short Shipped	2,046.5	26.4	2,072.9	
January 1957 (Net)	27,035.8	2,271.2	29,307.0	
December 1956 (Net)	29,766.5	1,851.9	31,618.4	
November 1956 (Net)	41,817.2	1,718.2	43,535.4	

THE FOREIGN JUTE MARKETS

FIBRE QUIET BUT STEADY

(FROM OUR DUNDEE CORRESPONDENT)

THE raw jute market has remained quiet generally, but there is a very steady undertone and prices for some grades have been raised. Some shippers have been speculating in the lower qualities of white jute, such as Mill Hearts and grade Hearts, and offer to sell these much under the usual market terms. Mill Hearts are getting to be scarce, and also are grade Hearts, and those who were offering cheaply have disappeared. They probably had only a 250-bale lot to dispose of, but it provided a basis for quotation. Some time ago, Mill Hearts could be bought at £89 and grade Hearts at £85, but the rates now are £95 and £90 respectively, with Mill Firsts raised from £106 to £108 and even £110 wanted, and Mill Lightnings jumping from £95 to £98 or £100, c.i.f. U.K., March-April shipment. Dark jute has not shown much change at £100 for good marks of Daisiee-2/3 and £96 for grade, with grade Tossa-2/3 from £107 and grade fours from £98, up by £2 a ton. Several shippers are already adding 20s a ton to their terms against the rise in freight on all jute loaded on steamers sailing from 15th March. The actual increase on the basic freight rate is 21s.

It is believed that there is a shortage of jute in upcountry centres in Pakistan and imports have lately been very small. Some spinners here are still troubled with late shipments of their purchases of jute. There are actually 78,000 bales still to be shipped from Pakistani ports which

should have been moved some time ago. Even some September-October jute has not been received. The buyers, of course, can do nothing about this, as the jute has been bought at much lower rates than those ruling today, especially for white jute.

Calcutta goods have been very irregular, but weak, with sellers down to 60s 3d for 40in. 10oz. and 46s 6d for 74 oz. February, 60s 3d and 46s 3d March and 59s 6d and 45s 9d April-June. B Twills are at 164s lowest for February to June, f.o.b. Calcutta. Jute yarns and cloth here are more or less neglected at the moment, as buyers are awaiting further developments.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption in January was fairly satisfactory. At an estimated 75 million yards, it was 3 million yards higher than in January of last year, and 3 million yards higher than for December, 1956. U.S. burlap stocks for January, overall, remained unchanged from December, 1956, with, however, an increase in spots and a corresponding decline in afloats. January's stocks consisted of an estimated 140 million yards spots and 127 million yards afloats, against 126 million yards and 141 million yards respectively at the end of December, 1956. Appearing below are two tables which include the January figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (as reported to T.B.M.A.) (Million Yds.)	1957	1956	U.S. Burlap Consumption (estimated industry total) (Million Yds.)	1957	1956
Jan.	69	68	Jan.	75	72
Feb.	64	64	Feb.	68	61
Mar.	67	67	Mar.	73	69
Apr.	65	65	Apr.	69	69
May	69	69	May	73	73
June	59	59	June	62	62
July	59	59	July	61	61
Aug.	79	79	Aug.	83	80
Sept.	77	77	Sept.	80	83
Oct.	79	79	Oct.	85	85
Nov.	75	75	Nov.	81	81
Dec.	66	66	Dec.	72	72
Total	827		Total	878	
Mo. Av.	69		Mo. Av.	73	

U.S. Burlap Stocks (as reported to T.B.M.A.) (Million Yds.)	1957	1956	U.S. Burlap Stocks (estimated industry total) (Million Yds.)	1957	1956
Jan.	232	213	Jan.	267	243
Feb.	214	214	Feb.	245	245
Mar.	224	224	Mar.	253	253
Apr.	224	224	Apr.	255	255
May	216	216	May	247	247
June	216	216	June	240	240
July	219	219	July	244	244
Aug.	228	228	Aug.	259	259
Sept.	229	229	Sept.	258	258
Oct.	225	225	Oct.	262	262
Nov.	233	233	Nov.	268	268
Dec.	236	236	Dec.	267	267

U.S. BURLAP BUSINESS SLOWS DOWN

Burlap trade in New York during January 1957, was quiet, reports the *Jute Bulletin* of the Indian Central Jute Committee. Demand was on a much reduced scale and consumers were content to buy their immediate requirements only. After the heavy buying in the past three months as a result of the Middle East crisis, the slow-down of business during January did not take the market by surprise. Trade observers were of the view that the market undertone in the first quarter of 1957 would reflect the restraining influence of the over-bought position of consumers at all levels. In spite of the trade inactivity, prices for spots and afloats for practically all constructions commanded a substantial premium over early shipment prices. The single exception was 40in. 74oz. jute, continued on offer at about the same rate as, and often somewhat below, early shipment. Calcutta shipments of burlap to the U.S.A. in December showed a decline from the previous month and amounted to 72.4 million yards, which put the total for 1956 at 768.6 million yards, rise of 15.8 million yards over the shipments in 1955.

Mr. E. Parker, director, Imperial Chemical Industries (India) Private Ltd., has been elected president of the Bombay Chamber of Commerce and Industry for the year 1957-58. Mr. Parker has been connected with the Bombay organisation of the Imperial Chemical Industries since January 1945, and was appointed to the Board of the I.C.I. (India) in April, 1951. He served as a Member of the Committee of the Bombay Chamber of Commerce in 1952 and 1953 and again in 1956. He was awarded the O.B.E. in June 1954, and he has taken an active interest in several local organisations during his stay in Bombay.

LONDON INSURANCE LETTER

CAPITAL AND INCOME

By Air Mail.

THE present year was only a week or two old when the financial community in Britain convinced itself that its special monetary feature would be a reduction of interest rates. First of the big financial groups to act on this assumption was the insurance companies, which bought Government securities steadily and in considerable quantities. Their demand alone was sufficient to make a perceptible reduction of medium and longer-term interest rates, and, as the movement has since broadened its base, a welcome recovery of capital values seems to be in progress. The companies' experience last year was not comfortable. The depreciation of their huge portfolios of gilt-edged stocks was severe though not, of course, enough to cause the least anxiety. But the case for investment in ordinary shares was not strengthened by the relatively violent, and mostly downward, movements of such shares. Although faith in the stability of money is not yet restored, the companies are now inclined more to fixed-income than to equity investments. Both can benefit from a reduction of interest-rates, as such; but a reduction is permissible only if inflation is definitely ended, and without inflation ordinary shares lack much of their customary appeal.

Meanwhile, the companies are decidedly benefiting from the high rates at which they have been able to invest during the past year. The benefit accrues particularly to the non-life offices, since the interest element is not a factor in short-term business such as fire, accident and marine insurance, and the funds invested by the non-life offices are simply security for the policyholder, so that the income from these funds is, as it were, clear profit. A firm of stockbrokers circulated last month an analysis of 16 leading composite offices, emphasising the importance of investment income—primarily, of course, from the shareholder's point of view. It was well known that insurance companies did not rely on underwriting profits for payment of dividends, but it was rather surprising to be informed that, for these 16 companies, investment income alone covered dividends one and a half times last year, whereas before the war dividends were a little in excess of investment income. In the life offices the importance of this expanding source of income is increasingly recognised by policyholders, who are easily persuaded to participate in the office's prosperity.

Credit Insurance Active

Insurance against non-payment of debt developed a large turnover last year. On external account, the expansion of export trade and later the unsettled circumstances of trading combined to increase to a new peak the amount of shipments covered by policies with the Export Credits Guarantee Department. Due credit must also be given to the reduction of premium rates last April. Whatever the main cause, the increase in business was considerable, from £384 million in 1955 to £409.1 million in 1956. The domestic counterpart of E.C.G.D. is the Trade Indemnity Company—though the comparison is not exact, as Trade Indemnity is not a Government body. It appears, in advance of full figures, that the company continued last year the remarkable growth that has characterised its activities since it was formed in 1918. Even in 1955 its insured turnover was much more than double that of E.C.G.D., reaching £862 million. However, while export trade was expanding, internal trade was with difficulty holding its ground last year, and some of Trade Indemnity's policyholders were doing less business. As premiums are calculated on turnover, some, therefore, were reduced. On the other hand, financial conditions have on the whole, at least until recently, favoured new business in credit insurance. It has been argued that the credit squeeze has hastened the turnover of money, because it has forced creditors to press for prompt payment of debt. In many cases, however, it has worked the other way: because of financial stringency, debtors have been unwilling or unable to settle their accounts promptly. A new demand for insurance of these protracted credits has arisen.

New Risks

The acceleration of nuclear energy plans in recent months has broken down any reluctance that still existed in the insurance community to insure nuclear risks. This is obviously a new field of activity that will grow rapidly in the coming years and that must be insured. It is, moreover, obviously international in character. Both at home and abroad the British market is now prepared to insure privately-owned reactors and nuclear power-stations, and to do so with the minimum of formality and delay. Under the auspices of the British Insurance Association and Lloyd's, the British Insurance (Atomic Energy) Committee has been formed to provide overall cover for even such projects as power stations costing tens of millions of pounds. The British market is, not unreasonably, proud of the fact that it is able to welcome this new business without the reserve that has been noticeable in the United States. Experience could, of course, prove that the Americans' caution was wiser, but in the meantime, the British market has no intention of imposing a limit on individual claims corresponding with the limit of \$50 million which the American syndicates have fixed for any one disaster.

Engineering and Transport

THE PROBLEM OF REPLACING DAKOTAS

HIGH OPERATIONAL COSTS OF RUSSIAN PLANE

(FROM OUR NEW DELHI CORRESPONDENT)

A HIGH-POWERED committee which was recently appointed is now examining the economics of various aircraft in order to recommend a suitable replacement for *Dakotas* in the fleet of the Indian Airlines Corporation. Mr. Nilakantan is its chairman and it includes Mr. Ghatke and Mr. S. Ramamirtham. The *Fokker Friendship* is one of the aircraft being considered. The Russian aircraft *Ilyushin* is now completely ruled out, although the Union Minister for Communications, Mr. Jagjivan Ram, told Parliament some time ago that the Government had decided to buy the *Ilyushins* to replace *Dakotas*. There was hardly any reason to doubt the authenticity of his statement. But events have over-ruled the Minister. The Indian Airlines Corporation, which is still striving to manage its affairs on commercial lines, called for an examination of the economics of the Russian aircraft. A Russian team came and gave some data, on the basis of which the operational cost an hour of *Ilyushins* came to Rs. 1,000, compared with Rs. 450 an hour for *Dakotas*. On re-calculation, the Russians found that originally they had included the cost of overhaul of nine instead of one aircraft. Their revised operational cost came down to Rs. 800 an hour. The Russian report also showed that the life of an aircraft frame was 1,000 hours and that of an engine 2,000 hours with its overhaul after every 300 to 500 hours. The price of each aircraft being Rs. 30 lakhs, a minimum of six aircraft would cost Rs. 1,80,00,000 during the second plan period.

In view of this, the chairman of the Indian Airlines Corporation, Mr. Shankar Prasad, suggested a scheme of experimental purchases. Under this scheme, India was to purchase a couple of Russian aircraft on a purely experimental basis; the aircraft if they failed to come up to expectations, were to be returned after one year. The Russians insisted on an outright purchase. So the deal fell through. This, however, did not solve the problem of replacement, and the expert committee had to be appointed.

Foreign Collaboration

The future of Hindustan Aircraft Ltd. is also linked with the development of aviation, military and civil, in India. A minimum of 200 planes a year could make Hindustan Aircraft an economically self-supporting unit. A committee, however, is hardly the mechanism to serve this purpose. These committees are appointed to select an aircraft for civil or military service in India and as far as experience goes, their recommendations often become known to the interested parties prematurely with the result that technical collaboration for the local manufacture of these planes becomes difficult to obtain.

A similar committee with the Deputy Defence Minister on it, was recently appointed to recommend a single-engine aircraft for the Indian Air Force. The Indian Airlines Corporation, naturally, was not interested in this type of plane. With a preference for four-engine planes, Indian passengers are unlikely to favour one-engine planes. Meanwhile, the Indian Air Force was showing its preference for a Canadian aircraft the *DHC-3 Otter*, a single-engine general utility transport aircraft with a passenger capacity of nine to 14. It was decided to place an order for this aircraft. It was not, however, possible to secure the collaboration of its manufacturers to produce it in India.

Indo-Russian Air Talks

Indo-Russian air negotiations remain inconclusive. A Russian air mission came to India last year. As matters stand at present, there is hardly any air traffic between the two countries and an air agreement would be more advantageous to Russia than to India. Apart from traffic, there is a disparity in petrol prices; Russian petrol costs Rs. 2 a gallon against Rs. 8 a gallon in India.

Pilots for Viscounts

Thirty-six pilots are being trained for operating Viscounts in India. Their training will cost Rs 2 lakhs.

Trans-polar Flight

Two DC-7 Global Express airliners of the Scandinavian Airlines system passed each other over the North Pole on 24th February. One of the planes had taken off from Copenhagen at 10-30 (G.M.T.) and the other from Tokyo at midnight (G.M.T.) on an inaugural flight on the first polar route between Europe and the Far East. The new route across the North Pole will reduce the air distance between the two cities to 7,800 miles. It will mean a reduction of some 2,500 miles over the present route via India. Flights over the conventional routes amount to nearly 10,300 miles. The east-bound flight was scheduled to land in Copenhagen at 07-15 (G.T.M.) on 25th February, and the west-bound flight in Tokyo at 23-30 (G.T.M.) on 26th February. The latter flight will technically lose a day in crossing the international date-line.

The Copenhagen-Tokyo route will be the second transpolar passenger route sponsored by S.A.S., the airline having inaugurated the world's first service across the Arctic on 15th November, 1954. Some 20,000 passengers have made use of this 21-hour route in the first two years of its operation. The 360-mile-an-hour giant airliners will make the new

flight across the top of the world from Copenhagen to Tokyo and back in about 30 hours. According to the present programme of S.A.S., there will be two combination (tourist and first-class) flights a week in each direction. They will take off from Copenhagen on Tuesdays and Saturdays and from Tokyo on Tuesdays and Fridays.

The three Scandinavian Ambassadors have asked the U.S. State Department to consider granting S.A.S. permanent rights to operate its polar route between Scandinavia and Los Angeles. The present operation is being conducted under a temporary three-year certificate which is due to expire in November. When the temporary certificate was granted it was agreed that negotiations should be started before its expiry to determine whether a permanent certificate for the polar route would be justified.

Prospects for P.A.A. and T.W.A.

Pan American Airways and Trans World Airlines are both optimistic about traffic prospects for the polar route they are seeking to operate between the U.S. west coast and Europe. P.A.A. estimates it can carry 23,650 passengers during the first year of operation. T.W.A. counts on 29,960 trans-atlantic passengers and 6,500 additional inter-European passengers on its polar route schedules. The views of the two airlines are supported by the C.A.B. examiner who recommended that both be authorised to operate the Arctic route. His report notes that trans-atlantic travel to and from the west coast increased only by 28 percent and he says that 79,000 passengers on this route for the U.S. fiscal year 1957-58 is a "reasonable market to anticipate." The recommendation made allowance for the entry on the route of B.O.A.C. and Deutsche Lufthansa, which already have authorisations. B.O.A.C. has definite plans for polar services, but has not yet set a starting date. D.L.H. may begin services to Los Angeles or San Francisco when its gets its 1649As in October 1957, but may put the planes on the South Atlantic or other routes.

PROGRESS OF SHIPBUILDING

ACTIVITIES OF HINDUSTAN YARD

(FROM A CORRESPONDENT)

INDIA's shipbuilding industry, a key national industry in the public sector, has in the last four years of its existence made steady headway. As an entirely State-run organisation, it has certain advantages and the satisfactory progress of its working, in spite of the initial handicaps and difficulties it encountered due to the miscalculations of the French firm of consultants, *Société Anonyme des Ateliers et Chantiers de la Loire*, justifies optimism about the future of this industry. The consultants have also made amends for their miscalculations, and their high level expert, who made recommendations and gave advice which have enabled the shipyard to overcome its shortcomings and to go ahead with the development programme, both in the immediately important sphere of building ships and executing orders for them, and in the larger sphere of development of the shipyard and its efficient operation.

During 1956, the shipyard not only completed its scheduled programme of shipbuilding, but undertook additional orders which would keep it busy for most of the second plan period. An achievement, on which the shipyard can take pride is the completion during the year of the construction of the *State of Kutch*, the largest ship built there so far, in a record period of seven months. Three more ships were taken in hand during the year, one of which is a cargo-cum-passenger vessel—again the first of its kind to be built in India—and another is a vessel for the Navy. The shipyard has also been commissioned by shipowners to construct a complement of 11 more ships, of different sizes, which are expected to be completed during the remainder of the second plan.

Optimism about the smooth progress of the work is warranted by two or three factors. Of special significance is the elimination of delays and waste in planning and executing the programmes of construction and development, which has resulted from the implementation of the high-level French expert's recommendations. A strong team of nine French technicians has been drafted and the number of skilled workmen and supervisory staff has been augmented. The training of Indian technicians has simultaneously been taken in hand by deputing in the first instance, a team of nine engineers for training, in the A.C.L. shipyards, and following up their return by the deputation of another batch of four engineers and other employees of the yard for similar training. Side by side, and as a part of their agreement which now extends up to July, 1958 the French consultants have been deputing batches of their workmen to work in the shipyard and instruct the Indian workmen on the latest techniques and methods in shipbuilding. The assistance received in this form, computed up to the end of December, 1956 at 88 man-months, has the double advantage of ensuring the services of skilled workmen for construction work and of economising costs, as the French firm is responsible not only for the payments to be made to its workmen in France, but also for their allowances in India and their passage both ways.

Supervisory Personnel

For training technical and junior supervisory personnel for future employment in the yard, the establishment of a training school is contemplated. Under this scheme, trained personnel will be available not only for the immediate requirements

of the Hindustan Shipyard but also to serve as a nucleus of technical personnel for the second shipyard, which it is proposed will be started during the second plan period.

At one stage during the year under review, the construction work in the shipyard could have been stopped due to the shortage of essential raw materials like steel, but the difficulty was got over by standardising steel requirements for future ships and by placing a bulk order for about 30,000 tons of steel components with European countries and Japan. If deliveries of the material are received as scheduled they would meet the demands of the shipyard up to the middle of 1958.

The progress of development in other branches of the work, has been also satisfactory. During 1956, out of about Rs. 2 crores, sanctioned for development, Rs. 1.4 crores was received by the shipyard. A number of essential works were taken up, involving up to the end of March, 1956, an expenditure of Rs. 1.15 crores and of Rs. 1.22 crores up to the end of September. Of the development scheme taken in hand, the construction of berths No. IV and No. V were accorded priority, whose completion would contribute directly and materially to the increase in the shipyard's productive capacity. The output capacity was equal to about 2½ ships of the modern type (equal to four ships of the old type) in 1955-56 and it will be increased, as a result of these measures to about 4 ships (equal to 6 ships of the old type) of the modern type.

Dry Dock

One of the major items of the development programme is the construction of a dry dock. Preparatory planning on this Rs. 2.15-crore project has been made on the preliminary report of the consulting engineers, Messrs Rendel, Palmer and Tritton; detailed plans, specifications, the bill of quantities and other documents are expected to follow shortly. In the meantime, cement, sand, steel, etc., necessary for its construction are being stockpiled. The project is planned to be completed in 1959. It will be an important accessory to the shipyard, which will facilitate the work of cleaning and painting and other essential operations on ocean-going steamers and ships. The proposed dry dock will be 620 feet long, from inside of sill to head, 90 feet wide clear at the entrance and 24 feet deep below port datum.

An integral part of the shipbuilding work is the manufacture of machinery required for equipping ships, of which an important component is the propelling engine. The Government of India is considering a proposal to set up a factory in the public sector for the manufacture of marine diesel engines for propelling ships. The proposal, presently under the examination of an inter-departmental committee, will be finalised after considering the offers of technical collaboration received from a number of foreign firms.

It is realised that a vital and complicated industry such as shipbuilding needs advance planning for its establishment—in fact, a good deal in advance. Mr. N. R. Pillai, Secretary-General to the Union External Affairs Ministry and Chairman of the Board of Directors of Hindustan Shipyard Private Ltd., has indicated the directions in which such planning is required. The first relates to the standardisation of the specifications of the ships to be built at the yard, and the second to the need for determining this prices. Standardisation it is proposed will be achieved by limiting the types of ships to be constructed to three categories—two of which will be for ships engaged in coastal trade and the third for ships for overseas trade. By agreement with the Indian shipowning companies, this proposal is already being implemented, and four out of the eleven ships which will be employed in coastal trade and orders for which have been placed with the shipyard, answer to agreed specifications. The designs and plans for the overseas vessel, which it has been decided to standardise, are also under discussion with the shipowners and will be shortly finalised. From the standpoints of economising the costs of construction and procuring the necessary equipment and machinery for it, as well as that of formulating long-term plans for shipyard development, there is no doubt that standardisation is of great significance.

Price-Fixing Basis

The question of arriving at a satisfactory price for ships and of evolving a price-fixing policy, is a complex one. Currently, the practice is to fix prices of Indian built ships on the basis of U.K. costs of construction, but as Mr. Pillai has pointed out, "it has been extremely difficult to determine with any degree of accuracy United Kingdom parity prices" and, therefore, it will be much more difficult to determine world parity prices, which is the basis the shipowners want. The U. K. parity price has not been found to be a very satisfactory basis in any case, judging from the wide divergences between the estimates of costs received by the shipyard and those received direct by the shipowners from U.K. yards. A compromise solution suggested is that the prices of ships built in India should be fixed on the basis of either the percentage of the total cost of a ship or of the varying percentages of the different elements of the cost. This proposal has the advantage of obviating uncertainty by relating the amount payable by shipowners to actual costs instead of to hypothetical estimates. It is also advantageous

from the point of view of the shipyard because it represents the actual expenditure incurred by it.

Improved Labour Relations

On the labour front, the Hindustan Shipyard's anxieties are much less now than in the initial months, when labour troubles were somewhat frequent and idle labour was a disconcerting problem. When production commenced in right earnest, the idle labour problem was eliminated—and in fact, from April 1954, it has been practically non-existent. On the other hand, recruitment of labour—skilled, semi-skilled and unskilled—has been steadily on the increase, so that while its strength was 2,826 in October, 1954, it had increased to 3,529 in April, 1956, the average number of workmen on roll during 1955-56 worked out at 3,157. Labour-management relations have of the workers' union have been associated with also shown steady improvement, representatives of the committee which considers suggestions made by employees. The introduction of the "Cash Your Suggestions" scheme in 1954-55 has proved popular and during 1956, five workmen won prizes for making useful suggestions. Housing schemes for employees are now in hand. In the year's programmes, a scheme for constructing 355 two-roomed independent workmen's quarters, besides 44 staff quarters and four houses for senior officers, at an estimated cost of Rs. 21 lakhs was included.

Self-Sufficiency Prospect

Self-sufficiency in shipping tonnage is probably a distant prospect for India, not so much because of the financial outlay involved as because of the time consuming processes of training a sufficient number of technical and higher supervisory personnel and the acquisition by Indian technicians of the know-how of shipbuilding and of turning out the necessary machinery and equipment. For a long time—at least up to the end of the second five year plan, therefore, India will have to rely, in part at least, on foreign technical assistance and collaboration in the manufacture of ships. Yet self-sufficiency or near self-sufficiency is, however, the objective, because in the long run it is much more economical to have all the facilities for building ships within the country itself.

As a preliminary measure to building the second shipyard, the Government of India has invited a British team of experts under the Technical Assistance Scheme of the Colombo Plan to prepare a preliminary project report on the second shipyard, with special reference to its location, the cost of setting it up, the type of ships that could be constructed there and other allied matters.

CALCUTTA PORT TRUST BUDGET ESTIMATES

DEFICIT FORECAST FOR COMING YEAR

THE budget estimates for 1957-58 of the Calcutta Port Trust, together with revised estimates for 1956-57, were presented at a special meeting of the Commissioners on 25th February, 1957. The revised estimates for the financial year 1956-57 show income at Rs. 10,50,16,738, against the original estimate of Rs. 9,20,91,926, which was based on the assumption that the total cargo likely to pass through the Port during the year would be 7,570,000 tons. In the light of the actual tonnage figures available and the forecasts received about the probable trend of trade, it is estimated that there will be a net increase of 990,000 tons in traffic. The total seaborne traffic likely to be handled during the current financial year is estimated at 8,560,000 tons against the original estimate of 7,570,000 tons. The revised estimate of total expenditure, excluding the provision made for a contribution of Rs. 75 lakhs to "Capital" primarily for financing expenditure on capital works outside the five year plan and a portion of the expenditure on certain first five year plan projects falling under the Commissioners' sphere of assistance, is Rs. 9,52,34,052, or Rs. 25,16,807 more than the amount originally estimated, namely, Rs. 9,27,17,255.

According to the revised estimates, the financial year 1956-57 is expected to close after providing for a contribution of Rs. 75 lakhs to "Capital" with a surplus of Rs. 22,52,673, against a deficit of Rs. 6,25,329 foreshadowed by the original estimates. This is entirely due to the additional traffic of 990,000 tons likely to be handled during the year. It is proposed to appropriate Rs. 22,50,000 of the surplus to the Revenue Reserve Fund.

New Budget Estimates

Due to the restrictions imposed on the import of certain categories of goods, it is difficult to forecast with any degree of accuracy the probable trend of traffic during the coming year. On the basis of various assumptions, it is expected that the traffic passing through the Port during 1957-58 will amount to 8,400,000 tons and the income to Rs. 10,14,61,238. The total expenditure for the year is estimated at Rs. 10,52,58,700, and the financial year 1957-58 is expected to close with a deficit of Rs. 37,97,462 in the Revenue Account. This is mainly due to the slight fall in the volume of traffic likely to be handled during 1957-58, compared with the previous year, reduction in storage charges, provision of Rs. 70 lakhs made to meet the additional expenditure resulting from the introduction of the piece-rate scheme for labour and

some increases in expenditure under certain other heads.

The budget estimates for the year which foreshadow a deficit of Rs. 37,97,462 in the Revenue Account have been framed on a conservative basis. This is entirely due to the difficulty of correctly assessing the volume of traffic likely to be handled during the year, which will be influenced by two opposing factors, namely, (a) the curtailment of imports by the Government following the deterioration of the foreign exchange position and (b) the need for accelerating imports for the speedy execution of the projects covered by the second five year plan.

In view of the difficult budgetary position and the fact that all capital works outside the second five year plan and certain first five year plan projects falling under the Commissioners' sphere of assistance will have to be financed to the maximum extent possible out of revenue surpluses due to the difficulty of floating loans in the open market or obtaining them from the Government, it will be necessary to raise port charges for obtaining additional revenue if there is no improvement in the revenue earnings. In any event, it is only correct that the additional expenditure of about Rs. 70 lakhs a year which the Commissioners will have to incur on the implementation of the proposed datum scheme should be partly, if not wholly, covered by an appropriate increase in port charges for certain services rendered. This however is a matter to be reviewed when the datum (piece-rate) scheme for payment of wages to labour is implemented, but meanwhile, rigid austerity will have to be enforced on all items of port expenditure without impairing operational efficiency.

The budget estimates for 1957-58 have been prepared as in the last three years on an austerity basis, keeping in view the need for the speedy execution of the projects covered by the second five year plan involving large expenditure. The year opens with a credit balance of Rs. 76,50,718. The expenditure on works in progress and firm contractual commitments is estimated at Rs. 5,30,55,566. Of this amount, a sum of Rs. 4,99,56,828 is to be spent on projects covered by the second five year plan and the balance Rs. 30,98,668 on ordinary capital works. The expenditure on unsanctioned capital works is estimated at Rs. 82,50,000 including the lumpsum allotment of Rs. 10 lakhs made for this purpose. On this basis, it will be necessary for the Commissioners to borrow from Government Rs. 4,50,00,000 on a seven years' interest free basis and Rs. 1,00,00,000 on regular business terms. Provision has also been made in the capital account to raise a loan of Rs. 1,24,00,000 for repaying the outstanding debt against the 5 percent 1927-57-87 loan of Rs. 1.5 crores, one of the series of 60-year high-interest bearing loans floated during the years 1925-28 when borrowing was difficult. The capital account is expected to close with a credit balance of Rs. 17,75,652.

FOREIGN EXPERTS TO SURVEY AIR INDIA INTERNATIONAL OPERATIONS

Trans World Airlines' Regional Vice-President for the Middle and Far East, Mr. J. W. Letzkus, recently announced that two T.W.A. specialists would go to India as soon as technical details have been finalised, to conduct a survey of the operations of Air India International. Mr. Letzkus added that the survey was arranged at the request of the Indian Government under an agreement with the U.S. International Co-operation Administration. Similar assistance to airlines of other countries have been given by the U.S. aid agency. He explained that T.W.A. itself had already been offering technical assistance and advice to the airlines of the countries through which it operated such as the Saudi Arabian Airlines, Ethiopian Airlines, Italy's Liat, etcetera. Under the present agreement, two T.W.A. specialists will spend four to six months, studying operations, accounting, stores, administrative and management practices of Air India International, and will submit a report at the end of the period to Air India and the I.A.C.A., outlining proposals for future technical assistance.

INDIA PREFERS CANBERRAS TO RUSSIAN AIRCRAFT

One of the largest export orders yet received for British military aircraft has been announced by English Electric. India has placed a contract for 68 *Canberras* worth, with spares, more than £20 million for delivery to the Indian Air Force. The aircraft will be flown to their destination, at present undergoing training in the U.K. The order is made up of 54 Mark 8 bombers, 14 Air Force, eight Mark 7 photographic reconnaissance aircraft and six Mark 4 dual control trainers. Indian ground staff will be trained at English Electric's technical school in Salmesbury, at the factory and at the works of other suppliers of equipment for these aircraft.

Negotiations between the Indian Government and English Electric have been in progress for some time. *Canberras* were selected in preference to Russian *Ilyushin* aircraft and the order crowns this aircraft first flew. It has formed the backbone of the R.A.F.'s Bomber Command for five years and holds no fewer than 18 world records. These include two world altitude records in 1953 and

1955—the latter figures of 65,890 feet (20,083 metres) still stands—and two one-day double crossings of the Atlantic. One of the fastest was a Farnborough-Cyprus flight of 2,270 miles (3,653 kilometres) at an average speed of 650 m.p.h. (1,046 kilometres p.h.) in July 1954. Although designed and developed by English Electric, three other aircraft companies in Britain have built the *Canberra* as well as the parent company. It is constructed under licence for the Royal Australian Air Force in Melbourne and for the United States Air Force in Baltimore.

The American-built *Canberras* are powered by British Sapphire engines also made under licence, and possess a rotating bomb door in place of the usual bomb bay. The door, with the bombs attached on the inside, rotates through 180 degrees just before the bombs are released. *Canberras* also equip bomber squadrons of the air forces of Venezuela, Ecuador and Peru while France uses a number for special high altitude experiments at the French Air Force flight test centre. This versatile aircraft is also used as a flying test bed for turbojet and rocket engines. An impressive demonstration was staged at last year's flying display by a *Canberra* fitted with a Napier Scorpion rocket motor. It was announced recently that more than 500 *Canberras* have been built so far.

RUSSIAN REPORT ON MANUFACTURE OF COAL-MINING EQUIPMENT

THE setting up of a plant in India at an estimated cost of Rs. 132 million for the manufacture of 30,000 tons of coal-mining equipment has been recommended by the Russian team of experts which investigated the subject. The report of the team has been presented to the Ministry of Production. It refers to the organisation of, and the facilities for establishing, the plant for the manufacture of machinery, including some of the most important kinds of equipment necessary for coal-mining, such as locomotives, hoists, winches, ventilators and pumps. It points out that the plant suggested is designed to produce complete machines, though certain parts like transformers, ropes, electrical equipment and roller bearings will have to be secured from other workshops in the country.

In making its recommendations, the expert team has taken into account the requirements of the public and private sectors in fulfilling the targets of coal production for the next five, ten and 15 years, the level of mechanisation of mines and quarries for which the equipment will have to be utilised and the consideration that when set up the plant should be capable of producing all the important items of machinery required. It has been estimated that the total machinery needed will be about 170,000 tons and the annual demand about 30,000 to 33,000 tons. The capacity of the plant is designed to meet this annual demand. In preparing its report, the team had the benefit of suggestions made by the coal-mining industry and its engineering personnel. The final design for the plant was drawn up in consultation with them. The team did not make any suggestion about the location of the proposed plant but indicated the optimum requirements of the site which is selected.

NEW ROCKET TO PROBE STRATOSPHERE

A rocket designed to reach an altitude of 120 miles (193km), or about 630,000 feet (192,000m.), will soon be released at the Woomera Range in Australia. This device is 25 feet (7.6m.) long, 17½ inches (44.5cm.) in diameter and has been given the name of "Skylark." Power is provided by a "Raven" rocket motor built by Bristol Aircraft (Weston Division) in collaboration with the Royal Aircraft Establishment, Westcott. The "Raven" is 18 feet (5.5m.) long and will give a thrust of 11,500 lbs. (5,216kg.) for about half a minute. During these flights which, initially, will not exceed a height of 70 miles (112.5km.), experiments will be made to discover further information about the upper atmosphere with instruments now being constructed at several British universities under the general supervision of the Royal Society and the Royal Aircraft Establishment. Photo-electric devices will determine temperature and winds at heights of between 20 and 60 miles (32-96.5km.). "Window" (strips of tin foil) will be dropped and tracked by radar to check wind strengths. The rocket will have a jetisonable nose section containing instruments which will automatically take atmospheric readings.

The "Skylark" which is stabilised by three swept-back fins, will be fired from a 30-ton, 80 feet (24m.) long launching tower. It is hoped that the flights with special equipment provided by the British Royal Society will be made in Australia at the start of the International Geophysical Year next July.

INCREASING PRODUCTION OF TRAIN LIGHTING BATTERIES

Train lighting cells and spares, sufficient to equip 2,000 railway coaches, were produced for the Indian Government railways in 1956, at the Exide factory near Calcutta. This has meant a saving in foreign exchange of some Rs. 70,00,000 to Rs. 80,00,000, by cutting down imports. This was revealed by Mr. H. R. Gregson, Director and General Manager, Chloride and Exide Batteries (Eastern) Private Ltd., in the course of discussions at the recent All-India Exide Sales and Service Conference.

Commodity Markets

WORLD CONSUMPTION OF APPAREL FIBRES

F. A. O. STATISTICS SHOW RISING TREND

ACTIVITY in textile industries varies rather sharply between one country and another and between one period and another, and these short-term fluctuations sometimes tend to obscure the general trend. It is thus, perhaps, somewhat surprising to find that from 1952 to 1955, there was a steady growth in the world's total consumption of the principal apparel fibres and that indications so far available suggest that the expansion continued last year. There was a setback in 1952 compared with 1951, but a new high record was established in 1953, with another in 1954 and yet another in 1955. Figures collected by the F.A.O. give the world's consumption of cotton, wool, rayon and wholly synthetic fibres as 25,700 million lbs. in 1955, compared with 24,700 million lbs. in 1954. The total for 1938 was 17,700 million lbs., while that for 1956 is provisionally estimated at 26,500 million lbs.

The Monthly Bulletin of Agricultural Economics and Statistics says that a slight setback in wool gave way to recovery in 1955, when the quantity processed was closed to the peak of recent years. The steady expansion in cotton continued during 1955, while there were again relatively larger increases in rayon and the wholly synthetic fibres. Significant price reductions in wool in 1954-55 and in cotton in 1955-56 altered previous price relationships between natural and man-made fibres, and the disparity between the rates of increase of the two groups may prove to have been reduced since those changes occurred. The rising tendency of prices for rayon filament yarns in the United States and the advances in the U.K. recently may exert an important influence on the trend.

The Bulletin points out that the world's consumption of apparel fibres has grown more rapidly than world population in each of the last six years, but that there has been no increase in average consumption a head in the United States. There was some such increase in the early 1950s as a result of increased military requirements, but a continuous decline since then suggests that the region is close to saturation point. In western Europe consumption a head of the population showed signs of a similar decline until 1954. "Recently liberalised trade within the region and increased imports from without," the Bulletin says, "have no doubt resulted in more competitive prices which have stimulated consumption." Between 1952 and 1955, according to the F. A. O., the world's total consumption of apparel fibres increased by 3,700 million lbs., or 16.8 percent. The increase in the consumption of cotton was 1,700 million lbs., or 10.7 percent. The disparity between the rates of increase arose mainly because of the rapidity of the expansion in rayon and wholly synthetic fibres, as the following table shows:

TEXTILE FIBRE CONSUMPTION

(In thousand million lbs.)

	Cotton	Wool	Rayon	Synthetic Fibres
1951	16.1	2.3	4.0	0.2
1952	15.8	2.4	3.6	0.3
1953	16.6	2.6	4.1	0.3
1954	17.2	2.6	4.5	0.4
1955	17.5	2.6	5.0	0.6

Wool's share of the total has remained at about 11 percent for the last five or six years. Cotton's share, however, which was 71 percent in each year from 1950 to 1953, fell to 69 percent in 1954 and to 68 percent in 1955. In the latest year the combined share of rayon and wholly synthetic fibres was 21 percent, against 18 percent in 1953 and each of the two years before that.

WORLD COTTON CONSUMPTION LIKELY TO RISE

There have been some encouraging estimates on the raw cotton supply position from the International Cotton Advisory Committee. Partly because of controls applied by various Governments, total production in non-Communist countries this season is expected to be only 29.5 million bales, against 30.9 million bales in 1955-56. Consumption in the United States is likely to fall by 200,000 bales this season, but in the rest of the "free world" an increase of 1 million bales is forecast, so that total consumption will increase by 800,000 bales to 30.2 million bales—a new high record. There is thus reason to believe that, for the first time for some years, there will be a substantial reduction in the carry-over at the end of the season. In 1955-56 the carry-over increased by 1.5 million bales, to 22.1 million bales, but this season a decrease of 700,000 bales seems possible. On the basis of these considerations, the Committee suggests that the cotton situation is now more hopeful than it has been for many years. Production and consumption are gradually being brought to a more favourable relationship. World prices, moreover—of American-type cottons at any rate—have come down to more realistic levels, and its competition with the other textile fibres. On the other hand, wool prices are hardening again, and are appreciably higher than they were a year ago. There have been increases in the prices of continuous filament rayon yarns in many countries, but producers seem determined to keep rayon staple prices as low as possible.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August, 1939=100) declined by 0.2 percent to 426.2 during the week ended 9th February, 1957, compared with 427.2 (revised) for the earlier week. The index was higher by 1.2 percent and 13.3 percent respectively when compared with the corresponding week of the previous month and that of a year ago. A fall of 0.4 percent to 405.2 in the index for Food Articles was brought about by a decline in the prices of gur (-6%), tea for internal consumption (-5%), dal arhar and salt (-2% each) and rice in Calcutta, wheat in Hapur and bajra (-1% each), although the prices of rice in Patna (+3%) and gram and jowar (+2% each) exhibited advances. The index for Industrial Raw Materials moved down by 0.5 percent to 523.7 compared with 526.1 (revised) due to a decrease in the prices of cottonseed and lac (-6% each), linseed and castorseed (-4% each), raw jute and rapeseed (-3% each), and raw silk in Malda and groundnuts (-2% each); the prices of manganese ore (average export price) (+31%), raw cotton (+2%) and copra (+%) were, however, marked up. Prices of gingelly oil and linseed oil (-4% each), copra cake (-3%), groundnut oil (-2%) and coconut oil, zinc and copper (-1% each) went down while groundnut cake (+3%) rose, and the index for Semi-Manufactures fell by 0.1 percent to 412.5 compared with 412.9 for the previous week. A decline in the price of jute manufactures (-1%) was neutralised by an advance in the prices of chemicals (+2%) and dyestuffs (+7%) and the index for Manufactures remained stationary at 386.9. Higher prices of turmeric (+8%), cashewnuts (+3%) and betelnuts (+2%) raised the Miscellaneous group index by 0.3 percent to 592.9, compared with 591.0 (revised) for the previous week in spite of a fall in the price of tobacco leaf and black pepper (-1% each).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year Ended August, 1939 = 100)

Groups and Sub-Groups	9-2-57	Week Ended 2-2-57	12-1-57	11-2-56
I Food Articles:	405.2	407.0	389.0(R)	328.8
Cereals	523	521(R)	489(R)	399
Pulses	440	439	433(R)	341
Others	252	258	253	231
II Industrial Raw Materials:	523.7	526.1(R)	521.7(R)	465.2
Fibres	506	507	507(R)	472
Oilseeds	578	594	566	468
Minerals	552	523	540	439
Others	416	420(R)	434	443
III Semi-Manufactures:	412.5	412.9	413.0(R)	355.7
Leather	433	433	433	408
Mineral oils	210	210	210	202
Vegetable oils	618	626	618(R)	425
Cotton yarn	491	489	495*	445
Metals	327	328	328	280
Oilcakes	457	454	449	344*
Others	372	372	362	364
IV Manufactures:	386.9	386.9	387.1(R)	375.4
Textiles	415	416	417(R)	409
Jute	438	442	448	420
Cotton	414*	414*	414*	403*
Rayon and silk	442*	442*	442*(R)	494*
Woolen	266	266	266	278
Metal products	394	394	394(R)	371
Others	301	299	298	284
IV Manufactures:	592.9	591.0(R)	594.0(R)	529.3
All Commodities:	426.2	427.2(R)	421.0(R)	376.1

R=Revised. * =Estimated.

(Base year ended August, 1939 = 100)

Groups and Sub-Groups	January, 1956	December, 1956	January, 1957
I Food Articles:	333.4	412.9	392.1
Cereals	398	532	491
Pulses	361	427	429
Others	238	262	257
II Industrial Raw Materials:	454.2	517.1(R)	525.0
Fibres	433	499	307
Oilseeds	463	570	582
Minerals	438	531	330
Others	456	434	435
III Semi-Manufactures:	353.5	417.5	412.4
Leather	417	443	433
Mineral oils	202	209	210
Vegetable oils	425	632	623
Cotton yarn	434	499	492
Metals	280	327	328
Oilcakes	371	484	441
Others	338	363	362
IV Manufactures:	375.2	386.9	387.4
Textiles	408	418	417
Jute	420	459	450
Cotton	403*	415*	414*
Rayon and silk	483*	429*	442*(R)
Woolen	278	266	266
Metal products	371	390	394
Others	285	297	298
V Miscellaneous:	540.0	590.3	592.4(R)
All Commodities:	376.0	428.8(R)	422.3(R)

NON-FERROUS METAL PRICES

THE year 1956 was a critical period for non-ferrous metals. The long rise in prices that started towards the end of 1953 reached its climax in the first quarter. The rest of the year was a time of retreat, relieved by a short rally over the Suez. In December prices were again on the defensive. Supplies of copper, lead and zinc were considerably greater than the demand and supplies of tin

were modestly greater. Yet while supply and demand patterns evolved similarly for each of the metals, prices behaved very differently. Copper was the most mercurial, starting the year at £397 a ton, rising to a peak of £436 in March, and ending at £267. Lead started at £118 and ended at £114 without important fluctuations. Zinc was equally stable, starting at £98 and ending at £96. Tin, true to character, had an intermediate pattern of its own, neither so volatile as copper nor so stable as lead and zinc. It started the year at £821 and ended at £766 after having had a Suez fluctuation rather greater than the others.

The British Metal Corporation has published its review of what has clearly been a most interesting year. The point that emerges most clearly is the control on prices exercised by the United States stockpile. Purchases by the stockpile were responsible for the stability of lead and zinc, and these markets will depend on further stockpile purchases if they are to maintain their stability in 1957. Copper, on the other hand, was left to its own resources, stockpiling having been a neutral factor in 1956, and the behaviour of this metal gives the most interesting clue to world industrial patterns in 1956. "The starry heights of March" were clearly a mistake of the kind often found in the closing stage of a long market rise. The point that matters is that world supplies at last overtook demand. World consumption totals were probably a little higher in 1956 than in 1955, but supply was markedly higher, having risen by 250,000 tons to 3,265,000 tons.

Stockpile Support

In assessing the future, the behaviour of the U.S. stockpile is still the key factor. A number of producers have options concluded several years ago to sell to the stockpile at 83 cents a lb. That is equivalent to £264 a ton, quite a bit above the latest London Metal Exchange price of £243 a ton. In copper the exchange is now dealing at prices well below what is likely to be the stockpile's support price when and if it decides to support this market.

RICE ACREAGE AND PRODUCTION ESTIMATE

The all-India second estimate of rice for the year 1956-57 puts the current year's area and production at 72,512,000 acres and 23,900,000 tons respectively, against the corresponding adjusted estimate of 71,886,000 acres and 23,515,000 tons for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows an increase of 6,26,000 acres or 0.9 percent in area and 385,000 tons or 1.6 percent in production during the current year, compared with last year. The increase in acreage during the current year has been shared mainly by Uttar Pradesh and Andhra Pradesh and to a lesser extent by Madhya Pradesh, Madras and Bombay and has been generally reported to be due to favourable seasonal conditions at the time of sowing. This increase in area has been offset to some extent by the decreases reported mainly by Bihar and West Bengal due to adverse weather conditions which hampered the sowing of the crop in the States. The increase in production has been reported mainly by Bihar, Assam, Madras, Mysore and Orissa and has been reported to be due largely to favourable climatic conditions during the growing period of the crop. The increase is particularly marked in the case of Bihar. This increase in production has been offset to a large extent by the decreases reported in West Bengal, Madhya Pradesh, Uttar Pradesh and Andhra Pradesh, where the crop was affected by unfavourable climatic conditions particularly during the period of growth. Production estimates for Madras are based on the results of random sample crop-cutting surveys adjusted to accord with actual seasonal conditions during the current year, while, in the case of Assam, West Bengal, and U. P., they are based purely on the results of random sample crop-cutting surveys. This estimate generally covers the period up to the beginning of December 1956. Till then the condition of the crop was reported to be generally satisfactory except in parts of Uttar Pradesh and Andhra Pradesh where the crop was affected by heavy rains and floods. The crop was also reported to have been attacked by pests and diseases in Anantapur district of Andhra Pradesh and in parts of South Arcot, Tiruchirappalli and Tanjore districts of Madras. This estimate does not take into account the area sown to summer crop of rice and as such does not cover the entire area sown to rice crop during 1956-57. Past experience shows that the area at the second estimate stage forms roughly 95 percent of the area finally reported.

PROBLEMS FACING TIN BUFFER STOCK SCHEME

By the middle of March, the International Tin Buffer Stock scheme is scheduled to become a going concern, for all the members' contributions are due to be in by 15th March. With the price of tin at £770 a ton, however, it is not surprising that all the contributions have been made in cash, for any tin handed over had to be valued at £640. Thus the Buffer Pool starts its life with all cash and no tin. The question which is exercising the metal markets, therefore, is whether in these circumstances the scheme can function. The Buffer Pool aims at price stability. It must buy when the price is between £640 and £720 and is obliged to sell between £800 and £880. In between the top buying price and the bottom selling price, there is a neutral zone in which the Pool does not operate. The present tin price is in the neutral zone and the Pool's manager, Mr.

ting on £9 million in cash, can, it seems, only operate if the price falls, for if it goes up he has no metal to sell. It looks, therefore, like a Buffer which can only operate to raise prices. As is usual in these schemes, the consumer is the forgotten man. But there is one hope for him. The American Government's so-called strategic stockpile of tin is now around 375,000 tons and worth about £300 million. It represents about six years' American consumption. A 5 percent release from the U.S. stockpile could make the Buffer Pool look pretty helpless.

ESTIMATED INCREASE IN SUGAR PRODUCTION

The all-India first estimate of sugar produced directly from cane in vacuum pan factories puts the current season's production at 1,938,000 tons, against the actual production of 1,862,000 tons during the previous season, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows an increase of 76,000 tons or about 4 percent in production during the current year, compared with last. The increase in sugar production has been shared mainly by U.P. (51,000 tons) and Bombay (23,000 tons).

MORE AREA UNDER WHEAT AND BARLEY

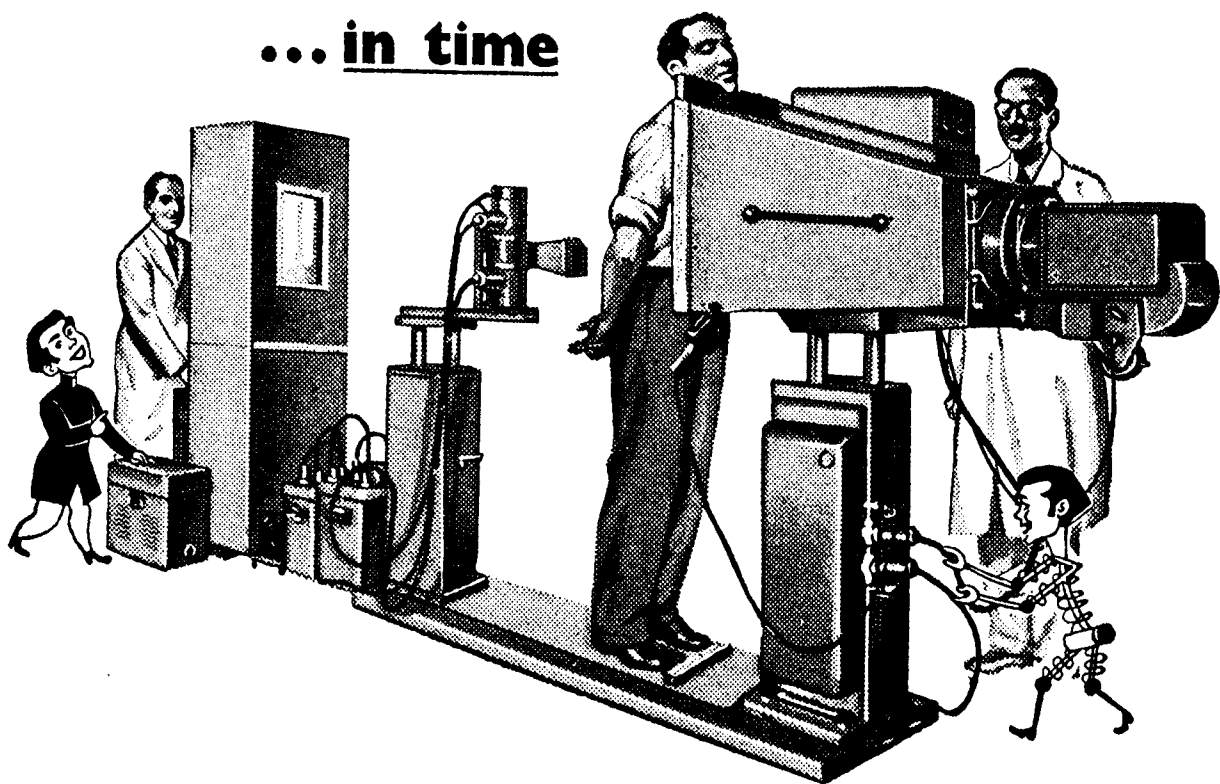
The all-India first estimate of rabi cereals (wheat and barley), for 1956-57, puts the current year's area at 38,772,000 acres, against the corresponding adjusted estimates of 36,015,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows an increase of 2,757,000 acres or 7.7 percent in area under rabi cereals during the current year compared with last year. This increase in acreage under the rabi cereals, compared with last year, has been shared by almost all the States, particularly Andhra Pradesh, Madhya Pradesh, Rajasthan and Delhi, and has been attributed generally to favourable climatic conditions at the time of sowing. The present estimates generally cover the period up to the end of December, 1956. Till then, the condition of the standing crops of rabi cereals was reported to be generally satisfactory, except in some parts of Chhindwara district in Madhya Pradesh, where the crops, it was reported, were affected to some extent by unfavourable seasonal conditions. The estimates do not cover the entire area sown to rabi cereals. Past experience has shown that the area at the first estimate stage forms roughly 90 percent of the area under wheat and 95 percent of the area under barley finally reported. The first estimate of kharif cereals for 1956-57 has already been issued. The overall position of cereals (kharif and rabi) for 1956-57 at the first estimate stage now indicates an increase of 3,025,000 acres or 1.7 percent in area, compared with 1955-56. The first all-India estimate for 1956-57 relating to wheat puts the current year's area at 30,502,000 acres, against the corresponding adjusted first estimate of 27,566,000 acres for 1955-56. The first all-India barley estimate for

1956-57 puts the current year's area at 8,270,000 acres, against the corresponding adjusted first estimate of 8,259,000 acres for 1955-56.

INCREASE IN GRAM ACREAGE

The all-India first estimate of gram for 1956-57, puts the current year's area under the crop at 22,937,000 acres, against the corresponding adjusted estimate of 22,269,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Union Ministry of Agriculture. This shows an increase of 668,000 acres or 3.0 percent in area during the current year, compared with last year. The increase has been shared mainly by Andhra Pradesh, Madhya Pradesh, Punjab, West Bengal, Rajasthan and Delhi and has been attributed to favourable climatic conditions at the time of sowing. However, Bihar and Uttar Pradesh have recorded decreases in area due to adverse weather conditions at the time of sowing. This estimate generally covers the period up to the beginning of January, 1957. Till then, the condition of the crop was generally reported to be satisfactory except in some parts of Muzaffarpur district of Bihar, where the crop, it was reported, has been affected to some extent by unfavourable seasonal conditions. This estimate does not cover the entire area sown to the crop during the year. Past experience has shown that the area at the first estimate stage forms roughly 95 percent of the area finally reported.

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Books and Publications

EXPLORING THE MAZE

A Layman's Guide to the Indian Company Law. (Published by the Department of Company Law Administration, Finance Ministry, Government of India. 267 pages.)

The new company law has been badly in need of a layman's guide. Business men unaccustomed to legal jargon will, therefore, be grateful that at least this small mercy should be allowed after the great thud. The advantage of this book over many of its rivals lies in the auspices under which it is born; it is nice to know from the Finance Ministry which fathered the Companies Act, and from the Company Law Administration which is implementing it, what exactly they mean after the lawyers have gone on holiday. There is a useful appendix which lists the main changes that have been incorporated in the 1956 Act. One of the nobler purposes of the Act is to make company managers and proprietors less secretive; perhaps similar legislation could be introduced for official book publishers, for in this case there has evidently been some reluctance to state the price. It is a fair guess, however, that the Layman's Guide will be worth the money, especially if it can be charged to business expenses.

Practical Guide to Company Law. By A. K. Sur. (Published by the author, from 7 Lyons Range, Calcutta. Price Rs. 2.)

Mr. Sur explains the salient features of the Indian Companies Act in a booklet of about 100 pages. The important principles of company law have been clearly discussed with reference to case laws. The publication is likely to prove useful as a practical guide in dealing with subjects relating to limited companies.

RECENT ANNUALS

The Eastern Economist Annual Number, 1956. Edited by E. P. W. da Costa. Published by the Eastern Economist Ltd., 52, Queensway, New Delhi. (Price Rs. 7-8. Pages 163).

The Eastern Economist annual number, as its sub-title says, attempts to forecast India's political and economic evolution over the next 20 years. The inspiration for this has come from the report of the U.S. Materials Policy Commission. Its methods of forecasting the future supply of raw materials for the free world over the next few decades have been used to forecast the possible rate of India's economic growth. The data which have been used are basically the Planning Commission's, and the editor is frank enough to say in the preface: "This is not an exercise in astrology, nor indeed is it even an attempt to attract attention by journalistic daring. For one thing, the economic pattern of India in 1955 has already been set out in its bold overall co-ordinates in the official second five year plan. The Eastern Economist has had only to clothe with some substantial, though sober, detail the bare skeleton which the Planning Commission has set before the country. If there is astrology or daring in these overall figures, they belong to the Planning Commission."

The Number has been divided into three parts: (a) a political prologue, (b) an economic review and (c) "the changing challenge." The contents of the second part are substantially as follows. India's national per capita income will rise to Rs. 546 from Rs. 250 in 1949, an aggregate increase of 118.4 percent over a period of 25 years, which figure is higher than that of the 11 countries the journal's research section has studied; those countries include the U.S.A., Canada, Western Germany, Japan and Soviet Russia. The population will rise to 493 million. The figures relating to industrial and agricultural production and the value of services produced corresponding to this increased income, the rates of investment and savings required and the likely balance of payments have been worked out. The trends in the output and consumption of steel and power—barometers of industrial progress—over the period under study has been discussed at some length. The prospects of the jute and cotton textile industries, because of their obvious importance to the country's economy, have been similarly dealt with. The cynical may be inclined to question some of the assumptions, but the chief merit of this publication is that it starts an intellectual hare for others to chase and arrive at their own findings. Part C provides an intelligent discussion of the philosophical and cultural values as they may be affected by a programme of increasing industrialisation. Part A discusses the future of democracy in India as a great power.

Commerce, 1956 Annual Number. Edited by S. V. Rayan. Published by Commerce (1935) Ltd. (Price Rs. 7-8. Pages 216).

The Commerce annual number maintains its usually good standards by providing reviews of the activities of India's various markets, of its industry, of the trend of commodity prices and the cost of living—in brief, of the principal features of the country's economic activity. Besides, the added attraction this year is a large number of feature articles which cover a wide range, among the authors being Mr. A. D. Shroff who discusses the prospects of free enterprise and democracy in India,

Mr. Tulsidas Kilachand who deals with India's economic philosophy, Dr. V. K. R. V. Rao who writes on the rôle of private enterprise in the second five year plan, Professor B. R. Shenoy who stresses the indispensable need for foreign aid, and Mr. Asoka Chanda, Comptroller and Auditor-General of India, who writes on the functions of his own office.

COAL WASHING

Indian Mining Journal Special Number on Coal Washing in India. Edited by H. Ghosal. Published by P. K. Menon, 6/2, Madan Street, Calcutta. (Price Rs. 5. Pages 106).

The journal's special number contains papers read at a symposium on coal washing which the Fuel Research Institute organised in September, 1953. It has contributions on different aspects of this vitally important problem by men who are experts in the field. Judging from the increased interest now being shown in the washing of coal for India's metallurgical, especially steel, industry, the publication should attract considerable interest.

HIRAKUD PROJECT

Indian Journal of Power and River Valley Development—Hirakud Project Number. Edited by K. K. Sinha. Published by P. K. Menon, 6/2, Madan Street, Calcutta. (Price Rs. 6. Pages 142).

The Hirakud dam, which is the longest of its kind in the world, was recently inaugurated by the Prime Minister, Mr. Nehru. The project, which, it is generally assumed, holds out the prospect of changing the economic face of Orissa in the next few decades, has taken years of sustained endeavour on the part of several Indian engineers and workers, not to speak of the huge financial outlay that has been involved. So it is proper that the story of this enterprise should be told in the way the publishers of this journal have done.

NON-FERROUS METALS

The Eastern Metals Review. Edited by M. C. Gandhi. Published by K. C. Basu, 38 Strand Road, Calcutta. (Price Rs. 5. Pages 158).

The Eastern Metals Review which is a trade journal for the non-ferrous metals industry and trade provides a competent annual review of the metal markets in India and abroad, backed by a comprehensive range of statistical intelligence. There are also some articles on coal and steel and some purely technical ones on different aspects of metallurgy. The contributions which will be read with particular interest include those of Dr. D. N. Wadia, Geological Adviser to the Government of India, Department of Atomic Energy, Raw Materials Division, on India's potential in strategic and critical metals, of an anonymous author on the schemes for development of non-ferrous metals in India, of Dr. D. Swarup on some aspects of metallurgical development under the second plan and of Mr. L. H. Taring on metal market trends in 1956 and the prospects for 1957.

ECONOMIC MISCELLANY

Essays in Applied Economics. By Nabagopal Das. (Published by A. Mukherjee and Co. Private Ltd., Calcutta 12. Price Rs. 4.)

Dr. Das is an administrator and economist who has already written a number of studies of Indian economic problems. In this book, he explains to the general reader, in lucid language, many of the current theories and their practical effects. It is a welcome change from the works of ill-paid college lecturers who try to satisfy the examination requirements of under-graduates by writing on all sorts of topics ranging from co-existence to capital formation. There is no evidence of the passion for hair-splitting and circumlocution often found among professors who have acquired a smattering of economic jargon and terminology, which makes easy reading or correct understanding impossible. This book presents a fair amount of information in a readable manner. There are about 20 essays in it, covering a wide range of subjects such as American capitalism, Adam Smith, budgets and small-scale industries. In the last of these, Dr. Das criticises attempts to "make a fetish of stressing the advantages of labour-intensive methods of production in our country." This book will be useful for the general reader as well as for the student who may be preparing for a competitive examination.

BOOKS RECEIVED

Power and Community. By Robert Strausz-Hupe. (Published by Atlantic Press, 30, Bloomsbury Street, London, W.C. 1. Review copy received from Orient Longmans Private Ltd., 17, Chittaranjan Avenue, Calcutta. Price 12s 6d; pages 134.)

Taxation and the Plan. By D. T. Lakdawala. (Published by the Popular Book Depot, Bombay-7. Price Rs. 5; pages 211.)

B.I. Centenary—1856: 1956. By George Blake. (Published by Collins, London. Price 21 shillings; pages 272.)

The Companies Act, 1956. By R. H. Pandia. (Published by N. M. Tripathi Ltd., Princess Street, Bombay-2. Price Rs. 25; pages 640 + dxxvi + xx.)

Architecture and Sculpture of India. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Price Rs. 2-8; 19 illustrations.)

Standing Advisory Committee on Agricultural Credit. Proceedings of the Fifth Meeting. (Published by J. C. Ryan for the Reserve Bank of India, Agricultural Credit Department, Bombay. Pages 212.)

Netaji Inquiry Committee. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India, Old Secretariat, Delhi. Pages 71.)

Textile Industry in South India. (Published by Dalal and Co., Esplanade, Madras. Price Rs. 5; pages 205.)

The Transfer of Power in India. By V. P. Menon. (Published by Orient Longmans Private Ltd., 17, Chittaranjan Avenue, Calcutta-13. Price Rs. 25, pages 543.)

Agricultural Statistics of Reorganised States. (Published by the Manager of Publications, Civil Lines, Delhi. Pages 87.)

Sugar in India (Supplement) 1953-54. (Published by the Manager of Publications, Civil Lines, Delhi. Pages 34.)

Jute in India, 1954-55. (Published by the Manager of Publications, Civil Lines, Delhi. Pages 31.)

Indian Agriculture in Brief. (Published by the Manager of Publications, Civil Lines, Delhi. Price Rs. 8; pages 94.)

Agricultural Legislation in India, Vol. I. Regulation of Money-Lending. (Published by the Manager of Publications, Civil Lines, Delhi. Price Rs. 5; pages 217.)

Studies in Agricultural Economics, Vol. II. (Published by the Manager of Publications, Civil Lines, Delhi. Pages 170.)

Indian Crop Calendar. (Published by the Manager of Publications, Civil Lines, Delhi. Pages 97.)

Cotton in India, 1950-51 to 1954-55. (Published by the Manager of Publications, Civil Lines, Delhi. Pages 74.)

Oil Seeds in India. (Published by the Manager of Publications, Civil Lines, Delhi. Pages 82.)

Planning and Development, Speeches of Jawaharlal Nehru. (Published by the Publications Division, Ministry of Information and Broadcasting, Government of India. Price Rs. 12; pages 75.)

The Sterling Balances of India. By Bimalendu Dhar. (Published by Nababharat Publishers, 72, Harrison Road, Calcutta. Price Rs. 7-8; pages 142.)

Population Review, January 1957. (Published twice a year by the Indian Institute for Population Studies, Gandhinagar, Madras-20. Annual subscription Rs. 10; single copy Rs. 5; pages 54.)

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B. BARKER,
Manager

Calcutta Markets

STRONG DEMAND AT TEA EXPORT SALE

GOOD SUPPORT FOR DUSTS

AT Sale No. 35, held on 25th and 26th February, offerings at the Export auction were 61,500 packages for which there was a strong and active demand. Broken grades received more support than Fannings and clean commons and low medium teas were generally 1 anna and sometimes up to 2 annas dearer. Any teas with bright liquors were well supported at 1 to 2 annas above last rates, while "teas for price" were also a strong feature being up to 2 annas dearer. Stylish and well-made whole leaf grades and the better B.P.S. grades were keenly competed for, but the poorer grades in these categories were easier. Medium Assam teas with declining quality were a weak feature and sold up to 2 annas below valuations. The cheaper C.T.C. teas sold well, but the best were again 2 annas easier and many of this type were withdrawn without a bid.

Quotations		1957	1956
		Rs.	Rs.
Clean Black Pekoe	2 2 0 to 2 3 0	1 13 0 to 1 14 0	
Plain B.P.	1 14 0	1 4 0 to 1 4 6	
Medium Assam B.P.	1 15 0 to 1 15 6	1 7 0	
Best C.T.C. Assam B.P.	2 6 0 (Nem.)	2 5 0 to 2 6 0	

At the Internal Sale, Dust offerings consisted of 17,000 chests for which there was a good demand, although prices for the majority of teas showed a decline. The few lines of bright liquoring C.T.C. Assams with improving quality were the strongest feature of the Sale, and these were keenly competed for at prices which were often as much as 3 annas to 4 annas above valuations. The remaining C.T.C. teas, however, again tended to be easier. Once again powdery kinds were more popular than

the leafy types and Commons, Dooars and orthodox Assams opened irregularly easier but eased further as the Sale progressed and at the close were up to 1½ annas lower.

Quotations		1957	1956
		Rs.	Rs.
Medium Dooars Dust	1 12 0	1 7 0 to 1 8 0	
Medium Assam Grainy			
Dust	1 12 6 to 1 13 0	1 8 6 to 1 9 0	
Medium Assam C.T.C.			
Dust	2 1 0 to 2 3 0		
Best Assam C.T.C. Dust	2 10 0 to 2 12 0	2 8 0 to 2 11 0	

Other grades offered consisted of 2,049 chests for which there was a good demand and the majority of the offerings were dearer by 1 anna and sometimes more.

COAL RATES FALL IN FREIGHT MARKETS

IN the freight markets, considerable weakness has developed in the Atlantic trades and coal rates have slumped as much as 10s a ton. Coal fixtures were arranged from Hampton Roads to the Continent at 89s, with charterers indicating 87s 6d for single voyages, while consecutive voyages were fixed from May to December at 86s 9d. A large number of cargoes were arranged from the north Pacific to India, particularly Bombay, at rates ranging from 210s for March loading down to 197s 6d for May, for grain. A fixture from Calcutta to Japan for coal was reported at 135s l.i.o. April loading and ore was done from Visakhapatnam to Northern Range at \$ (U.S.) 21 via Suez and \$ (U.S.) 24 via Cape for June readiness. Time charter rates eased slightly in sympathy with the general trend, with a Liberty ship accepting 52s 6d for the trip out to Indonesia with delivery Continent, against 57s 3d paid for similar business recently. The only firm spot in the market was for business from India eastwards, these rates not having risen to the same

extent as the Atlantic rates at the height of the recent boom.

SUGAR MARKET STEADY

During the week ended 27th February, sugar sales in the Calcutta market averaged 3,000 bags daily. Arrivals a day were 2,500 bags and stocks totalled 100,000 bags. Rates for ready sugar ex-Kantapurkur delivery, were Rs. 31-8 for ordinary grain and Rs. 33-8 for big grain. The market was steady.

LINSEED BETTER AT CLOSE

A considerable decline in prices was noted early in the past week because of the withdrawal of buyers, but the downward trend was checked towards the close following a better demand from crushers. Activity on a small scale has been recorded for near positions only. In the oil section, some enquiries from shippers at appreciably lower rates have resulted in a very small turnover as sellers have been unwilling to make offers in anticipation of higher prices. Latest quotations were as follows: February Rs. 21-6 a maund and April-May Rs. 20-10 a maund.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 19th February and 25th February, 1957)
Cowhides: Wet salted (Ord.) 8,600 pcs. on the basis of Annas 9-6 to Annas 10: Wet salted (Ord.) 10,600 pcs. on the basis of Rs. 7-8 to Rs. 8: Wet salted (Slaughtered) 18,700 pcs. on the basis of Rs. 12 to Rs. 21-8.

Goatskins: Wet salted (Daissee, Killed) 72,660 pcs. on the basis of Rs. 180 to Rs. 330: Rs. 280 to Rs. 310 and Rs. 365 to Rs. 375: Assam-Dinajpur-Murshidabad 54,200 pcs. on the basis of Rs. 265 to Rs. 310: Pakur-Patna 4,150 pcs. on the basis of Rs. 235 to Rs. 245: Muzafferpore-Patna 3,750 pcs. on the basis of Rs. 275 to Rs. 295.

Bazaar Stocks

(25th February, 1957)

Cowhides: Wet salted 2,96,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 31,000 pcs.: Assam-Dinajpur-Murshidabad 30,000 pcs.: Muzafferpore-Patna-Pakur-Purneah-Kissenganj 1,65,500 pcs.

SHELLAC MARKET STEADY

During the week ended 26th February, the market was steady. The range of quotations was as follows:

Pure Buttonlac	Rs. 100 to 104 buyers.
Lemon No. 1 Shellac	Rs. 100 to 103-8 buyers.
	Rs. 105 done buyers.
Lemon No. 2 Shellac	Rs. 94 to 98 buyers.
	Rs. 100 done and buyers.
F. O. Std. 1 Shellac	Rs. 88 done buyers; 89-4 to 91-8 buyers.
Pure TN Shellac	Rs. 84 to 86-8 basis done and buyers; Rs. 86-8 buyers; 88 basis done buyers.
4% I.T.N. Shellac	Rs. 76 to 79 buyers.
No. 1 Kusmi Seedlac	Rs. 100 done buyers; 100, Rs. 100-8 buyers.
No. 2 " " Seedlac	Rs. 92-8, 94, 95 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 90 done buyers; 90 to 92 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 85-8 to 88 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 79 to 89 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 73 to 76-8 buyers.
Kireelac	Rs. 25 to 27 buyers.

Shipments during February until the 19th were 20,103 packages comprising shellac 11,670 packages, seedlac 6,730 packages, buttonlac 322 packages and others 1,381 packages.

IRON ORE DISCOVERY IN PUNJAB

A two and a half-mile long iron ore band, containing an estimated reserve of over 2 million tons in Mohendragarh of the former P.E.P.S.U. State, has been traced by the Geological Survey of India. The investigation has revealed that the iron ore bands form the backbone as well as the flanks of a low ridge running north-south in Chhapri, Antri and Beharipur areas. At the north and south ends, the bands disappear under the alluvium and sands. An analysis of the samples of this ore carried out at the Geological Survey of India laboratory showed that the ore is good enough for conversion into pig iron. The iron ore bands are massive, sometimes joined, and have almost uniform strike and dip. They stand out very prominently along the crest of the ridge or along its flanks. The report, however, says that the Chhapri-Antri-Bharipur deposit is not enough to support a steel plant. A suggestion has, therefore, been made to investigate iron ore deposits in neighbouring areas, such as Dhanota-Dhancholi in Rajasthan to find out the nature of ore and the quantities to be expected. If these ores happen to be of the same quality and of similar physical character, iron ores from all these scattered deposits may perhaps support one steel plant with the aid of power from the Bhakra Nangal project. The bands west of Chhapri are at present being worked by a private lessee. The production from February to April, 1955, was 80,000 maunds, of which 5,000 maunds were despatched to rail head. The production cost was Rs. 80 a hundred maunds and the ore was shipped to Norway and Slovakia.

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THE ALKALI & CHEMICAL CORPORATION OF INDIA, LTD.

NOTICE TO MEMBERS.

NOTICE IS HEREBY GIVEN that the Twentieth Ordinary General Meeting of the Members of The Alkali & Chemical Corporation of India, Ltd., will be held on Thursday, 28th March 1957, at 3-30 P.M. at the Registered Office, 34 Chowringhee, Calcutta, to transact the following business:-

- (1) To receive and adopt the Directors' Report and Audited Balance Sheet and Profit and Loss Account for the year ended 30th September, 1956.
- (2) To declare a Dividend on the Ordinary Shares.
- (3) To elect Directors.
- (4) To appoint Auditors for the current year and to fix their remuneration.

The Ordinary Share Register of the Company will be closed from the 20th March, 1957 to the 28th March, 1957, both days inclusive.

By Order of the Board,

IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LIMITED,
Secretaries.

Calcutta, 12th February, 1957.

NOTE—If the Dividend as recommended by the Directors is sanctioned at the Meeting, it will be paid on or after the 28th March, 1957 to those Shareholders whose names are on the Company's Register on the 19th March, 1957.

To

The Shareholders of the Alkali & Chemical Corporation of India, Limited, and in particular to:-

Mr. J. A. Butterworth, Mr. J. V. A. Brito, Mr. G. F. Carter, Dr. S. B. Cormack, Her Highness Bada Maharani Deela Kumari Devi, Mrs. M. Duncan, Mrs. H. C. D'Cruz, Mrs. E. M. Fanthome, Mrs. J. Guest, Mr. P. H. Guest, Mr. B. R. Goodfellow, Mr. W. A. T. Hollingbery & Mrs. E. M. Hollingberry, Commdg. Genl. Mohun S. S. Jung B. R., and Major Genl. Bijaya S. S. Jung B. R., Genl. Sir Baber S. S. Jung B.R., and Major Genl. Mrigendra S. S. Jung B.R., Mr. A. Y. Kadwa, Mr. F. J. C. Melhuish, Mrs. C. V. Pandit, Mr. A. R. Sahasranam, Mrs. E. E. Thompson & Mr. W. B. Joiner, Mr. S. P. Upadhyay, Mr. C. R. Witcher.

FAHARGOONIAH TEA ASSOCIATION LTD.

NOTICE is hereby given that an Interim Dividend of 15% (tax free) for the year ended 31st December, 1956 has been declared and payment will be made on the 8th March, 1957 to those shareholders or their mandates whose names stand on the Company's Register on that date.

The Share Transfer Books of the Company will be closed from 5th March to 8th March, 1957 both days inclusive.

By Order of the Board,

KILBURN & CO., PRIVATE LTD.,
R. J. L. OAKLEY,
Managing Director,
Managing Agents.

2, Fairlie Place,
Calcutta, 23rd February, 1957.

NEW TERAI ASSOCIATION LIMITED.

NOTICE is hereby given that an Interim Dividend of 10% (tax free) for the year ended 31st December, 1956 has been declared and payment will be made on the 8th March, 1957 to those shareholders or their mandates whose names stand on the Company's Register on that date.

The Share Transfer Books of the Company will be closed from 5th March to 8th March, 1957 both days inclusive.

By Order of the Board,

KILBURN & CO., PRIVATE LTD.,
R. J. L. OAKLEY,
Managing Director,
Managing Agents.

2, Fairlie Place,
Calcutta, 23rd February, 1957.

THE METHONI TEA CO. LTD.

An Ad-interim Dividend of 10% for Season 1956 without any deduction for Income Tax paid by the Company has been declared payable on 15th March, 1957.

The Share Transfer Book of the Company will be closed from 9th March, 1957 to 15th March, 1957, both days inclusive.

OCTAVIUS STEEL & CO., LTD.,
Managing Agents.

Calcutta, 27th February, 1957.

ANGELO BROS., LIMITED.

NOTICE is hereby given that the Fiftieth Ordinary General Meeting of Shareholders of Angelo Bros., Limited, will be held at the Registered Office of the Company, No. 6, Lyons Range, Calcutta, on 20th March, 1957, at 3-45 P.M.

1. To receive and consider the Profit and Loss Account and Balance Sheet, the Reports of the Directors and of the Auditors.
2. To consider the declaration of the Dividend as recommended by the Directors.
3. To elect a Director in place of Mr. J. A. Gloag who retires by rotation under Article 119 and being eligible offers himself for re-election.
4. To appoint Auditors and to fix their remuneration.

Note: A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

The Share Transfer Register of the Company will be closed from the 7th March, 1957 to 20th March 1957, both days inclusive.

Warrants for the dividend when declared will be forwarded in accordance with registered instructions, but if no such instructions have been received, to the registered address of the Shareholders whose names appear on the Company's Register at the date of declaration.

By Order of the Board,

TNRNER, MORRISON & CO., PRIVATE LIMITED,
J. A. GLOAG,
Director,
Managing Agents.
Calcutta, 18th February, 1957.

DARJEELING TEA & CHINCHONA ASSOCIATION LTD.

NOTICE is hereby given that an Interim Dividend of 10% (tax free) for the year ended 31st December, 1956 has been declared and payment will be made on the 8th March, 1957 to those shareholders or their mandates whose names stand on the Company's Register on that date.

The Share Transfer Books of the Company will be closed from 5th March to 8th March, 1957 both days inclusive.

By Order of the Board,

KILBURN & CO., PRIVATE LTD.,
R. J. L. OAKLEY,
Managing Director,
Managing Agents.

2, Fairlie Place,
Calcutta, 23rd February, 1957.

THE CALCUTTA TRAMWAYS COMPANY LIMITED.

(INCORPORATED IN ENGLAND)

THE Directors of The Calcutta Tramways Company Limited announce that an Interim Dividend of 3½% free of Income Tax will be paid on the Ordinary Shares to the Shareholders registered in the Books on the 6th March, 1957, in respect of the profits for the year ended 31st December, 1956. Transfer Books will be closed from 6th March to the 19th March, 1957, inclusive, and Dividend Warrants will be posted on the 19th March, 1957.

By Order of the Board,
A. C. T. BLEASE,
Agent.

P-4, Mission Row Extension,
Calcutta-1,
Dated, 20th February, 1957.

THE IMPERIAL TOBACCO COMPANY OF INDIA LIMITED

NOTICE IS HEREBY GIVEN that the Directors have decided to declare a second Interim Dividend on 11th March 1957 (additional to the Interim Dividend of 2% free of income tax, declared on 9th August 1956) in respect of the Company's financial year ending 31st March 1957, of 2% free of income tax, payable on or after 28th March 1957 to registered shareholders whose names appear in the Register on 11th March 1957 or to their mandates.

Transfers received at the Company's Registered Office before 12.30 p.m. on 9th March 1957 will, if in order, be registered in time for the transferees to receive the Dividend.

By Order of the Board,
J. R. BLAICKIE,
Secretary.

Virginia House,
27 Chowringhee,
Calcutta.

27th February 1957.

N.B. Shareholders should inform the Registrar of any changes in their registered addresses.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Tista Valley Tea Co. Ltd. (E)	28-2-57	11 a.m.
State Bank of India	28-2-57	4 p.m.
Associated Hotels of India Ltd.	9-3-57	3 p.m.
Tiznamara Tea Seed Co. Ltd.	12-3-57	4 p.m.
Orient Paper Mills Ltd. (E)	13-3-57	2-30 p.m.
Ossas Minerals Development Co. Ltd.	20-3-57	11-30 a.m.
Freemhand Jute Mills Ltd. (E)	20-3-57	11-30 a.m.
Anglo Bros. Ltd.	20-3-57	3-45 p.m.
Alkali & Chemical Corp. of India Ltd.	28-3-57	3-30 p.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED.—Ahmedabad Electricity Co. Ltd.—Rs. 4 per share (E); Camperdown Pressing Co. Ltd.—4 p.c.; Thirumbadi Rubber Co. Ltd.—12½ p.c. (E); Bank of India Ltd.—10 p.c. (E); Rallis India Ltd.—Nil; Kili Kotagiri Tea & Coffee Estates Co. Ltd.—20 p.c. (E); Anglo Bros. Ltd.—20 p.c. including a bonus of 7½ p.c.; Ossas Minerals Development Co. Ltd.—10 p.c. (E); Darjeeling Tea & Chinchona Association Ltd.—10 p.c. (Int.); Pahargooniah Tea Association Ltd.—15 p.c. (Int.); New Terai Association Ltd.—10 p.c. (Int.); Calcutta Tramways Co. Ltd.—3½ p.c. (Int.); Devkaran Nandee Banking Co. Ltd.—3½ p.c. (E); Kumergode Estates, Ltd.—20 p.c.; Methoni Tea Co. Ltd.—10 p.c. (Int.); Imperial Tobacco Company of India Ltd.—2 p.c. (2nd. Int.).

O—Ordinary Dividend	Int.—Interim Dividend.
P—Preference Dividend	I—Less income tax.
P.O.—Preferred Ordinary Dividend.	L—Final Dividend.
D.—Deferred Dividend.	Cm.—Cumulative.

Less Tax at 85 6d in the £

LARGE ELECTRIC OVERHEAD CRANE FOR TATA STEEL WORKS

A 275-ton electric overhead crane, claimed to be the largest in Asia, has just been brought into operation at the Jamshedpur works of the Tata Iron and Steel Co. Ltd. This U.K.-built crane will lift ladles containing 250 tons of molten steel. Another crane of similar size will be set up at a later date. These cranes are being installed as part of the major expansion now under way at the Jamshedpur works to double the output to 2 million tons of steel ingots. The main trolley of this crane has a hoist with a working capacity of 275 gross tons and an auxiliary trolley with two hoists of 60 tons and 20 tons. This four-girder crane will run on a gantry span of 68 feet 9 inches. In the trials carried out by Tata Steel, the test load assembly totalled 312 gross tons.

Can your car make a split-second stop?

As a responsible motorist you know that it should be able to. An emergency may arise any moment...it comes unannounced. So play safe. Among other things, see that you have a really reliable braking system.

Wise motorists all over the world have their brakes tested regularly and have them fitted with FERODO—the brake linings that make motoring safe. FERODO Brake

Lining are made with asbestos because they have a tough job to do. In an emergency, their unfailing efficiency can prevent disaster.

There are FERODO Brake and Clutch Linings for every type of vehicle in the country—but these are only a part of the wide range of technical asbestos products which we make at AM & FM to meet the needs of Indian industry. The increasing use of asbestos is an index to India's industrial progress.

Where There's Industry There's Asbestos

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We supply:
•FERODO• BRAKE
AND CLUTCH LININGS
•FIREFLY• ASBESTOS PRODUCTS
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MAGNESIA CHEMICALS
•SINDANYO• ELECTRICAL
INSULATING BOARDS

ASBESTOS, MAGNESIA
& FRICTION MATERIALS LTD.

(TURNER & NEWALL LTD.)

INCORPORATED WITH LIMITED LIABILITY IN ENGLAND

Calcutta • BOMBAY • Madras

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000 Rs	Rate per cent	Paid-up Share Rs	Market Quotations		Year of Issue	NAMES	Amount Issued in 000 Rs	Rate per cent	Paid-up Share Rs	Market Quotations	
					26-2-57	A year ago						26-2-57	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	114	131 1/2	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	70	77
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85	113	1918	Bombay Steam Navigation (July)	15.00	6 1/2	250	118	154
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103	117	1920	Britannia Biscuit (Feb. Aug.)	15	8	10	14	10
1901-2	Burrakur (June Dec.)	22.98	7	100	112	122	1935-39	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	8 1/2	10
1946	Burrakur (June Dec.)	4.50	6 1/2	10	73	84	1903-99	Burn Eng. (1st & 2nd) (Feb. Aug.)	81.00	8	100	128	139
1896	Equitable (May Nov.)	4.00	6	100	109	116 1/2	1909-11	Burn Engineering (Feb. Aug.)	13.00	7	100	110	123
1931	Khas Katoor (Mar. Sept.)	1.93	5	10	5	5	1937	Calcutta Electric Supply (Mar. Sept.)	£1,900	5	£1	94	111
1920	New Beerbhoom (Jan. July)	2.00	7	10	11	13	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55	69
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	194	113	1938	Calcutta Tramways (Jan. July)	£250	5 1/2	£1	81	84
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	108 1/2	110	1905-24	Carew & Co (January)	8.00	6 1/2	100	99	104
1884	Bangalore (Jan. July)	6.00	6	100	120	128 1/2	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	119	144
1938	Basanti (Oct.)	5.00	6 1/2	100	7	7	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	53	66
1896	Bengal Nagpur (Apr. Oct.)	3.00	7	100	98	110	1937	Dacca Electric Supply (July)	6.00	6	10	94	98
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	125 1/2	135	1940	Dalmia Cement (Bharat)	3.500	6	100	36	37
1900	Bowreah "B" (1) (Apr. Oct.)	6.00	7	100	68	72	1945	Dalmia Cement (Bharat)	2.372	6	40	101	133
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324 1/2	324 1/2	1945	Delhi Flour Mills (Oct.)	90	7 1/2	100	91	104
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	142 1/2	133 1/2	1935	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	84	93
1928	Cambodia (July)	1.00	7	100	115	125	1940	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	57	67
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1948	Dunlop Brothers & Co Ltd.	45.00	4	100	119	128 1/2
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	91	101 1/2
1912	Elgin (May Nov.)	11.00	8	100	124 1/2	135	1928-29	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	91	101 1/2
1943	Elgin "B"	4.20	5	10	9	9	1928	East India Distilleries (Jan. July)	£200	7	£1	17	17 1/2
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	90	94	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	70	76
1919	Keoram (June Dec.)	20.00	7	100	113 1/2	134	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	61	66
1925	Khatou Makarji (Nov.)	10.00	6	100	79	88	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	60 1/2	61 1/2
1937	Kothari (Nov.)	12.00	6	100	79	88	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	61	66
1900	Muir (Feb. Aug.)	39.00	6	100	10 1/2	10 1/2	1948	Gladstone Lyall & Co Ltd.	15.00	6 1/2	100	62	73
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	180	185	1946	Godfrey Phillips India Ltd.	30.00	5 1/2	100	67	68
1920	New Victoria (Apr. Oct.)	26.05	6	5	4 1/2	4 1/2	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	67	68
1933	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1940	Gwalior Sugar (Dec.)	5.00	7	100	9	10 1/2
1935	Swadeshi (Bombay) (May)	15.00	5	100	105	115	1936	Humayun Properties Ltd (Nov.)	12.00	6	10	9	10 1/2
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90	90	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	77	75 1/2
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	111 1/2	120	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	100 1/2	101 1/2
1908	Vishnu (Apr.)	16.00	7	500	597 1/2	550	1929	Indian General Nvcs & Railways	£244	6	£10	30	31
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	99	113	1923	Indian Cable Co (Nov.)	12.88	6	10	127	142 1/2
1905	Alexandra (Feb. Aug.)	9.00	7	100	98	98	1936	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	101 1/2	109 1/2
1896	Alliance (Mar. Sept.)	15.00	6	100	90	99	1935	Investment and Finance (Feb. Aug.)	2.00	5	100	70	76
1917	Anglo-India (May Nov.)	40.00	6	100	90	99	1946	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	61	66
1908	Auckland (July Jan.)	10.00	5 1/2	100	78	84 1/2	1945	James Wright (Jan. July)	1.30	6	50	36	40
1945	Auckland (July Jan.)	15.00	4 1/2	100	61	71 1/2	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	61	76
1918	Bally (Jan. July)	20.00	7	100	102	116	1946	Jessop & Co	10.00	5	100	95	106
1896	Barnagore (Oct. Dec.)	£200	5 1/2	100	102	116	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	...	...
1907	Belvedere (Jan. July)	7.00	7	100	37	48	1916	Kumardhubi Engineering (June)	12.00	5	100	100	108 1/2
1919	Bengal (June Dec.)	10.00	5 1/2	100	77	96	1915	Do Fireclay & Silica (June)	2.00	7	100	115	116
1910	Birda (June Dec.)	23.64	7 1/2	100	96	103	1915	Martin Burn Ltd.	30.00	5	100	101	106 1/2
1934	Calcutta (Jan. July)	6.00	7	100	102	103	1946	McLeod & Co.	10.00	5 1/2	100	56	69
1919	Caledonian (June Dec.)	10.00	6 1/2	100	78	90	1946	McLeod & Co.	40.00	5	100	68 1/2	76
1919	Cheviot (June Dec.)	10.00	7	100	100	119	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	92	98
1928	Chitavalah (Mar. Dec.)	10.00	7	100	101	115	1949	Metal Box Co of India Ltd.	30.00	6 1/2	100	97 1/2	98
1930	Clive (First) (May Dec.)	5.00	7	100	71	91	1938	Mynapore Zemindari (Feb.)	8.75	5	100	92	92 1/2
1905	Clive "A" (Second) (May Dec.)	8.00	6	100	81	115	1938	Mysore Chemical Mfg (Sept.)	2.00	5	10	9 1/2	9 1/2
1903-12	Dalhousie (July Jan.)	15.00	7	100	101	95	1942	National Insulated Cable	10.00	5 1/2	100	...	...
1897	Delta (June Dec.)	5.00	5	100	82 1/2	115	1942	National Tobacco (June Dec.)	25.00	5	100	69	70
1912	Empire (Jan. July)	10.00	7	100	102	125	1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	63	70
1890-98	Fort Gloster (Jan. July)	14.00	7	100	103 1/2	85 1/2	1946	Northern India Oil (Jan. July)	2.00	6	100	40	48
1948	Fort Gloster (2nd)	7.00	5	100	103 1/2	85 1/2	1936	Poona Electric Supply Co Ltd (June Dec.)	4.00	7	100	111 1/2	108 1/2
1911	Fort William (May Nov.)	10.00	5	100	72 1/2	118	1935	Premier Construction "First" (Apr.)	10.00	5 1/2	100	94	94 1/2
1916	Ganges (June Dec.)	6.00	8	100	102	130	1936	Premier Construction "Second" (Apr.)	15.00	5 1/2	100	91 1/2	16
1895-96	Gouropore (June Dec.)	26.50	6	100	83	105	1922	Purtahore (Sugar) (Oct.)	6.00	10	10	15	108
1925	Hastings (Aug. Feb.)	25.00	6	100	114	105	1936	Rammugger Cane & Sugar (Aug.)	4.00	6	100	100	108
1913	Hogbly (July)	11.00	10	10	10 1/2	107 1/2	1933-36	Rohas Industries (April)	20.00	7	100	122 1/2	132
1903-96	Howrah (Jan. July)	8.75	7	100	102	121	1936	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	65 1/2	63
1919	Howrah "A" (Jan. July)	17.50	7	100	102	116 1/2	1944-46	Shaw Wallace & Co Ltd.	75.00	6 1/2	100	67 1/2	84
1898-94	Kamarahatty (Apr. Oct.)	40.00	7	100	102	115	1937	Shree Gopal Paper	7.50	6	100	116	123
1900	Kankarnath (Apr. Oct.)	16.00	6	100	83	106	1937	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	87	80
1928	Kedarnath (Jan. July)	2.00	6	100	84	106	1936-38	Shree Krishna Gyanoday Sugar "B"	12.00	5	100	74	75
1907	Kelvin (Mar. Sept.)	10.00	7	100	68	95	1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	62	61 1/2
1935-38	Khardah (May Nov.)	9.00	6	100	103	115	1933	South Behar Sugar (Oct.)	5.00	7	100	36	19 1/2
1910	Kinnison (July Jan.)	15.00	7	100	86	104	1936	Spencer & Co "A" (Provisions) (Jan. July)	23.20	6 1/2	10	9	10 1/2
1912	Landsdowne (July Jan.)	11.00	7	100	99	109	1932	Spencer & Co "B" (Provisions) (Jan. July)	36.50	6 1/2	10	10 1/2	10 1/2
1906-07	Lawrence "A" (July Jan.)	5.00	7	100	102	118	1936	Star Paper (Apr. Oct.)	10.00	5	100	74	84
1905	Lawrence "B" (July Jan.)	10.00	5 1/2	100	76	95	1937	Surat Electricity (Apr.)	5.00	6 1/2	100	115	115
1945	Naihati (July Jan.)	1.50	7	100	104	123	1925	Tata Chemicals (Nov.)	60.00	5	100	99 1/2	117 1/2
1917	National (May Nov.)	10.00	4 1/2	100	59	81	1937	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	110 1/2	121 1/2
1939	Nellimarla (Apr. Oct.)	5.00	6	100	91	102	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	158 1/2	160 1/2
1915	New Central (Jan. July)	33.00	7	100	102	113 1/2	1906	Tata Iron & Steel (Second) (May)	69.32	7 1/2	100	116	122 1/2
1908-99	Northbrook (July Jan.)	15.00	5 1/2	100	76	97	1918	Tata Power (May Nov.)	86.97	7 1/2	100	1135	1275
1935	Rameshwara (Jan. July)	7.00	6	10	10 1/2	10 1/2	1919	Tezpur-Ballinara Tram (1) (June Dec.)	2.25	6	100	139	151
1906-12	Reliance (Jan. July)	20.00	7	100	91	112	1919	Titagur Paper Mills (Mar. Sept.)	11.50	8	100	99	95
1901	Sammugger (Feb. Aug.)	£150	8	...	sh 21/6	sh 21/6	1937	Titagur Paper Mills "2nd" (Mar. Sept.)	11.				

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs	Rs	Rs	Rs			Rs	Rs	1954 1955 1956	Rs	26-2-57 20-2-57 A year ago
25,50,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	2,92,390	28,619	5-5 6-7 5-...	10	18 18 23
1,00,00,000	1,96,15,288	1,40,49,723	18,85,659	Bengal P	4-10	26,18,986	7,31,563	7-7 8-8 8-8	200	445 462 547
4,49,350	3,08,193	7,00,000	2,24,303	Bengal Bhatdee	6-12	2,24,303	4,951	11-11 11-11 11-11	10	63 61 7
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	5,30,654	1,07,984	Nil-Nil Nil-Nil	10	16 16 16
15,97,000	14,16,665	9,91,475	13,32,978	Bhaigora	9	13,32,978	3,13,899	Nil-Nil Nil-Nil	10	65 65 65
40,00,000	68,01,474	20,23,235	32,65,920	Bhaigora Collieries P	6	32,65,920	2,74,333	6-6 6-6 6-6	10	64 64 14
7,15,000	15,63,291	14,29,045	68,704	Bhulanbarare	6-12	14,29,045	20,810	Nil-Nil Nil-Nil	10	142 142 151
16,00,000	38,87,275	16,18,636	7,185	Bokare & Ramgur	6-12	16,18,636	1,21,936	10-10 10-10 10-10	10	121 121 271
7,50,000	18,86,889	24,29,026	11,60,066	Borera	6-12	11,60,066	2,14,682	2-3 2-3 2-3	10	21 21 21
90,92,486	2,39,17,614	1,75,02,136	28,93,839	Burrakur P	6-12	28,93,839	7,43,659	3-3 3-3 3-3	10	65 65 78
49,97,000	34,53,439	756	3,65,960	Central India	3	3,65,960	9,927	2-2 2-2 2-2	5	12 12 11
4,00,000	16,67,573	13,30,519	13,752	Central Kurkud P	6-12	13,752	3,743	11-11 11-11 11-11	10	12 12 11
6,00,000	1,43,676	7,32,536	50,309	Chumolia	6-12	7,32,536	2,129	11-11 11-11 11-11	10	12 12 11
16,00,000	24,00,428	1,43,676	50,309	Chumolia	6-12	50,309	2,129	11-11 11-11 11-11	10	12 12 11
2,240,000	2,239,116	2,313,125	2,140,348	East Indian	6-12	2,313,125	1,83,318	Nil-Nil Nil-Nil	10	27 27 32
29,63,700	1,15,25,712	83,55,049	24,17,696	Equitable P	6-12	83,55,049	2,96,155	18-18 18-18 18-18	183	251 251 32
10,00,000	9,74,708	2,07,466	3,32,377	Ghusiek & Muslia	6-12	2,07,466	82,379	7-7 7-7 7-7	10	15 15 10
6,50,000	5,06,856	3,13,555	4,95,444	Jurad Kajora	6-12	3,13,555	24,150	Nil-Nil Nil-Nil	10	14 14 14
8,00,000	3,17,780	7,92,425	1,407	Kalaphari	6-12	7,92,425	45,985	7-10 12-12 12-12	10	232 232 204
3,50,000	6,31,200	5,66,816	1,407	Kalaphari	2-8	5,66,816	2,70,520	Nil-Nil Nil-Nil	10	221 221 221
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	24,32,396	49,116	Nil-Nil Nil-10	100	13 14 19
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	1,77,175	2,26,982	Nil-Nil Nil-Nil	100	97 97 169
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	1-7	11,25,332	6,965	Nil-Nil Nil-Nil	100	62 62 63
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	95,000	5,92,347	25-30 25-30 25-30	35	94 94 94
5,65,750	10,84,977	85,000	9,591	Mundulpur	6-12	85,000	79,868	Nil-Nil Nil-Nil	10	21 21 34
7,46,240	3,46,939	2,00,000	10,14,803	Nazira	6-12	3,46,939	92,517	Nil-Nil Nil-Nil	10	10 10 6
7,00,000	5,13,418	26,617	61,641	New Bandeepur	4-10	26,617	9,071	3-7 3-7 3-7	10	16 16 10
17,76,236	31,15,787	20,01,763	3,78,338	New Beerboom P	4-10	20,01,763	94,383	3-7 3-7 3-7	10	16 16 10
6,00,000	11,11,643	75,000	46,991	New Manbhoom	3	75,000	46,201	Nil-Nil Nil-Nil	10	23 23 21
2,50,000	7,69,623	1,75,500	10,12,916	North Dumda	1-7	1,75,500	7,954	Nil-Nil Nil-Nil	10	17 17 17
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2,85,193	51,420	Nil-Nil Nil-Nil	10	17 17 17
1,57,500	1,57,500	1,57,500	1,57,500	North West	3-9	1,57,500	51,420	Nil-Nil Nil-Nil	10	17 17 17
7,50,000	1,20,000	12,19,981	23,26,757	Ondal P	6-12	12,19,981	22,197	5-5 5-5 5-5	10	15 15 18
8,34,000	9,21,342	10,882	4,36,013	Parasara P	6-12	10,882	1,08,075	5-5 5-5 5-5	10	14 14 13
13,75,000	13,39,443	16,50,000	13,39,443	Pencer Valley	3-5	13,39,443	2,48,261	8-7 8-7 8-7	10	17 17 17
2,50,000	2,62,406	7,500	11,343	Pure Sitapur	6-12	7,500	2,008	7-7 7-7 7-7	10	6 6 6
23,94,500	36,99,424	20,17,105	67,893	Raneegunge	3-9	36,99,424	3,67,448	2-3 2-3 2-3	10	11 11 11
8,88,001	10,45,115	15,51,501	14,29,643	Rewa	6-12	15,51,501	1,44,394	7-6 7-6 7-6	10	23 23 23
20,00,000	23,74,281	1,52,027	1,01,427	Samia	12	1,52,027	1,80,666	Nil-Nil Nil-Nil	10	12 12 12
2,50,000	1,56,194	1,34,374	11,356	Searsole	6-12	1,56,194	48,009	2-3 2-3 2-3	15	5 5 4
2,80,000	10,92,193	23,33,000	1,87,726	Seebpore P	6-12	23,33,000	49,299	Nil-Nil Nil-Nil	10	29 29 11
17,50,000	22,81,985	10,76,016	6,32,757	Sendra	6-12	10,76,016	9,409	Nil-Nil Nil-Nil	10	91 91 91
8,00,000	1,42,060	14,01,053	23,80,917	Standard	12	14,01,053	70,093	5-5 5-5 5-5	10	20 20 20
10,00,000	15,58,085	15,075	1,910	Talcher	9	15,58,085	22,689	Nil-Nil Nil-Nil	10	2 2 2
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	4,62,000	54,089	5-5 5-5 5-5	10	13 13 7
49,38,000	33,96,550	50,000	2,17,164	Western Bengal	186	33,96,550	4,99,468	Nil-Nil Nil-Nil	10	5 5 5
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	32,65,173	1,46,650	Nil-Nil Nil-Nil	10	81 81 81

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs		Rs	Rs	Rs			Rs	Rs	1954 1955 1956	Rs	26-2-57 20-2-57 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	Basanti P	12	1,73,478	41,227	...	10	51 51 5
32,72,340	22,197	505	27,69,676	23,18,909	Bengal P	3-9	27,69,676	4,79,347	...	10	4 4 1
7,11,286	36,000	932	17,17,120	2,20,369	Bengal Luxmi	12	17,17,120	47,818	...	10	40 40 10
27,00,000	14,476	824	23,33,000	15,50,000	Bengal Nagpur P	6-12	23,33,000	18,199	...	10	7 7 9
15,00,000	18,164	992	28,31,200	88,48,588	Birla Cotton	1-12	28,31,200	2,76,936	...	10	30 30 35
6,00,000	12,972	641	17,34,142	22,72,588	Bowser P	6-12	17,34,142	36,767	...	100	123 123 9
30,00,000	22,000	510	4,43,452	29,51,420	Cannore Textiles	3	4,43,452	6,73,253	...	10	71 71 38
3,27,20,000	1,01,808	2,162	3,44,63,168	2,74,48,395	Delhi Cloth & Genl P	6-12	3,44,63,168	8,72,759	...	25	36 36 36
1,50,663	1,01,808	2,162	3,44,63,168	2,74,48,395	Delhi Cloth & Genl P	6-12	3,44,63,168	8,72,759	...	25	36 36 36
19,30,000	42,944	1,108	14,12,181	25,71,425	Dunbar	6-12	14,12,181	1,37,951	...	100	190 190 289
63,00,000	54,000	1,200	22,44,751	56,33,380	Elgin P	9	22,44,751	32,89,464	...	10	261 261 271
1,20,00,000	9,250	1,872	1,38,99,575	1,60,53,952	Kesaram P	2	1,38,99,575	24,54,335	...	10	14 14 14
6,00,000	33,36,288	58,864	7,48,143	9,75,679	Mohini P	12	7,48,143	5,158	...	25	11 11 11
30,00,000	38,000	1,825	47,44,341	32,19,601	Muir P	12	47,44,341	7,77,296	...	100	75 75 11
22,89,382	18,848	1,367	43,25,577	26,00,968	New Victoria P	12	43,25,577	13,76,473	...	100	11 11 11
3,07,095	19,47,150	23,196	22,57,946	18,38,739	Rampooria Cotton	6	22,57,946	6,16,936	...	100	16 16 11
5,00,000	1,57,50,000	1,14,836	2,83,77,688	2,65,04,931	Swadeshi (Cannore) P	12	2,83,77,688	7,09,026	...	100	12 12 11
1,57,50,000	1,57,50,000	1,14,836	2,83,77,688	2,65,04,931	Swadeshi (Cannore) P	12	2,83,77,688	7,09,026	...	100	12 12 11
40,50,000	48,754	1,310	91,31,708	1,89,73,217	Bangalore W. C. Silk F	12	91,31,708	56,34,938	...	100	548 548 601
1,78,47,800	1,20,012	2,770	1,20,1,800	1,37,29,278	Bukinshen Carnatic F	12	1,20,1,800	2,38,445	...	100	181 181 191
20,00,000	28,000	216	18,33,000	1,26,236	Cambridge P	12	18,33,000	1,96,274	...	10	142 142 148
12,00,000	23,364	407	14,13,052	3,90,000	Combarote Cotton	12	14,13,052	61,404	...	100	386 386 387
20,76,900	72,832	497	17,31,212	1,98,681	Combarote Spd & Wvg	6	17,31,212	10,23,341	...	100	86 86 86
6,00,000	50,640	295	12,25,505	17,90,900	Kaleswarar	12	12,25,505	2,05,766	...	100	335 335 335
24,00,000	30,512	200	60,83,320	4,09,960	Kothari Textile P	6	60,83,320	42,942	...	100	151 151 151
23,64,000	48,756	...	15,01,051	21,70,200	Lakshmi	12	15,01,051	31,41,248	...	50	149 149 178
1,75,02,486	4,63,324	...	1,15,02,107	1,13,81,878	Madura	12	1,15,02,107	7,78,509	...	15	47 47 50
12,00,000	41,856	...	1,13,81,878	1,13,81,878	Madura	12	1,13,81,878	7,78,509	...	15	47 47 50
60,00,000	24,252	603	59,00,000	1,91,1,455	Malabar Spg & Wvg	12	59,00,000	1,91,1,455	...	200	109 109 440
13,61,780	3,000	...	14,15,992	1,34,663	Mettur Industries	12	14,15,992	43,835	...	100	422 422 440
4,00,000	10,137	Nil	1,34,663	1,34,663	Mysore Spd Silk	12	1,34,663	1,34,663	...	100	88 88 88
7,79,700	15,540	416	4,42,118	14,42,118	Palani Andavar P	12	4,42,118	3,986	...	10	147 147 147
7,00,000	28,104	270	12,98,563	18,23,501	Sitaram Spg & Wvg	12	12,98,563	3,083	...	100	310 310 310
			18,23,501	1,71,324	Vasanta P	12	18,23,501	16,37,459	...	100	310 310 164

† Liquid Assets.

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs		Rs	Rs	Rs			Rs	Rs	1954 1955 1956	Rs	26-2-57

MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary.	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent.			Part per Share	Latest Market Quotations as available			
									1954	1955	1956		20-2-57	20-2-57	A year ago.	
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.		
MININGS.																
£2,369,796	..	£1,73,459	£2,534,298	Burma Mines Ltd.	12	153	£608	£304	..	..	31s	31	25	24		
30,000,000	43,47,289	22,78,383	31,22,753	Chrestien Mica Industries Ltd. P.	12	312	11,97,133	10,883	7	..	10C	14	14	10		
15,000,000	£318,088	£238,420	£112,680	Consolidated Tin Mines	3	67	10,532	£22,218	7	7	5s	11	11	2		
£914,200	£876,054	£1,853,056	£1,376,169	Indian Copper Corporation	12	86	£1,299,804	£117,083	25	45	2s	3	3	2		
29,194,300	61,58,471	2,01,886	13,723	Metal Corpn P.	3	343	—2,39,778	—4,51,131	Nil	..	10C	8	9	11		
2,63,673	23,37,496	35,58,897	32,52,617	Orissa Minerals Development	6-12	21	4,40,024	1,18,835	10-10	10-10	1Dd	2	2	3		
20,00,000	£445,323	£317,487	£234,026	Tavoy Tin Dredging	12	14	£9,058	—£19,118	Nil	..	2s	8	8	25		
£375,000																
CEMENT, LIME, SLATE, ETC.																
43,14,600	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	10C	6	6	7		
70,970	33,23,186	14,32,396	1,06,702	Bengal Potteries	12	155	8,02,009	12,631	10	10	2s	3	3	1		
31,70,655	25,95,360	27,93,242	4,20,854	Bisra Stone Lime	3-9	21	5,47,558	20,179	5-8	8	10	31	31	41		
10,00,000																
60,00,000	62,91,811	98,26,915	2,11,38,275	Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	12	10C	12	12	14		
26,30,000																
5,00,000	77,49,749	72,13,923	2,14,327	Kumardhubi Fireclay & Silica P.	12	21	6,05,311	49,404	15	15	1Dd	2	2	4		
15,00,000	10,81,502	8,62,360	80,359	Reliance Firebrick & Pottery	12	..	1,10,349	18,001	Nil-Nil	10-10	10	17	17	17		
6,00,000	59,94,174	22,45,000	6,74,212	Scene Valley Portland Cement	2-8	..	7,68,487	41,941	5	6	10	20	20	20		
75,00,000	1,63,351	61,287	2,27,012	Sutna Stone & Lime	6-12	3	69,598	652	5	5	10	18	18	16		
3,22,560																
CHEMICAL INDUSTRIES.																
62,00,000	1,50,41,342	42,71,273	68,648	Alkali & Chemical Corp. of India	9	121	19,39,845	1,19,168	6	8	10	18	18	21		
40,00,000	99,765	60,000	37,853	Bathgate & Co., Ltd. P.	12	324	2,18,753	—20,65,382	Nil	Nil	10	1	1	1		
11,45,800																
11,08,900	56,08,902	43,35,000	1,49,08,740	Bengal Chemical & Pharm. P.	4	245	14,18,430	11,70,500	6	6	100	102	102	104		
22,54,000																
4,95,000	82,695	69,070	15,903	Frank Ross P.	2	129	46,893	858	Nil	Nil	6	2	2	2		
5,00,000	4,00,152	11,00,929	3,05,878	Smith Stanistreet P.	6	191	7,14,527	1,18,395	10	20	5	10	10	16		
ELECTRIC LIGHTING POWERS.																
19,98,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-9	32	3,05,504	46,084	5-5	5-5	100	145	145	159		
8,00,000	26,70,592	6,55,886	4,84,369	Bareilly Electric Supply	6-12	32	83,783	20,080	5-5	5-5	10	15	15	14		
17,00,000	80,72,095	22,47,869	11,75,299	Benares Electric Light Power	6-12	32	5,94,018	38,507	6	6	10	17	18	18		
5,91,360	10,96,663	5,90,855	85,318	Bhagalpur Electric Supply	12	202	1,44,138	41,818	61-61	61-61	8	9	8	8		
£4,262,646	£18,897,213	£7,242,380	£595,368	Calcutta Electric Supply P.	12	202	£1,526,226	£136,163	6	6	£1	12	12	13		
6,60,040	17,68,438	5,34,904	93,184	Cuttack Electric Supply	12	202	1,24,836	26,455	3	..	10	8	8	8		
17,51,050	38,10,419	10,41,599	3,39,348	Dacca Electric Supply P.	12	202	3,89,244	12,706	..	..	10	9	9	9		
5,21,640	8,42,506	1,65,000	3,037	Jhansi Electric Supply	12	168	71,399	..	..	..	10	8	8	9		
22,49,550	42,84,132	14,91,996	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,554	27,527	51-4	51-4	10	14	14	15		
4,95,000	5,44,854	2,51,058	1,13,028	Mirzapur Electric Supply	12	202	58,676	27,739	..	..	9	10	10	7		
5,82,390	17,12,128	17,818	83,860	Mozufferpore Electric Supply	12	202	73,159	—7,707	Nil	..	10	7	7	7		
6,99,700	5,43,057	77,521	3,48,185	Muttia Electric Supply	6-9	329	30,021	2,295	3	..	10	9	9	8		
35,07,380	85,46,049	37,10,223	11,51,601	Patna Electric Supply	12	202	7,40,283	68,005	7	..	10	11	11	11		
3,00,000	2,87,192	92,919	2,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	2	2	10	..	..	..		
9,10,000	7,57,951	2,72,300	1,20,990	Shajahanpur Electric P.	9	202	65,624	14,394	5	..	10	7	7	8		
16,80,000	27,99,505	5,36,596	3,38,039	Sijua (Jheriah) Electric	12	21	55,624	44,269	7	..	10	11	11	11		
56,00,000	1,62,42,470	35,82,369	13,28,619	United Provinces Electric	3-9	32	3,39,988	80,098	5-5	5-5	100	146	146	169		
5,98,500	7,78,128	2,07,493	7,77,619	Upper Ganges Valley Elec.	6-12	32	93,211	8,097	42-42	42-5	10	13	13	14		
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	6	6	10	18	18	18		
ENGINEERING & METAL.																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Mozufferpore) P.	10	300	1,52,744	1,01,965	..	..	10	8	8	7		
50,00,000	51,82,373	16,39,587	1,37,153	Bhartia Electric Steel	12	31	3,95,940	3,95,940	10	12	10	15	17	14		
39,61,853	48,94,368	13,13,020	42,18,134	Braithwaite India	12	289	5,59,761	16,17,14	25	..	7	27	28	28		
12,00,000	11,00,577	20,99,831	2,31,294	Bridge & Roof	6-12	24	27,02,716	1,51,297	7	7	10	36	36	32		
19,78,570	31,90,232	1,54,361	3,64,092	Britannia Building & Iron P.	3	109	6,16,247	51,637	5	5	10	6	6	6		
39,37,520	30,18,167	36,42,365	1,28,896	Britannia Engineering	12	165	11,47,552	1,36,319	15	15	10	13	13	19		
5,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	91,780	—5,26,929	Nil-Nil	Nil-Nil	10	12	12	12		
84,00,000	1,54,84,115	1,30,96,539	15,49,676	Burn P. (Engineering)	4	32	95,08,823	1,12,718	10	15	20	321	330	304		
12,50,000	20,64,770	22,00,000	45,733	Hooghly Docking	12	32	1,72,120	2,037	12	12	50	132	132	138		
36,94,590	23,07,100	6,65,000	55,918	Indian Galvanizing	12	24	5,46,700	41,267	10	..	10	19	19	26		
£18,37,080	18,00,34,354	11,70,76,011	6,37,45,032	Indian Iron & Steel P.	3	32	8,54,28,108	4,49,314	10	10-10	10	24	27	32		
3,85,000	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	222	—26,954	—82,872	..	..	1Dd	50	7	7		
1,54,000	30,46,716	47,33,987	13,61,471	Indian Standard Wagon P.	3	32	41,06,372	24,072	19	25	30	25	182	188		
19,49,250	41,51,487	2,74,14,189	2,14,40,051	Indian Steel & Wire Products	3	122	75,05,632	9,71,508	30	30	100	69	69	166		
26,580	45,57,847	57,91,388	15,35,612	Jessop & Co. P.	10	290	47,27,193	14,130	15	30	100	154	154	189		
32,00,000	44,15,822	43,12,118	1,56,283	Kumardhubi Engineering P.	11	21	6,23,372	21,425	16	16 2/3	3	24	26	60		
51,00,000																
15,30,000																
SUGAR BREWERIES, ETC.																
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12	..	2	4	4	6		
49,96,000	37,52,077	4,90,631	5,22,904	National Iron and Steel	3	192	11,68,033	5,28,690	Nil	2	10	6	7	7		
6,00,000	9,22,727	1,60,321	1,36,103	Saran Engineering	3	25	1,68,352	9,264	12	6	4	6	5	9		
60,00,000	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	9,44,777	1,47,573	10	..	19	19	19	20		
14,00,000	12,16,880	12,32,202	1,10,450	Balrampur Sugar	6	25	—37,960	48,371	15	7	Nil	5	6	10		
19,49,025	9,79,539	5,00,000	1,42,483	Belsund Sugar	9	294	1,39,925	49,906	10	..	7	10	11	11		
15,00,000	4,67,680	13,50,000	20,40,455	Bharat Sugar P.	6	316	4,04,260	13,206	15	15	10	17	17	17		
33,57,580	22,31,255	36,89,916	26,47,199	Buland	10	92	14,37,927	8,477	..	..	10	7	7	10		
30,00,000	44,63,474	27,37,030	3,59,062	Carew (Sugar) P.	6	158	2,63,567	12,445	7	2	10	20	20	21		
18,00,000	14,38,021	57,83,651	16,43,647	Cawnpore Sugar P.	10	25	12,40,968	82,023	7	7	10	21	21	34		
26,00,000	26,46,921	37,91,883	2,42,443	Champanar Sugar	6	25	7,25,494	29,503	10	15	10	20	21	22		
16,20,630	20,28,769	33,35,766	9,55,327	Darbhanga	8	171	9,61,957	1,12,387	15	..	5	6	6	6		
15,92,000	12,59,649	16,38,916	41,32,151	Dyer Meakin (Breweries)	3	110	7,70,601	8,143	10	11	100	76	76	68		
	23,89,532	2,24,658	3,84,913	Gwalior Sugar P.	9	237	—57,978	8,819	..	..						

MISCELLANEOUS COMPANIES-Cont'd.

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

Paid-up Capital Ordinary	Net Asset Account	Reserve & other Funds Premiums & Surtaxes if any	Cash & Securities	NAMES	Account Number	Value in Agent's	Net Profit including Taxation	Carry over	Dividend per cent	Paid up or Share	Assets available	Market quotations			
Rs.	Rs.	Rs.	Rs.			Rs.	Net		1954	1955	1956	Rs.	1954	1955	1956
PAPER MILLS															
45.00.000	54.01.812	35.81.841	4.21.350	Bengal P.	3-12	24	12,54,725	2,01,825	3-6	3-10	..	25	110	110	121½
63.00.000	36.44.096	96.05.611	54.80.394	India Paper Pulp	3-1	7	6,56,442	14,397	7-5	7-7	7-..	10	22½	22½	23
25.00.000	15.58.877	10.22.640	1.27.345	Mysore Paper	3-1	226	1,13,442	1,551	..	..	..	10	16½	16½	18½
1,46,82,500	3,50,88,096	2,16,71,737	1,83,95,855	Orient Paper P.	3-4	22	55,14,535	2,12,455	18-2	3-6	61-..	10	30	31½	33½
1,25,33,760	59,47,989	60,82,393	1,07,79,721	Shree Gopa Paper P.	3-12	140	20,86,821	1,61,203	14-7½	5½-6	..	10	16½	16½	17½
20.00.000	33,02,717	6,50,000	60,68,288	Star Paper P.	3-1	36	3,58,614	13,795	2½-5	3-7½	..	10	10	10	12½
4,37,500 PO 56,00,000 AO 56,04,800 BO	2,96,72,359	3,41,28,010	70,38,923	Vitaghur P.	3-1	100	47,39,287	1,22,815	1½-7½	10-10	11½-..	10 AO 10 BO	36½ 36½	36½ 36½	44½ 44½
PRESSING COMPANIES															
8.00.000	4,64,596	5,26,884	9,04,699	Calcutta Hydraulic	6	2	1,35,881	85,470	6	Nil	..	100	81	81	81
4,30.000	2,02,624	1,12,000	3,66,761	Amperdown	1	311	29,739	2,840	..	..	..	100	121	121	121
5,00,000	1,61,435	2,47,132	6,44,239	Central Hydraulic	6	2	66,693	26,289	6	6	6	100	135	135	105
REAL PROPERTY STORAGE															
10,00,000 A 1,25,00,000 2,00,00,000 C 25,00,000 D 7,42,150	13,50,000	12,34,603	6,00,972	Bengal Bonded Warehouse	4-10	73	86,087	2,712	3-5	3-5	5-5	A500 562½ C100	825 107 166	825 107 166	890 107 174
10,00,7800 2,00,00,000 D 94,00,000	11,68,346	4,23,131	33,823	Calcutta Safe Deposit	6	5	81,259	3,142	6	6	..	D12½ 10	22½ 8½	22½ 8½	22½ 8½
	22,96,665	6,43,170	7,48,384	Humayan Properties P.	3-1	..	1,43,649	64,358	..	..	..	100	13	13	13½
	92,09,262	36,70,109	41,04,547	Midnapore Zemindary P.	4	2	11,32,242	11,43,855	6	5	Nil	100	23½	23½	34½
TRAMWAYS & STEAMER															
20.00.000	1,08,44,146	1,00,69,622	30,95,902	Bengal Assam Steamship P.	10	2	10,81,427	55,826	7½	7½	..	100	139	139	147
6,25.000	9,17,576	1,75,000	2,01,115	Calcutta Landing & Shipping	4-10	89	25,522	1,261	2½-2½	3½-..	..	10	12½	12½	15
12,60.000	23,52,622	9,03,181	4,986	Calcutta Stear Navigation	6-12	112	20,794	76,933	..	..	..	100	129½	129½	104
2700.000	22,26,932	1,63,317	2,576,087	Calcutta Tramway P.	12	36	2,206,012	1,01,964	7½	8½	..	10	16½	16½	17
3,78,050	2,52,816	1,13,728	6,83,494	Fraser	3	139	1,82,621	12,457	..	..	..	10	13	13	14
2,655,580	22,273,124	9,990,878	2,135,391	India General Nav. Railway P.	12	136	2,70,306	2,21,366	..	..	..	10	75	75	126
1,25,00,000	7,41,48,498	73,00,000	1,89,93,697	India Steamship P.	3	201	38,72,859	25,926	Nil	Nil	10	10	10½	8	8
14,06,220	35,14,969	24,75,000	5,94,450	Port Shipping	6-12	2	1,54,518	43,305	5-6	7½-7½	..	10	15½	16½	16

SOUTH INDIAN MISCELLANEOUS COMPANIES

[illegible]

RUBBER COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds	Cash & Securities	Assets under cultivation	Output Rubber	Estimated Rubber	NAMES	Assessed value	Municipal taxes	% of net income payable	Dividend			Paid up Share	Market quotations available until		
											1950	1951	1952		20-57	19-57	18-57
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.					Rs.				Rs.	Rs.	Rs.	
17,32,000	9,36,219	4,06,282	4,44,636	4,052	1,40,403	16,68,000	De Be Rubber	3	276	..	..	..	..	..	42	413	
17,94,186	20,66,801	18,13,093	7,65,683	7,270	15,10,886	..	Loehr Malaya P	3	210	1,67,900	20	25	15-15	..	91	93	
4,00,000	3,25,574	47,751	62,784	422	17,764	..	Cottarone Plantations P	1	12	39,353	..	..	..	..	173	173	
27,00,000	10,03,232	6,84,494	1,37,661	2,535	2,55,786	..	Kaupetta	1	20	1,13,181	..	..	..	..	243	243	
6,00,000	64,93,184	13,10,432	11,84,443	4,922	7,35,401	..	Midland Rub & Prod P	1	20	49,197	..	..	..	..	18	184	
13,50,000	5,84,332	2,13,800	1,90,486	1,272	1,83,231	..	Penninsula Plantations	4	259	2,12,012	10	18	20-15	..	..	..	
10,00,000	36,52,282	2,31,374	1,73,719	2,456	1,64,241	..	Malang Rub & Prod	3	170	1,33,565	..	..	..	..	211	213	
41,00,000	21,09,374	25,000	1,69,121	1,872	3,25,431	..	Teekoo Rubber	3	172	1,92,911	..	..	..	..	94	94	
40,00,000	67,21,744	19,13,944	13,12,632	6,939	10,03,214	10,15,000	Travancore Rubber & Tea	12	3	4,96,761	1	10	15	..	94	94	
80,00,000	11,59,151	1,65,000	3,74,541	1,160	1,68,304	..	Tropics Plantations	12	271	1,04,021	..	..	..	..	323	331	
56,38,580	7,72,232	2,11,412	2,49,541	738	1,74,671	..	Vaikundam	12	114	80,791	..	..	..	..	313	313	

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends: per cent			Paid-up per Share	Latest Market Quotations as available until		
									1954	1955	1956		24-2-57	19-2-57	1 year ago
Rs	Rs	Rs	Rs				Rs	Rs				Rs	Rs	Rs	Rs
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,799	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8	10	10	100	165½	166½	201
ELECTRIC LTG POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6	5	..	100	190	99½	190
2,92,83,500	4,18,62,358	52,34,501	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7½	7½	..	1,000	1,210	1,202½	1,285
1,74,99,700	2,14,85,121	39,32,48	5,79,83½	Bombay Suburban Elec. Sup	3	146	19,21,739	45	7	7	..	100	110	110	116½
38,08,206	17,49,052	4,75,323	14,87,55½	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	123½	122½	148
1,34,45,225	3,37,65,356	63,82,04½	58,39,87½	State Hydro Elec Power sup P	6	267	37,75,587	21,171	7½	7½	..	100	122½	123	132
5,02,78,756	3,98,37,405	1,41,56,578	1,29,22,549	State Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000	1,210	1,220	1,351½
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,98,311½	Alcocks Ashdown	12	268	8,79,666	1,35,820	12½	..	..	100	252½	255	360
6,00,000	29,341	4,43,904	59,338	Costs Engineering	3	115	62,291	1,598	15	5	..	50	66	69	93½
40,00,000	11,26,513	16,00,000	9,74,894	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	10	17	17	17
40,95,100	81,25,755	2,02,500	49,333	Machinery Mfgs. Corp'n Ltd P	3	330	2,02,006	64,678	Nil	Nil	..	100A	45½	45½	95½
11,00,000	15,00,978	1,06,194	7,06,269	McKenzie	7	283	1,49,085	64,938	Nil	..	..	100	76	76	179
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	30C	174½	177	179
1,31,250F	5,90,52,365	1,17,73,382	23,24,702	State Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	100	138½	142½	139½
4,20,00,000	32,44,07,755	16,63,05,536	12,34,83,510	State Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	167½	171½	226
8,63,75,000															
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,90,33½	British India General	12	297	1,24,629	1,18,606	..	..	..	10	13½	13½	13½
5,15,000	..	11,04,94,687	4,39,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350	350	675
8,46,121	..	46,88,801	46,88,801	Indian Mercantile	12	75	..	..	..	..	..	20	45½	45½	45½
18,74,910	25,01,134	2,88,61,145	4,81,49,442	Imperial General P.	12	55	..	1,13,109	..	..	..	15	63	63	94
1,06,81,590	..	1,88,61,793	27,25,18,301	New India	12	179	38,351	4,85,316	Nil	..	..	15	42½	43½	394
6,00,000	..	57,83,74,430	63,46,59,42	Oriental Life	12	298	43,58,653	71,250	16 2/3	..	..	15	3,730	3,705	3,910
15,99,270	..	29,41,868	59,86,798	Vulcan	12	255	5,05,803	2,81,242	10	..	..	200	152	152	151
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,991	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,981	35,75,182	78,89,034	Delapur Sugar	9	42	53,89,000	61,389	..	..	..	50	227	228	213
50,00,000	2,20,64,390	4,12,86,165	2,67,27,636	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	661½	690	525½
42,00,000	..	..	..	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	246½	260	180½
45,00,000	1,21,04,055	31,74,431	31,14,400	Industrial Investment Trust	12	299	5,81,909	2,83,138	4	..	..	25	74	74	72
99,99,250	3,081	19,47,486	1,28,43,992	Genus (Chemists)	3	87	68,232	19,942	..	..	..	100	195	190	215
11,99,900	13,82,957	7,34,142	14,35,233	National Rayon Corp'n.	12	352	63,19,604	3,72,076	10	..	..	20	18½	19½	101
1,57,71,400	5,74,35,776	1,81,13,442	1,39,000	Scindia Steam Navigation	16	198	38,40,882	5,02,020	21	21	5	20	18½	19½	101
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	80	80	..	10	93½	93	101
1,00,000	27,45,085	37,30,000	11,27,088	State Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	7½	10	15½	15½	14½
1,39,95,990	2,25,39,547	13,22,272	4,37,991	State Oil P.	11	146	3,00,461	11,453	9	8	12	25	45½	43½	41
70,07,475	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,994	11	11	..	100	175½	176½	190

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1955	1954	1953	Rs.	26-2-57	20-2-57	A year ago
												Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	—29,367	..	2½	2½	2½	100	60	60	61½
21,89,300	33,40,889	6,00,702	Arrah Sasaram D. B. G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67½	67½	76
34,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	2½	100	58½	58½	60½
19,00,000	29,09,643	4,91,171	Daraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	104
17,80,000	21,78,786	2,20,877	Durdwan Cutwa S.S.G.	3	165	78,839	..	4	2½	2½	100	59	59	60½
31,00,00	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1.29-1.29	1½-1½	1½-1	100	52½	52½	56½
4,75,000	3,20,040	4,75,000	Jhera Chhatrak Ropeway	3	88	7,071	9,917	12½	3-..	NH	6	7½	7½	8½
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,549	1½	2½-..	2½	10	7½	7½	8½
22,50,000	62,20,813	13,52,690	Jehri-Rontas	3	335	6,42,311	37,814	6½	7½	10-12½	10	12½	12½	13
11,49,700	20,10,843	1,68,141	Futwah Islampur S.S.G.	3-9	32	—33,016	5,917	98-98	99-1	1-1	100	63½	63½	64½
18,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	52	52	72½
6,00,000	13,87,138	4,43,410	Howrah Sheakhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65	81½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	2½	100	60½	60½	60½
8,91,100	15,16,175	10,351	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	72	72	74
13,00,000	62,56,925	28,77,041	Shandara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129½	129½	140½
1,75,000	5,41,779	2,04,841	Dezapore Balipara Tramway F	3-9	165	—43,574	5,944	..	..	..	100	..	..	..

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

Managing Agents		Managing Directors and Secretaries		with their respective address—(Contd.)	
320.	F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329.	Sri G. D. Bhagat—15, Shib Bhakur Lane, Calcutta	339.	M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.
321.	F. C. Williams—14 Old Court House St., Calcutta	330.	Manindra & Mahindra Ltd.—Gateway Easting Building, Salt Lake, Calcutta	340.	K. V. Jerny—Travancore, Subhas Road, Calcutta
322.	Messrs. Tata Sons Ltd.—New India Assurance Building, Salt Lake, Calcutta	331.	N. Roy & Sons—Canning St., Calcutta	341.	James J. O'Leary & Co., Ltd.—2, Netaji Subhas Road, Calcutta
323.	Anderson Wright & Co.—4, Wellesley Place, Calcutta	332.	M. Dasgupta—21, Ravelin Street, Fort, Bombay	342.	U. N. Chatterjee—2, Royal Exchange Place, Calcutta
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				351.	C. G. Mahant—Ewart House, Subhas Road, Fort, Bombay
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CREDIT RESOURCES FOR INDUSTRY AND TRADE

ROLE OF THE STATE BANK IN MONETARY MANAGEMENT

THE acute shortage of finance for industry and trade has been the outstanding feature of monetary activity during the past year or so. The supply of long and medium term funds remains far behind development needs, reflecting the inadequacy of savings in an economy where investment confidence has been undermined, where new resources have been diverted mainly into sectors in which the propensity to consume is great, where prices have been rising and where taxation is heavy. A development which is assuming increasing importance is the growing stringency of short-term finance as well. As the commercial banks' recent experience shows, new measures will have to be taken to alleviate it if an expansion in commercial activity is not to be hampered. The report of the Central Board of Directors of the State Bank of India for 1956, which was presented to shareholders at the annual general meeting last Thursday, spotlights the problem but does not offer any remedies. This may not be very surprising, firstly, because the reports of officially dominated banks are not often inclined to stray from well-worn facts and figures; and secondly, because the remedies are in any case to a large extent out of the State Bank's hands, despite the important rôle it plays in the country's monetary system. Although the remedies are closely inter-related with the Government's general economic policy, it is regrettable that a major banking institution should be reluctant to comment on those aspects which affect its own prospects and working. It is open to question whether the reluctance is likely to grow or wane with the recent changes in direction and management which have followed ministerial criticisms of the two biggest, State-owned, banks in the country.

thought, and the speech of the State Bank's chairman, Mr. H. V. R. Iengar, at the annual general meeting contains some indication of what might happen. He says that the State Bank would find it "quite easy" to increase its deposit rates still further if it were "to operate flat out as a commercial institution". But it has not done so because the "larger proportion" of the deposits which could come to it in this way would be diversions from other banks rather than fresh deposits. Similarly, if a few of the better-placed commercial banks were to increase their deposit rates, they would probably only attract funds away from their rivals, without substantially increasing the total of bank deposits in the country as a whole.

This clearly suggests that if the increase in deposits has been very slow, it is due largely to factors other than the returns offered to those who put their money in the banks. In this context, the Government would do well to reflect upon what happens to money savings when prices are almost steadily rising, as they have been doing for more than a year, and when the prospect is that they will go on rising. The fall in the value of money in inflationary conditions is a major disincentive to monetary saving, and therefore to bank deposits. People are unlikely to put by a larger proportion of their earnings into the banks, even if they are offered higher interest rates, when they feel that the erosion of their original capital in real terms is likely to be greater than the returns they will get. The need to evolve hedges against inflation, such as by linking deposits to an index of price changes, deserves to be closely investigated. The main reason why it has not been seriously examined so far is probably the fear that it might bring about a substantial increase in banking costs. But it is open to question whether savers alone should be made to bear the inflationary burdens of over-ambitious economic policies.

The State Bank is expected to play an important part in attracting more resources to the banking system, this being one of the reasons given for the nationalisation of the Imperial Bank. New branches are being established, particularly in rural and semi-urban areas, with the purpose not only

LESSONS FOR THE PLANNERS

Every prospect that if economic development proceeds according to plan, the situation will become steadily more acute each year. As the economy diversifies and expands, the traditional distinction between the busy season and the slack season will disappear. On the growing requirements of trade and industry will be superimposed the seasonal requirements of agriculture, producing probably even greater embarrassment than has been experienced during the past few months.

This is a problem for which only temporary remedies have so far been considered, and with remarkably little effect. There has been talk of liberalising the bill market scheme, of re-discounting import bills with the Reserve Bank, and of speeding up Government payments to suppliers and contractors. But in almost every case, the likely result will be that the banks will have to depend more heavily on the central banking institution. This cannot be a welcome development, it implies an erosion of their intrinsic ability to raise and use resources—an erosion that will take place steadily as their inadequacy in meeting credit needs becomes more obvious. If the soundness of the banking system is to be preserved, the main attack on the problem will have to consist of measures to increase deposits, by encouraging the growth of banking habits among the population. Here the move to raise interest rates on deposits is unlikely to be as fruitful as is sometimes

THE second five year plan will be completing its first year at the end of this month. Whatever the planners might write about it in their next annual progress report, the feeling has been growing that a period of more than five years will be needed for this over-ambitious programme of work. The course of the plan has been marked by disturbing inflationary pressures from the very outset, and subsequently, a serious foreign exchange crisis has developed in a way which confirms the persistent fear of critics that not enough careful thought has gone into the calculation of resources. In fact, it is proving to be a story of miscalculation in many directions. In his presidential address at the annual general meeting of the Employers Federation of India, held in Calcutta last week, Sir Homi Mody said just this. Sir Homi believes in the great industrial future of this country. He is also broadly in agreement with the economic objectives of the second plan. But he stressed that what was being questioned was not the objectives, but the manner and method of implementing them. The real issue, he said, was whether, in the process of achieving such a position, policies were to be pursued which would strain the economy to breaking point and "whether the fundamental liberties and democratic institutions which are ours today would remain intact and inviolate."

The planners are labouring under the belief that nothing of the sort will happen, and that democra-

of attracting savings from those who have hitherto not used banks but also of making advances to them. The State Bank directors' latest report contains a broad survey of the ways in which it is proposed to provide greater facilities to co-operative institutions, and to small-scale industry and agriculture. The Bank is undoubtedly in an advantageous position, as compared with other commercial banks, to undertake this work, with its special risks and liabilities. But two important considerations need to be borne in mind. One is that in no case should there be a relaxation of standards when risks come to be accepted; the bank's responsibility to depositors, tax-payers and shareholders is greater than its responsibility to small-scale producers. The other is that great care should be taken to ensure that the facilities normally available to trade and industry are not reduced by the obligations involved in nurturing co-operatives and small industrialists and agriculturists. The progress of schemes to extend banking facilities to rural and semi-urban areas will receive close attention from other commercial banks. If, as is expected, the State Bank is to lead the way, so that others may follow, it will need to demonstrate that initiative in branch expansion can be combined with efficiency in banking practices. It is to be hoped that its experience in these new activities will be more fully, and critically, examined in later annual reports. The success achieved in promoting and diversifying another line of activity—its foreign exchange business—is a happy augury for the future.

In his speech from the chair, Mr. Iengar was at considerable pains to emphasise that the State Bank has not taken undue advantage of its position either in competition with other commercial banks, or in meeting the needs of public enterprises at the cost of private undertakings. The assertion is open to question, but the fact that it has had to be made, pinpoints the ease with which the institution could become subservient to the Government, against the interests of Indian banking in general. This is a danger which will have to be guarded against conscientiously. New Delhi's fascination with its own arbitrary wisdom has been growing at a disturbing pace recently. A new mood for experimentation is abroad; it would be unfortunate if it came to swamp the pleas for economic stability which have been made with the best strength and authority by informed banking opinion. No small part of the progress India has achieved in recent years is due to the caution which has tempered initiative in the management of her monetary affairs. It is essential that this caution be maintained in spite of the pressures which have brought about recent changes in the direction and implementation of banking policies.

tic liberties are being strengthened by the action of the State. In fact, they call it democratic planning within the framework of a mixed economy. Sir Homi's address gives some examples of how the planners' idea of a mixed economy is itself mixed up. The official Statement on Industrial Policy, as announced in April 1956, said Sir Homi, displaced the private sector from a number of industries which were its legitimate sphere of activity, but it embodied some valuable assurances which had been sought. "We had the promise of adequate assistance in fulfilling the rôle assigned to free enterprise, and we had the assurance that there would be no precipitate encroachments on the private sector of the economy." But by executive fiat, the assurances were being broken and serious encroachments had been made on trade and commerce, which were "so essentially the province of individual enterprise." Here he gave the example of the internal trade in cement and other commodities, which has been taken over without any satisfactory reason being given. On the question of assistance to private enterprise, Sir Homi made the point that the measures taken so far have had the effect of only curtailing the resources available for it. "The recent imposition of fresh taxation of an unusual character and the proposal for compulsory deposit of reserves announced by the Finance Minister have created a crisis of confidence at a moment when all available resources need to be

employed in utilising, to the fullest extent possible, the productive capacity of the country."

The private sector is responsible for one-third of the second five year plan. Most of the employment which it is hoped the plan will provide will have to be in this sector. If it is to be denied the means by which it is to launch expansion schemes, how else can it fulfil its assigned rôle? As it is, the private sector has been hard put to it to find working capital, not to speak of the risk capital which is even more difficult to raise. The other day, Mr. R. Powell, enumerated these difficulties in the course of his presidential address to the Upper India Chamber of Commerce in Kanpur, and some leading business men in Calcutta have also spoken similarly. This is a matter which, it is reported, has caused some worry to the Union Finance Minister, as indeed it must, but to ease the tightness very little has apparently been done.

Muddled thinking is responsible for many of the vagaries of the Government's labour policy. New welfare burdens are being imposed on industry, regardless of their implications for economic growth or their inevitable cost to the consumer. The I.N.T.U.C. has been agitating for a 25 percent increase in the wages of workers in many major industries, on the ground that it will "enthusiasm workers in fulfilling their onerous responsibilities in implementing the second plan and promote the interest of industrial peace." Sir Homi was unable to understand either the claim or the reasons advanced in its support. The workers have a right to expect higher wages when their productivity and the profits of industry justify it. Sir Homi conceded this readily, but added that the problem was such that it had to be "looked at from many angles and cannot be arbitrarily disposed of." It requires close study, and Sir Homi urged that the Wage Boards which have been suggested for different industries should provide adequate opportunities for both sides to present their case.

Circumstances being what they are it is on the cards that the private sector will not be able to develop significantly in the current plan. As Sir Homi pointed out, the current import restrictions on capital goods are bound to have an adverse effect on the growth of private industry. With the plan outlay increased to Rs. 5,300 crores from Rs. 4,800 crores (in the public sector), the worst in taxation is yet to come. Inflation has already restricted the scope for deficit financing, while receipts from small savings and loans and other sources of revenue "would add up to a small amount." The Finance Minister's recent supplementary Budget is a straw in the wind. Sir Homi said that "taking into account the uncovered gap of Rs. 400 crores, which cannot be bridged by any other means except by fresh impositions, the total additional taxation which may have to be resorted to would reach alarming figures." Even after implementing all the proposals of the Taxation Enquiry Commission, additional revenue of such proportions "would be impossible to secure without disrupting the entire economy," he warned. It does not seem likely at present that the warning will have much effect. But if the planners who have been neglecting the lessons of the industrialised west, do not now learn from their own experience, they might do more harm than they have done already by the thoughtlessness of their actions.

COAL IN INDUSTRIAL COSTS PLEA FOR HIGHER SELLING PRICES

THE coal industry has decided to ask the Supreme Court for a stay order in connection with the recent award of the Labour Appellate Tribunal, under which workers would have to be given further large benefits in addition to those they secured since the award of the All-India Industrial Tribunal (Colliery Disputes) last May. The increase in production costs, to which both these awards contribute, is the most pressing of the industry's problems. It would be less serious but for the fact that the selling prices for coal have now, and for many years past, been fixed by the Government at very uneconomic levels. The burden of the address delivered by Mr. R. Maulik, chairman, at the annual general meeting of the Indian Mining Association in Calcutta last Friday (a fuller version of which appears on a later page) is that unless selling prices are raised to a more reasonable figure, the expansion plans of the industry will be hampered. Mr. Maulik accepted the contention that the return to the industry should be reasonable and not extortionate. He also agreed that since coal is an essential commodity, it is necessary to check, as far as is practicable, any increase in its price. But he strongly emphasised the inter-relationship between the commodity's selling price and the industry's development. As he pointed out, there are two other basic industries—steel and cement—in which the Government accepts that the price earned

should allow for a special element which contributes to the internal resources necessary for expansion.

The state of coal shares in the stock markets indicates that collieries are likely to face serious difficulties if they try to raise money from outside. Most of their development has in the past been financed by ploughing back part of the profits, but the serious depletion of resources which has resulted from the uneconomic working of recent years is unlikely to allow development to proceed on the scale planned. The Finance Ministry's scheme to make companies deposit a large part of their reserves with the Government will prove an additional handicap. Mr. Maulik pointed out that in the coal industry the reserves represent money which has long ago been transformed into expanded block or which has been used for production activities. A categorical assurance is, therefore, sought that the new deposit regulations will not be enforced where the reserves have clearly been set aside for development work.

Mr. Maulik gave an impressive reply to the argument that an increase in coal prices would be inflationary. He pointed out that if the increase is not allowed, coal production will not expand adequately, and that will be even more inflationary. Coal is sold more cheaply in India than anywhere else in the world. Mr. Maulik quoted some very interesting figures indicating the extent to which it contributes to general industrial costs. The cost of coal, expressed as a ratio of the gross ex-factory value of various products and by-products, is on an average 1.96 percent. In the case of other fuels and electricity, the relevant ratio is 3.45 percent. Coal and coke work out to 11.25 percent of the cost of steel, as against 12.7 percent in the case of other fuels. The corresponding figures in cement manufacture are 14.22 percent for coal and 16.28 percent for other fuels. Another indication of the

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inexpensiveness of Indian coal is brought out by the fact that the cost element of coal in British steel is 40 percent, as against 11.25 percent in India. For cement, coal works out to 30 percent in the U.K., as against 14.32 percent in India.

EXPANDING INDO-BRITISH TRADE

THE level of trade between India and Britain reached a new high during 1956. The encouraging expansion noted in the previous two years thus continues. Figures compiled from the U.K. Trade and Navigation Accounts show that the increase in trade has taken place because India has bought more: the value of what she has sold to Britain has actually decreased. As a result, the balance of trade, which was favourable for India in both 1954 and 1955, has now become adverse. There is nothing surprising or regrettable about this. It is a natural response to the fact that India has to import more to meet her ambitious development needs. This is borne out also by the fact that capital goods predominate in British exports to this country. The need to increase Indian exports to Britain as well as to other countries is nevertheless urgent. Since tea predominates in what is sold to the U.K., there is a special need to frame realistic policies for this commodity—policies which take special note of consumer reactions. A fair portion of the fall in the value of Indian exports to Britain was accounted for by the drop in Indian (and world) tea prices. The importance of Indo-British trade is reflected by the fact that India is the fourth biggest market for U.K. exports and the sixth largest supplier of U.K. imports.

The total value of mutual trade between the U.K. and India in 1956 stood at £309 million. This figure was £20 million more than in 1955 and £46 million above the 1954 level. Total U.K. exports to India in 1956 were valued at nearly £168 million, recording an increase of 29 percent over 1955

(£130 million) and 46 percent over 1954 (£115 million). Total U.K. imports from India were to the value of £141 million—11 percent less than in 1955 (£159 million) and 4 percent less than the 1954 figure (£148 million). In 1956, India received 5.2 percent of total U.K. exports to all countries, as against 4.4 percent in 1955 and 4.3 percent in 1954. Machinery exports in 1956 were at a high level and accounted for 39 percent of total U.K. exports to India. The comparable percentage for both 1955 and 1954 was 37. Exports of iron and steel rose substantially from over £8 million in 1955 to nearly £16 million in 1956. Manufactures of metals increased from just under £7 million to £8 million. Railway vehicles increased from £3 million to £6 million. Non-ferrous base metals went up from £2 million to nearly £4 million. Increases were also recorded in chemicals (from £16 million to £18 million) and road vehicles and aircraft (from £10 million to a little under £12 million).

Britain's imports from India in 1956 accounted for 3.6 percent of her total imports from all sources, compared with 4.1 percent in 1955. India stood sixth as a supplier, although she ranked fifth in the preceding two years. Tea was, as usual, by far the largest item and accounted for 48 percent of total U.K. imports from India. At nearly £69 million, the value was 8 percent less than in 1955. In terms of volume, however, tea imports rose from 283 million lbs in 1955 to 299 million lbs in 1956. While imports of tobacco and its manufactures in 1956 (£8 million) were £1 million higher than in the previous year, those of leather and its manufactures declined from £12 million in 1955 to £11 million in 1956; cotton fell from £4 million to £3 million; and miscellaneous textile manufactures dropped from £14 million to about £12 million. Compared with 1955, animal and yarns and woven fabrics (£7 million), animal and vegetable oils, etcetera (£8 million), and metallic ores and metal scrap (£2 million) showed no marked changes. A slightly downward trend was reflected in the case of wool and other animal hair and tops (£4 million) and miscellaneous animal and vegetable crude materials (£4 million).

U.K. exports of machinery (electric and other than electric) to India in 1956 totalled £66 million—an increase of 30 percent over the previous year. India was an important market for U.K. exports of machinery. She topped the list for machinery (other than electric) and was a very close second for electric machinery, apparatus and appliances. She received 8.9 percent of total U.K. exports of machinery (other than electric) to all destinations, compared with 6.9 percent in 1955. The comparable figures for electric machinery were 9.6 percent and 8.3 percent, respectively. The largest individual machinery export items were textile machinery (nearly £10 million); electric cables, wires, strips and strands (insulated) (£5 million); converting machinery, transformers, switchgear and switchboards (over £4 million); generating sets and generators and motors (£3 million); and machine tools (over £2 million).

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, Capital's Index of Indian Industrial Activity shows a rise of two points during October 1956. Mainly contributing to the increase were steel ingots, pig iron, cement, coal and electricity. Notes in circulation and cheque clearances rose.

Alkali and Chemical Nose-dive.—The long-rumoured details of the terms of the rights issue which the Alkali and Chemical Corporation of India Ltd. proposes to make were announced this week. Shareholders have expressed what they think of them by knocking down the price of the ordinary stock from Rs. 18-2 to Rs. 13-10 over the past three days. While first reactions of operators have been adverse, there is considerable speculation about the extent to which the Controller of Capital Issues may have influenced the terms of the offer. The rights issue consists of 2.48 million "A" ordinary shares of Rs. 10 each. They are to be offered to those who are ordinary shareholders on 19th March, 1957, in the proportion of four for one, at par. Thus, for each ordinary share (par value Rs. 10) in Alkali and Chemical which anybody now holds, he will be asked to find Rs. 40 to take up four of the new ordinary shares. In view of the very tight conditions prevailing in the money market, it is open to question how many of the smaller shareholders will be able to raise enough money. (The principal shareholders have already agreed to take up their allotment of 1,753,072 "A" ordinary shares.) It is stated that Imperial Chemical Industries (India) Private Ltd. will subscribe to any shares which

are not taken up. Shareholders will be allowed to renounce their right to the new "A" ordinary shares in favour of their own nominees. It is worth noting that the first call of Rs. 5 a share as subscription to the new issue will be made before 27th April, 1957, and the remaining calls before 27th September, 1957—but the "A" ordinary shares will not be entitled to any dividend paid for the company's financial year ending 30th September, 1957. The money from the rights issue will be used for a project to manufacture polythene. The cost of the project is estimated at Rs. 3.93 crores, of which Rs. 2.48 crores will come from the share capital issue and Rs. 1.45 crores as loans from an industrial credit corporation, bankers, etcetera. The directors feel that the return on the project will be satisfactory, "but it must be realised that the capital invested during the construction period will earn no return." They add that "the company's profits should be maintained at not less than their present level, but this rate of earnings will have to be related to the old and new capital as from 1st October, 1957, until such time as the polythene plant comes into production, when an adequate return will be earned on the new capital invested and profits should rise appreciably." It is thought that the polythene plant will go into production in about two years' time.

Demand for Machine Tools.—Machine tool imports in 1956, it is thought, reached the highest figure for any postwar year. One estimate is that they were of the order of Rs. 10 crores. In 1955, they were valued at Rs. 3.29 crores, and in the previous year at Rs. 3.86 crores. This sharp rise reflects development needs. Indigenous production has been increasing, but not at a rate fast enough to catch up with demand. Mr. S. L. Kirloskar, president of the Indian Machine Tool Manufacturers Association, told the annual general meeting of the Association last week in Bombay that the private sector was worried that its "share of indigenous tools" in the country's current requirements "is still as low as 13 percent." The two State-owned units—the Hindustan machine tool factory in Bangalore and another in Ambernath—have already been commissioned. But judging on the basis of Press reports, Mr. Kirloskar thought that their output would not help reduce imports very substantially. The Hindustan machine tool factory produces only one type of tools of one size, while the other produces two or three types. The country needs hundreds of types. The solution, therefore, lies in developing private concerns with Government encouragement. Mr. Kirloskar suggested that one way of doing this would be to relax the rigidity of users' specifications, and find ways of utilising "to the maximum extent the tools that are already being made in the country." He asked the Government periodically to give the Association data on "the actual purchases made by Government departments of the various machine tools by classified and coded numbers." This, he said, would indicate the types of machines required and the purposes for which they were being used. The industry could then plan its future production. Mr. Kirloskar also suggested the appointment of an import advisory council to review the Government's machine tool import policy from time to time "and recommend measures for restricting imports of foreign machine tools comparable to the types manufactured in the country." The Government some time ago appointed a committee to survey the working of the industry. Its recommendations are yet to be published, but it is to be presumed that in formulating an import policy corresponding to the needs of a developing economy, the Government is being guided by those recommendations.

Importers in Difficulties.—Importers are inevitably feeling the pinch since the Government announced severe cuts in its import policy a couple of months ago. It is not surprising that anxiety should dominate the presidential address delivered by Mr. S. M. Shah at the annual general meeting of the All-India Importers Association in Bombay last Thursday. According to Mr. Shah, the import policy for January-June this year is so drastic that there will be a shortage of a number of raw materials and consumer goods. He is probably right, but, as he implicitly admits, the more important need is to conserve foreign exchange. While admitting this need, however, Mr. Shah complains that "cumbersome, irksome and complicated restrictions on the face value of import licences have not only been continued, but in some cases fresh restrictions have also been imposed." Mr. Shah's description of the restrictions is mostly correct; but it is not easy to appreciate how he can, on the one hand, urge the Government to save foreign exchange, and, on the other, ask it to liberalise restrictions on the face value of import licences. It is true that the new import restrictions are giving extra protection to many domestic industries, whether or not that protection is in itself justified. This protection, according to Mr. Shah, is being given in three ways. The first is that high tariffs are being maintained. The second is that the policy of controlled liberalisation of

imports which was introduced some years ago has been replaced by one of drastic cuts. The third is the restrictions on the face value of import licences. One agrees with Mr. Shah that domestic industries should be urged to be more careful about quality and price, and that in the case of certain individual commodities import restrictions can be liberalised. But in the general argument that foreign exchange can be conserved at the same time as imports are maintained in order to provide competition to domestic industries, it is hard to see where the reconciliation of these two aims lies. The import cuts have reduced the importers' business turnover and Mr. Shah complains that neither domestic industries nor the Government have given them much encouragement to enter the distributive trade for domestic products. There is no reason why importers should be spoon-fed in any way. It is for them to go to the domestic industries, and attract custom by convincing them that they are as good at marketing as the industries' present distributing agencies.

Suez Canal Uncertainty.—According to General Wheeler, the Suez Canal will be open to some traffic soon, and for all traffic by some time in May. That covers only the U.N. operations for clearing the canal of obstructions and perhaps a certain amount of dredging to overtake the lack of maintenance since the canal was closed. So far, however, nothing is known about the conditions under which ships will be allowed to use the canal or the extent to which the Egyptian operating company will be able to offer the necessary facilities. Most uncertain of all is the position of shipping belonging to Britain and France—and, of course, Israel, with which countries Egypt has no diplomatic relations. Efforts to find out just what the situation is by making inquiries at several Ministries in London failed to produce any clarification, and as the Chamber of Shipping of the United Kingdom pointed out recently, owners must start planning their summer schedules now. The canal should be cleared by the end of May, but officials do not yet know whether or not the Egyptian Government will then permit British ships and cargoes to pass through. It is unlikely that the Egyptians would permit the payment of dues into blocked accounts outside Egypt—accounts from which the Egyptian Government would not be able to draw. The British Ministry of Transport said that the instructions to British shipowners now in force laid it down that transit fees for the canal would be paid to the old company. The Treasury said that the situation was the same at it had been at the beginning of the Suez Canal crisis. The shipowners had been given "guidance" to pay their dues to the old Suez Canal Company in London or Paris. Discussion has already taken place in the Suez Canal Users' Association about arrangements for getting ships through the canal once it has been reopened. But such discussions between the canal users cannot lead to any final decision until the views of the Egyptian Government are known, and the Egyptian Government seems to be very coy about expressing its views. Mr. Hammarskjöld, the United Nations Secretary-General, has already taken up with the Egyptians the Anglo-French suggestions that there should be a resumption of private direct talks on this question, under his own chairmanship, between representatives of the three Governments. So far, however, the Egyptians have been unwilling to take part in such talks. The situation as a whole seems to be most unsatisfactory and the United Nations powerless to do anything to speed matters.

GOLD STANDARD FOR JAPAN

THE telegram which Reuter furnished from London yesterday, announcing that Japan had decided to adopt a gold standard from October next at a ratio of 32½ to 1 will not be understood until further particulars are published. The change has probably been prompted by the large gold payments received as war indemnity from China. It is said that the Japanese propose to remodel their currency on the Russian system, which is practically an inconvertible note issue, and it looks very much as if the finances of Japan were in a condition to need skillful manipulation. It may be noticed that a ratio of 32½ to 1 indicates 28d. per oz. as the price of silver. This is a ratio which will stagger European and American bi-metallists, but it is impossible to estimate what may be the effects of the proposed change on Japanese trade or on Eastern exchange until we hear whether the scheme implies a single standard, a double standard, or an inconvertible note issue. What will concern us most is whether it means the stoppage of the coinage of silver yens. Should this happen the demand for British dollars will be largely increased, as there is little prospect of China following the lead of Japan in currency matters.

FROM

CAPITAL

3rd March, 1897.

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HIRE-PURCHASE UNDER THE LAW

CLAIMS FOR OWNERSHIP OF GOODS

(FROM OUR LEGAL CORRESPONDENT)

IT would be difficult to find a more misleading expression by which to describe a transaction and a document disposing of the possession of goods than "hire-purchase agreement", or one more likely to lead to confusion and consequent litigation—civil and criminal—between the parties to it. Like other compound words, such as "Anglo-Catholic", it is really a contradiction in terms. Looked at from the point of view of the strict law of contract, it may be described as a form of purchase or intended purchase of goods on a system of extended credit. Except in isolated transactions between individuals, the agreement is invariably nowadays in writing, with a stipulation that the payments to purchase shall be by agreed periodical instalments. The agreement is, or is intended to be, virtually one of purchase, but in order that the vendor (rarely, by the way, actually so referred to, but by some such absurd cognomen as "lessor") may be able to recover the goods at any time on non-payment of an instalment, it is treated as an agreement to hire with the provisions that when the last instalment has been paid the goods shall become the property of the hirer. A clause provides that in case of default in the payment of any instalment or breach of certain other clauses in the agreement, all previous payments shall be forfeited to the "lessor" or "lender", who can take possession of the goods.

It would be unfair to say that the "lessor", firmly intending that the document which his salesman presents to the housewife for signature shall not confer on her or her husband the immediate ownership of the goods, has purposely had it so obscurely drawn that the housewife will not realise that fact. The majority of the great organisations specialising in hire-purchase business are scrupulously above board, and bring comfort and modest luxury within the reach of young householders

who could not, but for the system, aspire to them for years, whatever the social reformer may say about the temptation to reckless buying; as is proved by the fact that the bad debts incurred in this type of business in the United Kingdom are not more than 2 percent. But we are not concerned here about the bicycle, wireless or T. V. Set, gramophone, piano, refrigerator, or—to quote Cecil Chisholm in an interesting article on the subject—even the Bible which Mrs. Brown or Mr. Johnson are tempted to buy or hire. What we are concerned with is the document they are called upon to sign; and that it is suggested that of the four million or so Mrs. Browns and Mr. Johnsons who sign these documents annually in Britain, the majority are under the honest impression that the goods are their own property, though not yet fully paid for. And it often is so in actual fact. In a doubtful case, a judge will look to the true nature of the transaction, and a very difficult task indeed it turns out to be. And in particular cases of these documents of sale pretending to be a "lease" or of "lease" pretending to be a sale, judges have differed as to what they actually are ever since the confusing decision some 70 years ago in the leading case *Helby v Matthews*. The distinction is an important one all the same. If the so-called "hire-purchase" is in fact a sale, there can be nothing criminal in Mrs. Brown selling her suite of furniture or vacuum cleaner, her piano or her Bible (notwithstanding the moral injunctions to the contrary therein) though she may have paid only the first instalment on it, for the article is her property. On the other hand, if the document is nothing more than a hiring agreement, though Mr. Johnson may have paid every instalment, except the last one, which is in arrears, on his hired motor-cycle, there may be no criminal or even civil liability on the part of the "lessor" if he re-takes possession of the machine and re-sells it at a profit (previous payments being forfeited to him by the clause in the agreement dealing with the consequences of non-payment of any instalment) provided he re-takes possession lawfully and by due process.

In the case of the great retail trading houses, these documents are prepared by eminent lawyers with much care, and have stood the test of time and the law courts. But even with the big companies, and much more so in the case of compara-

tively small concerns, confusion as to the legal rights of the two parties to the agreement is quite frequent; and the reason is that it is a matter of some difficulty, even with the most expert legal assistance, to eat one's cake and have it too—for A to give lawful possession of his goods to B, who is under the reasonable impression contributed to by A that he, B, has bought them, whereas the lawful ownership remains with A. What, then, is A's remedy when hirer or hire-purchaser B sells the sewing machine or radio before he has paid for it in full? The answer, it is submitted, is for A to seek his remedy in the civil courts, but never or hardly ever in the criminal ones, especially in India, where the legal presumption that every accused is considered innocent until he has been proved guilty is much more strongly observed by the magistracy in general than it is in Britain, and where the courts, very rightly, will not readily impute to an Indian citizen awareness of the criminal implications arising from a complicated legal document printed in English. In nine cases out of ten, it will be impossible for A to prove that essential element of a criminal offence, *mens rea*, which we may roughly interpret as a guilty mind directed to a guilty purpose. B will say that he had certain rights in that sewing machine and that he honestly thought that those rights included the right to dispose of it, the ownership having passed to him. The disposal by B of the goods hired or "hire-purchased" before he has paid for them is putting the case about as high as it can be put from a criminal point of view, and if A should be wary about launching criminal proceedings in such an event, he should evince much more caution where his grievance relates to the breach of some other condition of the agreement.

The latest reported Indian case on the subject is instructive. The petitioner, referred to in the agreement by the incongruous term "the lessee", was charged with having committed criminal breach of trust in connection with a refrigerator and radiogram, in violation of hire-purchase agreements of which the principal terms and conditions were that he was to pay Rs. 100 as initial payment by way of hire and thereafter he was to pay Rs. 100 a month towards hire for 24 months. It was further stipulated that if any monthly hire was left unpaid, the complainant firm might terminate the agreement and recover possession of the article in question. It was also stipulated that during the currency of the contract of hire, the petitioner was to have no right of property or lien in the articles. The petitioner, it was further alleged, failed to pay the stipulated hire for several months, whereafter the contract of hire was terminated on a certain date; and as there was failure to deliver back the articles, the two complaints were preferred in court, charging the petitioner with criminal breach of trust under Section 406 of the Indian Penal Code. While these two criminal cases were pending against the so-called "lessee" of the refrigerator and radiogram before a Presidency Magistrate, Calcutta, he applied to the Calcutta High Court to have them quashed on the ground that even assuming the facts to be as alleged, the criminal charges were not sustainable.

"The agreement of hire," said Debabrata Mukherjee J., "is on the face of it a contract entered into between the parties evidencing an arrangement between them as respects hire of certain articles, which hire was, in the course of time, to ripen into purchase. The fact remains that the accused petitioner is treated as having certain rights. Whatever these rights may have been, he was entitled to keep and possess the articles which were the subject matter of the contract. But filled the other conditions of the contract, the lessor from the bundle of rights belonging to him and some sticks appear to have been taken away and the lessee is to be treated as a person having some rights under the contract of hire. The contract embodies certain conditions and it is the breach of some of the conditions that forms the subject-matter of the present criminal proceedings. It seems to me that mere failure to pay the instalments of hire will not make out a case of criminal breach of trust...the case of mere breach of hire agreement cannot possibly form the subject-matter of a criminal charge....(The) complainant has his remedy in the civil court. I am not suggesting for a moment that simply because there is a civil remedy available, the criminal court will be an appropriate case to be deprived of its jurisdiction. What I wish to say here is that the allegations point to a civil dispute between the parties and do not contain the kernels of a criminal case...That being so, I think the present proceedings are misconceived." His lordship, thereupon, quashed the criminal proceedings. (61, C.W.N. 21st January, 1957. P. 210).

"Instalment selling" by C. Chisholm, Editor of *System*.

NEW COMMITTEE OF BENGAL CHAMBER
The Committee of the Bengal Chamber of Commerce and Industry for 1957-58 has Mr. W. H. S. Michelmores as president (Bird and Co. Private Ltd.). The vice-president is Mr. D. F. Macmillan (Andrew Yule and Co. Ltd.). Other members are Mr. J. D. K. Brown (Jardine Henderson Ltd.), Mr. G. H. J. Clarke (Imperial Tobacco Co. of India Ltd.), Mr. N. D. Harris (Imperial Chemical Industries (India) Private Ltd.), Mr. R. R. Latimer (James Finlay and Co. Ltd.), Mr. J. Macfarlane (Macneil and Barry Ltd.), Mr. G. K. Macfarlane (Chartered Bank), Mr. A. T. Montgomery (Balmor Lawrie and Co. Ltd.), Mr. P. E. G. W. Parish (Gillanders Arbuthnot and Co. Ltd.), and Mr. H. M. L. Williams (Guest, Keen, Williams Ltd.).

A DITCHER'S DIARY

postpone it for some time. The first is the banning of hand-carts from the streets. This single reform would increase the speed of Calcutta's traffic considerably. I wonder how many cities with a population of over four million still permit such things to block their thoroughfares. Besides, it would end an evil which, to my mind, is worse than rickshaw pulling. Perhaps what Calcutta most needs is the determination to tackle her traffic problems before they get out of hand, something which London has obviously failed to do. Might I suggest that, as a start, a chair be created at the Calcutta University in that up-and-coming new science of Trafficology. That at least should throw some theoretical light on the subject.

Another interesting feature of western Europe's oil crisis, and the withholding of supplies of crude oil by Iraq and Saudi Arabia, is the new importance of Abadan. There, the refinery is reported to be working at about three-fifths of its pre-nationalisation capacity. For three years after Dr. Moussadeq's expropriation of the property, the refinery stood practically idle until the new agreement was made with the international consortium, and in those three years the pattern of the oil industry changed considerably. Far from collapsing when its property was nationalised, the Anglo-Iranian Oil Company, under its new name of British Petroleum, went from strength to strength as the price of its shares in the last couple of years has demonstrated. And what of Abadan itself? The famous refinery is now facing growing competition from new refineries built in Asia and Europe. Whereas before nationalisation three-quarters of the Persian oil output was refined at Abadan prior to sale abroad, now the market preference is for crude oil to be refined nearer the scene of its ultimate consumption. India, with its new refineries, is a good example of this trend. A factor likely to operate to Abadan's disadvantage is that it can only take tankers up to about 25,000 tons, whereas Bandar Mansur, further up the Persian Gulf, can take them up to 45,000. But although there is undoubtedly a movement towards larger tankers and to reducing the western world's dependence on the Suez Canal, navigational conditions in the Persian Gulf, which remains one of the world's chief sources of crude oil, may set a limit to their usefulness in the Middle East-European oil trade.

"A company's policy should be determined by its shareholders who subscribed to its capital. Such policy should stand on its own merits and on the convictions and conscience of its shareholders". I am sure that in the whole course of his distinguished career, Mr. Justice P. B. Mukherji of the Calcutta High Court has never spoken truer words than these. What struck me as being so strange is that he should have said them on the occasion of an application by the Indian Iron and Steel Company Limited for permission to devote a proportion of its funds to promoting the legitimate interests of precisely those shareholders he is so concerned about. If they had been addressed to the Government as fitting comment on its complete disregard for the interest of shareholders in steel firms generally, that would have been another matter. I agree entirely that, all other things being equal, it is not healthy in a democracy for companies to give money to political parties, although, of course, many do. But in India, other things are not equal. Far from there being any danger that the "voice of big business" will soon dominate politics, it is an ominous fact that, at the moment, it is scarcely heard at all. The result is that political parties

have to please only the trade unions and that proportion of the electorate dominated by self-seeking demagogues; shareholders, company managers and independent-minded voters are merely the victims of the subsequent share out. That is why I cannot agree with Mr. Justice Mukherji that it will be any worse for business and politics when companies can protect themselves and their shareholders than it is under the present conditions of complete official disregard for such interests. A company usually has better things to do with its resources than spend them on politics. It is only in the past year or so that the practice has been accepted among the more reputable as an essential investment in survival, and for this, the real enemies of democracy—the bad administrators, the vote-catching politicians and the "social-minded" labour tribunals—have only themselves to blame. The principle certainly has its dangers for fair competition between individual companies, although this is not something that should cause much heartache in a socialist society. But the regrets, if there are to be any, should be addressed to those whose contempt for the legitimate interests of private business have made such expensive self-protection an urgent necessity.

By now we must all be familiar with "Parkinson's Law" even if we do not agree that its anonymous discoverer is a Mr. Parkinson. Whatever his identity, there can be little doubt that the man is a genius and that the world is in urgent need of more of his investigations and recommendations. His latest discoveries, published in the *Economist* dated 16th and 23rd February, concern that interesting question—although perhaps not a burning one in a country like India where people retire early—at what age is the boss past his best, and how to get rid of him when it arrives. The retiring age is obtained by a complicated formula and for those requiring details my recommendation is that they read the article which appeared on the first of the dates mentioned above. It is the method of clearing the way that I found most interesting, and it is so simple I wonder why somebody has not thought of it before. It consists of two parts: air travel and the filing in of forms. As Parkinson says, "the high official who is given enough of each will very soon begin to talk of retirement". The opening step in the technique, so he points out, is to lay before the great man a programme of, say, a conference at Helsinki in June, a congress at Adelaide in July, and a convention at Ottawa in August, each lasting about three weeks. Whatever this kind of travel may do to broaden the great man's mind, it does nothing to cure his ulcers, soften his arteries, or titivate his liver. On no account is a sea trip permitted. For one thing it is too restful; for another, it does not involve enough form filling. About the forms, Parkinson's three requirements are that they should be obscure, lack space, and carry the heaviest penalties for incorrect completion. For bosses in India, note, air travel may not even be necessary. But I am beginning to feel like a critic who tries to obscure his ignorance of art by describing the picture. For those really interested there is the original. And should they feel they are conniving at their own removal, Parkinson has these words of comfort to say: "It will be obvious at once that our own case is entirely different from any other case we have so far considered. We do not claim to be outstanding in any way but it just so happens that there is no possible successor in sight. It is with genuine reluctance that we agree to postpone our retirement for a few years, purely in the public interest." I sincerely hope Mr. Parkinson has no thought of retiring yet.

THE DITCHER.

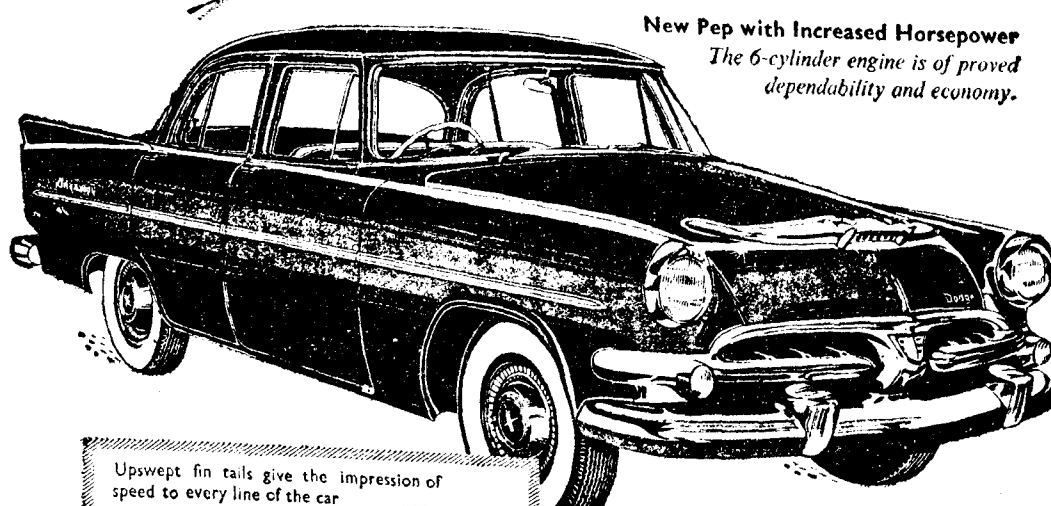
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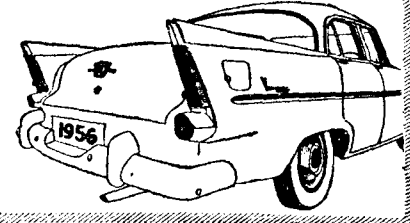
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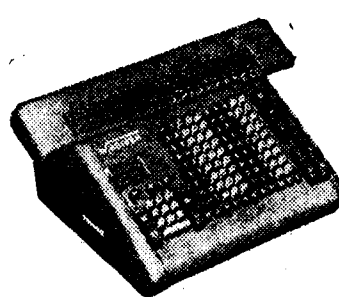
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Vice-Chairman — Shri Vaikunth L. Mehta
Managing Directors — Shri B. P. Patel, I.C.S.,
Shri T. S. Ragavachary
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Shri Badridas Goenka
Shri S. V. Ramamurthy
Shri Pratapsinh Mathuradas
Shri George M. Mackinlay
Shri A. M. M. Murugappa Chettiar
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Shri R. G. Saraiya
Shri A. D. Gorwala
Shri D. R. Gadgil
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Shri Satya Paul Virmani
Shri Machani Somappa
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BALANCE SHEET OF THE STATE BANK OF INDIA AS AT 31ST DECEMBER, 1956.

CAPITAL AND LIABILITIES	Rs.	a.	p.	Rs.	a.	p.	PROPERTY AND ASSETS	Rs.	a.	p.	Rs.	a.	p.
1. Capital:							1. Cash:						
Authorised Capital—20,00,000 shares of Rs 100 each	20,00,00,000	0	0				In hand and with Reserve Bank (including foreign currency notes)	24,52,12,098	10	0			
Issued, Subscribed and Paid-up Capital—(pursuant to Section 5(1) of the State Bank of India Act, 1955)—5,62,500 shares of Rs 100 each				5,62,50,000	0	0							
2. Reserve Fund and Other Reserves				6,37,50,000	0	0	2. Balances with other Banks:						
2A. Integration and Development Fund (maintained under Section 36 of the State Bank of India Act, 1955)				24,75,000	0	0	On current account On deposit						
3. Deposit- and Other Accounts:							(i) In India Rs. Rs.						
Fixed Deposits	37,15,69,789	7	6				(ii) Outside India Rs. Rs.	3,25,75,749	8	11	3,25,75,749	8	11
Savings Bank Deposits	31,04,63,523	5	0										
Current Accounts, Contingency Accounts, etc.	173,91,97,484	9	3	242,12,30,797	5	9	3. Money at Call and Short Notice						
4. Borrowings from Other Banking Companies, Agents, etc.							securities valued in accordance with Regulation 73:						
(i) In India	16,00,00,000	0	0				shares, debentures or bonds at or below cost						
(ii) Outside India	1,27,00,000	0	0	17,27,00,000	0	0	(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments	93,80,71,576	9	11			
Particulars:							(ii) Shares authorised under the State Bank of India Act, 1955	61,75,618	7	0			
(i) Secured by Government Securities and Bills Discounted per contra	17,27,00,000	0	0				(iii) Debentures or Bonds	1,09,83,750	0	0			
(ii) Unsecured	17,27,00,000	0	0				(iv) Other Investments—Pakistan and other Government Securities, etc.	11,35,47,330	5	3	106,87,78,275	6	9
5. Bills Payable				4,59,11,751	14	5	10F. of which investments of the face value of Pakistan Rs 2,57,10,900 are pledged against borrowings from other Banks, Agents, etc. per contra						
(i) Payable in India	38,88,005	8	11				5. Advances:						
(ii) Payable outside India	26,43,360	13	8	65,31,366	6	7	(I) Loans, Cash Credits, Overdrafts, etc.—						
7. Other Liabilities:							(i) In India	Rs. 103,46,93,068	12	9			
*Dividend for the current year	90,00,000	0	0				(ii) Outside India	Rs. 4,00,65,022	1	1	107,41,58,091	8	10
Unclaimed Dividends	1,972	3	0				10F. (II) Bills Discounted and Purchased—						
Inter-Office Adjustments (including Rs 2,87,208-10-2 due to Imperial Bank of India)	1,99,69,832	9	10	2,89,71,804	12	10	(i) Payable in India	Rs. 30,45,41,226	15	11			
8. Acceptances, Endorsements and other Obligations per contra				8,21,822	3	5	(ii) Payable outside India	Rs. 2,29,00,519	15	0	32,74,41,746	14	11
9. Profit and Loss:							10F. of which bills of the value of Rs 24,03,00,000 are held by the Reserve Bank of India as security against borrowings as per contra						
Balance brought forward from last year	34,37,334	14	8				Particulars of Advances:						
Profit for the year	1,56,18,326	11	9				(i) Debts considered good in respect of which the Bank is fully secured	Rs. 129,31,08,391	11	6			
Amount set aside for payment of Dividend	90,00,000	0	0	1,90,55,661	10	5	(ii) Debts considered good for which the Bank holds no other security than the debtors' personal security	1,23,40,112	1	0			
Amount transferred to Reserve Fund	2,50,000	0	0				(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	9,61,51,274	11	3			
Amount transferred to Pension Funds	6,14,300	0	0				(iv) Debts considered doubtful or bad, not provided for						
Bonus to Staff	40,00,000	0	0				(v) Debts due by Directors or Local Board Members or Officers of the Bank or any of them either severally or jointly with any other persons	3,53,554	6	5			
Amount transferred to Staff Welfare Fund	10,00,000	0	0	41,91,361	10	5	(vi) Debts due by companies or firms in which the Directors or Local Board Members of the Bank are interested as directors, partners or managing agents or in the case of private companies as members	20,84,65,752	12	8			
10. Contingent Liabilities:													
Claims against the Bank not acknowledged as debts	5,81,858	2	5										
Bills of Exchange rediscounted													
Outstanding Forward Exchange contracts	28,43,18,957	5	6										
Guarantees given on behalf of Directors, Local Board Members or Officers of the Bank	62,692	12	10										
Guarantees given on behalf of others	12,55,84,873	8	4										
*Of which Rs. 49,50,000 is to be credited to the Integration and Development Fund (item 2A above) bringing the amount in the said Fund to Rs. 74,25,000.													
Carried over				280,28,33,904	5	5	Carried over				275,89,32,568	11	9

STATE BANK OF INDIA

BALANCE SHEET OF THE STATE BANK OF INDIA AS AT 31ST DECEMBER, 1956, Cont'd.

CAPITAL AND LIABILITIES—Cont'd.	Rs.	a.	p.	Rs.	a.	p.	PROPERTY AND ASSETS—Cont'd.	Rs.	a.	p.	Rs.	a.	p.
Brought forward	...			280,28,33,904	5	5	Brought forward	...			275,89,32,568	11	9
							Particulars of Advances—Cont'd.						
							(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Local Board Members or Officers of the Bank or any of them either severally or jointly with any other persons	3,71,004	5	3			
							(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the Directors or Local Board Members of the Bank are interested as directors, partners or managing agents or in the case of private companies as members	20,99,17,974	11	4			
							(ix) Due from banking companies	8,54,92,061	1	6			
							6. Bills Receivable being Bills for Collection as per contra:						
							(i) Payable in India	38,88,005	8	11			
							(ii) Payable outside India	26,43,360	13	8	65,31,366	6	7
							7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations—per contra				8,21,822	3	5
							8. *Premises less Depreciation:						
							Total Cost up to the 31st December, 1955	1,16,99,825	5	10			
							Additions (Rs. 1,48,197-10-0) less Deductions (Rs. 4,77,840-1-2) during the year	3,29,642	7	2			
							Amount transferred from the Imperial Bank of India during the year	10,57,641	4	4			
							Depreciation written off up to the 31st December, 1956 less depreciation previously provided on property which has passed out of the Bank's possession	1,24,27,824	3	0			
							9. *Furniture and Fixtures less Depreciation:				4,49,678	0	0
							Total Cost up to the 31st December, 1955	50,37,487	3	6	1,19,87,146	2	0
							Additions (Rs. 14,02,016-6-8) less Deductions (Rs. 24,838-3-11) during the year	13,77,178	2	9			
							Amount transferred from the Imperial Bank of India during the year	64,14,665	6	3			
							Depreciation written off up to the 31st December, 1956 less depreciation previously provided on property which has passed out of the Bank's possession	4,83,980	1	7			
							10. Other Assets, including Gold and Silver:				68,93,645	7	10
							Bullion				9,40,706	7	9
							Adjusting Account of interest commission, etc.	1,18,08,047	10	0	59,67,945	0	1
							Stationery, Stamps, Suspense, etc.	68,95,008	2	6			
							11. Non-banking Assets Acquired in Satisfaction of Claims						
							12. Profit and Loss						
							*Note—Includes Rs. 1,30,705-8-6 (against which a sum of Rs. 32,947-10-0 is still to be received) being written down value of certain Pakistan assets sold, pending completion of formalities.						
							Total				280,28,33,904	5	5

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1956.

EXPENDITURE	Year ended 31-12-1956 Rs.	a.	p.	INCOME (less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Year ended 31-12-1956 Rs.	a.	p.
1. Interest paid on Deposits, Borrowings, etc.	1,58,87,349	9	7	1. Interest and Discount	6,19,35,417	14	8
2. Salaries and Allowances and Provident Fund (including Salaries and Allowances of Chairman Rs. 51,890-14-3 and Managing Directors Rs. 1,07,208-13-2 for the year)	4,38,16,064	10	0	2. Commission Exchange and Brokerage	2,43,82,560	5	0
3. Directors' and Local Board Members' Fees and Allowances	96,320	0	0	3. Rents	3,34,583	11	4
4. Rent Taxes, Insurance, Lighting, etc.	23,84,490	9	4	4. Net Profit on Sale of Investments, Gold and Silver Land Premises and other Assets			
5. Law Charges	1,14,096	5	3	5. Net profit on revaluation of Investments, Gold and Silver, Land, Premises and other Assets			
6. Postage, Telegrams and Stamps	18,58,426	7	5	6. Income from Non-banking Assets, and Profit from Sale of or Dealing with such Assets			
7. Auditors' Fees	50,000	0	0	7. Other Receipts			
8. Depreciation on and Repairs to the Bank's Property	14,35,780	2	11	8. Loss			
9. Stationery, Printing, Advertisement, etc.	25,20,581	13	2				
10. Loss from Sale of or Dealing with Non-banking Assets							
11. Other Expenditure	28,71,125	9	7				
12. Balance of Profit	1,56,18,326	11	9				
Total	8,66,52,561	15	0	Total	8,66,52,561	15	0

TO THE PRESIDENT OF INDIA.

We, the undersigned Auditors of the State Bank of India appointed under Section 41(1) of the State Bank of India Act 1955, do hereby report to the Central Government upon the Balance Sheet and Accounts of the Bank as at the 31st December, 1956.

We have examined the above Balance Sheet and the Profit and Loss Account and the Accounts relating thereto of the Central Office and the Local Head Offices at Bombay and Calcutta and the Returns submitted and certified by the Secretary and Treasurer of the Local Head Office at Madras and by Branch Agents, which Returns have been incorporated in the above Balance Sheet and Accounts, and report (i) that in our opinion, the Balance Sheet is a full and fair one, containing all the necessary particulars and properly drawn up so as to exhibit a true and correct view of the affairs of the Bank, according to the best of our information and the explanations given to us and as shown by the Books of the Bank; (ii) that we have called for any explanation or information such explanation and information have been given to us and have been satisfactory; (iii) that the transactions of the Bank have been conducted for the purpose of our audit; (iv) that the Returns received from the Local Head Office at Madras and from the Branches of the Bank have been found adequate and correct; and (v) that the Profit and Loss Account shows a true balance of profit for the period covered by such account; (vi) that in our opinion, the Balance Sheet and Profit and Loss Account are drawn up in conformity with the law; and (vii) that in our opinion, Books of Account have been kept by the Bank as required by law.

The audit of the Books and Accounts of the Central Office has been carried out jointly by Messrs S. B. Billimoria & Co. and Messrs. Ray and Ray. The audit of the Books and Accounts of the Local Head Offices has been carried out at Bombay by Messrs. S. B. Billimoria & Co. and at Calcutta by Messrs. Ray and Ray.

S. B. BILLIMORIA & CO.
RAY & RAY,

NEVILLE N. WADIA,
J. D. CHOKSI,
R. G. SARAIYA,
A. D. GORWALA,
A. M. M. MURUGAPPA CHETTIAR,
PRATAPSIKH MATHURADAS,
B. VENKATAPPAH,
BADRIDAS GOENKA,
G. M. MACKINLAY.

Auditors.

Directors.

H. V. R. IENGAR, *Chairman*.
VAIKUNTH L. MEHTA, *Vice Chairman*.
B. P. PATEL,
T. S. RAGAVACHARY, *Managing Directors*.

7th February, 1957.

APPROPRIATION OF PROFITS

The Directors report that the usual and necessary provisions having been made the net profit of the Bank for the year ended the 31st December, 1956 amounted to Rs. 1,56,18,326-11-9 which, with Rs. 34,37,334-14-8 brought forward from last year makes a total of Rs. 1,90,55,661-10-5. This sum the Directors of the Bank have disposed of as follows:—

	Rs.	a.	p.
1. In payment of a Dividend to the Shareholders at the rate of Rs. 16 per share	90,00,000	0	0
2. Transferred to Reserve Fund	2,50,000	0	0
3. Transferred to Pension Funds	6,14,300	0	0
4. Bonus to Staff	40,00,000	0	0
5. Transferred to Staff Welfare Fund	10,00,000	0	0
6. Balance carried forward to the Profit and Loss Account	41,91,361	10	5
Total	1,90,55,661	10	5

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(FROM OUR NEW DELHI CORRESPONDENT)

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another German firm for setting up a newsprint factory are still in an exploratory stage.

Visit of Egyptian Trade Mission

An Egyptian trade delegation will arrive here shortly to discuss with the Government of India the question of Egyptian cotton prices and supply during 1957.

Delegation from Finland

A trade and goodwill delegation from Finland is arriving on a 15-day tour to explore the possibilities of expanding trade between India and Finland and to study the prospects for industrial development under the second five year plan. The delegation will be led by Mr. Leo Tuominen, Secretary-General of the Finnish Ministry of Foreign Affairs. It will include leading industrialists and business men and will visit Calcutta, Madras, Bangalore and Bombay before arriving in New Delhi on 17th March. India's exports to Finland in 1955-56 were valued at Rs. 3.4 crores, against Rs. 1.8 crores in 1954-55 and Rs. 1.3 crores in 1953-54. Her imports from Finland were worth Rs. 2.7 crores in 1955-56, Rs. 2.15 crores in 1954-55 and Rs. 1.9 crores in 1953-54. India's exports during the period April to October, 1956, were worth Rs. 2.6 crores, against imports worth Rs. 1.52 crores during the same period. The main items exported from here are spices, jute goods, coir and yarn manufactures, raw cotton and cotton waste. Imports from Finland consist mainly of paper, pasteboard and stationery, textile materials, wood and timber manufactures, and wood and timber.

Delegations to E.C.A.F.E. Meetings

The Joint Secretary to the Ministry of Commerce, Mr. K. B. Lal, will lead the Indian delegation to the E.C.A.F.E. meetings.

tion to the Trade and Commerce Committee of E.C.A.F.E. which is to meet in Bangkok. The Commerce Minister, Mr. D. P. Karmarkar, will lead the Indian team to the E.C.A.F.E. conference in Bangkok, to be held from 15th March.

Reports on Heavy Industries

The Jehangir Ghandy committee is examining the British and Russian reports on the practicability of establishing heavy industries in India. Meanwhile, the Russians have submitted a separate report on a project to manufacture coal-mining machinery. This report, in addition to the project reports on forges and foundries, has also been referred to the Jehangir Ghandy committee.

Programme for Rice Imports

The entire 60,000 tons of rice which it was agreed to import from China arrived last month. Future imports of rice, under the commitments already made, will be from only two countries, Burma and the U.S.A. (except for the balance of 400 tons which is being returned by Pakistan against the rice taken by her on loan). Under the Indo-Burmese agreement, India is to purchase 2 million tons of rice over a period of five years from 1956 to 1960. During 1956, it was proposed to import 300,000 tons. Only 20,000 tons were left over from this programme for arrival in January. For 1957, the programme is to import 500,000 tons of rice from Burma according to the following schedule: 40,000 tons in January, 50,000 tons in February, 60,000 tons in March, 60,000 tons in April, 60,000 tons in May, 60,000 tons in June, 60,000 tons in July, 60,000 tons in August, 60,000 tons in September, and 50,000 tons in October.

The total amount for rice under the recent agreement with the U.S.A. is \$26.4 million. This

is expected to buy about 190,000 tons. So far, 18 steamers for a total of about 166,000 tons have been fixed. Ten steamers have already sailed with 92,600 tons, of which four arrived in India in January with 37,189 tons. Eight steamers are expected to sail before the end of this month. The expected arrivals of these 14 steamers in India are as follows:

	February	17,919 tons
	March	46,497 tons
	April	64,400 tons
		166,006 tons

It is estimated that at least two more steamers will have to be fixed to utilise the entire amount of aid for rice. The total expected arrivals of rice from Burma and the U.S.A. will be:

	In thousand tons		
	Burma	U.S.A.	Total
February 1957	42.5	17.9	60.4
March 1957	72.5	46.5	119.0
April 1957	50.0	64.4	114.4

* (In addition, about 400 tons are expected from Pakistan).

Wheat Imports

India is at present getting wheat from only two sources—Australia and the U.S.A. The latest position may be outlined as follows: At the beginning of the year, a balance of about 156,000 tons (17 steamers) had already been authorised for purchase from Australia. This included the eight cargoes which were authorised in December, 1956. Of this 156,000 tons, about 67,600 tons arrived in January. Arrivals during February are expected to be approximately 25,800 tons, and during March about 62,600 tons. All the steamers, except five carrying approximately 49,400 tons, have already sailed from Australian ports. The remaining five are expected to sail before the end of this month. It can, therefore, be assumed that the entire quantity from Australia will have arrived by the end of next month.

The total aid for wheat from the U.S.A. under the recent agreement is \$200 million. Shipments began in September, 1956, and until 13th February, 1957, about 578,000 tons had been despatched. Of these, 267,054 tons had arrived by the end of January. The expected arrivals were 151,300 tons in February, and 165,900 tons in March. It is thought that the total quantity shipped during February may be about 200,000 tons, part of which will reach India in March. In fact, this quantity will be the largest so far shipped in a single month, as the following figures show:

	October 1956	86,465 tons
	November 1956	94,932 tons
	December 1956	155,530 tons
	January 1957	152,825 tons

The port-wise figures for the monthly arrivals of U.S. wheat up to the end of January 1957 are:

	Bombay	Calcutta	and Total
	lightening ports		
November 1956	36,968	1,733	38,701
December 1956	89,003	17,240	106,243
January 1957	100,167	21,943	122,110
	226,138	40,916	267,054

Total arrivals of wheat from Australia and the U.S.A. during February, March and April are expected to be as follows:

	Australia	U.S.A.	Total
February	25.8	151.3	177.1
March	62.6	165.9	228.5
April	nil	200.0	200.0

Visit of U.S. Trade Mission

The visits to New Delhi of the U.S. trade delegation and of Mr. John B. Hollister, Director of the International Co-operation Administration, have helped a great deal in clearing up the misunderstanding prevailing in the U.S.A. about India's economic policy in general and the Government's attitude towards the private sector in particular. The U.S. trade mission started its tour in a business-like manner. Discussions showed that the demand for consumer goods in the U.S.A. was on the increase and in India consumer goods were being equated with handicrafts. India, more over, was exercising an increasing influence on the fashions in the U.S.A. The mission studied the working of the private sector, particularly in trade. It saw how important it was for the Government to take the initiative in many fields. The private sector often does not take advantage of the facilities created for it by the Government.

A visit by the financial editors of some leading American newspapers is being discussed here.

Long-term Credits from Western Germany

Mr. Berthold Beitz, chairman of the executive board of Fried Krupp, Essen, is expected in New Delhi shortly. He will discuss with the Government the question of increasing collaboration on the basis of the latter's new long-term credit policy, which says that 20 percent of the foreign exchange part of the cost will be paid in cash, and the remainder in seven annual instalments starting from the plant and machinery has been received in India.

London

PROSPECTS OF U.K. PAYMENTS SURPLUS THIS YEAR

MEASURES TO INCREASE EXPORTS NECESSARY

(FROM OUR LONDON CORRESPONDENT)

THIS despatch will probably be carried to India by the first Bristol Britannia propeller-turbine airliner to go into regular service for B.O.A.C. on the London-Sydney route to show a saving of about 30 hours on the whole trip, due mainly to the elimination of the overnight stop in Singapore which had to be made by the Constellations. That will help speed the good news that the Treasury now takes a more optimistic view of the possibility that the balance of payments will be in surplus during the present calendar year. The latest Bulletin for Industry says: "The crisis in the Middle East has worsened the United Kingdom's balance of payments, chiefly through its effects on oil. More dollar oil has to be purchased at high prices; and less sterling oil has been shipped from the Middle East. So Britain's balance of payments surplus in 1957 will be smaller than it otherwise would have been." It goes on, however, to emphasise the urgency of our need for a really large surplus. A regular annual rise of some 4 percent in the volume of British exports is needed merely to maintain normal economic expansion in this country, the Treasury writer states. To achieve the surplus needed, an even greater annual increase in exports will have to be brought about. Last year, the volume of exports rose 6 percent. This included a large increase of shipments to France and to India which may not be repeated; and while the prospects in the dollar markets and in parts of western Europe are good, trade may be more difficult in parts of the Middle East. From this analysis, the Treasury writer draws a conclusion, which may well reveal what is at present in the minds of the policy-makers in Whitehall: "It must, therefore, continue to be a main aim of policy to keep an economic climate in this country which favours and fosters export expansion."

More Budget Advice

There appears to be little conflict of opinion that Mr. Thorneycroft's forthcoming Budget will play a major part in achieving this objective. The Trades Union Congress heads its list of proposals to the Chancellor with a request that the Government set up "an authoritative enquiry" into Britain's export trade. It also calls for measures to prevent industrial investment from falling and believes that the best way of accomplishing this would be for the Chancellor to make larger initial allowances for investment available to essential industries and services. These allowances should be granted on a selective basis to firms which most broadly represent the national interest. More generally, the T.U.C. takes exception to the Government's credit squeeze and other anti-inflationary measures as threatening both the maintenance of full employment and the raising of living standards. It says it is important that this year's budget should be used to restore people's confidence in the Government's "ability and willingness" to pursue those two goals. It favours credit concessions in taxation, some relaxation of credit policy and the cutting of defence expenditure, but opposes any reductions or limitations on the social services which would impair their efficiency. Finally, the T.U.C. reiterates some of its old proposals—the removal of purchase tax on kitchenware, household goods, clothing, footwear, textiles and furniture; income tax relief for the lower wage and salary earners and the introduction of a capital gains tax.

The Federation of British Industries naturally looks at the economic situation from a rather different viewpoint. It has asked the Chancellor of the Exchequer to give immediate tax relief to companies and individuals. While repeating that the country's troubles cannot be cured without a "deep and searching" reduction of Government expenditure, the Federation suggests that certain tax reductions can be made at once without risk of deficit financing and without risk of a general increase in personal consumption. Relief is asked for particularly at two "strategic points." The first is the burden which falls on company reserves. It is suggested that the two profit taxes should be combined into a flat tax of not more than 5 percent and that the investment allowances should be restored with effect from the time of their suspension. The second point is the restoration of incentives for people earning £2,000 and over. For the present, the Federation urges that there should be a considerable extension of earned income tax. Beyond these proposals for the coming Budget, the Federation makes yet another plea for a drastic reduction of the demands for economic resources made by the State. If only this Federation reform could be carried through, the Federation maintains that inflation would subside and productive activities would grow quickly to the point where the country's external position would be secure. Further reductions in the general level of taxation would then become feasible.

Industrial Production Index Static

There will probably be some disappointment that there is as yet no decisive evidence of a revival in industrial production, which has now remained at the same general level for over a year. The

Central Statistical Office states that the provisional index of industrial production for January is expected to be 137 to 138, which is one to two points below the figure for January 1956. The main change between these two months was a drop of 37 percent in the output of cars, and of 32 percent in commercial vehicles. Electricity generated was about 1 percent up and the production of sulphuric acid 3½ percent up. The index for December 1956 is estimated at 134, compared with a revised figure of 146 for November. Figures for the corresponding months in the previous year were 130 for December, and 147 for November. It is true that adjustment for seasonal factors and averaging out the three months' figures shows a fall of about two points compared with last year, but one must not forget the impact of the Suez closure on activity in certain industries. Allowing for this, production is probably holding up reasonably well. In some other respects, the news is definitely encouraging. According to the provisional statistics issued by the Ministry of Power, British miners dug 4,754,000 tons of coal during the week ended 23rd February. This was 24,800 tons more than in the previous week and 265,700 tons more than in the corresponding week of last year. Production so far this year, at 36,727,800 tons, is 1,244,200 tons higher than in the corresponding period of last year. Mr. Maundling has since reported most favourably on all aspects of the coal situation in the House of Commons, and it is evident the miners are doing a good job. If man-shift output could also be increased, our fuel difficulties would be over, but the labour situation generally is bedevilled by too many "ifs" and "buts." Good also is the news of the signing of an agreement with the Export-Import Bank of Washington, which establishes a \$500-million line of credit in favour of the United Kingdom. This will enable Britain to recoup a substantial part of the dollar expenditure on goods and services during the next 12 months. It will facilitate, for example, purchases of oil from the United States and Venezuela to make up for the fall in Middle Eastern supplies. Britain will pay interest at 4½ percent on any money drawn. When and how much to draw will be matters for Treasury judgment from time to time. "We are not pressed for this loan," the Chancellor told the House of Commons. "There is no immediate need for it." For every \$100 million borrowed, the Government will deposit as collateral \$120 million of British-held American securities. The interest on these will still accrue to Britain.

Trade Unions and Automation

Industrial disputes are on the increase despite the fact that unemployment is growing. In January, about 132,000 working days were lost—99,000 more than in the previous month and 49,000 more than in January last year. This is a serious matter in present circumstances, for the economy is still precariously balanced. With so many wage claims outstanding, and labour disturbed on a number of points while employers seem more inclined to adopt a firmer attitude in the face of declining profits and increasing competition, the prospects of a period of stability on the labour front are not exactly bright. It is significant that recent evidence of a better outlook for the motor industry, which was brought out in the Parliamentary debate on the motion for an enquiry into the working of that industry, did little to assuage trade union fears. The Briggs dispute has not helped matters either. The Government's handling of this problem, and Mr. Thorneycroft's policy as disclosed by his budget, may prove decisive factors. Trade unions throughout Britain are to take part in a series of discussions on the introduction of automation. They will meet at the invitation of the Trades Union Congress as groups according to the industries in which they are concerned. The T.U.C. General Council holds the view that automation can be considered to the best advantage within the framework of general technological development and in the light of social and economic changes. It believes that there is more to fear from automation being introduced too slowly rather than too quickly.

Bank of England Changes

With the easing of restrictions on foreign payments over the last few years, the exchange control department of the Bank of England has now

been reduced to a skeleton organisation, capable of being rebuilt if needed, but otherwise turning its attention to other matters. Exchange control is ceasing to be a separate department of the Bank and is becoming instead part of the responsibility of the Chief Cashier. In its place, a new "overseas" department is being created. There is still plenty of work on the overseas side. Apart from all the normal contacts between central banks, there is the provision of information to the Bank's own senior officials (as background to movements of foreign money and in the exchanges) and there is the growing field of advising the new central banks now being set up in the Commonwealth. The Bank of England is helping in forming the banks in the Gold Coast, Malaya and Nigeria. The head of the new "overseas" department is Mr. G. M. Watson, who recently led a mission to Malaya to advise on banking there, and his deputy is Mr. L. F. Creak, who is also much travelled and experienced in these matters.

Restrictive Practices Developments

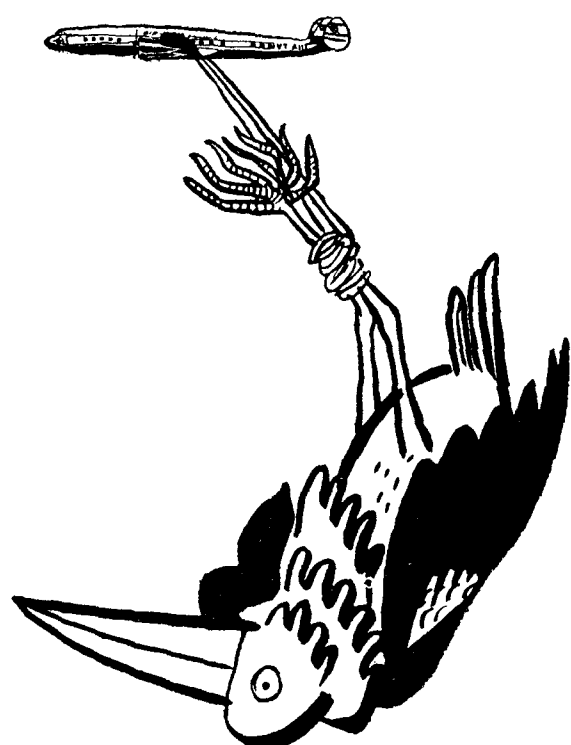
Some of the price rings with which British industry appears to be riddled are crumbling. This is the first clear indication that the Government's new anti-monopoly legislation is doing its job. Trade associations are withdrawing or modifying some price agreements, to avoid registration under the Restrictive Trade Practices Act. Those industries which do register will be liable to justify their practices at law, before the new Restrictive Practices Courts. The Tobacco Trades Association has been abolished, the television tube makers claim to have abandoned their price ring, and the British Motor Trade Association is negotiating alterations in its agreements to make registration unnecessary. Other trade associations, however, are standing firm on their agreements and intend to register them, including the tyre industry, whose practices were condemned by the Monopolies Commission a year ago. A similar response may be expected from the electrical machinery manufacturers, on whom the Monopolies Commission has just reported. It has condemned as "against the public interest" the agreements governing the sale at home and abroad of heavy electrical machinery. In 1952, the last year for which the Commission quotes figures, 97 percent of the heavy electrical generating plant sold in Britain—most of it to the Central Electricity Authority—was supplied under agreements which "operate against the public interest in as much as they support the common price system." Replying to these charges, the manufacturers say the companies concerned do not intend to discontinue the condemned practices.

Shipping Tax Problems

In its annual report for 1956-57, the U.K. Chamber of Shipping devotes considerable space to "the astonishing disregard of the practical shipping issue" in all the discussions which have taken place in connection with the clearance of the Suez Canal. "Flags of convenience" competition also comes in for criticism, and this leads naturally to the vexed question of taxation of the shipping industry. The report makes the point that, although the investment allowance for ships has been maintained, the 20 percent still leaves a gap between the total capital allowances made for tax purposes and the current cost of replacing the annual wastage of the fleet. In face of tax and other handicaps, the size of the U.K. merchant fleet has been maintained and is now slightly increasing. The report points out, however, that the dry cargo fleet, especially tramp tonnage, has remained almost static, while the increase in U.K. tanker tonnage has not kept pace with the increased demand for oil.

Trade Agreement with Japan

New Anglo-Japanese trade and payments agreements were signed by Mr. W. D. Ormsby-Gore, Minister of State for Foreign Affairs, and Mr. Nishi, the Japanese Ambassador, last week. The arrangements cover the period of one year ending 30th September, 1957, and maintain, with minor exceptions, all the trade quotas previously available to U.K. exporters. They allow for some small relaxations in restrictions on Japanese imports, while additional facilities have been obtained for British trade in Japan. As a result, there may be a small expansion of trade in both directions.



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Uttar Pradesh

TEXTILE BONUS DISPUTE GOES TO TRIBUNAL

LIFE INSURANCE EMPLOYEES NOT GOVERNMENT SERVANTS

(FROM OUR LUCKNOW CORRESPONDENT)

THE U. P. Government has referred the Kanpur textile workers' claim for bonus relating to the year 1955 to the State Industrial Tribunal in Allahabad. Bonus disputes in Kanpur have been referred for adjudication each year since 1951. The trade unions in Ahmedabad and Bombay have, during the last two years, been able to arrive at agreements with their employers on bonus issues. One of the merits of these agreements is that the workers get some bonus without their having to go to an industrial tribunal. Certain labour leaders have initiated a discussion in the Press whether it would not be in the long-term interests of both labour and capital in Kanpur to arrive at some such agreement and on similar lines.

Handicap for Small Producers

The lack of capital and marketing facilities are the two great handicaps in the development of U.P.'s small-scale industry, according to a study conducted under the auspices of the Ford Foundation in a small U.P. industrial township and in the brassware industry of Moradabad. A judicious loan programme and the setting up of an integrated marketing organisation have been suggested for the development of small-scale industries. The study revealed that the small-scale craftsman is not illiterate, backward or downtrodden. He is alive to the new demands of the market, he is skilled and efficient and has energy and the industrial outlook. His main drawback is his poverty and lack of capital. According to the report, he is squeezed out of the market primarily due to the latter handicap.

Life Insurance Corporation in Law

The Allahabad High Court has held that the Life Insurance Corporation of India is a statutory body and not a department of the Union Government, and that, consequently, the employees of the Corporation are not employees of the Government. The Court gave this ruling while dismissing a writ petition from a member of a municipal board against another. The contention was that since nationalisation of life insurance, the latter had become a Government servant and could not, therefore, be a member of a municipal board. Rejecting the contention, the Court said: "Having regard to the provisions of the Life Insurance (Emergency) Act of 1956, it cannot be held that the employees of the insurer company became the employees of the Central Government. The Central Government does not become a substitute for the insurer company by the coming into force of this Act." The Court further declared that the Corporation is "a distinct legal entity, created by statute, and has a perpetual succession with a right to hold and acquire property."

Bombay

COTTON FUTURES RISE FURTHER

FIRM TREND IN SPOT PRICES

(FROM OUR BOMBAY CORRESPONDENT)

RENEWED speculative support has given fresh impetus to the cotton futures market and prices continue to soar. The resumption of business in the Jarilla May and Vijay June contracts has failed to act as a restraining influence, and the futures markets has touched a new high with the Jarilla March contract at Rs. 745 and Vijay April contract at Rs. 852 a candy. Both these contracts have now crossed the "safety limit", and the recently devised sliding scale of margins is now in operation. The newly instituted contracts, however, are about Rs. 50 a candy below the futures quotations. The tightness of the spot market is reflected in the fact that only 50 candies were tendered on the opening day of the Jarilla March contract. The soaring futures market has not caused any great upsets because spot prices are also at a high level, and as long as no payment difficulties occur, futures trading can safely be left to itself. But the danger arises that speculative activity may divorce the futures market from the spot market and forward trading may degenerate into plain gambling. In these circumstances, a situation could arise in which hedge facilities would almost cease to exist. At the same time, a controversy has arisen over the recent amendments to the Jarilla contract under which four categories of Jarilla cottons have been established and only Madhya Pradesh 25/32 inch staple accepted as a basis. Opinion is divided on this point. A section of the trade believes that this will hasten the separation of the futures market from the spot market while others believe that such a step will make for stability. The Sewri spot market has continued firm, but as mills are sticking to the policy of covering only their immediate needs, transactions were somewhat limited.

Fall in Egyptian Cotton Imports

Business in cotton imports has virtually ceased. Import ceilings for the current half year for sterling area cottons have already been reached and there seems to be little possibility of additional quotas being issued. There is also as yet no indication when American aid quotas will be released. But the cotton trade is interested in the activities of the Egyptian trade mission which arrived recently in this country. Imports of Egyptian cottons for this season totalled 17,128 bales on 9th February, against 112,530 bales in the corresponding period of last season. The high price of Egyptian cottons is largely responsible for this heavy fall in imports, and it is believed that India may be able to persuade the Egyptians to lower their prices to a more realistic level. Even if the Egyptian mission agrees to this, it is doubtful if India will place any large-scale orders immediately. Interest in Egyptian styles is somewhat limited.

and only moderate business has been reported in the new crop Sudans and Egyptian Karnak. Whatever interest there is, has been confined to spot lots of Sudans and some small quantities of East African growths. But a point in favour of the Egyptians is that the Sudan has decided to raise the export duty on cotton by 2.49d a lb. and this might turn Indian interest towards Egyptian growths.

The recent Japanese decision to liberalise the imports of raw materials has caused optimism here. Cotton exporters believe that substantial business may be possible with that country, but feel that Japanese importers will delay their purchases until the Bombay market settles down to a more reasonable level.

Low Offtake in Textiles

The cotton textile market continues to be slack. Offtake is low and stocks are piling with the mills and wholesale dealers. The demand for coarse goods has remained at a depressed figure for the past few weeks, but fine and superfine qualities have shown some improvement. It is generally believed that only a reconsideration of the excise policy will help restore confidence in the textile market. Reports have been current that the Government is, in fact, considering a revision. It has led to further uncertainty. It may be well for the Government to make an announcement of its intentions so that all concerned know where they finally stand. Export conditions are also unsatisfactory. Although shipments made recently from the Bombay port seem impressive, it must be remembered that they represent a backlog of orders which have now been cleared through Customs for export. Very little new business has been transacted, although enquiries have been received from Indonesia for bleached long cloth, dyed and bed tickings. With the exception of the Gold Coast, merchants in west Africa have been quiet. But it is believed that some business may result with Australia following a relaxation of import restrictions in that country. It seems that the Government-sponsored import corporations in the Government have now started functioning and it is possible that substantial enquiries may be received from them. Meanwhile, there has been a drop in India's export prices of cloth in most categories.

Yarn Market Improves

The yarn market has improved slightly, particularly for forward delivery. Buying on the spot market has been spasmodic, mainly because of the tight money market. But it seems that yarn stocks in consuming centres are now running low. Fresh demand is expected and it is likely that the spot market will improve within the next few days.

Better Prices for Castor Oil

The castor oil market is showing signs of brightening up. A fair quantity was sold to the United Kingdom and the Continent last week. Export prices of B.S.S. improved from £149 to £150 a ton. Some quantities have also been sold to the communist countries. Reports here indicate that a large part of the U.S. demand remains unsatisfied and American importers will have to enter the Indian market. They have held off because they thought that prices in this country would fall. It could be that they have waited too long, but the final price will depend on the total communist countries' demand which cannot be assessed at this stage. If the communist countries continue to this stage, prices may well increase further, but if their demand is not likely to be sizable, a reaction in the local market could occur. In these circumstances, Indian exporters, too, are taking a chance, but perhaps not as much as the American importer.

Jute

EFFORTS IN WEST BENGAL TO GROW BIGGER JUTE CROP

EXPANDING THE OUTPUT OF MESTA

IN some official quarters, there appears to be a tendency to disparage West Bengal's effort to contribute to India's self-sufficiency in raw jute. It has been pointed out, for instance, that while the total area under jute in India increased last year, the area in West Bengal fell to 720,000 acres from 780,000 acres in the previous year. These are official figures, which are never very accurate, but even if we accept them as correct, they give only half the picture. Few of the Government's publications on jute give the mesta figures, but if West Bengal's mesta figures are added to those of jute, it will be seen that this State's effort has not been so poor as one might be led to believe. It is true that the area under jute declined, but that under mesta increased by almost the same amount. So, on balance, the quantity of fibre was not much less than in the previous year. It has also been pointed out that the yield of jute per acre declined last year, whereas that of Bihar increased. The reasons for the lower yield in West Bengal were not under its control. They were entirely the result of the weather. In many districts in West Bengal, there was drought at the time when sowing should have started. When the sowing had been done, there was excessive rain, which in some places washed away the seeds and the seedlings completely, and in other places kept the young plants submerged so long that they became stunted.

What are the reasons for this switchover from jute to mesta? One is that mesta is a harder plant and needs less labour for its cultivation. Another is that it has a heavier yield, which compensates for the lower prices obtainable for it in the market. A third is that it is ready for harvesting earlier than jute and the ryots can get an aman paddy crop off the same land. Daissee jute is a late crop, and by the time it is harvested, it is seldom possible to get any rabi crop from the fields where it has been grown. It is possible, therefore, that there may be a further reduction in the area under jute in West Bengal this year and another increase in mesta. On the other hand, at current prices there is a disparity of about Rs. 7 a maund between Daissee jute and mesta, and Rs. 4 a maund between white jute and mesta. So jute may return again to favour. Another point which must be considered in the relationship between jute and mesta is the value of Daissee jute in facilitating the use of mesta. Most varieties of mesta are heavy rooted, and the root end is of such a nature that it requires more preparation before it can be used in the manufacture of cloth. Daissee jute, on the other hand, carries practically no root, and is therefore very useful in enabling mills to use up the root ends of mesta and of other rooty varieties of jute. It is this quality which explains the premium mills are prepared to pay for Daissee jute. This is another reason, too, why the cultivation of mesta in the Daissee districts at the expense of Daissee jute should be discouraged. Unless sufficient supplies of Daissee and other light-rooted varieties of jute are grown, it may not be possible for the mills to utilise all the mesta that is produced.

This brings us to the question of how much mesta mills can use without lowering the standard of their products. It is said that some mills are making their heavy sacking entirely from mesta but that the quality of the cloth is very low. It is, however, worth studying to what extent the cultivation of mesta should be expanded in order to achieve self-sufficiency in the production of fibre for the mills. The quantity of mesta grown has already become a very big factor in the attempt to reach self-sufficiency, but it would seem to be unwise to encourage the growing of mesta at the expense of the growing of jute lest, when self-sufficiency is achieved, there is also a state of imbalance. It is imperative that the growing of both kinds of fibre should be encouraged, but the campaign for the expansion of the mesta crop should be confined to areas where jute cannot be grown and the diversion of land from jute to mesta should be actively discouraged.

THE JUTE MARKETS

Manufactured Goods: For most of the week, jittery conditions have characterised the gunny market. There has been a lot of bull liquidation and the nervousness has been taken advantage of by the bears to hammer down prices. On Wednesday of last week, the B Twill fatka rate dropped by Rs. 2. During the past week, it has been as low as Rs. 104-14, after which it hovered round Rs. 105-12 or Rs. 106 most of the time. That the weakness was due to fatka activity was evident from the fact that there was probably more foreign business than had been reported for some time. Apart from a Government order for heavy sacking, there were purchases of cornsacks and woolpacks for Australia, sugar bags for the Far East and Liverpool for west Africa. The quantities were not large, but there was certainly more business than in previous weeks when the speculative market was not so weak.

Towards the end of the period, a better feeling began to appear. On Monday, after opening at Rs. 105-15, fatka closed at Rs. 107-4. On Tuesday,

it rose substantially to close at Rs. 109-1 with still higher quotations after the official hours. It is not clear what has brought about this reversal of sentiment, but it may have some connection with the raw jute market, where there has been resistance to further lowering of prices which were already above the parity of gunny prices.

Quotations on Wednesday morning were as under:

	Ready Rs.	March Rs.	April-June Rs.	July-Sept. Rs.
40in. 8oz.	33-10	33-6	32-4	32-8
40in. 10oz.	40-4	40-6	40-9	40-8
B Twills	108-6	110	110-12	110-12
Heavy Cees	113-8	112	110-12	110-12
A Twills	133-8	133-8	134	133
Liverpools	128	127-4	126	125-8
Cornsacks	112	113	112-4	112

Raw Jute: Mills continued to take small interest daily, and although no great volume of business was put through during most of the week, it was sufficient to prevent the development of the panicky conditions which were evident in the goods market. At the end of the period, activity became more brisk and buying more general. This improved demand met with reserve on the part of sellers. Offerings were small and sellers were inclined to hold for higher prices because of scanty imports and higher prices in the upcountry markets. The bulk of the business was in various varieties of mesta but Daissee jute, Tossa and white jute also came in for attention. Business was reported in mesta at Rs. 23-8 to Rs. 25 basis Bottoms according to district; Daissee jute at Rs. 30-8 to Rs. 31 basis Bottoms, and Rs. 32-8 to Rs. 32-12 for Middles alone; Murshidabad Tossa at Rs. 30-8 basis Bottoms; Northern ex agency and/or ex Calcutta at Rs. 27-8 to Rs. 28-8 basis Bottoms; Local Packing at Rs. 26-8 basis Bottoms; and Pakistani Cuttings at Rs. 101 to Rs. 105 for N.C.'s and Rs. 107-8 for S.N.C.'s.

On Wednesday morning quotations were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Northern and Dhubri	29	March-April
Assam	28-8	"
Murshidabad Tossa	31	"
Daissee Jute	31-8	"
Daissee Mesta	25	"
Murshidabad Mesta	24-8	"
Northern Mesta	25	"
Purneah Mesta	25	"
Northern ex Calcutta	28	"
Local Packing	27	"

Arrivals in Cossipore during the week ended 5th March were 502 wagons, compared with 389 wagons in the previous week. The market was quiet, most mill buyers having withdrawn. There was, however, a fair amount of buying against previous sales to mills.

Mofussil: With general rain, the weather has been favourable for ploughing and sowing. No sowing has been reported, as it is still too early for Indian districts. Sowing has, however, been general on the chur and riparian lands in the deltaic areas of East Bengal where it is reported to be nearing completion.

THE PAKISTANI JUTE MARKETS

FIBRE STEADY ON TALK OF SCARCITY

(FROM A CORRESPONDENT)

THERE seems to be little doubt that at least 1½ million bales of raw jute still remain to be sold in East Pakistan. Yet conditions both in Narayanganj and in upcountry areas are such that one gets the impression that no jute at all is available. The market remains steady at Rs. 29-8 for B Bottoms loose jute, Rs. 28-8 for C Bottoms and Rs. 26 for X Bottoms. Even at these prices, it is very difficult to get jute. Tossa is still steadier at Rs. 34 for District Bottoms and Rs. 31 for District B Bottoms, 100 percent Dundee Tossa 4s. Kutcha bale prices are Re. 1 to Rs. 1-8 a maund higher. In pucca bales, prices have also steadied. Export Firsts are quoted at approximately the same price as afloat jute, which commands a premium of about £4 over shipment. The strength in the loose jute market and in upcountry areas is mainly due to the strong holding power of the big beparis. Their profits have been such that they can afford to resist any tendency which brings prices dangerously close to their original purchase levels in the early part of the season, which were about Rs. 26. Those growers who still have jute are not interested in selling at these prices, since they are too busy preparing the land and in some cases are actually sowing in chur areas. In Narayanganj, arrivals have been negligible, and it is reported that Adamjees, the biggest buyers there, were only able to obtain 400 maunds of loose jute and a further 600 maunds of kutcha bales last Thursday.

Under these conditions, it is not surprising to hear rumours that the crop was very much smaller

than had been indicated, and that little or no jute is now available. This is unlikely, to say the least, but it gives an indication of the sentiment in the market. But for the very tight money position, there is no doubt that there would be a great deal of inter-baler business, which would strengthen rates considerably. As it is, one of the largest balers has for the last three days been buying freely, and he has not always found it easy to make purchases as required. In most districts, the condition of the jute coming in is better, and it is noteworthy that a portion of the jute available is early crop, which indicates that it has been stored for a long time.

The overseas markets have also improved somewhat, and business is reported at £105 for good Export Firsts, with a premium for afloat jute. E.P.C. registrations in the first 15 days of February are the lowest yet at \$6,000 bales. Overseas buyers, although showing more interest, have apparently only been nibbling at selected marks, but it is probable that E.P.C. registrations during the second half of February will be considerably larger. The excess of afloat jute which was unsold must have almost disappeared and there are indications that the premium for this position will improve. Shipments of raw jute from East Pakistan during February are not expected to exceed 350,000 bales. Tonnage available during March at present is not expected to exceed 200,000, so in present conditions sales outstanding up to the end of January will only be shipped fully by the end of March. The Conference, however, is reported to be trying to divert ships to East Pakistan to carry a further 50,000 bales for the U.K. and Continent.

A conference has been going on in Karachi between the Ministry of Communications, representatives of Chittagong port and steamer agents. Both shippers and steamer agents have a very legitimate complaint about the working of Chittagong port. Quite apart from the chaos which exists in the administration of the railways at the port, another big obstacle is the very inefficient labour position. The Port Commissioners, who are supposed to work in co-ordination with the railway authorities, do not seem to be able to synchronise the placing of wagons with the berthing of ships. When wagons miss a ship for which they are intended, the baler or shipper is asked for diversion or detention charges regardless of whether or not he is to blame for the short shipment. Furthermore, there have been frequent cases of railway bookings being restricted to named steamers when the steamer had already sailed from Chittagong port. The loading of jute from wagons into vessels has slowed down considerably because reports indicate that the contract labour at the jetties consists of three gangs of boys for every gang of men. None of these factors help to relieve the congestion at the ports, which has grown to alarming proportions.

There has been a slight easing in the local jute goods market. B Twills are now quoted at Rs. 126 and 45in. 11oz. at Rs. 55-8. The spot market in Karachi is steadier. Because of the shortage of jute, there are indications that mills' stocks of the raw material are uncomfortably low.

THE FOREIGN JUTE MARKETS

ANXIETY ABOUT PROSPECTS FOR RAW MATERIAL

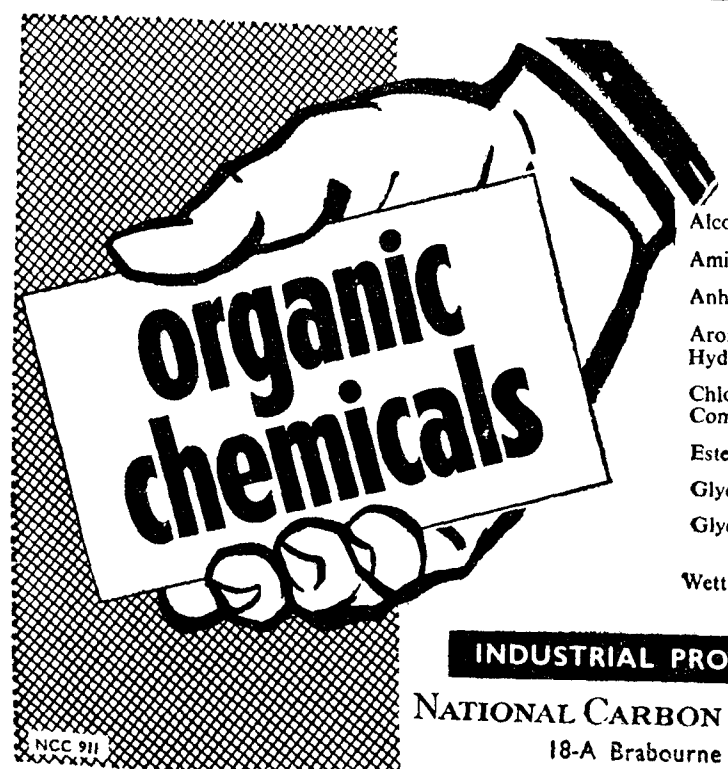
(FROM OUR DUNDEE CORRESPONDENT)

RAW jute shippers are all very firm in their assessment of the outlook and the tendency has been to raise prices. Most of them quote at least £2 a ton more than a week ago, and several quote as much as £5 more. It is said that the market is dearer on account of a drastic fall in arrivals from the upcountry areas in Pakistan. There are rumours that a scarcity of jute is probable at the end of the season, but the industry finds it hard to believe this. Reports state that food prices have been so high in Pakistan and India during the past year that cultivators are being discouraged to grow anything but rice. On the other hand, it has for some time past been reported that attempts are to be seriously made to extend the acreage under jute in both countries for the next season. One reason for the smaller imports just now is that growers are too busy ploughing and preparing the ground for the new crop. With prices still well above the minimum fixed rates, there may be plenty of room for a fall before the new season begins.

Mill Firsts have been raised to £110 lowest to £113, Mill Lightnings to £102, Mill Hearts to £98 and Grade Hearts to £92, c.i.f. U.K., March-April. Some shippers want £105, £101 and £95 for the three last-named grades, on the present rates of freight. For the new freights, which take effect from 13th March, 20s has to be added to these quoted limits. The same applies to the quotations for dark jute at £104 for good marks of Daissee-2/3 and £100 for grade, with grade Tossa-2/3 from £100 and grade fours from £104, March-April, c.i.f.

The Calcutta goods market has been very irregular again, with a wide variation between the prices quoted. Hessian has shown little change on the week at 60s 6d for 40in. 10oz. and 46s for 74oz. March-April, and 3d less for May and June. B Twills have ranged from 167s down to 163s for the same shipments, all f.o.b. Calcutta.

Dundee yarns and cloth have attracted little interest, but prices are firm and unchanged. Spinnings are well booked up, but manufacturers would welcome more business.



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Plantation Topics

VOLUNTARY SETTLEMENT OF
PLANTATION DISPUTEMADRAS TRIBUNAL AWARD
MODIFIED

(FROM A SOUTH INDIAN CORRESPONDENT)

THE wage dispute between the planters of Madras State and their workers has been settled amicably out of court. It may be recalled that the Tribunal appointed by the State Government gave an award in October, 1956, enhancing substantially the wages of workers and staff with retrospective effect from 1952. As the wages recommended by the Tribunal had no relation to those in other States, and were beyond the capacity of the industry to pay, the planters took the issue to the Supreme Court, where it is pending. At the suggestion of the parties, the Madras Minister for Agriculture and Labour conducted negotiations with the representatives of the management and labour, which have led to an agreement.

According to the agreement, workers will, on an average, get an increase of 3½ annas in their daily wages, a rise in the employer's contribution to provident fund to 8½ percent with effect from January, 1957, and retirement gratuity benefit at the rate of 15 days' wages for each year of service, subject to a maximum of 15 months. The increased wages will be paid from 24th October, 1953—the date on which the Tribunal gave its award. The management will not press the appeal before the Supreme Court and workers will not press their claims for benefits under the award. The agreement will be in force for the second plan period.

The significance of this agreement to the industry can be appreciated from the fact that, as against a rise of 13 annas in daily wages recommended by the Tribunal, the additional cost under the new agreement will be of the order of only 3½ annas. On a rough estimate, this will raise the cost of production of a pound of tea only by about an anna, against 4 annas under the Tribunal award. The most important relief under the agreement is the cancellation of the retrospective character of the award which would have meant for the industry a liability of Rs. 13 crores to Rs. 16 crores, and which most of the estates would have found impossible to meet. So the implemen-

tation of the award would have completely paralysed the industry. According to the new agreement, the enhanced wages need be paid only from 24th October, 1956, the date on which the award was given. Another welcome feature of the settlement is that it rules out the possibility of further wage disputes between planters and their employees for the next four years. The share market has received the settlement well. There has been a rush for plantation shares and most of the scrip have made a substantial recovery. It may be recalled that following the Tribunal's award, there was a landslide in plantation shares in the south.

Provident Fund Benefit

With the extension of the Provident Fund Act, 1952, to plantation workers, the wage bill of the plantation industry in the south, it is thought, will go up by another Rs. 60 lakhs a year. The Act will apply to all tea, coffee, rubber, cardamom and pepper plantations employing more than 50 workers. This means that coffee estates of an area of up to 100 acres, rubber estates up to 200 acres and cardamom estates up to 400 acres will be exempted. Application of the Act irrespective of the size of estates would have removed the cause for heart-burning among the plantation workers concerned.

Uncertainty in Pepper Market

Uncertainty characterises the pepper market again. In spite of the lower prices quoted (Rs. 537½ a candy of 6 cwt.) American dealers are showing much interest in Malabar Black; they are demanding further concessions, and as American demand is still the deciding factor in the market, anxiety has been prevailing. Russia, it is reported, has almost covered her requirements and market circles do not expect her to make any substantial purchases for the time being, unless on her own terms. Enquiries from east European countries and China are not big enough to provide support. Arrivals in the terminal markets have not shrunk to the extent expected and stocks are not moving fast enough.

Singapore, it is reported, is anxious to liquidate her stocks before new arrivals begin from Sarawak. The Sarawak crop will be available early this year. The immediate outlook for Malabar Black is considered obscure by the trade. Prices are likely to decline further unless substantial orders flow in from abroad, especially from the United States. In their absence, Indian growers may resort to distress selling, fearing competition from Sarawak and Indonesia. Better home demand might, however, prevent a crisis. The growing

uncertainty about the future of the pepper trade, it is stated, was the most important reason for the closing down of the pepper department of Messrs. Volkart Brothers in Cochin. The firm had been doing pepper export business for over a century on the west coast.

Coffee Export and Storage

The Indian Government has made a further export allocation of 3,150 tons of coffee from the 1956-57 season's crop. This will raise the official quota for the season to 11,050 tons. The official estimate of the current season's crop is 37,800 tons. The Coffee Board is likely to face serious difficulties in curing and storing the large volumes of coffee that are likely to be received in its pool. Last year, when the stock exceeded 16,000 tons, it encountered a lot of difficulties. The godowns at its command were found incapable of holding such large stocks. The current season's crop is 4,000 tons to 5,000 tons more than that of the last season. Therefore, the problem is likely to be more acute this year. It may be still more serious next year when the crop is expected to rise to 50,000 tons, unless fresh godowns are in the meantime constructed.

Pool agents and curers who collect the crop, cure it and keep it on behalf of the Coffee Board, are threatened with elimination, in view of the recommendations of the Plantation Enquiry Commission. Therefore, they are unlikely to expand storage facilities to cope with the increasing coffee crop.

INDIAN TEA EXPORTS IN 1956 RISE

India exported about 516 million lbs of tea in 1956, the value of which was about Rs. 140.6 crores. The total quantity exported as well as its value were an all-time record. The total exports of tea in 1955 were 363.8 million lbs, valued at Rs. 112.7 crores. Indian tea exports in 1956 more than recovered the ground lost in 1955. The value of the exports in 1954 was over Rs. 131 crores and the total quantity exported was about 456 million lbs. The increase in the exports in 1956 was shared by all the principal markets for Indian tea. The exports to the United Kingdom were 366.5 million lbs, against 248.9 million lbs in the previous year. The total value of the exports was about Rs. 100 crores, compared with Rs. 73.3 crores in 1955. Exports to the United States also increased considerably. The total estimated exports were nearly 28.5 million lbs, against 23.7 million lbs in 1955. The exports to Canada rose from 16.3 million lbs in 1955 to 22.6 million lbs in 1956. The value of the exports rose from Rs. 5.4 crores to about Rs. 6.5 crores. Exports to Egypt showed a marked increase, from 12.9 million lbs to 21.6 million lbs during 1955 and the value rose from Rs. 3.9 crores to Rs. 5.9 crores. Exports to Australia increased to 9.4 million lbs from 6.1 million lbs in 1955 and the value increased by about Rs. 66 lakhs over the previous year's figure of Rs. 2.05 crores. Production of tea during the year amounted to 663.6 million lbs against 667.6 million lbs in the previous year. But it might have been higher than that of the previous year but for the voluntary restriction on crop by producers' associations in north east India.

COCHIN TEA SALES

At Sale No. 5, 1,400,000 lbs of tea were on offer. There was a fair demand, but prices were generally 4 annas to 6 annas lower all round. Fannings were the weakest feature of the Sale.

NO CHANGE IN TEA EXPORT DUTY

The Government of India has issued a notification fixing the price of tea, for the purpose of determining the export duty, at Rs. 3-6-1 a lb. against Rs. 3-15 a lb in force from 1st February, 1957. So there is no change in the existing rate of export duty of 6 annas a lb.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers' Association:

	Closing prices on 22-2-57 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.41	1.41
No. 2	1.38	1.38
No. 3	1.35	1.35
No. 4	1.11	1.11
No. 5	1.06	1.06
	Sheet Cuttings 1	98
	Sheet Cuttings 2	93
Crepe:		
Water White	—	—
R.M.A. No. 1X	Rs. 1.09/12	1.11
R.M.A. No. 1	Rs. 1.04/09	1.06½
	Crepe No. 2	.97½
	Crepe No. 3	.94½
Scrap Crepe:		
Sc. Crepe No. 1	.86	.85½
Sc. Crepe No. 2	.82/85	.81½
Sc. Crepe No. 3	.70/80	.73½
Flat Bark	.65/68	.64½
	Sc. Crepe 3X	.77

To arrive at f.o.b. Colombo prices, add 53.53 cents a lb for crepe other than scrap crepe and 31.53 cents for scrap crepe to the above market prices.

Commodity Markets

WHOLESALE PRICE INDEX
FALLS

THE official wholesale price index (base: year ended August, 1939=100) declined by 0.4 percent to 424.4 during the week ended 16th February, 1957, compared with 426.2 for the earlier week. At this level, the index showed almost no change when compared with the corresponding week of last month, but was higher by 12.1 percent than that of last year. The index for Food Articles advanced by 0.6 percent to 407.7 as a result of an increase in the prices of wheat in Hapur (+3%), and rice and tea for internal consumption (+2% each), in spite of a decline in the prices of tea for export (-3%), wheat in Amritsar, bajra, dal arhar, coffee—Plantation P.B. and gur (-1%). Prices of lac (-10%), rapeseed (-7%); linseed (-4%), raw jute (-3%) and gingellyseed in Jhansi and groundnuts (-1%) each exhibited a fall while those of gingellyseed in Bombay (+2%) and castorseed in Bombay and copra (+1% each) witnessed an advance. Consequently the index for Industrial Raw Materials went down by 1.2 percent to 517.3 compared with 523.7 for the earlier week. The index for Semi-Manufactures also fell by 1.2 percent to 407.6 because of lower prices of gingelly cake (-13%), cowhides (-8%), mustard oil in Calcutta (-7%) and in Kanpur (-2%), linseed oil (-5%), goatskins (-4%), buffalo hides, sheepskins and copra cake (-3% each) and groundnut oil, zinc and cotton yarn (-1% each); prices of groundnut cake (+3%), coconut oil (+2%), castor oil in Calcutta and mustard oil in Patna (+1% each) were, however, marked up. Lower prices of jute manufactures (-3%) and chemicals (-1%) brought down the index for Manufactures by 0.3 percent to 385.6, although prices of glass and dyestuffs moved up by 1 percent each. A decline of 2.7 percent to 576.5, compared with 592.8 (revised) for the previous week in the index for the Miscellaneous group was caused by a decrease in the prices of chillies (-6%), tobacco leaf (-5%), turmeric (-4%) and black pepper (-3%). The price of cashewnuts (+2%), however, showed an increase.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year Ended August, 1939=100)

Groups and Sub-Groups	16-2-57	9-2-57	19-1-57	18-2-56
I Food Articles:	407.7	405.2	396.5	338.3
Cereals	530*	523	494	410
Pulses	439	440	433	359
Others	250	252	262*	228
II Industrial Raw Materials:	517.5	523.7	527.7(R)	460.2
Fibres	500	500	509(R)	466
Oilseeds	568	578	588	468
Minerals	552*	552	528	444
Others	410	415	435	411
III Semi-Manufactures:	407.6	412.5	412.3(R)	355.5
Leather	410	433	433	398
Mineral oils	210	210	210	202
Vegetable oils	608	618	626	426
Cotton yarn	487*	491	492	446*
Metals	327	327	328	280
Oilcakes	434	457	435	342*
Others	372	372	362	364
IV Manufactures:	385.6	386.9	388.0(R)	375.3
Textiles	413	415	418(R)	409
Jute	424	438	456	416
Cotton	414*	414*	414*	403*
Rayon and silk	442*	442*	442*(R)	502*
Woolen	266	266	266	278
Metal products	394	394	394	371
Others	391	361	298	284
V Miscellaneous:	576.5	592.8(R)	592.9	528.2
All Commodities:	424.4	426.2	424.2(R)	378.7

R=Revised.

*—Estimated.

WORLD SUPPLY OF SUGAR IMPROVES

There are signs that the sugar shortage is nearly over. According to a leading firm of U.K. sugar merchants, there should be sufficient sugar available between now and the beginning of the European beet crop next autumn to meet normal world demand. Moreover, the extremely high level to which the price has risen recently has attracted more sellers than usual into the market. Such countries as Turkey, Italy, India and Argentina, none of which exported sugar last year, are all reported to be offering it now. Another factor leading to increased supplies is that the quotas restricting exports which are laid down by the International Sugar Agreement cease to be operative when the world price is above 4 cents (United States) a lb. This point was passed in the middle of November and the present price is equivalent to around 5 cents a lb. Prices on the London terminal market have already started to reflect the slightly improved supply position. Most forward contracts are now around 52s a ton, compared with a peak of 60s in the middle of January.

SUGAR PRODUCTION AND DESPATCHES

The production and despatches of sugar from indigenous factories amounted to 1,003,000 and 850,000 tons up to 15th February, in the current season against 896,000 and 445,000 tons respectively in the corresponding period of last year.

Calcutta Markets

STRONG DEMAND AT TEA
EXPORT SALE

DUSTS WEAK AT CLOSE

AT Sale No. 36 held on 4th and 5th March, offering at the Export auction consisted of 63,000 packages for which there was a strong and active demand. "Tea for price" was again the strongest feature and advanced by as much as 2 annas. Clean Commons and Low Mediums were generally 1 anna dearer, while medium B.P.'s shared in the general advance and were selling at ½ to 1 anna above valuations. Fannings grades were generally not as strong as Broken and were at times slightly easier. Stylish, well made whole leaf grades were keenly competed for and sold well, but the more ordinary descriptions were about steady at last week's rates. C.T.C. teas were generally of a poor quality, but received good demand and were often dearer.

Quotations

	1957 Rs.	1956 Rs.
Clean Black Pekoe	2 2 0 to 2 3 0	1 5 0
Plain B.P.	1 15 0	1 4 6 to 1 5 0
Medium Assam B.P.	2 0 0	1 7 0 to 1 7 6
Best Assam C.T.C. B.P.	2 4 0 (Nominal)	

At the Internal Sale, offerings amounted to 18,993 packages. At the start of the Sale, there was a good general demand and prices were about firm on last rates. As the Sale progressed the demand, however, weakened and at the close, the market was about 1 anna easier. Once again the few lines of bright liquoring C.T.C. Assams were a very strong feature while the remaining offerings in this category were easier. Orthodox descriptions from Assam showed a further improvement in quality and opened at about last rates, but towards the close were ½ to 1 anna lower. Commons and Doors were barely steady early in the Sale and closed a full 1 anna lower. Powdery kinds were once again more popular than the leafy types and a few lines of flavoury Darjeelings sold very well.

Quotations

	1957 Rs.	1956 Rs.
Medium Doors Dust	1 11 0	1 7 0 to 1 8 0
Medium Assam Grainy Dust	1 12 0 to 1 12 6	1 8 6 to 1 9 6
Medium Assam C.T.C. Dust	2 1 0 to 2 3 0	
Best Assam C.T.C. Dust	2 12 0	2 12 0 to 2 14 0

There was a fair general demand for the 4,080 chests of other grades on offer, but an easier tone prevailed and most kinds were selling up to 2 annas below last rates.

BETTER LINSEED PRICES

Quiet conditions prevailed throughout the earlier part of the past week, but due to an acute shortage of ready goods an advance in prices was noted towards the close. Arrivals from the centres have been very scarce, and activity has been very limited for ready as well as forward deliveries. The oil market has been rather dull and some small trading was recorded following a few local enquiries; overseas prices have been considerably out of line. Latest quotations were as follows: March Rs. 22 a maund and April-May Rs. 21 a maund.

SUGAR PRICES RISE

During the week ended 6th March, sugar sales in the Calcutta market averaged 5,000 bags daily. Arrivals a day were 2,000 bags and stock totalled 80,000 bags. Rates for ready sugar ex-Kantapukur delivery were Rs. 31-15 for ordinary grain and Rs. 33-4 for big grain. The prices moved up by 2 annas towards the end of the week due to the fall in arrivals.

SHELLAC MARKET STEADY

During the week ended 5th March, the market was steady at the beginning, quiet at midweek and again steady at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 105 buyers; 103 value; 102 buyers.
Lemon No. 1 Shellac	Rs. 105 buyers; 103 value; 101, 103 buyers.
Lemon No. 2 Shellac	Rs. 100, 98 value; 93, 96 buyers.
F. O. Std. 1 Shellac	Rs. 91 to 88 buyers.
Pure T.N. Shellac	Rs. 87-8, 85 buyers; 83 basis done and buyers.
4% I.T.N. Shellac	Rs. 79, 75, 76-8 buyers.
No. 1 Kusmi Seedlac	Rs. 99-8, 96 buyers.
No. 2 Kusmi Seedlac	Rs. 94-8, 91, 92, 91 buyers.
Fine Bysaky Seedlac (Manbhum)	Rs. 91-8 to 87 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 88, 86 buyers; 85, 81 done and buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 79 to 75, 75-8 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 74-8 to 68, 69 buyers.
Kireelac	Rs. 27, 26-8 buyers.

Shipments during February until the 23rd were 23,587 packages comprising shellac 13,744 packages, seedlac 7,305 packages, buttonlac 362 packages and others 2,176 packages.

HIDES AND SKINS FIRM

The market in skins was firm and prices showed an upward tendency. Stocks were less than in the previous week.

Bazaar Sales

(Between 26th February and 4th March, 1957)
Cowhides: Wet salted (Ord.) 56,000 pcs. on the basis of Rs. 6-6 to Rs. 9-6; Wet salted (Slaughtered) 21,600 pcs. on the basis of Rs. 13 to Rs. 21-8.

Goatskins: Wet salted (Daissee, Killed) 46,900 pcs. on the basis of Rs. 225 to Rs. 235, Rs. 280 to Rs. 315 and Rs. 360 to Rs. 370; Assam-Dinajpur 28,100 pcs. on the basis of Rs. 245 to Rs. 265; Purneah-Kissenganj 23,600 pcs. on the basis of Rs. 265 to Rs. 285; Pakur-Patna 3,100 pcs. on the basis of Rs. 240 to Rs. 250; Muzafferpore-Patna 5,600 pcs. on the basis of Rs. 270 to Rs. 290.

Bazaar Stocks

(26th February, 1957)

Cowhides: Wet salted (Daissee, Killed) 5,900 pcs.; Assam-Dinajpur-Jalpaiguri 38,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 92,000 pcs.

PRELIMINARY WORK ON LIGNITE MINING PROJECT

The programme of work on the preliminary stages of the integrated lignite project in Neyveli, Madras State, scheduled for 1957-58, is expected to be implemented according to plan. Adequate provision has been made by the Ministry of Production of expenditure on the execution of the mining part of the project for the next year, in spite of the need for conserving foreign exchange resources. The Government of India has sanctioned the purchase of conventional earthmoving machinery and special earthmoving equipment at a total cost of Rs. 5.5 crores. While the shipment of the first unit of the specialised equipment is expected to begin about January 1958, the conventional machines are being delivered in batches and the delivery is expected to be completed by the middle of 1957. To keep to the target date of mining lignite, that is the beginning of 1960, conventional machinery in hand and machines that might be available in the course of the year are being commissioned for work on removing the over-burden. Operations for this purpose in the area selected for the inauguration of the first mine cut will commence in the near future.

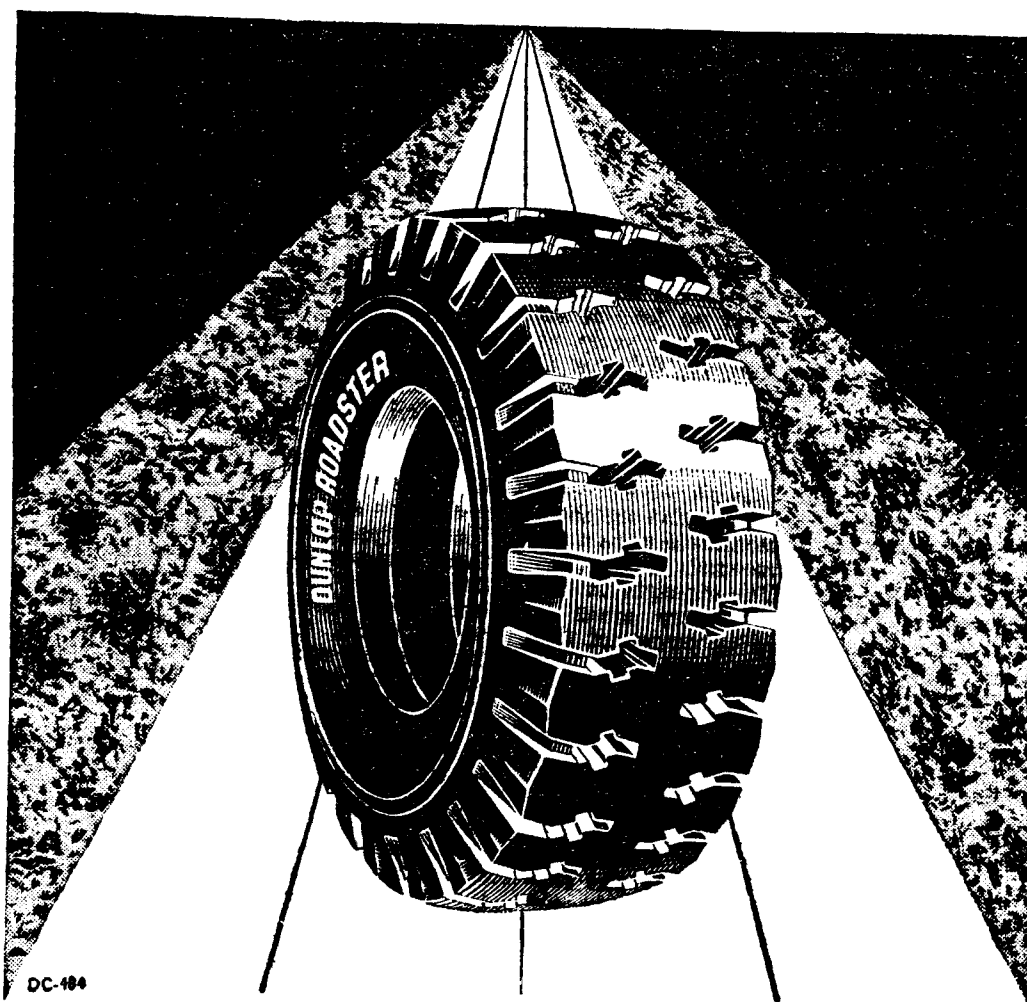
FIRST SHIPMENT OF CRUDE OIL FOR
CALTEX REFINERY

The first tanker carrying crude oil for the new Caltex Oil Refinery reached Visakhapatnam recently. The tanker *Caltex Saigon*, arriving from the Middle East, was received at the Visakhapatnam port's new oil wharf from where the crude oil was pumped to the refinery through a mile-long pipeline. The vessel, a T2 tanker, with a capacity of 120,000 barrels, is the first of 45 such tankers that will annually feed the refinery. It is estimated that about one tanker a week will be required to supply the refinery with crude oil. To cope with the new tanker traffic, two large oil berths have been newly constructed at the Visakhapatnam port. When the Caltex Oil Refinery goes on steam this year, it will annually process 675,000 tons of crude oil yielding 13,500 barrels a day of refined products such as motor petrol, kerosene, diesel oil, jet fuel for aircraft and heavier types of fuel.

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"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to October, 1956. Compared with the preceding month, there were increases in steel ingots 3.7 points, pig iron 3.0 points, cement 8.2 points, coal 3.9 points,

wagons loaded 7.3 points and electricity 1.9 points, while decreases occurred in cotton consumption 7.4 points, jute manufactures 6.8 points and paper 6.4 points.

The indices for cheque clearances and notes in

circulation rose by 1.7 points and 2.5 points respectively.

Correlating all the factors, the Capital Index of Indian Industrial Activity advanced by 2.0 points during October, 1956.

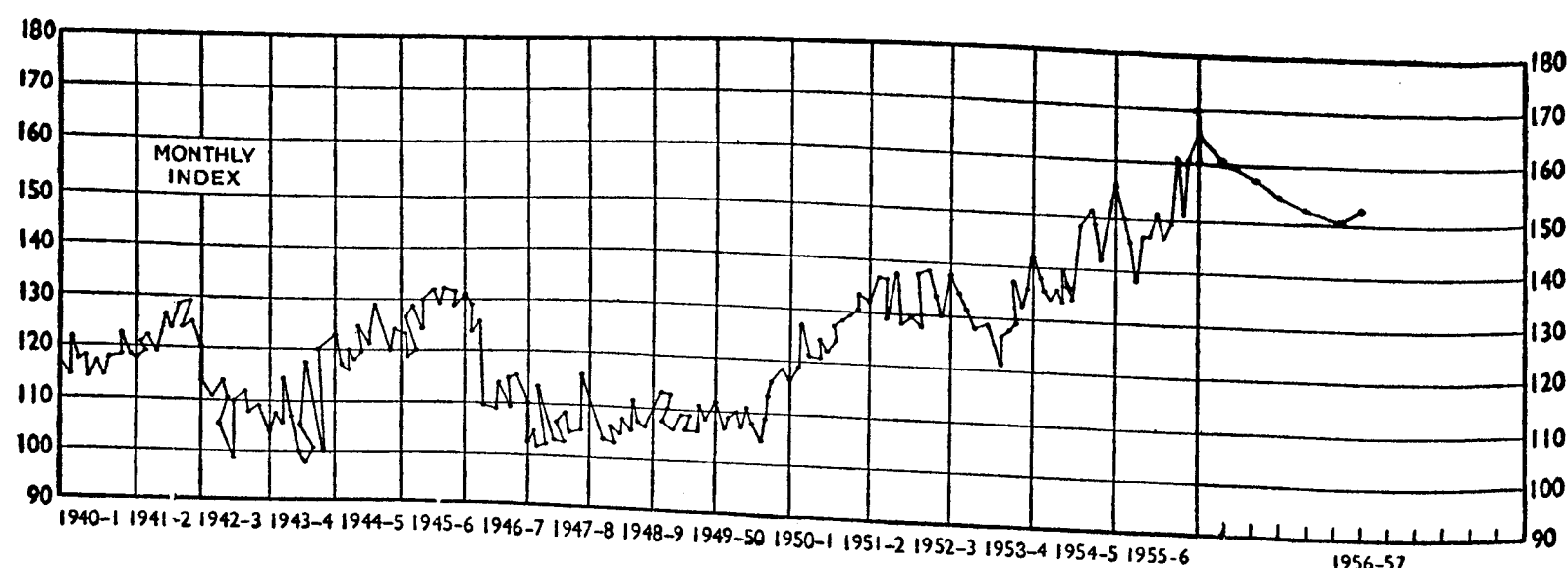
	Industrial Production						Total Number of Wagons Loaded (T)	Finance, Statistics	Trade, Foreign & Coastal		General Monthly Index
	Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper			Exports	Imports	
	1	2	3	4	5	6	7	8	9	10	11
1940-41	128.2	110.8	139.1	136.5	183.6	124.5	118.9	91.2	...	07.3(c)	117.3
1941-42	150.2	122.1	157.3	141.6	193.2	116.6	117.0	94.0	...	109.2(c)	122.7
1942-43	154.4	117.8	144.2	136.2	153.9	114.7	103.1	70.7	...	135.5(c)	108.6
1943-44	167.3	99.7	149.2	125.6	148.0	109.7	104.8	71.7	...	137.7(c)	109.3
1944-45	159.2	103.2	128.0	125.6	155.9	112.1	112.4	95.4	...	180.9(c)	127.5
1945-46	161.0	106.0	151.8	96.9	151.3	127.0	112.2	104.5	...	199.8(c)	127.5
1946-47	127.5	100.7	139.8	95.5	141.2	123.0	101.6	82.6	...	178.9(c)	107.0
1947-48	126.2	102.1	140.7	105.4	125.1	127.7	96.7	79.5	...	186.2(c)	107.0
1948-49	149.7	101.8	138.7	99.2	100.1	136.6	126.2	67.3	...	140.6(c)	107.0
1949-50	123.5	90.2	157.9	116.4	143.4	146.1	146.0	64.7	...	122.4(c)	125.7
1950-51	113.1	82.1	165.7	112.4	168.7	155.9	154.9	83.1	...	129.5(c)	137.6(d)
1951-52	126.6	93.2	175.0	125.4	207.8	170.6	169.5	88.9	...	154.6(c)	145.7(d)
1952-53	141.7	91.0	184.0	119.5	223.6	169.2	172.5	83.1	...	145.8(c)	139.1(d)
1953-54	145.9	88.5	178.1	115.5	251.4	166.1	170.8	81.8	...	158.5(c)	179.5(d)
1954-55	152.3	97.2	196.2	112.2	275.3	206.0	179.4	101.5	...	178.9(c)	203.7(d)
1955-56	157.6	105.2	193.4	122.7	281.2	221.1	184.0	156.4	...	...	151.2
February 1952-53	136.8	89.3	179.9	121.1	204.6A	156.2	163.2	140.5	81.1	153.9	145.3A
March 1953-54	137.8	93.9	189.8	121.1	221.8A	159.4	165.1	150.7	97.0	157.6	150.3A
April 1954-55	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	147.4A
May 1955-56	142.9	83.3	179.6	130.1	242.9A	181.2	179.5	137.4	81.5	153.9	152.6A
June 1956-57	148.4	88.3	169.2	107.9	239.2A	185.1	170.8	125.9	80.4	146.5	151.7A
July 1957-58	148.2	87.9	142.7	87.5	252.0A	202.3	169.0	129.9	82.5	136.9	159.3A
August 1958-59	145.0	76.5	135.9	83.0	230.5A	190.8	168.3	129.9	70.1	135.6	162.1A
September 1959-60	144.3	89.1	145.8	94.0	233.2A	199.2	172.6	131.5	78.1	137.4	161.9A
October 1960-61	148.0	79.6	181.2	120.6	247.0A	177.2	171.4	134.6	75.7	136.3	156.9A
November 1961-62	136.4	82.1	204.7	131.3	253.6A	151.2	162.6	133.5	79.2	141.6	162.4A
December 1962-63	150.1	91.3	200.1	127.1	277.4A	130.8	179.3	147.3	91.1	137.3	166.7A
January 1963-64	148.7	78.4	206.6	133.9	272.2A	123.6	165.5	146.7	83.2	147.2	161.9A
February 1964-65	146.8	89.0	189.5	128.9	264.0A	116.9	163.2	137.2	86.7	156.4	160.0A
March 1965-66	147.1	95.3	205.7	125.0	291.8A	141.6	164.8	149.6	98.3	158.1	165.8A
April 1966-67	150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	154.7	170.3A
May 1967-68	150.2	81.9	183.6	124.4	280.1A	214.7	166.9	137.0	82.2	158.7	174.7A
June 1968-69	150.7	90.5	192.1	120.4	264.4A	208.7	169.3	133.6	81.0	160.3	174.0A
July 1969-70	154.1	90.7	195.2	117.6	273.9A	176.9	181.2	137.4	88.7	160.1	171.9A
August 1970-71	152.1	88.6	200.5	122.3	256.4A	167.4	180.4	137.4	84.4	154.7	175.2A
September 1971-72	152.9	96.2	187.3	115.8	271.2A	178.1	184.1	134.4	90.7	150.0	181.6A
October 1972-73	145.6	89.6	128.3	120.3	279.3A	194.3	170.5	137.6	81.2	150.2	174.5A
November 1973-74	156.1	106.6	194.8	126.6	275.9A	227.2	199.6	145.7	100.6	154.2	182.8A
December 1974-75	157.8	110.7	207.2	130.3	298.6A	238.3	198.8	156.4	101.7	159.1	188.9A
January 1975-76	149.8	98.2	211.0	127.6	282.0A	227.2	179.8	159.1	93.0	161.5	183.7A
February 1976-77	149.2	105.2	196.5	123.9	272.8A	210.6	174.2	150.1	93.1	164.3	181.5A
March 1977-78	158.0	111.4	208.1	120.1	285.3A	218.7	178.3	161.1	116.0	174.6	194.9A
April 1978-79	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	191.9A
May 1979-80	151.1	94.4	205.1	130.3	281.6A	206.3	178.3	146.0	100.0	186.0	193.2A
June 1980-81	154.4	103.7	195.0	125.5	247.2A	208.4	180.3	140.2	96.7	183.3	198.2A
July 1981-82	160.4	94.7	180.7	119.4	262.0A	222.2	180.7	147.0	98.5	178.5	197.3A
August 1982-83	155.3	92.4	195.4	118.3	280.3A	224.3	189.6	148.4	100.6	177.1	195.7A
September 1983-84	164.9	106.3	191.2	114.6	255.0A	231.8	196.0	146.9	107.8	177.1	201.5A
October 1984-85	165.6	94.1	177.7	100.7	293.7A	209.3	179.9	151.6	95.1	172.4	200.6A
November 1985-86	151.6	107.7	186.3	113.6	293.3A	222.2	186.7	157.3	93.7	170.1	201.9A
December 1986-87	167.3	114.7	214.6	130.6	317.6A	232.2	192.2	169.9	106.4	172.4	217.3A
January 1987-88	151.0	104.2	208.1	133.9	300.6A	221.2	182.3	171.8	86.9	175.1	208.3A
February 1988-89	159.2	118.4	205.4	131.6	295.0A	228.6	179.8	167.9	110.6	181.8	215.1A
March 1989-90	155.9	124.0	215.5	125.0	320.5A	229.9	181.3	178.3	114.8	190.6	223.1A
April 1990-91	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	109.7	198.3	216.3A
May 1991-92	158.6	118.4	201.4	125.9	314.6A	221.9	186.4	160.6	104.5	198.8	226.3A
June 1992-93	160.8	119.6	196.8	117.3	317.0A	223.5	187.1	152.4	99.4	193.4	220.5A
July 1993-94	153.1	106.8	200.8	120.6	302.1A	223.2	192.7	153.8	99.1	188.0	217.6A
August 1994-95	160.6	102.4	194.7	117.0	298.3A	213.9	200.5	160.2	92.4	178.8	219.2A
September 1995-96	168.7	102.8	200.7	121.3	300.0A	223.9	181.3	150.0	100.7	177.1	227.4A
October 1996-97	161.3	96.0	204.4	124.3	308.2A	217.5	185.2	157.3	102.4	179.6	229.3A

(a) April, 1935 to March, 1936 = 100
(b) Averages of eleven months, April to February
(c) Notes in Circulation
(d) Electricity Consumption

(e) Estimated.
(f) Railway Earnings before April 1952
* Figures not available
† Official year

‡ Average of February and March
§ Annual indices represent averages of monthly figures.
|| Provisional.
** For construction and earlier figure see Capital 17th March 1958.
A Base January 1948.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



COMPANY AND PUBLIC NOTICES

NEW INDIA SUGAR MILLS LTD.

NOTICE.

NOTICE is hereby given that an Extra-ordinary General Meeting of the Shareholders of the New India Sugar Mills Ltd., will be held at 8, India Exchange Place, Calcutta on Friday, the 29th day of March, 1957 at 12 Noon to consider and if thought fit to pass with or without modification the following resolutions:

AS SPECIAL RESOLUTIONS:

1. Resolved that:

(i) the approval of the Central Government having been received for variation in the Managing Agency Agreement the Company do hereby approve of and consent to the variation of the Managing Agency Agreement so as to (i) fix the remuneration payable to the Managing Agents, The Cotton Agents Private Ltd. with effect from the 1st day of April, 1956 at a commission of 10% of the net profits of the Company as calculated in accordance with the provisions of the Companies Act, 1956 subject to a minimum remuneration of Rs. 25,000/- per annum in the event of absence or inadequacy of profits; (ii) fix the term of appointment upto 15th August, 1960 and (iii) provide for the powers and duties of the Managing Agents in accordance with the provisions of the said Act.

(2) the draft agreement embodying the revised terms as aforesaid and placed before the meeting and for the purpose of identification endorsed with the signature of the Chairman of the meeting be and is hereby approved and the directors be and are hereby authorised to execute engrossment thereof in duplicate.

(3) the terms of the Managing Agency Agreement will have effect notwithstanding any provisions to the contrary in the Articles of Association of the Company.

2. Whereas the American East India Corporation, an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company, maintain an office at New York in the U.S.A. for purchase and sale of goods including stores and machinery and also have dealings and business connections with parties all over the U.S.A. and their operations are on a large scale and whereas their expenses of maintaining their office, as assessed, amount approximately to \$30,000/- per annum and whereas expenses, which can be attributed to the work expected to be done for and on behalf of the Company, would depend on work expected to be done for and on behalf of the Company, would depend on the value of purchases effected through the said Company in relation to its total turnover in each year it is hereby resolved that the American East India Corporation be appointed as Agents for the Company to purchase for and on behalf of the Company, stores and machinery for a period of three years and their commission for purchase of stores and machinery at the rates mentioned below, be paid by the Company to the Agents, viz. the American East India Corporation in the manner sanctioned by the Directors of the Company.

- For ordering stores:
5 per cent of the invoice price.
- For ordering machinery:
2 1/2% of the invoice price on the first \$50,000/- worth of goods or less.
2% of the invoice price on the second \$50,000/- worth of goods or less.
1 1/2% of the invoice price on the third \$50,000/- worth of goods or less.
1% on anything above \$1,50,000/-.

N.B. (1) Orders placed with different manufacturers or on different occasions with the same manufacturers will not be compounded for the purpose of calculating the commission due to American East India Corporation.

- \$20,000/- will be the maximum commission payable to American East India Corporation in respect of a single order, irrespective of the amount calculated on the percentage basis.
- Where the American East India Corporation receive any commission or discount from the manufacturers or other suppliers of goods ordered by them for the company, they will not be entitled to retain the commission or discount so received and will duly account for the same to the company.

If anything to be done in pursuance of the above arrangement requires the permission of the Central Government or the Reserve Bank of India as the case may be the same will not be done unless such permission is obtained.

AS ORDINARY RESOLUTION:

Resolved that the Registers, Books and documents of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956 and particularly under sections 49, 118, 136, 143, 144, 150, 151, 152, 163, 193, 196, 301, 302, 303, 304, 307, 356-360, 362, 372 and Schedule VIII of the Act be kept open for such

inspection by the persons entitled thereto under the aforesaid provisions to the extent, in the manner and on payment of fees, if any, specified in the aforesaid provisions at the registered office of the Company on all working days between the hours of 10-30 A.M. and 12-30 P.M. (I.S.T.) except when the registers and books are closed under the provisions of the Companies Act, 1956 or the Articles of Association of the Company upon 24 hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected, provided, however, that the register required to be maintained under section 307 of the Companies Act, 1956 shall be open for inspection of the members of the Company at the place and between the times above-mentioned during the period prescribed by subsection 5 (a) of section 307.

By Order of the Board,

THE COTTON AGENTS PRIVATE LTD.,
Managing Agents.

"India Exchange",

Calcutta-1, the 18th February, 1957.

N.B.:

- A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

2. EXPLANATORY NOTE:

Special Resolution No. 1.

Under the provisions of the existing Managing Agency Agreement the Managing Agents are entitled to an office allowance of Rs. 750/- per month, 1 1/4% commission on sales and 7 1/4% commission on net profits, but in accordance with the provisions of section 348 of the Companies Act, 1956 the remuneration payable to the Managing Agents cannot exceed 10% of the net profits of the company to be computed in the manner laid down in section 349 and 350 of the Act. In order to bring the remuneration of the Managing Agents in conformity with the provisions of the Companies Act, 1956 approval of the Central Government has been obtained for fixing the remuneration of the Managing Agents with effect from 1.4.1956 at 10% of the net profits to be computed in the manner laid down in the said Act with a minimum remuneration of Rs. 25,000/- per annum in the event of absence or inadequacy of profits.

The term of the Managing Agents under the present agreement expires on the 26th December, 1961. But section 330 of the Companies Act, 1956 provides for the expiry of the term of office of all Managing Agents on the 15th August, 1960. Accordingly the term of the Managing Agents has been fixed upto the 15th August, 1960.

In view of the various changes in the provisions of the Companies Act, 1956 relating to the Managing Agents, it is considered advisable that the present Managing Agency Agreement be replaced by a fresh agreement incorporating the revised remuneration and the term of office as also other provisions affecting the Managing Agents. As it is proposed to adopt a new set of Articles keeping in view the provisions of the Companies Act, 1956, necessary changes in the Articles of Association of the Company relating to the Managing Agents are not being made at present. Pending such wholesale revision of the Articles of Association, the provisions of the new Managing Agency agreement shall prevail notwithstanding the present provisions of the Articles of Association of the company affecting the Managing Agents. The draft Managing Agency Agreement, proposed to be entered into with The Cotton Agents Private Ltd., a copy of which is being sent to the shareholders in term of Section 302 (3) of the Companies Act, 1956 can be inspected on any working day during business hours at the registered office of the company at "India Exchange", Calcutta-1.

Special Resolution No. 2.

It is proposed to appoint the American East India Corporation, New York, an associate of The Cotton Agents Private Ltd., the Managing Agents of the company as buying agents for and on behalf of the company in the United States of America on the terms and conditions stated in the resolution. Memorandum specifying the nature of interest of Directors in respect of Special Resolutions No. 1 & 2:

UPPER GANGES SUGAR MILLS LTD.

NOTICE.

NOTICE is hereby given that an Extra-ordinary General Meeting of the Shareholders of the Upper Ganges Sugar Mills Ltd., will be held at 8, India Exchange Place, Calcutta on Friday, the 29th day of March, 1957, at 2-30 P.M. to consider and if thought fit to pass with or without modification the following resolutions:

AS SPECIAL RESOLUTIONS:

1. Resolved that:

(1) the approval of the Central Government having been received for variation in the Managing Agency Agreement the Company do hereby approve of and consent to the variation of the Managing Agency Agreement so as to (i) fix the remuneration payable to the Managing Agents, The Cotton Agents Private Ltd. with effect from the 1st day of April, 1956 at a commission of 10% of the net profits of the Company as calculated in accordance with the provisions of the Companies Act, 1956 subject to a minimum remuneration of Rs. 45,000/- per annum in the event of absence or inadequacy of profits; (ii) fix the term of appointment upto 15th August, 1960 and (iii) provide for the powers and duties of the Managing Agents in accordance with the provisions of the said Act.

(2) the draft agreement embodying the revised terms as aforesaid and placed before the meeting and for the purpose of identification endorsed with the signature of the Chairman of the meeting be and is hereby approved and the directors be and are hereby authorised to execute engrossment thereof in duplicate.

(3) the terms of the Managing Agency Agreement will have effect notwithstanding any provisions to the contrary in the Articles of Association of the Company.

2. Whereas the American East India Corporation, an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company, maintain an office at New York in the U.S.A. for purchase and sale of goods including stores and machinery and also have dealings and business connections with parties all over the U.S.A. and their operations are on a large scale and whereas their expenses of maintaining their office, as assessed, amount approximately \$30,000/- per annum and whereas expenses, which can be attributed to the work expected to be done for and on behalf of the Company, would depend on the value of purchases effected through the said company in relation to its total turnover in each year it is hereby resolved that the American East India Corporation be appointed as Agents for the Company to purchase for and on behalf of the company, stores and machinery for a period of three years and their commission for purchase of stores and machinery at the rates mentioned below, be paid by the Company to the Agents, viz. the American East India Corporation in the manner sanctioned by the Directors of the Company.

(a) For ordering stores:

5 per cent of the invoice price.

(b) For ordering machinery:

2½% of the invoice price on the first \$50,000/- worth of goods or less.

2% of the invoice price on the second \$50,000/- worth of goods or less.

1½% of the invoice price on the third \$50,000/- worth of goods or less.

1% on anything above \$1,50,000/-.

N.B. (1) Orders placed with different manufacturers or on different occasions with the same manufacturers will not be compounded for the purpose of calculating the commission due to American East India Corporation.

(2) \$20,000/- will be the maximum commission payable to American East India Corporation in respect of a single order, irrespective of the amount calculated on the percentage basis.

(3) Where the American East India Corporation receive any commission or discount from the manufacturers or other suppliers of goods ordered by them for the company, they will not be entitled to retain the commission or discount so received and will duly account for the same to the company.

If anything to be done in pursuance of the above arrangement requires the permission of the Central Government or the Reserve Bank of India as the case may be the same will not be done unless such permission is obtained.

AS ORDINARY RESOLUTIONS:

1. Resolved that the Registers, Books and documents of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956 and particularly under sections 49, 118, 136, 143, 144, 150, 151, 152, 163, 193, 196, 301, 302, 303, 304, 307, 356-360, 362, 372 and Schedule VIII of the Act be kept open for such inspection by the persons entitled thereto under the aforesaid provisions to the extent, in the manner and on payment of fees, if any, specified in the aforesaid provisions at the registered office of the company on all working days between the hours of 10-30 A.M. and 12-30 P.M. (I.S.T.) except when the registers and books are closed under the provisions of the Companies Act, 1956 or the Articles of Association of the Company upon 24 hours' notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected, provided, however, that the register re-

quired to be maintained under section 307 of the Companies Act, 1956 shall be open for inspection of the members of the Company at the place and between the times above-mentioned during the period prescribed by sub-section 5(a) of section 307.

Ordinary Resolution No. 2

Resolved that the appointment of M/s. Nagar-mal Radheshyam, Bhagalpur and M/s. Payal Private Ltd., Delhi as sole selling agents for the areas allotted to them for sale of the products of the Birla Laboratories (Chemical Department) owned by the Company be and is hereby approved.

By Order of the Board,

THE COTTON AGENTS PRIVATE LTD.,
Managing Agents.

'India Exchange',

Calcutta-1, the 18th February, 1957.

N.B.:-

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

(2) EXPLANATORY NOTE:

Special Resolution No. 1

Under the provisions of the existing Managing Agency Agreement the Managing Agents are entitled to an office allowance of Rs. 1,000/- per month, 2% commission on sales and 10% commission on net profits, but in accordance with the provisions of Section 348 of the Companies Act, 1956 the remuneration payable to the Managing Agents cannot exceed 10% of the net profits of the company to be computed in the manner laid down in Sections 349 and 350 of the Act. In order to bring the remuneration of the Managing Agents in conformity with the provisions of the Companies Act, 1956 approval of the Central Government has been obtained for fixing the remuneration of the Managing Agents with effect from 1-4-1956 at 10% of the net profits to be computed in the manner laid down in the said Act with a minimum remuneration of Rs. 45,000/- per annum in the event of absence or inadequacy of profits.

The term of the Managing Agents under the present agreement expires on the 15th day of March, 1962. But Section 330 of the Companies Act, 1956 provides for the expiry of the term of office of all Managing Agents on the 15th August, 1960. Accordingly the term of the Managing Agents has been fixed upto the 15th August, 1960.

In view of the various changes in the provisions of the Companies Act, 1956 relating to the Managing Agents, it is considered advisable that the present Managing Agency Agreement be replaced by a fresh agreement incorporating the revised remuneration and the term of office as also other provisions affecting the Managing Agents. As it is proposed to adopt a new set of Articles keeping in view the provisions of the Companies Act, 1956 necessary changes in the Articles of Association of the Company relating to the Managing Agents are not being made at present. Pending such wholesale revision of the Articles of Association, the provisions of the new Managing Agency Agreement shall prevail notwithstanding the present provisions of the Articles of Association of the company affecting the Managing Agents. The draft Managing Agency Agreement, proposed to be entered into with The Cotton Agents Private Ltd., a copy of which is being sent to the shareholders in terms of Section 302(3) of the Companies Act, 1956 can be inspected on any working day during business hours at the registered office of the company at 'India Exchange', Calcutta-1.

Special Resolution No. 2:

It is proposed to appoint the American East India Corporation, New York, an associate of The Cotton Agents Private Ltd., the Managing Agents of the company as buying agents for and on behalf of the company in the United States of America on the terms and conditions stated in the resolution. Memorandum specifying the nature of interest of Directors in respect of Special Resolution No. 1 & 2:

Shri K. K. Birla, Chairman of the Board of Directors of the company is a Director and shareholder of the Managing Agents, The Cotton Agents Private Ltd.

Ordinary Resolution No. 1:

The resolution has been proposed to fix the time for and mode of inspection of various registers, books and documents required to be maintained and kept open for inspection of the members and other persons keeping in view the administrative convenience.

Ordinary Resolution No. 2:

It is proposed to get the appointment of the sole selling agents for the sale of the products of the Birla Laboratories (Chemical Department) owned by the Company, approved in the General Meeting as required under Section 294 of the Companies Act, 1956.

THE ALKALI & CHEMICAL CORPORATION OF INDIA, LTD.

NOTICE.

The Preference Share Registers of the Company will be closed from the 3rd April 1957 to the 12th April, 1957, both days inclusive.

By Order of the Board,

IMPERIAL CHEMICAL INDUSTRIES (INDIA) PRIVATE LTD.,

Secretaries,

Calcutta, 7th March, 1957.

THE INDIA JUTE CO. LTD.

NOTICE is hereby given that a General Meeting of the members of the Company will be held at the Registered Office, 16, Strand Road, Calcutta, on Monday, the 25th day of March, 1957, at 11-00 o'clock in the forenoon to consider and, if thought fit, to pass, with or without modification, the following resolutions, namely:-

1. That every 125 fully paid up Deferred Shares of Re. 1/- each in the Authorised Capital of the Company be consolidated into 1 Deferred Share of Rs. 125/- each credited as fully paid making in all 240 Deferred Shares of Rs. 125 each and that such 240 Deferred Shares shall in future be called and known as Ordinary Shares, ranking in all respects *pari passu* with the existing Ordinary Shares in the Company.

2. (As a Special Resolution). That the Articles of Association of the Company be altered in manner following:-

Article 4 shall be deleted and the following new Article substituted therefor:-

"4. At the date of adoption of this Article, the Capital of the Company is Rs. 1,50,00,000 divided into 1,20,000 Ordinary Shares of Rs. 125/- each."

By Order of the Board,

R. L. MCINTOSH,

Secretary.

16, Strand Road,

Calcutta, 1st March, 1957.

Note: A member who is entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his behalf and a proxy need not be a member of the Company.

UPPER GANGES SUGAR MILLS LTD.

NOTICE is hereby given that the Twentyfourth Annual General Meeting of the Upper Ganges Sugar Mills Limited will be held at 8, India Exchange Place, Calcutta on Friday, the 29th March, 1957 at 3 P.M. or so soon thereafter, as the Extra-ordinary General Meeting of the Company called to be held on the same day at 2-30 P.M. is over, for the following purposes:-

1. To receive and adopt the Directors' Report and the Accounts of the Company for the year ended 30th June, 1956.

2. To declare Dividends.

3. To elect a Director in place of Shri R. K. Kanoria who retires by rotation.

4. To appoint Auditors and fix their remuneration.

The Register of Members will remain closed from the 20th March to 29th March, 1957, both days inclusive.

By Order of the Board,

THE COTTON AGENTS PRIVATE LTD.,

Managing Agents.

'India Exchange',

Calcutta-1, the 18th February, 1957.

N.B.:-

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

2. The dividends when declared will be payable to registered shareholders as on 29th March, 1957 on or after the 31st March, 1957.

GILLANDERS ARBUTHNOT & COMPANY LIMITED.

NOTICE is hereby given that the above Company's Register of Members will be closed from the 18th March to the 30th March, 1957, both days inclusive, for payment on the latter date of a dividend of 16% for the year ended 31st March, 1956 on the Company's Ordinary Share Capital without any deduction in respect of Income Tax payable by the Company.

By Order of the Board,

FOR GILLANDERS ARBUTHNOT & CO., LTD.

J. F. E. d'A. WILLIS,

Managing Director.

Clive Buildings,

Netaji Subhas Road,

Calcutta.

The 1st March, 1957.

EASTERN INVESTMENTS LIMITED.

The Board of Directors has decided to recommend to the forthcoming General Meeting of Shareholders the following dividends for the year ended 31st December, 1956.

On the Cumulative Preference Shares, a final Dividend @ 2½ per cent per annum, making the total Dividend @ 5 per cent per annum, less Income Tax.

On the Ordinary Shares @ 9 per cent per annum, without any deduction in respect of taxation payable by the Company.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,

Secretaries.

Chartered Bank Buildings,

Calcutta, 27th February, 1957.

BHARAT SUGAR MILLS LIMITED

NOTICE.

NOTICE is hereby given that an Extra-ordinary General Meeting of the Shareholders of the Bharat Sugar Mills Limited, will be held at 8, India Exchange Place, Calcutta on Friday, the 29th day of March, 1957 at 11 A.M. to consider and if thought fit to pass with or without modification the following resolutions:

AS SPECIAL RESOLUTION:

1. Resolved that:

(1) the approval of the Central Government having been received for variation in the Managing Agency Agreement the Company do hereby approve of and consent to the variation of the Managing Agency Agreement so as to (i) fix the remuneration payable to the Managing Agents, The Cotton Agents Private Ltd. with effect from the 1st day of April, 1956 at a commission of 10% of the net profits of the Company as calculated in accordance with the provisions of the Companies Act, 1956 subject to a minimum remuneration of Rs. 25,000/- per annum in the event of absence or inadequacy of profits; (ii) fix the term of appointment up to 15th August, 1960 and (iii) provide for the powers and duties of the Managing Agents in accordance with the provisions of the said Act.

(2) the draft agreement embodying the revised terms as aforesaid and placed before the meeting and for the purpose of identification endorsed with the signature of the Chairman of the meeting be and is hereby approved and the directors be and are hereby authorised to execute engrossment thereof in duplicate.

(3) the terms of the Managing Agency Agreement will have effect notwithstanding any provisions to the contrary in the Articles of Association of the Company.

2. Whereas the American East India Corporation, an associate of The Cotton Agents Private Ltd., the Managing Agents of the Company, maintain an office at New York in the U.S.A. for purchase and sale of goods including stores and machinery and also have dealings and business connections with parties all over the U.S.A. and their operations are on a large scale and whereas their expenses of maintaining their office, as assessed, amount approximately to \$30,000/- per annum and whereas expenses, which can be attributed to the work expected to be done for and on behalf of the Company, would depend on the value of purchases effected through the said Company in relation to its total turnover in each year it is hereby resolved that the American East India Corporation be appointed as Agents for the Company to purchase for and on behalf of the company, stores and machinery for a period of three years and their commission for purchase of stores and machinery at the rates mentioned below, be paid by the Company to the Agents, viz. the American East India Corporation in the manner sanctioned by the Directors of the Company.

(a) For ordering stores:

5 per cent of the invoice price.

(b) For ordering machinery:

2½% of the invoice price on the first \$50,000/- worth of goods or less.

2% of the invoice price on the second \$50,000/- worth of goods or less.

1½% of the invoice price on the third \$50,000/- worth of goods or less.

1% on anything above \$1,50,000/-.

N.B. (1) Orders placed with different manufacturers or on different occasions with the same manufacturers will not be compounded for the purpose of calculating the commission due to American East India Corporation.

(2) \$20,000/- will be the maximum commission payable to American East India Corporation in respect of a single order, irrespective of the amount calculated on the percentage basis.

(3) Where the American East India Corporation receive any commission or discount from the manufacturers or other suppliers of goods ordered by them for the company, they will not be entitled to retain the commission or discount so received and will duly account for the same to the company.

If anything to be done in pursuance of the above arrangement requires the permission of the Central Government or the Reserve Bank of India as the case may be the same will not be done unless such permission is obtained.

AS ORDINARY RESOLUTION:

Resolved that the Registers, Books and documents of the Company required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956 and particularly under sections 49, 118, 136, 143, 144, 150, 151, 152, 163, 193, 196, 301, 302, 303, 304, 307, 356-360, 362, 372, and Schedule VIII of the Act be kept open for such inspection by the persons entitled thereto under the aforesaid provisions to the extent, in the manner and on payment of fees, if any, specified in the aforesaid provisions at the registered office of the company on all working days between the hours of 10-30 A.M. and 12-30 P.M. (I.S.T.) except when the

registers and books are closed under the provisions of the Companies Act, 1956 or the Articles of Association of the Company upon 24 hours' written notice of intention to inspect, such notice indicating what books, documents and registers are intended to be inspected, provided, however, that the register required to be maintained under section 307 of the Companies Act, 1956 shall be open for inspection of the members of the Company at the place and between the times above-mentioned during the period prescribed by sub-section 5(a) of section 307.

By Order of the Board,

THE COTTON AGENTS PRIVATE LTD.,
Managing Agents.

'India Exchange',

Calcutta-1, the 18th February, 1957.

N.B. (1) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

(2) EXPLANATORY NOTE:

Special Resolution No. 1

Under the provisions of the existing Managing Agency Agreement the Managing Agents are entitled to an office allowance of Rs. 1,000/- per month and 10% commission on net profits. No office allowance can, however, be paid from 1-4-1956 vide section 354 of the Companies Act, 1956. Further the commission of 10% has to be computed in the manner laid down in Sections 349 and 350 of the Act. In order to bring the remuneration of the Managing Agents in conformity with the provisions of the Companies Act, 1956 approval of the Central Government has been obtained for fixing the remuneration of the Managing Agents with effect from 1-4-56 at 10% of the net profits to be computed in the manner laid down in the said Act with a minimum remuneration of Rs. 25,000/- per annum in the event of absence or inadequacy of profits.

The term of the Managing Agents under the present agreement expires on the 26th day of December, 1961. But Section 330 of the Companies Act, 1956 provides for the expiry of the term of office of all Managing Agents on the 15th August, 1960. Accordingly the term of the Managing Agents has been fixed upto the 15th August, 1960.

In view of the various changes in the provisions of the Companies Act, 1956 relating to the Managing Agents, it is considered advisable that the present Managing Agency Agreement be replaced by a fresh agreement incorporating the revised remuneration and the term of office as also other provisions affecting the Managing Agents. As it is proposed to adopt a new set of Articles keeping in view the provisions of the Companies Act, 1956, necessary changes in the Articles of Association of the Company relating to the Managing Agents are not being made at present. Pending such wholesale revision of the Articles of Association, the provisions of the new Managing Agency agreement shall prevail notwithstanding the present provisions of the Articles of Association of the company affecting the Managing Agents. The draft Managing Agency Agreement, proposed to be entered into with The Cotton Agents Private Ltd., a copy of which is being sent to the shareholders in terms of Section 302(3) of the Companies Act, 1956 can be inspected on any working day during business hours at the registered office of the company at 'India Exchange', Calcutta-1.

Special Resolution No. 2.

It is proposed to appoint the American East India Corporation, New York, an associate of The Cotton Agents Private Ltd., the Managing Agents of the company as buying agents for and on behalf of the company in the United States of America on the terms and conditions stated in the resolution.

Memorandum specifying the nature of interest of Directors in respect of Special Resolution No. 1 & 2:

Shri K. K. Birla, Chairman of the Board of Directors of the company is a Director and shareholder of the Managing Agents, The Cotton Agents Private Ltd., and Shri B. P. Khaitan, a Director of the company is a co-sharer in the Managing Agency remuneration received by The Cotton Agents Private Ltd., from the company.

Ordinary Resolution No. 1.

The resolution has been proposed to fix the time for and mode of inspection of various registers, books and documents required to be maintained and kept open for inspection of the members and other persons keeping in view the administrative convenience.

MARTIN BURN LIMITED

NOTICE.

The Annual General Meeting (being the Eleventh Ordinary General Meeting) of the Shareholders of Martin Burn Ltd. will be held on Friday, 29th March, 1957, at 12 noon at the Registered Office of the Company, 12, Mission Row, Calcutta, to transact the following business:-

(1) To receive and adopt the Audited Accounts for the year ended 30th September, 1956, and Directors' and Auditors' Reports thereon.

(2) To declare a Dividend and Cash Bonus.

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

(4) To appoint Auditors and to fix their remuneration.

(5) As special business to consider and if thought fit to pass the following resolution, namely:

"That the Books, Registers and other documents required to be maintained by the Company and kept open for inspection under the provisions of The Companies Act, 1956, and particularly under Sections 49, 118, 144, 163, 196, 301, 302, 304, 307, 362 and 372 of the said Act, shall be available for inspection at the Registered Office of the Company by the persons entitled thereto to the extent and in the manner and on payment of the requisite fees, if any, specified in the aforesaid provisions, between the hours of 10 a.m. and 12 noon on each business day. Provided, however, that the Register required to be maintained under Section 307 of the Act, shall be open for inspection of the members or holders of debentures of the Company between the times above mentioned only during the period prescribed by sub-section 5(a) of Section 307."

The Ordinary Share Registers of the Company will be closed from 22nd to 29th March, 1957, both days inclusive.

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

By Order of the Board,

MARTIN BURN LTD.,

A. G. GIDLEY,

Secretary.

Calcutta, 4th March, 1957.

NOTE—The Dividend and Cash Bonus, if sanctioned, will be paid on or after 30th April, 1957, to those Shareholders so entitled whose names appear in the Company's books on the 29th March, 1957, or to their mandatees. No application for dividend warrants will be necessary.

Explanatory Statement as Required by Section 173 of The Companies Act, 1956.

Item No. (5)

With reference to the resolution relating to inspection of Books, Registers and other documents, referred to in the accompanying notice, The Companies Act, 1956, provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is moved accordingly.

The Directors of the Company have no interest in the business represented by the foregoing resolution other than in their capacity as shareholders.

KAMARHATTY COMPANY, LIMITED.

NOTICE is hereby given that the One Hundred and Fifty-seventh Annual General Meeting of Shareholders will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, at 11-15 a.m. on Saturday, the 30th March, 1957, for the following purposes:-

(1) To receive and consider the Audited Accounts for the half-year ended 30th June, 1956, and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.

(2) To appoint a Director in place of one retiring.

(3) To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 22nd March to 30th March, 1957, both days inclusive.

By Order of the Board,

JARDINE HENDERSON, LIMITED,

D. FORDWOOD,

Secretary.

Managing Agents.

4. Clive Row,

Calcutta-1, 1st March, 1957.

NOTE: A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.

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THE CENTRAL BANK OF INDIA LIMITED

NOTICE is hereby given that the Forty-sixth Annual General Meeting of the Shareholders of The Central Bank of India Limited, will be held at the Registered Office of the Company, in the Central Bank Building, Mahatma Gandhi Road, Fort, Bombay, on Thursday, the 28th day of March, 1957, at 4 P.M. (S.T.) to transact the following business:—

- To receive and consider and adopt the Report of the Directors and the Audited accounts for the period ended 31st December, 1956.
- To declare a dividend.
- To appoint a Director in place of Sir Jamsetjee Jejeebhoy, Bart., who vacates his seat as a Director under Article 84 of the Articles of Association and who is eligible and offers himself for re-appointment.
- To appoint a Director in place of His Highness Sir Jiwajirao Madhavrao Scindia, C.C.S.I., C.I.E., who vacates his seat as a Director under Article 84 of the Articles of Association and who is eligible and offers himself for re-appointment.
- To appoint a Director in place of Mr. Dinshaw D. Romer who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956 and is eligible for re-appointment and to consider, and if thought fit, to pass the following resolution of which a special notice as required by Section 281 of the Companies Act, 1956, has been received by the Company and the relative explanatory statement concerning which is annexed hereto as required by Section 173 of the said Act:

"RESOLVED that pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Mr. Dinshaw D. Romer who has attained the age of 81 years and who retires by rotation under Article 92 of the said Articles of Association read with Section 256 of the Companies Act, 1956, be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."

- To appoint a Director in place of Mr. Chimanlal B. Parikh, who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and who is eligible and offers himself for re-appointment.

- To appoint a Director in place of Mr. Framroze J. Gazdar who retires by rotation under Article 92 of the Articles of Association read with Section 256 of the Companies Act, 1956, and who is eligible and offers himself for re-appointment.

- To appoint Auditors and to fix their remuneration.

- To consider and, if thought fit, to pass the following resolution required by Section 293 of the Companies Act, 1956, an explanatory statement in respect of which is annexed hereto as prescribed by Section 173 of the said Act:

"RESOLVED that the consent of the Company under the provisions of Section 293(1) (d) of the Companies Act, 1956, be and is hereby granted to the Board of Directors of the Company to borrow from time to time for the purposes of the Company such sum or sums of money as they may in their absolute discretion think fit notwithstanding that the moneys so borrowed may either by themselves or together with the moneys already borrowed by the Company and remaining outstanding (other than temporary loans obtained from the Company's Bankers in the ordinary course of business) may be in excess of the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED further that the Company hereby ratifies and confirms all borrowings made by the Board of Directors after 1st April 1956, which together with the amounts previously borrowed by the Company and remaining outstanding have been, during any period since the said date, in excess of the aggregate of the said paid up capital and free reserves of the Company."

- To consider and, if thought fit, to pass the following resolution the relative explanatory statement concerning which is annexed hereto as prescribed by Section 173 of the Companies Act, 1956:—

"RESOLVED that the Registers, Books and Documents of the Company

required to be maintained and kept open for inspection under the provisions of the Companies Act, 1956, and particularly under Sections 49, 118, 136, 143, 144, 150, 151, 152, 163, 193, 196, 301-304, 307, be kept open for such inspection by the persons entitled thereto under the aforesaid provisions to the extent in the manner and on payment of the fees, if any, specified in the aforesaid provisions at the Registered Office of the Company between the hours of 11-30 A.M. and 1-30 P.M. (S.T.) on any working day except Saturdays and between the hours of 11-00 A.M. and 1-00 P.M. (S.T.) on Saturdays, except when the Registers and Books are closed under the provisions of the Companies Act, 1956, or the Articles of Association of the Company. Provided, however, that the Register required to be maintained under Section 307 of the Act shall be open for inspection as aforesaid of the members of the Company between the times abovementioned during the period prescribed by sub-section 5(a) of Section 307."

By Order of the Board,
N. K. KARANJIA,
General Manager.

Bombay, 1st March, 1957.

Note:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

- The Transfer Books of the Bank will be closed from Wednesday, the 6th day of March, 1957, to Thursday, the 28th day of March, 1957, (both days inclusive).

- Dividend Warrants for the half-year ended 31st December, 1956 will be posted to the Shareholders at their registered address on and after the 29th day of March, 1957. Shareholders are requested to intimate the Bank their change of address, if any, immediately.

ANNEXURE TO THE NOTICE.

Explanatory Statement as required by Section 173 of the Companies Act 1956.

To,

The Shareholders of
The Central Bank of India Limited.

Dear Sir/Madam,

In conformity with the Companies Act, 1956, which came into force on 1st April, 1956, the following Explanatory Statement, as required by Section 173 of the aforesaid Act, sets out all material facts relating to items 5, 9 and 10 mentioned in the accompanying Notice dated the 1st March, 1957.

2. In respect of Item No. 5, it is notified that Mr. Dinshaw D. Romer who retires by rotation and is eligible for re-appointment, has attained the age of 81 years and hence he cannot be re-appointed a Director of the Company except by a resolution in respect of which special notice has been given in accordance with the requirements of Sections 190 and 281 of the Companies Act, 1956. The Company has received such a special notice from some members notifying their intention to move the resolution as set out in the said Item No. 5. Mr. Romer has been a Director on the Board of this Company since 1931. He is an eminent Solicitor and has wide and varied experience of banking and commerce and during his long period of association with the Company he has rendered very valuable services to the Company. It is in the interest of the Company that it should continue to receive the benefit of his services as a member of the Board.

3. As to Item No. 9, it is proposed to meet the requirements of Section 293(1) (d) of the Companies Act, 1956. The Bank has had since 1st April, 1956 and may hereafter have occasions to borrow in excess of the limits prescribed by the said Section and it is, therefore, necessary to ratify such previous borrowings and to give the necessary powers to the Board for such future borrowings, the same being necessary and expedient for the purposes of the Company's business.

4. In respect of Item No. 10, it is notified that under the relevant Sections of the Act, the Company in General Meeting is entitled to impose reasonable restrictions on keeping the said registers and documents open for inspection by the persons entitled thereto so that not less than two hours in each day are allowed for inspection. The hours of inspection sought to be prescribed by the said Resolution are reasonable and convenient from the administrative point of view.

By Order of the Board,
N. K. KARANJIA,
General Manager.

Bombay, 1st March, 1957.

BHARAT SUGAR MILLS LTD.

NOTICE is hereby given that the Twenty-fifth Annual General Meeting of the Bharat Sugar Mills Ltd., will be held at 8, India Exchange Place, Calcutta on Friday, the 29th March, 1957 at 11-20 A.M. or so soon thereafter, as the Extra-ordinary General Meeting of the Company called to be held on the same day at 11 A.M. is over, for the following purposes:—

- To receive and adopt the Directors' Report and the Accounts of the Company for the year ended 30th June, 1956.
- To declare Dividends.
- To elect a Director in place of Shri B. P. Khaitan who retires by rotation as well as under Section 261 (1) (e) of the Companies Act, 1956.

Shri B. P. Khaitan is a co-sharer in the Managing Agency Commission received from the company by its Managing Agents, The Cotton Agents Private Ltd. Shri B. P. Khaitan has been on the Board of Directors for many years and has rendered valuable services to the company as a Director. It is, therefore, in the interest of the company that he should continue as Director of the Company. The Company has received the requisite Special Notice from a shareholder and accordingly the Special Notice is hereby given to the shareholders for passing the following Special Resolution for re-appointment of Shri B. P. Khaitan as a Director of the Company.

"RESOLVED that Shri B. P. Khaitan who retires by rotation as well as under Section 261 (1) (e) of the Companies Act, 1956 be and is hereby re-appointed as a director of the Company".

- To appoint auditors and fix their remuneration.

The Register of Members will remain closed from the 20th March to 29th March, 1957, both days inclusive.

By Order of the Board,

THE COTTON AGENTS PRIVATE LTD.,
Managing Agents.

'India Exchange',
Calcutta-1, the 18th February, 1957.

N.B.—

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
- The dividends when declared will be payable to registered shareholders as on 29th March, 1957 on or after the 31st March, 1957.

EASTERN INVESTMENTS LIMITED

NOTICE is hereby given that an Annual General Meeting of EASTERN INVESTMENTS LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 3.30 P.M. on Friday, the 29th day of March, 1957, for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1956 and to receive the Directors' and Auditors' Reports thereon.
- To declare the Dividends recommended by the Directors.
- To appoint Directors in the places of retiring Directors.
- To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 16th March, 1957 to 29th March, 1957 both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Secretaries.

Chartered Bank Buildings,
Calcutta, 27th February, 1957.

Note:

- A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
- The Dividends, if declared, will be paid on or after 5th April, 1957, to those Shareholders so entitled whose names appear in the Company's books on the 29th March, 1957 or to their mandatees. No application for Dividend Warrants will be necessary.

CONTAINERS & CLOSURES LTD.

(Formerly The Electric Welding & Manufacturing Co., (India) Ltd.)

NOTICE.

NOTICE is hereby given that the name of The Electric Welding & Manufacturing Co., (India) Ltd. has been changed to Containers & Closures Ltd.

By Order of the Board,

MACNEILL & BARRY LTD.,
A. H. FORSTER,
Secretary,
Managing Agents.

2, Fairlie Place,
Calcutta-1, 5th March, 1957.

NEW INDIA SUGAR MILLS LTD.

NOTICE is hereby given that the Twenty-second Annual General Meeting of the New India Sugar Mills Ltd. will be held at 8, India Exchange Place, Calcutta on Friday, the 29th March, 1957 at 12-20 P.M. or so soon thereafter, as the Extra-ordinary General Meeting of the Company called to be held on the same day at 12 Noon is over, for the following purposes:—

- To receive and adopt the Directors' Report and the Accounts of the Company for the year ended 30th June, 1956.
- To declare Dividends.
- (a) To approve of the appointment of Shri N. C. Mehta as a Director of the Company who retires under article 126A of the Articles of Association of the Company.

- (b) To elect a Director in place of Shri G. D. Loyalka who retires by rotation as well as under Section 261 (1) (e).

Shri G. D. Loyalka is a co-sharer in the Managing Agency Commission received from the company by its Managing Agents, The Cotton Agents Private Ltd. Further he has attained the age of 67 years. Shri G. D. Loyalka has been on the Board of Directors of the company since the inception of the Company and has rendered valuable services to the Company as a Director. It is, therefore, in the interest of the Company that he should continue as a Director of the Company. The Company has received the requisite special notice from a shareholder and accordingly the special notice is hereby given to the shareholders for passing the following Special Resolution for reappointment of Shri G. D. Loyalka as a Director of the Company.

"Resolved that Shri G. D. Loyalka who retires by rotation as well as under Section 261 (1) (e) of the Companies Act, 1956 and who has attained the age of 67 years be and is hereby reappointed as a Director of the Company and that the age limit prescribed under Section 280 of the Companies Act, 1956 shall not apply to him."

- To appoint auditors and fix their remuneration.

The Register of Members will remain closed from 20th March to 29th March, 1957 both days inclusive.

By Order of the Board,

THE COTTON AGENTS PRIVATE LTD.,
Managing Agents.

'India Exchange',

Calcutta-1, the 18th February, 1957.

N.B.—

- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
- The dividends when declared will be payable to registered shareholders as on 29th March, 1957 on or after the 31st March, 1957.

The Company Meetings and Dividends Table
appears on page 328

MARTIN BURN LIMITED.

NOTICE.

At a meeting of the Board of Directors of Martin Burn Ltd. held on the 27th February, 1957, the Directors have recommended the payment of a dividend at the rate of Rs. 1-8-0 and a cash bonus of Annas Ten per share both without deduction of Income Tax on the Ordinary shares of the Company ranking for dividend for the year ended 30th September, 1956. These recommendations await sanction by the Shareholders at the Annual General Meeting of the Company to be held on Friday, the 29th March, 1957.

The Ordinary Share Register of the Company will be closed from the 22nd to 29th March, 1957, both days inclusive, and the dividend and cash bonus, if sanctioned, will be paid on or after the 30th April, 1957.

By Order of the Board,

MARTIN BURN LIMITED,
A. G. GIDLEY,
Secretary.

12, Mission Row,

Calcutta, 28th February, 1957.

TEZPORE TEA COMPANY LIMITED

NOTICE.

The Directors have declared on 28th February, 1957 an Interim Dividend for the year 1956 on the Ordinary Shares of the Company at the rate of 10% per annum without any deduction for Income-Tax paid by the Company.

Dividend Warrants will be despatched to the registered addresses of, or in accordance with instructions received from, those Members whose names appear in the Company's Register on the 28th March, 1957. The Transfer Register will be closed from the 20th March, 1957 to 28th March, 1957 both days inclusive.

By Order of the Board,

SHAW WALLACE & COMPANY LTD.,
Managing Agents.

1st March, 1957.

SAUGOR ELECTRICITY SUPPLY CO., LTD.

NOTICE is hereby given that the Fiftieth Ordinary General Meeting (not being an Annual General Meeting) of the abovenamed Company will be held at its Registered Office No. 12, Mission Row, Calcutta on Thursday, the 28th March, 1957 at 11-5 a.m. for the following purposes:—

- To receive and adopt the audited Accounts for the half-year ended 30th June, 1956 and the Directors' and Auditors' Reports thereon.
- To declare a Dividend.

The Register of Ordinary shareholders of the Company and the Transfer Books will be closed from the 22nd March, 1957 to the 28th March, 1957 both days inclusive.

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

By Order of the Board,
MARTIN BURN LTD.,
F. G. LIVERSEDEGE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta 1,
The 2nd March, 1957.

EXPLANATORY STATEMENT.

N.B.—This meeting is being convened to consider the accounts for the half-year ended 30th June, 1956, in accordance with the provisions of the Company's Articles of Association.

THE GOKAK MILLS LIMITED.

NOTICE is hereby given that the Thirtieth Annual General Meeting of Shareholders of The Gokak Mills Limited will be held at the Registered Office of the Company, Forbes Building, Home Street, Fort, Bombay, on Wednesday, the 10th April, 1957 at 5-00 P.M. (S.T.) to transact the following business:—

- To adopt the Directors' Report and Audited Statements of Account for the year ended 31st December, 1956.
- To sanction the declaration of a Dividend.
- To appoint a Director in place of Mr. B. M. Ghia, who retires under Article No. 97 of the Articles of Association of the Company, but who is eligible for re-appointment.

- (4) To appoint a Director in place of Mr. Tricumbdas Gordhandas Khattau, who retires under Article No. 97 of the Articles of Association of the Company, but who is eligible for re-appointment and to consider and if thought fit, to pass the following Resolution, of which a special notice, as required by Section 281 of the Companies Act, 1956 has been received by the Company:

Resolution: "Resolved that the age limit prescribed under Section 280 of the Companies Act, 1956 shall not apply to Mr. Tricumbdas Gordhandas Khattau, who has attained the age of 71 years and who retires under Article No. 97 of the Articles of Association of the Company and be and is hereby re-appointed a Director of the Company".

- (5) To appoint Auditors for the coming year and to fix their remuneration.

The Transfer Books of the Company will remain closed as previously advertised, from the 8th March, 1957 to the 28th March, 1957, both days inclusive.

By Order of the Board,

FORBES FORBES CAMPBELL & CO., PRIVATE LIMITED,
Managing Agents.

Bombay, 28th February, 1957.

NOTE: (1) The Dividend, when sanctioned, will be made payable free of Income-Tax at the Chartered Bank, Bombay or Madras, on or after 15th April, 1957 to those Shareholders whose names stand on the Register on the 28th March, 1957, to whom Dividend Warrants will be posted.

- (2) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy not be a member.

THE GOKAK MILLS LIMITED.

Explanatory Statement under Section 173 of the Companies Act, 1956.

This Explanatory Statement is given in respect of the Resolution mentioned in the accompanying Notice.

The Resolution for the re-appointment of Mr. Tricumbdas Gordhandas Khattau as a Director of the Company (Item 4) is required to be passed in view of the provisions of Section 280 and 281 of the Companies Act, 1956, because he has attained the age of 71 years. Mr. Tricumbdas Gordhandas Khattau has been a Director of the Company for the past 36 years and his guidance and advice have been much valued by the Board.

By Order of the Board,

FORBES FORBES CAMPBELL & CO., PRIVATE LTD.,
Managing Agents.

Bombay, 28th February, 1957.

KANKNARRAH COMPANY, LIMITED.

NOTICE is hereby given that the One Hundred and Forty-seventh Annual General Meeting of Shareholders will be held at the Registered Office of the Company, No. 4, Clive Row, Calcutta, at 11-00 a.m. on Saturday, the 30th March, 1957, for the following purposes:—

- To receive and consider the Audited Accounts for the half-year ended 30th June, 1956, and the Balance Sheet as at that date and the Reports of the Board of Directors and the Auditors thereon.
- To appoint a Director in place of one retiring.
- To appoint Auditors and to fix their remuneration.

The Share Transfer Books of the Company will be closed from 22nd March to 30th March, 1957, both days inclusive.

By Order of the Board,

JARDINE HENDERSON LIMITED,
D. FORDWOOD,
Secretary,
Managing Agents.

4, Clive Row,

Calcutta-1, 1st March, 1957.

NOTE: A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not also be a member of the Company.

BAREILLY ELECTRICITY SUPPLY COMPANY LIMITED.

NOTICE is hereby given that the Fifty-fifth Ordinary General Meeting (not being an Annual General Meeting) of the abovenamed Company will be held at its Registered Office No. 12, Mission Row, Calcutta on Thursday, the 28th March, 1957 at 11-0 a.m. for the following purposes:—

- To receive and adopt the Audited Accounts for the half-year ended 30th June, 1956 and the Directors' and the Auditors' reports thereon.
- To declare a Dividend.

The Register of Ordinary shareholders of the Company and the Transfer Books will be closed from the 22nd March, 1957 to the 28th March, 1957 both days inclusive.

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

By Order of the Board,

MARTIN BURN LTD.,
F. G. LIVERSEDEGE,
Managing Director,
Managing Agents.

12, Mission Row,
Calcutta 1,

The 2nd March, 1957.

EXPLANATORY STATEMENT.

N.B.—This meeting is being convened to consider the accounts for the half-year ended 30th June, 1956 in accordance with the provisions of the Company's Articles of Association.

The following information is published in compliance with Rule 8 of the Registration of Newspapers (Central) Rules 1956.

- Place of Publication
5, Mission Row, Calcutta-1.
- Periodicity of its Publication
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- Publisher's Name
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Address
104B, Middle Road, Calcutta-14.
- Editor's Name
George Barell
Nationality
British
Address
5, Mission Row, Calcutta-1.
- Names and addresses of individuals who own the Newspapers and Partners or shareholders holding more than one percent of the total capital.
W. H. S. Michelmore Chairman Bird & Co. (Private) Ltd., Chartered Bank Buildings, Calcutta.
C. I. Turcan Director Andrew Yule & Co. Ltd., 8, Clive Row, Calcutta.
W. R. B. Sample Mackinnon, Mackenzie & Co. (Private) Ltd., 16, Strand Road, Calcutta.
W. G. Easson Bird & Co. (Private) Ltd., Chartered Bank Buildings, Calcutta.

I, C. L. Seal hereby declare that the particulars given above are true to the best of my knowledge and belief.

Signature of Publisher

Dated 28th February, 1957.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 1000 Rs.	Rate per Share	Paid-up per Share	Market Quotations 6-3-57	Year of Issue	NAMES	Amount Issued in 1000 Rs.	Rate per Share	Paid-up per Share	Market Quotations 6-3-57
1901	Allahabad Bank (May Nov.)	15,00	6	100	114	1920	Birds' Investments (Dec.)	24,00	51T	100	77
	COAL.					1918	Bombay Steam Navigation (July)	15,00	6T	250	151
1905	Bengal Nagpur (Feb Aug.)	11,25	7	100	85	1920	Britannia Biscuit (Feb Aug.)	15	8	10	14
1896-97	Borra (June Dec.)	4,00	6A	100	103	1903-99	British India Corporation (Apr. Mar.)	7,50	6	5	81
1901-20	Burrakur (June Dec.)	22,98	7	100	112	1903-99	Burnong (1st & 2nd) (Feb Aug.)	13,00	7	100	123
1946	Burrakur (June Dec.)	4,50	6T	10	71	1937	Calcutta Engineering (Feb Aug.)	15,00	8	100	110
1897	Equitable (May Nov.)	4,00	6	100	100	1906	Calcutta Electric Supply (Mar. Sept.)	1,900	5	21	94
1931	Khas Kailora (Mar. Sept.)	1,93	5	10	5	1938	Calcutta Silk Manufacturing (July Jan.)	2,00	6	100	55
1920	New Beerhoom (Jan. July)	2,00	7	10	11	1905-24	Calcutta Tramways (Jan. July)	2,250	5T	21	81
1899-99	Ondal (June Dec.)	2,00	6A	100	104	1946	Carew & Co. (January)	8,00	6A	100	99
	COTTON MILLS.					1946	Cawnpore Sugar Works (Feb Aug.)	10,00	8	100	119
1906	Ahmedabad Advance (Apr. Oct.)	10,00	5	100	108	1940	Chrestine Mica Industries Ltd.	30,00	51T	100	53
1884	Bombay (Jan. July)	5,00	6	100	120	1937	Dacca Electric Supply (July)	6,00	6	100	94
1906	Basanti (Oct.)	3,00	6A	100	75	1945	Dalmia Cement (Bharat)	2,372	6	40	33
1894	Bengal Nagpur (Apr. Oct.)	3,00	7	100	98	1945	Delhi Flour Mills (Oct.)	90	7T	100	101
1900	Bowreah 'A' (Apr. Oct.)	6,00	8	100	125	1916	Deshganga Power Supply 'A' (Jan.)	16,00	5	100	91
1901	Bowreah 'B' (6) (1) (Apr. Oct.)	6,00	7	100	125	1935	Deshganga Power Supply 'B' (Jan.)	12,00	4A	100	84
1919	Bradbury 'B' (Jan. Dec.)	14,75	7	250	324	1940	Duncan Brothers & Co. Ltd.	45,00	4	100	57
1929	Buckingham & Carnatic (Jan. July)	21,30	7A	100	142	1948	Dunlop Rubber 'First' (Jan. July)	30,00	6	100	119
1928	Cambodia (July)	1,00	7	100	115	1926	Dunlop Rubber 'Second' (Apr.)	40,00	6T	100	92
1912	Central India (Apr. Oct.)	50,00	5	500	511	1938-39	East India Distilleries (Jan. July)	2,200	7	21	17
	Delhi Cloth & General (Oct.)	20,00	4A	25	20	1897	Eastern Investments Ltd. (Apr.)	2,500	5T	100	...
1912	Elgin (May Nov.)	11,00	8	100	124	1928	General Investment & Trust (Feb Aug.)	1,00	5	100	70
1943	Elgin 'B'	4,20	5	10	135	1947	General Investment & Trust (Feb Aug.)	1,00	6T	100	61
1919	Elphinstone (May Nov.)	25,00	7T	100	99	1946	Gillanders Arbuthnot (Apr. Oct.)	2,500	5T	100	61
1919	Kesoram (June Dec.)	20,00	7	100	113	1947	Gladstone Lyall & Co. Ltd.	15,00	6T	100	61
1925	Khatana Makani (Nov.)	10,00	6	100	79	1948	Gladstone Lyall & Co. Ltd.	30,00	51T	100	67
1917	Kothari (Nov.)	12,00	6	100	105	1940	Gwalior Sugar (Redeemable) (Dec.)	6,75	7	100	67
1909	Muir (Feb Aug.)	3,00	6	10	78	1940	Gwalior Sugar (Dec.)	5,00	7	100	9
1913	New Great Eastern (Mar.)	3,00	6	100	185	1940	Humayun Properties Ltd. (Nov.)	12,00	6	10	...
1920	New Victoria (Apr. Oct.)	26,05	5A	200	180	1936	Indian Aluminium (Mar. Sept.)	40,00	5T	100	77
1933	Palani Andavar (Mar.)	2,00	7	50	59	1945	Indo Burma Petroleum (Jan. July)	50,00	7T	100	99
1935	Swadeshi (Bombay) (May)	15,00	5	100	105	1927	Indian General Navy & Railways	2,244	6	210	30
1927	Swadeshi (Cawnpore) (Mar.)	35,00	6	100	90	1899	Indian Cable Co. (Nov.)	12,88	6	10	127
1911	Vasanta (Apr. Oct.)	3,00	6A	100	111	1920	Indian Standard Wagon (Aug. or Sept.)	1,966	7	100	101
1908	Vishnu (Apr.)	16,00	7	500	557	1936	Indian Iron & Steel	2,69,95	5	100	70
	JUTE MILLS.					1946	Investment and Finance (Feb. Aug.)	2,00	5	100	61
1927	Agarpara (Jan. July)	10,00	7	100	99	1935	Investment and Finance (Feb. Aug.)	2,00	6T	100	61
1935	Alexandra (Feb Aug.)	9,00	7	100	98	1945	James Wright (Jan. July)	1,30	6	50	36
1896	Alhance (Mar. Sept.)	15,00	6	100	90	1937	Jardine Henderson Ltd.	50,00	51T	100	61
1917	Anglo India (May Nov.)	40,00	7	100	101	1946	Jessop & Co.	10,00	5	100	95
1908	Auckland (July Jan.)	10,00	5A	100	78	1945	Jupiter General Insurance (Sept.)	4,99	6A	10	...
1945	Auckland (July Jan.)	10,00	5A	100	78	1916	Kumardhubi Engineering (June)	12,00	5	100	100
1918	Bally (Jan. July)	20,00	4A	100	61	1915	Do Fireclay & Silica (June)	2,00	7	100	115
1896	Barnagore (Oct. Dec.)	2,00	7	100	102	1915	Marlin Burn Ltd.	30,00	5	100	101
1936	Belvedere (Jan. July)	7,00	5T	100	97	1946	McLeod & Co.	10,00	5T	100	56
1941	Bengal (June Dec.)	10,00	5A	100	77	1930	McLeod & Co.	40,00	5	100	68
1896	Birba (June Dec.)	23,64	7A	100	96	1936	Mettur Chemical & Industrial (Sept.)	20,00	6	100	97
1934	Budze Budze (May Nov.)	9,00	7	100	102	1940	Metal Box Co. of India Ltd.	30,00	6T	100	92
1919	Calcutta (Jan. July)	6,00	6A	100	78	1949	Midnapore Zemindari (Feb.)	6,75	5	100	92
1919	Cheviot (June Dec.)	10,00	7	100	100	1938	Mysore Chemical Mfg. (Sept.)	2,00	5	100	92
1928	Chitavalah (Mar. Dec.)	10,00	7	100	101	1930	National Insulated Cable	10,00	5A	100	...
1909	Clive (First) (Mar. Dec.)	5,00	7	100	101	1942	National Tobacco (Jan. Dec.)	25,00	5	100	63
1905	Clive 'A' (Second) (May Dec.)	5,00	6	100	71	1946	Northern India Oil (Jan. July)	2,00	4A	100	66
1903-12	Dalhousie (July Jan.)	15,00	7	100	101	1938	Poona Electric Supply Co. Ltd. (June Dec.)	4,00	7	100	111
1897	Delta (June Dec.)	5,00	5	100	82	1925	Premier Construction 'First' (Apr.)	10,00	61T	100	94
1917	Empire (Jan. July)	10,00	7	100	102	1926	Premier Construction 'Second' (Apr.)	15,00	61T	100	91
1899-99	Fort Gloster (Jan. July)	14,00	7	100	103	1936	Parbatar (Sugar) (Oct.)	6,00	10	10	15
1948	Fort Gloster (2nd)	1,00	7	100	104	1936	Ramchandrar Cane & Sugar (Aug.)	4,00	6	100	100
1911	Fort William (May Nov.)	10,00	5	100	102	1933-36	Rohas Industries (April)	20,00	7	100	122
1916	Ganges (June Dec.)	6,00	8	100	113	1936	Rohas Industries 'B' (Apr.)	20,00	4A	100	64
1895-94	Gouropore (June Dec.)	26,50	6	100	84	1944-46	Shaw Wallace & Co. Ltd.	75,00	6T	100	67
1935	Hastings (Aug. Feb.)	25,00	6	100	90	1936	Shree Gopal Paper	7,50	6	100	116
1913	Houghly (July)	11,00	10	10	104	1937	Shree Krishna Gyanodaya Sugar 'A' (Oct.)	6,00	6	100	87
1900	Howrah (Jan. July)	8,75	7	100	102	1936-38	Shree Krishna Gyanodaya Sugar 'B'	12,00	5	100	74
1903-36	Howrah 'A' (Jan. July)	17,50	7	100	102	1906	Smith Stanistreet (Chemists) (Nov.)	5,00	10	50	62
1919	Hukimchandra (June Dec.)	40,00	7	100	101	1936	South Behar Sugar (Oct.)	6,00	7	100	36
1905	Kankarnath (Apr. Oct.)	10,00	6	100	84	1923	Spencer & Co. 'A' (Provisions) (Jan. July)	23,20	61T	10	9
1930	Kodarnath (Jan. July)	2,00	6	100	85	1915	Spencer & Co. 'B' (Provisions) (Jan. July)	36,80	61T	10	10
1907	Kelvin (Mar. Sept.)	10,00	7	100	103	1937	Star Paper (Apr. Oct.)	10,00	5	100	74
1895-99	Khardah (May Nov.)	9,00	7	100	103	1937	Surat Electricity (Apr.)	5,00	6A	100	115
1919	Kinnison (July Jan.)	15,00	6	100	104	1925	Tata Chemicals (Nov.)	60,00	5	100	99
1919	Landsdowne (July Jan.)	15,00	7	100	104	1939	Tata Hydro Electric Power (Sept. Mar.)	99,28	7	100	110
1912	Lawrence 'A' (July Jan.)	5,00	7	100	102	1910	Tata Iron & Steel (First) (Nov.)	75,00	6T	150	158
1906-07	Lawrence 'B' (July Jan.)	10,00	5A	100	76	1916	Tata Iron & Steel (Second) (May)	6,93,82	7A	100	116
1945	Nalhati (July Jan.)	7,50	7	100	104	1906	Tata Power (May Nov.)	86,97	7A	1,000	1,135
1917	National (May Nov.)	10,00	4A	100	59	1918	Tenzore-Balipara Tram (1) (June Dec.)	2,25	8	100	...
1939	Nellmarla (Apr. Oct.)	5,00	7	100	104	1937	Titagarh Paper Mills (Mar. Sept.)	11,50	8	100	139
1919	New Central (Jan. July)	33,00	6	100	102	1928	Titagarh Paper Mills '2nd' (Mar. Sept.)	15,00	4A	100	90
1908-99	Northbrook (July Jan.)	15,00	7	100	76	1936	Vellore Electric (Sept. Mar.)	1,25	6	10	85
1935	Rameshwara (Jan. July)	7,00	5A	100	10	1934	Vizagapatam Electric Supply (July)	1,00	6A	100	62
1920	Reliance (Jan. July)	20,00	7	100	91		TEA				
1901	Srinugger (Feb Aug.)	2,500	8	...	sh 21/6	1903	Amulkie (May Nov.)	75	7	100	400
1920	Soorab (Feb Aug.)	11,70	7A	100	106	1901	Birpara (Jan.)	4,00	6A	100	120
1895-01	Standard (July Jan.)	10,00	7	100	100	1900	Brooke Bond Estate India Ltd.	1,00	8	100	115
1897	Titagarh (Feb Aug.)	2,500	6	21	sh 21/6	1947	Choonabutti (Jan.)	35,00	6T	100	120
1901-02	Union (July Jan.)	6,00	6	21	sh 21/6	1914	Dimakusi (June Dec.)	70	5	10	12
1898	Victoria (Feb Aug.)	2,500	7	100	sh 21/6	1901	Dhuner	119	8	3	3
1918	Waverley (Mar. Sept.)	750	5	50	45	1901	Gielle (Sept.)	2,00	6	100	82
	MISCELLANEOUS.					1901	Hantapara (Jan.)	90	8	100	127
1938	Alkali & Chemical (Mar. Sept.)	31,00	5	100	104	1901	Hastimara (Mar.)	3,00	7	100	125
1938	Aluminium Corpn. (Oct.)	20,00	6	100	98	1904	Hastimara (Mar.)	3,00	7	100	125
1944	Aluminium Corpn. (Oct.)	20,00	6	100	98	1897-99	Kinsley Golaghat (Dec.)	2,40	6	10	108
1936	Amalg. Elec. (Belgaum) (Oct.)	6,25	5	100	74	1904	Moheena (May Nov.)	3,20	6	10	118
1949	Anderson Wright (Dec.)	20,00	5A	100	101	1907	New Samanbath (Nov.)	2,00	6A	100	109
1817	Andhra Valley Power (May Nov.)	49,34	4A	100	61	1903	Niziliri Neerugundi (Jan. July)	1,50	7	75	114
1919	Arthur Butler (Mar.)	1,30	7	100	81	1927	Okayti (Dec.)	75	6	10	...
1919	Ashta Hotels of India (Mar. Sept.)	21,67	7T	100	62	1904	Patrakola (May Nov.)	12,00	6	100	101
1895	Bengal Assam Steamship (Nov.)	3,00	7	80	78	1911	Pattamada (July)	1,50	6	100	104
1928	Bengal Chemical (Aug.)	9,00	7A	10	13	1914	Pattamada (Jan.)	2,05	7	100	101
1889	Bengal Paper Mill (Mar. Sept.)	2,00	4	50	62	1906	Sonari River (May)	1,00	8	100	121
1928	Bengal Paper Mill 'A' (Mar. Sept.)	3,00	7	100	132	1922	Tirihannab (May Nov.)	1,00	10	10	...
1897	Bengal Timber Trading (Oct.)	3,00	5	100	33	1922	Tumsons	1,00	7	100	...
1936	Bharat Sugar Mill (Dec.)	5,00	6T	100	...						

T=Dividend Taxable.

BANKS

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

Paid-up Capital Ordinary	Reserve & Other Funds	Cash and Investments	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
							1954	1955	1956		6-3-57	26-2-57	1 year ago
Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
16,00,000	1,08,00,000	15,14,41,302	Allahabad Bank P.	12	15,61,784	12,42,653	18	18	..	100	366	366	362½
14,50,000H										50	180	180	185
1,00,00,000H	1,28,00,000	15,47,78,001	Bank of Baroda	12	28,01,912	2,70,302	12	..	..	50	104	103½	95
3,00,00,000H	3,02,00,000	26,53,06,667	Bank of India	12	92,03,294	15,54,924	14	16	18	50	141	141	150
15,30,375N	27,00,000	2,84,34,127	Bank of Indore	12	4,30,347	64,705	6-6	7-4	..	25	52	52	52
50,00,000	84,00,000	4,91,52,936	Bank of Mysore	6-12	8,87,291	19,42,228	8-6	8-8	8-..	100	255½	255	262½
2,62,11,875H 52,42,375	4,01,81,217	72,31,72,307	Central Bank of India	6-12	77,75,970	18,40,356	5-6	6-6	..	25	54	53½	49½
£3,500,000	£5,000,000	£118,387,761	Chartered Bank	12	£982,465*	£405,375	15	15	..	£1	38/3	37/9	36
£1,000,000H	£1,500,000	£27,951,090	Eastern Bank	12	£132,536*	£112,654	8	8	..	£5	£7½	£7½	£8½
1,50,00,000	1,00,00,000	35,72,99,886	Habib Bank††	12	46,16,241	103,892	14 7/12	..	..	20	89½	89½	91½
50,00,000H	26,00,000	2,16,65,215	Hind Bank	12	10,86,458	1,66,278	..	6	..	50	35	35	368
1,25,00,000H	15,43,000	3,45,51,078	Hindusthan Commercial	12	1,751	16,915	Nil	..	..	50	10	10½	9½
50,00,000H	1,75,000	1,21,08,411	Hindusthan Mercantile	12	71,191	1,519	Nil	Nil	..	50	13½	13½	14½
HK\$25,000,000 £1,562,500 or 24,00,000 17,00,000 16,80,000 49,05,075 6,25,000A 2,50,000B 10,00,000C 5,00,00,000	£8,000,000	£143,692,832	Hong Kong & Shanghai	12	HK\$20,580,320	HK\$10,606,688	£5½	£5 1	..	HS\$12½	£86½	£89½	£91½
	76,50,000	16,04,77,414	Indian Bank	6-12	13,93,697	130,785	12	..	..	100	198	199½	188
	30,00,000	7,62,24,682	Indian Overseas Bank	12	16,55,722	2,28,295	6	7½	..	75	150	150	163
	5,41,083	77,14,495	Indo-Commercial Bank	6-12	1,21,610	490	..	..	..	100A	152	153	127
	15,06,075	2,18,15,069	Industrial Finance Corpn	6	22,18,636	..	..	..	..	25B	42½	42½	42½
	£18,565,070	£858,862,421	Lloyds Bank	12	£2,541,793	£712,060	15	12	13	50C	10½	10½	24
	£1,750,000	£31,185,482	Mercantile Bank of India	12	£235,423*	£219,372	14	14	..	100	198	199½	188
£375,000H £375,000H £720,000	£3,104,697	£73,081,481	National Bank of India	12	£603,626*	£342,158	15	15	..	75	150	150	163
£7,50,000	97,50,000	54,92,69,580	Punjab National Bank	6-12	64,41,068	2,35,108	12	14	..	100A	152	153	127
33,00,000	3,08,68,308	18,44,20,839	Union Bank of India	12	6,75,644	1,75,874	6½	8	..	25B	42½	42½	42½
2,66,55,625	70,95,000	28,38,89,678	United Bank of India	12	14,61,418	1,69,796	3	8	..	50C	10½	10½	24
3,00,00,000	95,00,000		United Commercial Bank	12	36,69,037	22,761	5	5½	..	50,06	..	..	..

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until				
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs	A year ago
25.50,000	27.30,536	25.05,000	3,60,797	Amalgamated	3-6	236	2,92,390	28,610	31-5	61-71	5-11	10	181	181	23
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,936	7,31,563	71-71	81-81	5-11	200	443	445	545
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,851	71-71	81-81	5-11	10	61	61	16
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil	Nil-Nil	5-11	10	16	16	16
15,97,000	14,16,665	6,81,475	13,52,076	Bhailorah	9	152	8,13,899	39,978	...	...	...	10	61	61	16
40,00,000	68,01,474	20,23,235	32,63,321	Bharat Collieries P	6	335	2,52,221	27,433	61	61	5-11	10	61	61	16
7,15,000	15,63,291	14,29,045	63,704	Bhulanbarane	6-12	106	20,810	1,87,446	Nil-Nil	Nil-Nil	5-11	10	142	142	144
16,00,000	38,87,275	16,16,636	7,185	Bokare & Ramgur	5-12	315	1,21,936	79,196	Nil-Nil	Nil-Nil	5-11	10	121	121	151
7,50,000	18,56,889	24,29,026	11,60,066	Borera P	6-12	106	2,14,682	84,207	10-10	10-10	5-11	10	203	203	212
90,92,480	2,39,17,614	1,75,02,136	28,93,839	Burakur P	6-12	21	7,43,659	36,108	21-31	31-31	5-11	10	211	211	121
49,97,000	34,53,430	750	3,65,990	Central India	3	186	2,45,758	9,927	21	21	5	10	61	61	71
8,00,000	16,67,573	13,30,519	15,752	Central Kurkud P	6-12	323	34,743	82,768	...	...	...	10	121	121	121
6,00,000	1,23,536	1,43,676	7,32,536	Churulia	6-12	106	4,374	2,129	11-11	11-11	5-11	10	121	121	111
16,00,000	24,00,428	Nil	50,309	Dharm Main	6-12	19	60,039	1,83,318	Nil-Nil	Nil-Nil	5-11	10	51	51	31
2,240,000	2,239,116	2,313,125	1,140,348	East Indian	6-12	128	8,96,135	4,58,922	181	221	181	21	261	261	321
29,63,760	1,15,28,712	83,35,049	24,17,690	Equitable P	6-12	19	8,96,135	4,58,922	181	221	181	21	261	261	321
10,00,000	6,74,708	2,07,481	3,32,977	Ghousik & Muslia	6-12	19	8,96,135	4,58,922	181	221	181	21	261	261	321
6,50,000	5,06,856	3,32,977	4,95,544	Juzdar Kajora	6-12	20	2,41,50	2,491	71-71	71-71	5-11	10	15	15	41
8,00,000	3,17,780	7,25,000	7,92,425	Hurtuladih	6-12	19	2,70,524	45,985	71-71	71-71	5-11	10	233	233	221
3,50,000	6,31,200	5,66,816	1,407	Kalapanari	2-8	2	1,38,130	2,21,237	Nil-Nil	Nil-Nil	5-11	10	221	221	201
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	31	49,116	17,839	Nil-Nil	Nil-Nil	5-11	100	141	141	211
5,00,000	10,29,548	16,60,000	11,25,532	Karanpura Collieries P	2	21	2,26,982	6,965	Nil	21	5	100	97	97	165
1,38,400	6,75,000	95,000	11,80,291	Katras Jheriah	6-12	326	5,92,347	1,33,475	28-28	25-30	35	100	97	97	165
5,65,750	10,84,977	85,000	9,999	Khas Kajora P	6-12	326	49,776	1,918	28-28	25-30	35	100	97	97	165
7,48,240	3,46,939	2,00,000	10,14,803	Mundulpur	6-12	326	79,868	79,868	Nil-Nil	5	5	10	21	21	31
7,00,000	5,13,418	26,611	16,641	Nazari	6-12	326	92,517	31,201	5	5	5	10	61	61	101
17,76,230	31,15,787	20,01,763	3,78,538	New Bansdeopur	3-9	6	59,011	6,071	31-31	71-71	5-11	10	10	10	101
6,00,000	1,11,1,646	75,000	46,381	New Beerboom P	4-10	7	2,64,711	94,381	31-31	71-71	5-11	10	17	17	111
2,50,000	7,69,623	1,75,500	10,12,916	New Vanhoorn	6-12	302	6,46,201	70,222	Nil-Nil	Nil-Nil	5-11	10	91	91	211
1,15,000	4,42,488	2,85,193	1,53,246	North Damuda	1-7	306	7,954	32,184	Nil-Nil	Nil-Nil	5-11	10	21	21	21
1,57,500	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil	61	71-71	10	171	171	191
7,50,000	1,20,000	12,19,987	23,26,751	Ondal P	6-12	106	22,197	56,646	5-5	5-5	5-11	10	171	171	191
6,34,000	9,21,342	10,862	1,36,011	Parasea P	6-12	106	22,197	56,646	5-5	5-5	5-11	10	151	151	181
15,75,000	13,39,443	16,50,000	13,39,443	Panch Valley	6-12	207	1,08,075	8,018	31-31	31-31	5-11	10	141	141	221
2,50,000	4,82,401	7,000	11,339	Pench valley	3-5	236	2,48,251	33,731	31-31	71-71	5-11	10	17	17	61
23,48,500	36,99,424	20,17,105	67,893	Pure Statutur	6-12	7	2,008	1,581	71-71	71-71	5-11	10	17	17	61
8,88,001	10,45,115	15,51,501	14,29,643	Raneegunge	3-9	79	3,67,448	23,138	11-11	11-11	5-11	10	6	6	111
20,00,000	23,14,261	7,52,027	1,01,422	Rewa	6-12	236	1,44,394	15,614	21-21	21-21	31-31	10	111	111	221
2,50,000	1,56,194	7,52,027	1,01,422	Samia	12	48	1,80,660	31,543	71	71	5-11	10	111	111	221
2,80,000	10,92,183	11,356	11,356	Searsole	12	48	1,80,660	31,543	71	71	5-11	10	111	111	221
6,00,000	23,624	5,29,306	8,72,757	Seepore P	6-12	106	49,299	93,306	1421-1421	11-11	11-11	10	291	291	301
17,50,000	22,81,985	10,75,016	63,654	Sendra	6-12	106	49,299	93,306	1421-1421	11-11	11-11	10	291	291	301
8,00,000	1,42,060	14,01,053	23,80,817	Sour Karanpura	2-8	21	50,077	1,503	Nil-Nil	11-11	5-11	10	91	91	211
10,00,000	15,58,085	15,075	7,919	Sour Karanpura	12	106	70,093	17,411	71-71	71-71	5-11	10	201	201	101
3,50,000	4,62,050	3,47,000	12,886	Standard	9	277	22,689	3,85,056	Nil	Nil	5-11	21	21	21	31
49,38,000	33,65,590	50,000	2,17,164	Talcher	6-12	279	54,089	9,659	5-21	21-21	5-11	21	21	21	31
7,00,000	32,65,173	21,569	61,480	Union	3	196	4,09,468	7,262	31	31	5-11	10	131	131	141
				Western Bengal	6-12	19	2,72,772	1,46,650	Nil-Nil	Nil-Nil	5-11	10	61	61	71
				West Jamuria	6-12	19	2,72,772	1,46,650	Nil-Nil	Nil-Nil	5-11	10	61	61	71

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & Other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until			
	Spindles	Looms									1954	1955	1956		6-3-57	26-2-57	A year ago	
																		Rs
15,00,000	14,108	356	14,62,919															
32,72,340	22,197	305	27,69,576	1,73,478	11,90,000	Basanti P	12	49	1,97,268	41,227			10	511	511			
7,11,286	36,000	932	27,69,576	23,18,908	24,351	Bengal P	3-9	120	1,27,187	4,79,347			10	511	511			
27,00,000	11,476	624	17,17,120	2,20,369	30,44	Bengal Luxmi	5	27	3,66,176	47,818			40	40	40			
15,00,000	18,164	902	23,53,000	15,50,000	8,84,224	Bengal Nagpur P	5-12	236	5,23,389	18,199	Nil		10	71	71			
6,00,000	12,872	641	28,31,200	88,48,588	31,22,417	Birla Cotton	5-12	132	16,69,225	2,76,936	30	30	15	10	301	301		
3,07,32,000	22,000	510	47,54,142	22,72,588	1,44,344	Bowmer P	5-12	132	8,02,253	36,767	Nil-Nil	Nil-Nil	100	123	123			
1,00,000	1,01,808	3,762	4,43,453	29,51,420	1,00,393	Cannore Textiles	3	25			Nil-Nil	Nil-Nil	100	123	123			
19,30,000	42,944		3,94,63,188	2,74,48,492	2,94,83,402	Delhi Cloth & Genl P	5	231	1,81,41,278	82,759	9	9	25	36	36			
63,00,000	34,000	1,200	14,12,181	25,71,252	1,53,394	Dunbar	5-12	132	9,92,374	1,37,851	Nil-Nil	Nil-Nil	100	177	190			
1,20,30,000	59,250	1,872	22,44,751	66,33,464	1,06,594	Elgin P	9	25	32,80,464	33,306	10	10	100	25	261			
3,00,000	35,864	864	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	9	25	37,41,719	2,46,435	81	81	20	141	141			
33,36,288	38,000	1,825	17,48,144	3,75,679	14,08,055	Mohini P	12	45	9,33,311	3,158			25					
30,00,000	38,000	1,825	17,44,041	29,19,601	12,68,055	Muir P	12	204	18,77,941	7,77,296			10					
22,89,382,000	18,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473			25					
3,07,39,500	23,196	795	22,97,946	18,38,739	4,02,178	Rampooria Cotton	12	237					100	75	75			
19,47,750,000													100	75	75			
5,00,000,000													100	75	75			
17,50,000													100	75	75			
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cannore) P	12	333	43,71,838	7,09,029	Nil	Nil	100	121	121			
Po													100	121	121			
													100	121	121			
													100	121	121			
													100	121	121			
													100	121	121			
													100	121	121			
													100	121	121			
													100	121	121			
													100	121	121			
													100	121	121			
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													100	121	121			

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue under Tax	Outturn and Average Price per lb. realised for crop				Estimated 1956	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quotations as available until			
				1954		1955							1953	1954	1955		6-3-57	26-2-57	A year ago	
				Lbs.	As. P.	Lbs.	As. P.													Rs.
CACHAR																				
3,00,000	3,40,887	1,75,000	862	2,89,040	39-11	..	..	..	Arcuttipore	12	88	1,72,877	..	..	10	12	12	12		
4,00,000	5,28,259	49,878	465	..	..	..	..	..	Baitakhal	12	35	43,071	..	..	10	73	73	101		
10,00,000	18,22,881	5,88,800	1,490	4,90,263	40-10	8,40,392	32-4	8,13,440	Central Cachar	12	128	-2,28,292	..	7 1/2	100	65	66	107		
2,50,000	37,753	..	794	1,00,450	4-2-2/5	7,07,748	4-0	7,44,000	Chandypore	12	128	49,992	..	..	100	65	68	116		
7,00,000	7,07,190	11,000	649	3,91,320	38-6	3,91,440	28-6	4,40,000	Eastern Cachar	12	202	-33,600	..	..	100	91 1/2	91 1/2	9		
12,50,000	17,92,487	11,50,000	2,152	17,59,920	35-0	16,36,400	24-1	16,00,000	Hatichura	12	202	2,46,355	25	40	7 1/2	10	17 1/2	107		
4,50,000	4,90,000	1,65,222	586	..	..	..	..	..	Kallinungur Khorea	12	313	91,071	..	15	100	102	102	215		
3,80,000	3,12,914	3,23,301	603	4,50,507	46-8	3,48,445	27-6	3,36,000	Kunchunpora	12	63	-33,915	..	27 1/2	100	104	104	191		
7,00,000	5,25,000	5,50,000	1,368	1,33,267	47-3	1,36,000	26-7	8,00,000	North Western Cachar	12	63	3,68,196	..	20	15	264	264	199		
2,50,000	3,18,608	..	500	3,68,900	38-0	4,08,080	23-11	1,80,000	Pathemara P.	12	202	-2,494	..	..	100	104	111	29		
2,60,000	4,34,515	3,56,592	618	3,04,200	36-6 1/2	6,76,240	25-11	6,40,000	Rongacherra	12	165	1,16,000	..	..	100	22	22	138 1/2		
6,25,000	8,87,291	10,42,956	888	6,78,800	41-11	7,25,980	29-3	6,00,000	Rungmattee	12	93	2,98,825	20	35	20	50	97	19		
4,00,000	6,88,316	5,52,313	862	4,49,338	36-7 1/2	..	..	..	Sonal River P.	12	14	73,677	..	..	10	15	15	101		
8,75,000	5,02,307	4,31,250	1,050	4,63,320	..	..	..	..	Tilkhak	12	95	5,22,670	..	..	10	12	12	101		
DARJEELING																				
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	Bloomfield	12	101	-99,904	..	..	10	2	2	4		
2,79,900	3,07,500	1,25,000	407.5	1,41,174	62-0	1,44,772	46-8 1/2	1,76,000	Champong	12	101	-99,904	..	..	10	2	2	4		
8,75,000	1,84,414	1,62,659	498	1,35,760	52-5	1,27,760	38-9	1,28,000	Jarai Tea Chinchong	12	139	1,13,989	..	..	100	175	175	290		
2,00,000	5,08,900	3,44,549	500	2,84,204	49-14	2,35,761	33-0 1/2	2,64,000	Jielle P.	12	100	-27,865	..	..	100	150	190	250		
7,00,000	7,07,190	11,000	649	6,33,140	38-3 1/2	6,18,730	42-3 1/2	6,72,000	Lingia P.	12	174	-62,814	..	..	100	25	25	430		
10,00,000	12,07,576	11,116	761	12,61,518	18-8 1/2	..	..	..	Longview	12	279	1,52,945	20	20	25	25	25	430		
4,50,000	3,12,081	4,00,225	816	3,39,040	57-11	3,53,520	36-7	3,68,000	Margaret's Hope	12	95	8,04,822	10	20	10	11 1/2	11 1/2	131		
1,50,000	2,06,770	3,50,239	463	1,82,800	62-4	1,65,440	50-6	1,84,000	Mim	12	165	-36,658	7 1/2	30	100	164	164	300		
2,99,900	3,67,500	2,95,000	689	4,35,016	33-4 1/2	4,34,342	36-0 1/2	4,40,000	Nagri Farm	12	1	65,269	..	..	100	255	255	373		
1,00,000	2,23,710	97,647	505	1,81,153	55-3	1,68,126	38-4	1,80,000	Okarty P.	12	279	91,100	20	50	15	278	278	600		
5,30,000	4,02,488	2,61,118	776	..	..	..	..	..	Pashok	12	63	-55,958	..	..	100	600	600	600		
2,05,000	3,83,007	4,09,567	570	1,68,897	50-8	1,64,824	37-11	1,76,000	Pashok	12	63	-55,958	..	..	100	600	600	600		
4,30,000	4,30,000	2,07,813	900	1,58,740	58-8	1,27,541	35-11	1,60,300	Poompong	12	139	-69,682	2 1/2	10	30	141	141	15		
1,40,000	1,69,062	4,65,653	341	1,80,720	38-4	1,67,840	41-4	1,76,000	Poompong	12	139	-69,682	2 1/2	10	30	141	141	15		
6,00,000	3,33,822	1,86,462	389	1,77,704	47-1	1,59,385	35-0	1,68,000	Rungtee Runglot	12	174	-15,953	..	..	100	10	10	10		
6,25,000	9,98,413	1,459	747	4,05,305	47-4	..	..	..	Seeyok	12	63	33,455	17 1/2	50	20	408	408	20		
9,00,000	9,08,557	1,54,418	683	2,64,900	50-4	..	..	..	Singell	12	63	-1,07,336	2 1/2	15	100	13 1/2	13 1/2	20		
6,00,000	3,24,400	4,10,000	554	2,28,738	50-3	2,90,650	41-11 1/2	2,96,000	Singtom P.	12	113	45,841	..	..	100	182	182	60		
6,25,000	12,36,873	5,74,585	382	3,76,300	54-5	3,74,800	39-3 1/2	3,84,000	Soom	12	101	39,380	..	..	100	30	30	30		
8,20,000	4,70,000	10,86,284	718	4,94,947	48-8 1/2	3,70,473	41 11/2 1/2	4,00,000	Sungma	12	279	1,56,135	30	50	30	60	60	30		
9,01,350	11,54,000	2,62,417	1,666	7,11,945	50-6 1/2	7,09,403	34-4 1/2	8,80,000	Teeva Valley	12	165	-37,893	..	..	100	91 1/2	91 1/2	244		
..	..	..	..	..	..	..	..	..	Tukvar	12	174	99,008	15	40	15	381	381	134		
..	..	..	..	..	..	..	..	..	..	12	279	-3,06,869	..	..	100	111	111	111		
DUARS																				
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,360	31-9	33,20,000	Banarhat P.	12	2	11,23,882	45	120	25	324	324	316		
6,00,000	20,30,782	19,29,000	1,105	13,91,320	43-7	14,32,132	32-1	14,00,000	Baradihari	12	168	3,78,003	30	65	30	10	223	223	223	
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	Baradihari	12	168	3,78,003	30	65	30	10	223	223	223	
9,00,000	14,52,896	7,74,645	902	11,96,880	52-0	11,04,658	32-3	12,80,000	Birpara P.	12	63	1,07,717	..	..	100	197	185	235		
6,00,000	8,48,764	7,74,645	902	10,68,680	49-4	10,82,880	31-11	10,60,000	Carron	12	12	12,962	22 1/2	20	5	100	100	175		
9,00,000	9,91,678	10,50,000	903	10,68,680	49-4	10,82,880	31-11	10,60,000	Choonabhatti P.	12	43	12,962	22 1/2	20	5	100	100	175		
8,00,000	4,47,806	3,00,102	500	4,01,294	43-8	3,84,267	30-7	4,48,000	Ellenbarrie	12	2	3,98,498	25	25	10	1093	301	335		
1,20,000	1,95,171	2,04,000	265	2,24,800	49-1	2,12,720	26-9	2,40,000	Enso	12	63	-51,689	..	..	100	300	301	272		
5,50,000	5,70,483	3,00,000	447	4,75,840	39-6	4,65,428	30-3	5,40,000	Etelbarrie	12	63	-48,282	..	..	100	300	301	272		
6,00,000	7,87,046	8,00,000	1,253.6	1,62,720	47-4	1,20,160	27-11	31,20,000	Etelbarrie	12	63	-48,282	..	..	100	300	301	272		
10,50,000	17,49,550	22,55,503	1,022	12,26,880	47-11	12,20,160	27-11	12,20,160	Gairkhata	12	354	-59,765	..	..	100	15 1/2	15 1/2	15 1/2		
24,00,000	37,95,527	49,07,736	4,427	30,88,842	44-1	27,90,549	29-0	31,20,000	Gopalpur	12	98	-2,51,774	20	70	100	268	268	308		
6,25,000	33,65,929	64,68,285	4,235.5	63,71,277	41-11	60,72,776	36-2 3/5	62,56,000	Hanatapara P.	12	98	1,93,197	16	24	12	233	233	233		
7,00,000	10,98,000	17,14,718	1,452	16,07,368	42-6	17,67,246	26-11	17,20,000	Hanatapara P.	12	98	1,93,197	16	24	12	233	233	233		
9,00,000	12,59,529	13,23,848	837	1,86,400	54-3	1,62,400	28-7	5,60,000	Hudibari P.	12	74	5,25,271	25	60	10	197	185	235		
2,00,000	12,59,529	13,23,848	837	1,86,400	54-3	1,62,400	28-7	5,60,000	Jaypura P.	12	74	5,25,271	25	60	10	197	185	235		
9,00,000	15,71,067	18,15,032	1,125	1,73,830	45-7	1,62,830	30-10	10,00,000	Killcot	12	1	-213,207	25	30	12 1/2	271	271	308		
3,20,000	8,81,963	18,45,000	1,163	1,55,400	49-3	1,78,988	28-1	10,00,000	Manabarrie	12	63	2,74,849	20	65	10	253	253	253		
6,20,000	6,26,920	8,80,000	578	6,29,200	49-3	6,35,520	31-2	16,00,000	Nagarisurur	12	217	5,69,183	10	41 1/2	100	793	793	793		
2,50,000	3,14,964	3,59,080	348	2,56,097	42-0	2,38,935	28-5	2,56,000	New Doon P.	12	63	2,05,071	25	65	7 1/2	100	174</			

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Manufacturing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1954	1955	1956		6-3-57	26-2-57	A year ago
Ra.	Ra.	Ra.	Ra.				Ra.	Ra.				Ra.	Ra.	Ra.	
SUGAR BREWERIES ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Saven Sugar and Gur	5	140	95,437	52,205	..	..	..	10	6 1/2	6 1/2	
9,00,000	7,28,559	17,64,369	58,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	7 1/2	7 1/2	..	10	17 1/2	17 1/2	
19,39,600	26,52,127	35,00,000	4,84,350	Rannugger Cane & Sugar P.	3	1	18,11,504	20,350	15	20	..	10	25 1/2	25 1/2	
8,00,000	4,42,169	6,54,762	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	22	22	
11,99,000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	6	25	1,43,398	24,340	5	5	..	10	11 1/2	11 1/2	
20,00,000	72,22,286	36,68,708	1,63,444	Shree Krishna Gyanoday Sugar P.	7	335	12,99,571	34,046	15	15	Nil	10	11 1/2	11 1/2	
7,94,500	13,54,858	11,65,175	11,16,368	Shree Sitaram Sugar	8	140	1,90,057	7,991	17 1/2	17 1/2	..	10	13	13	
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	6	94	-1,39,515	-1,39,515	Nil	Nil	..	10	4 1/2	4 1/2	
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	12 1/2	12 1/2	..	10	14	14	
8,00,000	39,92,308	21,57,559	3,69,236	Upper Ganges Sugar P.	8	227	10,24,525	82,931	25	25	..	10	15 1/2	15 1/2	
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	4	302	16,80,986	86,393	15	20	..	100AC	280	280	
7,00,000B												124BC	28 1/2	28 1/2	
MISCELLANEOUS															
8,00,000	2,20,232	1,58,200	9,53,526 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4 1/2	4 1/2	
1,50,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	-6,02,785	-14,30,401	..	..	..	100	..	..	
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	
47,50,000D	3,08,51,605	17,00,000	16,26,711	Aluminium Corp P.	3	132	25,21,116	1,16,199	Nil	Nil	5	100	10 1/2	10 1/2	
2,50,000D												100	10 1/2	10 1/2	
20,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright, Ltd P.	12	1	-89,042	18,284	7 1/2	Nil	..	100	11 1/2	11 1/2	
1,39,50,000	39,82,23	39,82,23	5,49,524	Angelo Bros.	3	268	15,15,199	3,35,874	12 1/2	20	20	10	21 1/2	20 1/2	
90,00,000	17,54,434	26,76,265	2,09,476	Assam Match	12	274	8,35,802	1,18,395	12 1/2	12 1/2	..	10	20 1/2	20 1/2	
13,99,998	21,25,615	23,80,285	64,182	Assam Saw Mills & Timber	9	21	-97,045	-5,14,537	Nil	Nil	..	3	3 1/2	3 1/2	
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	8	204	8,82,993	32,683	2	4	..	10	10 1/2	10 1/2	
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	165	165	
12,00,000	2,55,604	8,49,890	4,52,019	Bararee Coke	3-9	128	2,19,706	45,330	7 1/2	7 1/2	6 1/2	100	16 1/2	16 1/2	
50,00,000	76,414	Nil	30,72,417	Bengal Kimer Trading P.	6	128	-6,43,164	-1,19,103	..	..	..	100	41	41	
19,53,822	Nil	7,25,715	19,59,959	Bharat Airways Ltd.	6	22	-3,19,589	-3,19,229	..	..	..	10	5 1/2	5 1/2	
45,97,020	76,85,085	31,11,814	68,08,936	Birds Investments P.	9	160	4,59,013	37,312	12 1/2	12 1/2	..	10	14	14	
2,50,000	13,98,796	43,88,775	3,38,373	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	10	10	13 1/2	13 1/2	
9,25,00,000	59,39,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	27,75,295	1,85,955	..	..	..	7 1/2	9 1/2	11	
					12	33	-30,23,938	-27,35,584	1 1/2	Nil	..	5	8 1/2	7 1/2	
92,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr.) Ltd P.	9	235	60,996	1,550	5	6	5	10A	6 1/2	6 1/2	
9,50,000B	5,92,780	2,40,694	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	Nil	10B	..	..	
90,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	121	121	
1,80,00,000	2,94,69,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co (India) P.	12	96	96,72,154	11,71,685	15	..	..	100	25 1/2	25 1/2	
51,26,000		54,12,212	1,48,29,523	Eastern Investments Ltd.	12	21	12,53,240	3,06,138	9	9	..	100	130 1/2	130 1/2	
75,00,000	13,79,357	4,33,826	1,02,21,271 1/2	F & C Oster (India) Ltd P.	3	51	-4,36,249	-5,26,954	..	..	..	100	7 1/2	7 1/2	
90,00,000	12,88,300	21,97,641	86,55,360 1/2	French Motor Car	3	91	8,97,594	1,26,757	12 1/2	12 1/2	..	20	21 1/2	21 1/2	
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2-7 1/2	7 1/2-7 1/2	..	100	186	186	
2,25,000		55,893	5,34,382	General Investments Trust P.	3	357	18,384	12,435	24-24 1/2	24-24 1/2	3 1/2-2 1/2	75	43	43	
65,00,000	34,18,813	42,00,000	1,09,15,928	Gillanders Arbuthnot & Co Ltd P.	3	105	29,71,809	1,51,360	7 1/2	14	..	10	13	13	
80,00,000	27,68,049	5,00,324	12,84,357	Gladstone Lyall & Co Ltd P.	12	209	7,02,792	34,255	..	..	..	10	..	..	
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd P.	12	310	19,01,201	11,96,811	10	20	..	21 1/2	21 1/2	21 1/2	
90,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	30,55,79	16,373	..	..	..	250	250	250	
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	6	11	11	
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co Ltd.	12	294	2,05,330	1,37,076	..	..	..	10	8 1/2	8 1/2	
15,16,00,000	7,42,66,399	1,88,96,788	50,32,187	Imperial Tobacco	4	325	3,66,59,515	24,94,274	6	8	8	10	14 1/2	14 1/2	
1,80,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd P.	12	293	16,79,662	14,80,974	Nil	9	..	10	13 1/2	13 1/2	
1,52,89,220	1,27,87,833	1,37,00,000	11,88,408	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	28 1/2	28 1/2	
5,00,30,000												10	28 1/2	28 1/2	
83,75,000D	22,07,260	2,21,286	11,99,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	10PO	6 1/2	6 1/2	
1,25,00,000												100	6 1/2	6 1/2	
6,27,970	7,44,398	5,38,000	17,67,876 1/2	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5	5	..	10D	24 1/2	24 1/2	
20,00,000	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,038	2,76,619	27 1/2	30	..	10	42	42	
5,00,000		2,55,728	12,78,254	Investments and Finance P.	2-8	21	27,880	51,001	2 1/2-3 1/2	3 1/2-2 1/2	..	10	65	65	
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	21	21	
6,87,500D															
1,17,50,000D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	5	..	50	4 1/2	4 1/2	
2,00,00,000	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd P.	3	39	31,24,445	5,11,852	7 1/2	7 1/2	..	100	75 1/2	75 1/2	
6,34,000D												100	75 1/2	75 1/2	
66,00,000D	2,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	..	..	..	..	50	3 1/2	3 1/2	
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd P.	3	334	52,06,340	6,31,124	7 1/2	7 1/2	11	100	7 1/2	7 1/2	
1,37,53,000	86,41,510	54,56,063	1,85,74,341	Martin Burn Ltd P.	9	309	18,71,708	2,03,456	13 1/2	18 1/2	..	10	25 1/2	25 1/2	
40,00,000D	37,46,252	80,86,900	2,72,14,736	McLeod & Co P.	12	282	31,91,900	2,57,234	17	22 1/2	..	1000	240	240	
1,15,00,000	1,10,37,201	69,74,249	7,73,589	Metal Box Co of India Ltd P.	3	167	62,82,608	16,24,249	10	12 1/2	16 1/2	10D	26 1/2	26 1/2	
40,00,000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,72,160	1,44,443	10	15	20	10	20 1/2	20 1/2	
40,00,000	72,01,992	15,00,000	33,035	National Rolling & Steel Pipes	6	7	75,728	75,728	5 1/2	5 1/2	5 1/2	10	9 1/2	9 1/2	
79,97,000	61,97,295	78,53,676	23,37,205	National Tobacco P.	12	79	12,06,110	9,85,430	5	..	..	10	10 1/2	10 1/2	
83,32,100	2,322	5,11,187	29,55,297	New India Investment Corp.	12	35	1,28,595	1,72,173	..	..	..	75	53	53	
50,00,000	1,51,805	47,22,151	1,01,47,685	Octavious Steel & Co. Ltd.	12	321	29,59,170	1,25,910	7 1/2	10	..	100	..	..	
1,86,20,000	23,658	2,10,439	2,89,435	Publicity Society of India	3	145	1,47,248	27,315	25	25	..	100	..	..	
2,25,00,000	1,01,05,141	8,71,248	36,83,503	Rallis India Ltd P.	12	245	11,73,210	3,42,910	18	20	..	10	36	36 1/2	
1,72,24,400	4,08,39,719	1,57,70,000	22,22,147	Rohas Industries P.	12	335	63,77,539	1,85,375	12 1/2	12 1/2	..	10	18 1/2	18 1/2	
75,00,000	61,59,889	54,02,048	1,58,00,403	Shaw Wallace & Co. Ltd P.	13	278	33,27,372	8,85,280	12 1/2	10	..	10	11 1/2	11 1/2	
7,00,000	45,479	94,865	73,529	Spence's Hotel	6-12	111	-35,475	-64,650	..	..	..	2	1	1	
8,10,20,000	4,25,514	16,00,000	3,57,020	Walford Transport	12	195	4,17,625	1,34,493	11 1/2	14	..	1PO	1	1	
8,40,800D												10	2 1/2	2 1/2	
INSURANCE COMPANIES															
88,90,200D	4,10,330	16,68,332	57,38,236	Bharat Fire & Genl. Ins. Ltd. P.	12	303	2,05,348	93,523	..	..	..	1000	..	..	
1,50,00,000D												100	..	..	
13,50,000	2,85,389	43,14,506	66,78,675	Concord of India	12	174	5,00,920	1,32,339	35	20	..	10	10 1/2	10 1/2	
10,00,000	27,709	11,15,446	24,97,523	Great Pyramid	12	298	1,29,230	36,611	6	..	..	10	30 1/2	30 1/2	
24,00,000	53,493	58,58,611	1,06,51,890	Hercules	12	245</									

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry Forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	6-3-57	26-2-57	A year ago. Rs.
PAPER MILLS															
45,00,000	54,01,812	35,81,341	4,21,350	Bengal P.	6-12	24	12,54,725	2,01,825	61-61	81-10	..	25	91	110	127½
63,00,000	36,44,096	66,05,611	59,90,394	India Paper Pulp	3-9	2	6,56,442	14,387	7-5	7-7	7-11	10	23½	22½	23½
25,00,000	13,55,877	10,22,640	6,27,305	Mysore Paper	3-9	22	633,342	6,551	..	..	..	10	16½	16½	16½
1,46,82,500	3,50,88,096	2,16,71,732	1,83,95,855	Oriental Paper P.	3-9	22	55,14,353	2,12,435	42-5	5-61	61-11	10	32½	30	34½
1,25,33,760	59,47,983	60,82,393	1,07,79,721	Shree Gopal Paper P.	6-12	140	20,69,821	1,61,203	71-71	61-61	..	10	16½	16½	16½
20,00,000	33,02,717	6,50,000	60,68,288	Star Paper P.	3-9	36	3,58,614	13,795	21-5	5-7½	..	10	10½	10	12½
10,00,000	4,37,500PO								5-9	5-5	5-11	21PO	4½	4½	4½
56,00,000AO	2,96,72,359	3,41,28,610	70,38,923	Titagbur P.	3-9	106	47,39,267	1,22,815	71-71	10-10	11½-11½	10AO	37½	36½	44½
56,01,800BO									71-71	10-10	11½-11½	10BO	37½	36½	44½
PRESSING COMPANIES															
8,00,600	4,64,396	5,26,886	9,04,699	Calcutta Hydraulic.	6	2	1,35,881	85,479	4	Nil	..	100	81	81	81
4,30,000	2,02,624	3,76,761	3,76,761	Camperdown.	7	311	29,739	2,840	4	3	4	100	121	121	121
5,00,000	1,61,435	2,47,132	6,44,239	Central Hydraulic.	6	2	66,695	26,269	5	5	6	100	135	135	105
REAL PROPERTY STORAGE															
10,00,000A															
1,25,000B															
25,00,000C	13,50,000	12,34,603	6,00,972	Bengal Bonded Warehouse.	4-10	73	86,087	2,712	5-5	5-5	5-5	A500 B621 C100	825	825	890
25,00,000D													107	107	107
7,42,150	11,68,346	4,23,135	33,823	Calcutta Safe Deposit.	3	6	81,250	3,142	5	5	..	D121	231	221	222
10,00,780O									..	..	..	10	8½	8½	8½
2,00,000P	22,96,665	6,43,179	7,48,388	Humayun Properties P.	3-9	..	1,43,649	64,068	..	..	..	190	13	13	13
94,00,000	92,09,262	36,70,109	41,04,547	Midnapore Zemindary P.	4	2	11,32,242	11,43,855	4	3	Nil	100	22½	23½	36½
TRAMWAYS & STEAMER															
20,00,000	1,08,44,146	1,00,69,622	30,95,902	Bengal Assam Steamship P.	10	2	10,81,427	55,826	71	71	..	100	139	139	147
6,25,000	6,17,570	1,75,000	2,01,116	Calcutta Landing & Shipping	4-10	89	25,322	4,267	21-21	31-21	..	10	121	121	15
12,60,000	23,52,622	9,03,181	4,986	Calcutta Steam Navigation.	6-12	113	90,794	76,938	5-5	..	..	100	1291	1291	1043
4,700,000	2,28,63,932	1,1,633,117	1,576,087	Calcutta Tramways P.	12	98	1,206,018	1,10,564	71	81	..	£1	16	16½	17½
3,78,650	2,52,816	4,13,728	6,83,441	Fraser.	3	139	8,82,620	12,457	..	..	..	10	14	14	132
4,855,580	2,27,23,124	1,960,878	1,138,081	India General Nav. Railway P.	12	139	1,70,306	1,21,368	5	..	..	£10	71½	75	126
2,25,00,000	7,41,48,498	73,00,000	1,89,93,697	India Steamship P.	3	291	38,72,859	25,920	Nil	Nil	10	10	10½	10½	81
14,08,220	35,14,969	24,75,000	5,94,459	Port Shipping.	6-12	2	1,54,518	43,305	5-5	71-71	..	10	15½	15½	16½

† 1956

* Liquid Assets.

SOUTH INDIAN MISCELLANEOUS COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry Forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	5-3-57	26-2-57	A year ago
													Rs.	Rs.	Rs.
CEMENT															
51,04,620	39,78,019	8,87,097	14,29,937	Andhra Cement P.	12	16	10,73,622	4,636	10	..	..	10	14½	14½	..
ENGINEERINGS															
7,50,000	7,12,101	82,967	15,812	Brunton & Co. P.	12	270	84,162	1,80,754	..	..	..	10	5½	5½	7
13,78,660	11,77,029	14,945	18,437	India Steel Rolling Mills P.	12	230	1,38,570	Nil	..	..	..	10	11½	11½	11½
SUGARS															
19,92,000	57,01,920	25,64,006	3,49,248	Deccan Sugar & Abkhari P.	5	218	12,39,032	1,12,386	..	..	10	5	10½	10½	8½
£80,000A £20,000B	£749,840	£896,278	£23,344	East India Distilleries Sugar P.	9	319	£217,186	£57,290	10	10	..	16 sh. A 1B	28½	28½	27
29,00,908	8,45,826	19,36,515	23,78,860	India Sugar and Refineries P.	9	..	10,68,060	4,30,236	25	17½	..	10	16½	16½	21½
1,79,280	23,64,171	62,95,164	26,13,225	Mysore Sugar	6	264	5,83,036	85,709	..	..	..	16	41	41	50½
6,00,000	6	9,00,000	17,01,004	United Breweries	3	320	2,55,158	3,951	..	..	..	75	180	182	180½
MISCELLANEOUS															
2,00,000	1,84,643	4,01,950	3,69,126	A. V. Thomas & Co. Ltd.	12	270	67,424	82,011	..	..	..	10	14½	14½	16½
43,33,400	51,24,761	91,12,163	23,93,662	Champion Reef Gold Mine	12	328	30,17,946	5,548	..	..	..	10	8½	8½	3½
3,45,96,740	3,07,66,646	3,24,061	3,46,5,823	Fertiliser & Chemical	12	346	43,90,272	73,018	..	..	..	10	..	..	..
40,00,600	23,16,662	30,20,000	12,20,149	Parry & Co. Ltd. P.	12	319	19,28,262	1,90,750	15	15	..	2	..	..	..
40,50,000	51,89,127	13,11,514	12,90,355	Mettur Chemical Industrial Corpn	3	263	9,64,549	8,153	Nil	3½	61-61	10	9½	9½	9½
24,81,222	2,74,729	4,00,000	3,56,330	Mysore Chemical Mfrs. P.	6	151	24,664	236	..	..	..	10	23½	23½	23½
81,33,420	9,25,232	6,66,775	78,136	Mysore Chemical & Fertilisers	6	233	1,32,627	6,672	..	..	..	10	7½	8½	8½
16,50,000	99,94,107	..	78,750	Mysore Gold Mining	12	328	24,55,864	..	..	..	..	10	2½	2½	..
5,00,000	1,87,861	67,63,169	15,68,878	Mysore Match	9	124	12,339	862	..	..	..	10	..	..	..
16,50,000	17,94,415	..	6,079	Mysore Tobacco	3	201	10,039	45,631	..	..	..	10	13½	13½	11½
37,33,400	48,27,424	51,84,275	3,54,689	Nundydroog Mines	12	328	20,43,693	..	..	..	..	10	11½	11½	5
49,89,033	22,24,495	1,75,753	22,24,495	Ooregaum Gold Mining P.	12	328	1,45,422	..	..	..	..	10	..	..	..
40,00,000	46,37,599	93,16,946	80,57,471	Spencer (Provisions) P.	6	221	19,71,470	5,47,067	15	..	..	10	16½	16½	17½

RUBBER COMPANIES

Paid-up Capital Ordinary.	Net Block Account	Reserve & Funds	Cash & Securities	Accrue under Cultivation	Outturn Rubber	Estimated Rubber	NAMES	Accounts Closed	Managing Agents	Net Profits including taxation	Dividends per cent			Paid-up per Share	Market Quotations as available until		
											1952	1953	1954		5-3-57	26-2-57	A year ago.
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.					Rs.			Rs.	Rs.	Rs.	Rs.	
17,32,000	9,36,219	2,06,283	4,44,630	2,052	1,45,403	..	Be Be Rubber	3	276	..	..	..	5	4 1/2	4 1/2	4 1/2	
17,94,186	29,66,801	18,13,093	7,95,683	7,270	15,10,886	16,68,000	Cochin Malabar P.	2	210	20	25	25-15+	3	10 1/2	9 1/2	8 1/2	
4,00,000	5,25,576	27,750	62,784	4,923	1,77,048	..	Cottanad Plantation P.	..	12	69,330	..	..	10	17 1/2	17 1/2	15	
4,00,000	10,03,233	6,94,049	1,37,060	2,535	2,25,786	..	Kalpetta	2	270	1,13,150	..	..	10	25	24 1/2	27	
2,60,000	64,93,184	13,10,432	1,84,449	7,35	41	..	Midland Rub. & Prod. P.	3	270	4,89,174	..	..	10	18 1/2	18	18 1/2	
13,50,000	6,84,332	2,13,800	1,96,495	1,273	1,83,230	..	Peninsular Plantations	4	259	2,12,012	10	15	20-15+	10	28 1/2	28 1/2	
10,00,000	36,52,280	2,21,378	17,73,719	2,456	6,64,246	..	Rajagir Rub. & Prod.	6	270	3,33,502	..	..	10	9 1/2	9 1/2	10 1/2	
41,00,000	21,09,379	25,000	1,69,125	1,872	6,25,438	..	Teekoy Rubber	3	172	1,92,914	..	..	10	10 1/4	9 1/2	12 1/2	
67,21,749	67,21,749	19,13,944	13,12,632	6,939.5	10,03,214	10,15,000	Travancore Rubber & Tea	12	9	14,96,765	6	10	25	33	32 1/2	..	
40,00,000	11,55,155	1,65,090	3,74,540	1,150	3,68,304	..	Tropical Plantations	12	271	2,04,029	..	..	10	32 1/2	31 1/2	26 1/2	
36,28,580	6,72,252	2,11,412	2,49,541	738	3,74,873	..	Vaikundam	12	174	80,799	..	..	10	32 1/2	31 1/2	26 1/2	

† 1955

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net block Account	Reserve & other Funds Premiums & forfeited Shares	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Credits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	4 years ago			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8 1/2	10	10	100	170 1/2	165 1/2	08 1/2
ELECTRIC LITG POWER															
6,99,95,600	11,08,94,307	69,91,218	20,82,140	Ahmedabad Electricity	9	146	35,75,580	188	6 1/2	5	--	100	100 1/2	100	10 1/2
2,92,83,500	4,18,62,358	52,34,507	65,30,999	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 1/2	7 1/2	--	1,000	1,200	1,210	1,287 1/2
1,74,99,700	2,14,85,12	39,32,48	5,79,634	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	--	100	111 1/2	110	116 1/2
38,08,200	17,49,055	4,75,372	14,87,557	Poona Electric Supply P	12	229	3,86,015	--	--	--	--	100	123 1/2	123 1/2	146
1,34,45,225	3,37,65,356	53,82,045	58,39,577	Lata Hydro Elec. Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	--	100	121 1/2	123 1/2	132
6,02,78,750	8,99,37,405	1,41,56,578	1,29,22,349	Lata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	--	1,000	1,221 1/2	1,210	1,362 1/2
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,38,311	Alcock Ashdown	12	269	8,79,566	1,35,820	12 1/2	--	--	100	265	252 1/2	358 1/2
6,00,000	29,391	4,43,904	59,338	West's Engineering	3	115	62,291	1,598	15	5	5	50	66	66	13 1/2
40,00,000	11,26,513	16,00,000	9,74,864	Larsen & Toubro P.	3	351	14,90,736	28,740	10	10	10	10	17	17	17 1/2
40,00,100	81,25,753	2,02,500	49,335	Machinery Mfgs. Corp. Ltd. P	3	330	2,02,006	64,678	NH	NH	--	100A	--	76	86 1/2
1,10,00,000	15,00,979	16,66,194	7,06,269	McKenzie	7	283	1,49,085	64,938	--	--	--	100	76	174 1/2	171 1/2
2,50,000	5,834	1,00,53,052	1,79,52,047	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	--	300	189 1/2	--	145 1/2
1,31,250	5,90,52,365	1,17,73,382	23,24,732	Lata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	NH	NH	6	100	148	138 1/2	145 1/2
1,20,00,000	32,44,07,755	16,63,05,536	12,34,83,510	Lata Iron & Steel P.	8	269	9,26,44,872	4,04,945	14	14	14	750	178	167 1/2	226 1/2
INSURANCE COMPANIES															
20,00,000	--	33,94,915	95,96,035	British India General	12	297	4,24,629	1,18,806	--	--	--	10	13 1/2	13 1/2	15 1/2
5,15,000	--	11,04,99,687	4,95,48,481	Empire of India Life	12	253	--	--	--	--	--	100	350	350	475 1/2
5,46,125	--	16,33,999	46,50,400	Indian Mercantile	12	75	--	1,13,109	--	--	--	20	45 1/2	45 1/2	49 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,142	Imperial General P.	12	55	38,351	4,65,316	NH	--	--	15	63	63	40 1/2
2,06,81,590	--	1,88,81,793	27,25,18,450	New India	12	179	43,58,653	71,250	16 2/3	--	--	15	41 1/2	42 1/2	3,910 1/2
8,00,000	--	57,83,74,431	63,48,54,420	Oriental Life	12	298	--	--	--	--	--	200	3,730	3,730	15 1/2
15,99,270	--	29,41,861	58,86,789	Vulcan	12	255	6,05,903	2,81,242	10	--	--	10	15 1/2	15 1/2	--
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,31,994	Air Service of India	6	336	-15,61,405	-37,22,790	--	--	--	15	--	--	--
47,97,250	21,34,988	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	--	--	--	50	232	227	223 1/2
50,00,000	2,20,64,305	4,12,66,155	2,67,27,639	Bombay Burmah Trading	6	285	47,93,172	61,990	16	21	--	125	658 1/2	661 1/2	568 1/2
42,00,000	1,21,04,052	31,74,431	31,14,308	Bombay Steam Navigation P.	6	256	4,54,215	30,135	--	--	--	50	250	246 1/2	202 1/2
45,00,000	3,085	19,47,385	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	20,135	4 1/2	4 1/2	--	25	7 1/2	7 1/2	7 1/2
99,99,250	13,82,957	1,34,142	1,34,142	Central (Chemists)	3	87	68,232	16,942	4 1/2	4 1/2	--	100	195	195	215 1/2
11,99,900	1,74,35,775	1,81,13,447	1,39,144	National dayon Corp.	12	352	63,19,604	5,72,076	10	--	--	200	229	229	215 1/2
1,57,71,400	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,882	5,62,020	2 1/2	2 1/2	5	10	20 1/2	18 1/2	18 1/2
9,99,99,060	27,45,055	37,30,000	11,27,088	Shivrajpur Synd. (Manganese)	11	146	39,49,059	21,661	80	80	--	10	96	93 1/2	17 1/2
1,00,000	2,25,39,547	13,22,272	4,37,991	Lata Chemicals P.	6	369	16,84,488	34,425	NH	NH	7 1/2	10	16 1/2	15 1/2	42 1/2
1,39,95,990	75,25,781	34,08,586	22,83,813	Lata Oil P.	9	274	3,00,461	11,453	9	8	12	25	45 1/2	45 1/2	19 1/2
70,07,475	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	--	100	175	175 1/2	175 1/2
*1956 Liquid Assets															

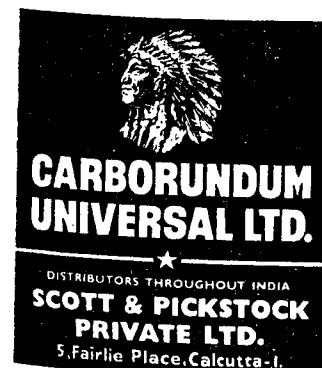
*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	6-3-57	20-2-57	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	--	2 1/2	2 1/2	2 1/2	100	60	60	61 1/2
21,89,300	33,40,885	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,678	33,735	3-3	3-3	3-3	100	67 1/2	67 1/2	67 1/2
34,00,000	41,30,202	3,11,049	Jankura Damodar River S.S.G.	3	165	46,807	--	2 1/2	2 1/2	2 1/2	100	58 1/2	58 1/2	58 1/2
19,00,000	29,09,645	4,91,171	Sarasat Basirhat D.B.G.	3-9	331	18,844	1,18,863	--	4	2 1/2	100	10	10	10 1/2
17,80,000	21,78,786	2,20,877	Sardwan Cutwa S.S.G.	3	165	78,839	--	2 1/2	2 1/2	2 1/2	100	59	59	60 1/2
31,00,000	35,46,011	--	Shaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1.29-1.29	1 1/2-1 1/2	1 1/2-1 1/2	100	52 1/2	52 1/2	56 1/2
4,75,000	3,20,040	4,75,300	Herra Chhatrak Roadway	3	88	7,071	9,917	1 1/2	1 1/2	1 1/2	100	6 1/2	6 1/2	6 1/2
2,47,650	3,20,015	65,326	Jarjeeling Roadway	3	101	18,097	4,549	1 1/2	1 1/2	1 1/2	10	7 1/2	7 1/2	7 1/2
22,50,000	62,20,813	13,52,600	Jehri Rohas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	10	13	12 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Futwad Islampur S.S.G.	3-9	32	-33,016	5,917	98-99	99-1	1-1	100	63 1/2	63 1/2	63 1/2
16,00,000	50,82,188	17,87,954	Jowrah Amta D.B.G. (P)	3-9	32	1,19,351	90,009	3-3	3-3	3-3	100	52	52	52 1/2
6,00,000	13,87,138	4,43,410	Jowrah Shekhal D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65	65 1/2
19,50,000	27,95,689	2,47,135	Kalighat Falte S.S.G.	3	165	-1,99,473	--	2 1/2	2 1/2	2 1/2	100	60 1/2	60 1/2	60 1/2
8,91,100	15,16,175	10,351	Katakhal-Lala Bazar S.S.G.	3	165	31,257	--	4 1/2	5	--	100	72	72	72 1/2
18,00,000	62,56,929	28,77,041	Shabdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129 1/2	129 1/2	129 1/2
1,75,000	5,41,779	2,04,841	Lepzore Balipara Dranway P	3-9	165	-43,574	5,944	--	--	--	100	--	--	--

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort, Bombay.	349. Chandmull Batia—7, Canning Street, Calcutta.
321. F. C. Williams—14 Old Court House St., Calcutta.	330. Mahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Jheriyan—Travancore.	350. K. A. Agarwal—Empire House, Borey Road, Fort, Bombay.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. V. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.	351. L. & C. (Management) Private Ltd., J. K. Building, Douglas Road, Borey, Calcutta.
323. Anderson Wright & Co.—4, Wellesley Place, Calcutta.	332. M. Paspati—21, Ravelin Street, Fort, Bombay.	342. A. S. Chatterjee—2, Royal Exchange Place, Calcutta.	352. Estate domoy C. G. Mahant—Ewart House, Street, Fort, Bombay.
324. Indo Corporation Private Ltd.—5, Swinhoe St., Calcutta-19.	333. Jaipuria Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343. V. J. Plani—Victoria Bunder, Calcutta.	353. N. C. Bhattacharya—14, Netaji Subhas Road, Calcutta.
325. John Rutherford Bhatke—Virginia House, N. Chowringhee, Calcutta.	334. Sahu Jain Ltd.—Dalmianagar, Calcutta.	344. The National Tea Corporation—130, Cotton Street, Calcutta.	354. L. C. Kanol—P. A. Mission Row, Calcutta.
326. Beriwal Bros.—63, Netaji Subhas Rd., Calcutta.	335. Duggal Road, Bombay.	345. Seshasayee Brothers (Travancore), Ltd.—Eloot Factory, Alwaye.	355. G. O. Robertson—18, Strand Road, Calcutta.
327. Marwar Textiles (Agency), Ltd.—Wandoo Road, Fort, Bombay-1.	336. B. R. Sons Ltd.—Borby Road, Fort, Bombay.	346. L. H. Harrison Road, Calcutta.	356. B. Bajoria—10, Clive Row, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.		347. Sahu Jain, Ltd.—11, Clive Row, Calcutta.	357. D. P. Dunderdale—Chartered Buildings, Calcutta.



CAPITAL

A Weekly Journal of Commerce, Industry and Finance

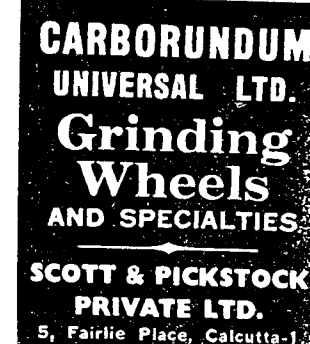
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INDIAN TEA IN A BUYER'S MARKET

IMPORTANCE OF INTERNATIONAL REGULATION: EXPANDING INTERNAL DEMAND

THE report which Mr. J. P. H. Bent, Chairman of the Indian Tea Association, made to members last Friday was by no means as dismal as the one presented by his predecessor. The tea industry did not have a particularly prosperous year in 1956, at least not such as could be compared with 1954. But it did manage to hold its own in a world which appears chronically to possess more tea than it can drink. And the chief reason, according to Mr. Bent, was the success of the voluntary restriction scheme introduced towards the end of the season. It is reassuring to learn that the industry did manage to ensure its salvation by its own efforts. But it is also clear that the means, because they applied to the Indian industry alone and were not shared by its competitors, must be accepted as a temporary expedient only. The very success of the scheme indicates the need for some permanent method of controlling world output, or for vigorous measures to increase internal consumption. Mr. Bent put the position clearly enough, and the prospects. It now remains for the industry and the Government to work towards these two main goals.

The chances of a renewal of the International Tea Agreement on lines similar to those existing previously, are remote enough. It appears that the prospects of any system of international regulation improve only when the world markets are diminishing. Except for common teas, of which India is of course the chief producer, there are few signs of that happening while international prosperity continues to increase at its present rate. The main hope, as Mr. Bent suggested, is that the two largest producers, India and Ceylon, will recognise their common interest in some form of regulation and that the rest will eventually be persuaded to follow when times are not as good as they are now. The main difficulty is to overcome the reluctance of Ceylon, whose output is likely to find a more ready market under present conditions than is that of India. For this, some form of demand stringency enforced by market circumstances, would seem to be indispensable. For all its virtues, it is doubtful if last season's voluntary restriction scheme helped to push Ceylon any further towards an agreement. While the Indian growers are pre-occupied to curb their own output, especially of quality teas, there is no obvious reason why any other producer should take the trouble. The figures Mr. Bent suggested as export quotas, 400 million pounds for Ceylon against 560 million for India, shows the former's competitive strength and the comparative ease with which it would be able to overhaul India's contribution to world demand. Unless Ceylon can be induced to enter some sort of agreement, the kind of unilateral crop restrictions which existed last season may be disastrous for the Indian gardens in future. The prospects of the other producers seem to be as remote as ever. Indonesia's need to export tea is such that only the possibility of anything involving restrictions. Anyway, its output is already considerably lower than its quota under the previous agreement and it is doubtful whether it would permanently accept anything less. As for Africa, as Mr. Bent pointed out, its output may possibly double in the next ten years. With its low costs and unimpeded access to the London market, there is no obvious reason why it should accept restrictions at all. In fact, under present circumstances, an international agreement would serve chiefly to benefit India whose quality and prices are probably the least competitive of all the major producers. This is a state of affairs which will be rectified only if the Indian gardens pay, or are permitted to pay, greater attention to these two factors in future.

rather than diminish so long as high taxes and unrealistic welfare burdens continue to erode India's competitive position in world tea markets. The present consumption of one half-pound a head for this country is small enough, especially when it is appreciated that tea is the ideal drink for a hot climate where intoxicants are being officially discouraged. The limit, of course, is set by

percent; but in doing so he omitted to mention that this figure is high because of the U.S. Government's exceptional defence commitments rather than its strictly economic obligations. The basis for comparison with a country like India, therefore, does not exist.

The case of the private sector in India has always been that it can do much more than it has already done, if it is allowed the freedom and the facilities for expansion. As might be expected, Mr. Patel denied that the Government's policy is "unduly restrictive of private initiative and enterprise". He pointed, for instance, to the financial assistance which it has given to private industry. The Planning Commission has estimated that over the first plan period this assistance has amounted to Rs. 44 crores—a sum which Mr. Patel said is somewhat larger than the total amount realised by private industry from the capital market through new issues. The implication seems to be that the private sector has little strength of its own and is only limping along on crutches supplied by the Government. But, as a recent Reserve Bank survey showed, investment by private industry has been much greater than is indicated merely by new capital issues figures; resources have been conserved and ploughed back into expansion on a scale far exceeding any assistance obtained from official sources. If it has not been possible to raise more money through new issues, the fault is primarily the Government's, because the general effect of official policy has been to scare away potential investors.

Mr. Patel did not ignore the fact that private industry has made sizeable investments out of its own resources in recent years, but he wondered if this "would have been possible without the generous tax rebates and tax exemptions granted by the Government.... I venture to think that not a small part of the internal resources of companies consists of the tax saved as a result of the concessions allowed by the Government for development." It might, however, have been more fruitful to enquire whether a less burdensome taxation system would not have increased further the resources available for expansion in private industry. Rebates and exemptions have had to be granted precisely because taxation is so high that it does not leave enough money with companies or individuals who wish to invest. If taxes were reduced, there would be need neither for direct Government financial assistance, nor for special rebates and exemptions. Potential savers would automatically find themselves with enough to devote to investment in an expanding economy, without any extraordinary measures being necessary. Nor can Mr. Patel fairly argue that in India taxation is low enough since it amounts to only 7 or 8 percent of the national income, whereas in many other countries it amounts to 20 or 30 percent. In poorer countries, the proportion has inevitably to be lower than in the more developed. What is unfortunate is not that the ratio of taxation to national income is low, but that too high a proportion of the former is collected from those sections of the community which would contribute most to economic development voluntarily. It is unfortunate that Mr. Patel chose not to mention this aspect of the problem at all.

His interpretation of the Government's policy on nationalising old industries, and on starting new ones, is liable to cause many eyebrows to be raised. As Chairman of the Life Insurance Corporation, he is entitled to feel that the two important nationalisation measures (involving the Imperial Bank and life insurance) are now "more fully appreciated". It would, however, be surprising if such fuller appreciation is shared by former stockholders who have been inadequately compensated, by present policyholders whose claims and correspondence tend inexplicably to vanish from insurance offices, or by private firms who have been missing the investment support they previously got from life insurers. Evidence of similar wishful thinking is to be found in another of Mr. Patel's assertions—that "any misgivings that the Constitutional amendment might be used as an instrument of confiscation have been set firmly at rest...." Turning to the starting of new industries, he explained that basic industries require large amounts of capital and entail a high degree of risk. On these grounds, he explained, "it is doubtful if their development on the scale required could have even been attempted without the effective participation of the State". To producers of coal and steel at least—two of the most basic of all commodities—this must seem as a rather curious and thankless return for the initiative they showed in pleading for expansion long before the Government ever thought of it.

ECONOMIC RECOVERY IN BURMA

INSECURITY AND INFLATION

SEVERAL experts have written recently about Burma's strenuous efforts towards economic recovery and the success she has achieved over the past year. But they generally agree that she still has a long way to go. Security is a major problem in many areas. Economic inflation is another, but it would be less serious if the Government discarded some of its misconceived policies. In his presidential address at last week's annual general meeting of the Burma Chamber of Commerce, Mr. C. A. McDowall threw some interesting light on the nature of the economic problems. He also made some constructive suggestions which deserve careful notice.

The Burmese economy depends heavily on exports. If the overseas markets for its primary products, such as rice, timber and minerals, are weak, it suffers badly. The Government has often been seriously worried in recent years by Burma's inability to dispose of her rice surplus. When the rice export trade revived in 1956, one of the major worries passed away. A surplus was achieved in the balance of payments, and foreign exchange reserves rose. Mr. McDowall said that the reserves at the end of the year amounted to K 53 crores, against K 43 crores a year previously. This unexpected transformation, as Mr. McDowall called it, was due to the "re-emergence of India as a buyer of rice"—a country which has been Burma's traditional market.

Mr. McDowall's survey also recorded the marked improvement in timber and mineral output, and in the transportation system which carries teak logs to Rangoon. Arrivals, he said, improved by

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50 percent over the year. Unfortunately, exports did not keep pace, but during the current year "Burma should reap fuller benefit from the efforts of the State Timber Board to restore the teak industry to its rightful place in the country's economy." The mineral industry saw the emergence of a joint venture in which the Government and British mining concerns are collaborating. Mr. McDowall thought it possible that similar developments might take place "elsewhere before long". This is a happy augury for the future of the industry, but the lack of security in the mining areas remains the biggest enemy of progress. The oil refinery in Sriyam has been opened and "the oil industry is showing heartening results in its efforts to meet the needs of Burma's expanding economy." These instances are not exceptional, they more or less make the rule, and the Chamber President described his survey as "a story not merely of consolidation but of progress and vitality, though at times the record of achievement is tempered by a note of frustration."

This qualification Mr. McDowall illustrated with facts, largely concerning the treatment of the resident Briton who has gone to Burma with British capital. He pointed to the remittance difficulties which foreigners have been facing. While not questioning the Government's right to demand the information it wanted, he impressed on the Deputy Prime Minister, who was present at the meeting, that it should always be made clear what information is required. Most of the difficulties arise because foreign residents are not clear on this point. Mr. McDowall pointed out that if Burma is to expand her economy and at the same time satisfy the legitimate aspirations of her people for a higher standard of living, she would have to get capital from abroad. But foreign capital would come only if it found conditions for investment attractive. The Government has said that it welcomes foreign capital for investment in industry and plantations. But assurances are needed that the existing deterrents, such as remittance difficulties, high income taxation and insecurity, would be removed. Emphasising the need for technical skill which Burma will also have to import, he declared that capital goods by themselves would be able to do nothing unless there was the operating skill to go with them.

CURRENT COIN

The Monetary Stringency.—The past year has been an embarrassing one for the banks because of the steadily growing shortage of funds. The chairman of the Bank of India said at the annual general meeting last Thursday (a fuller version of his speech appears on a later page) that "it is a long time since a credit-worthy customer could be so doubtful of getting an advance from his bank as he is today." It seems unlikely that the situation will ease soon. On the contrary, "with the sustained and effective—I might almost say preferred—demands for finance for the projects of the second five year plan", it might actually worsen. Heavy taxation is making matters more difficult. Industrial concerns can meet "the peremptory demands of the tax-gatherer" only by giving away the money they need as working capital or for plant rehabilitation and expansion. They are then obliged to ask banks for the funds which they have had to pay away in taxes. Where these demands cannot be met, business suffers. The chairman pointed out that the ratio of advances and bills discounted and purchased to the deposits of all scheduled banks is now 75 percent—the highest level touched since the Reserve Bank began publishing figures in 1935. "Interest rates on deposits have risen to levels not seen for many years.... The rates of interest on advances do not rise proportionately to the rise in deposit rates." The chairman felt that since Bank rate has been kept at 3½ percent while money rates have been rising in recent years, it has to some extent lost its character as the standard of interest rates. The Reserve Bank has virtually admitted as much when it raised the rate payable on borrowings against Government and other eligible securities, without raising Bank rate. The Bank of India's foreign exchange business has expanded, and the chairman felt that there was "an assured future for India as a foreign exchange market." But it was necessary to see that the value and the reputation of the rupee are maintained.

Sugar Exports.—When it was recently decided to export a certain quantity of sugar, the main aim was to earn foreign exchange. The domestic surplus available for export was not large, but even so, many doubted whether India would be able to achieve much success in selling it. The international demand and supply position, and the home industry's efforts, have however falsified these fears. Mr. S. S. Kanoria, president of the Indian Sugar Mills Association, in a Press statement claims that deals have been negotiated with foreign countries, particularly the U.K., which is one of the biggest importers of white sugar. "A part of the quantity sold," says Mr. Kanoria, "has already been shipped" to Britain, and this "appears to be no mean achievement". U.K. buyers have made their purchases after having satisfied themselves about quality and packing by a personal visit to India. Under its agreement with the Government of India, the Association has to sell appreciable quantities of sugar to Malaya, Middle Eastern countries, East Africa, Ceylon and Burma. These areas are the natural markets for Indian sugar and the Association's representatives have already visited most of them. Mr. Kanoria says that the Indian Sugar Mills Association is very keen to establish a good reputation for Indian sugar and is following the highest business standards. It is taking special care to ensure that quality is up to the specifications of consumers. It has employed some foreign experts to exercise strict control, both at the mills and at ports of the shipment, over the packing and quality of the sugar exported. Mr. Khaitan observes that India's decision to export sugar has created "a certain amount of stir" among her competitors, and he is confident that she will be able to compete with other nations.

The Nationalisers in Ceylon.—The storm raised by the proposal of the Ceylon Minister of Food and Agriculture to nationalise foreign-owned tea estates, after paying paltry sums as compensation, has now died down. Like many recent ministerial pronouncements in that country, it had no Cabinet sanction. It is interesting to note that the form of the proposal—if not the idea of nationalisation itself—met with strong opposition from the Ceylon Press. The papers evidently realised that it would in no way contribute to the aim of developing a backward economy. Ceylon depends heavily on her three main crops—tea, rubber and coconut. There is a vital need for more industries so that her economic structure can be diversified. But her economy will remain insecure if State action is limited merely to taking over going concerns. When the need is for an increase in production and in the capacity to earn foreign exchange, it is surely wiser to create new enterprises rather than take over old ones. When the take-over happens to be

high-handed and arbitrary, it is difficult to see who gains. Colonel Nasser may have been provoked by the withdrawal of aid for building the Aswan Dam, but his own dreams about the dam have not come any nearer reality as a result of the action he took. In the case of tea, experience has shown that in both Ceylon and India, foreign-owned estates are usually the best run and the most productive. How long this will be the case if the present feeling of uncertainty and insecurity continues, is open to question. If estates are to be nationalised, it is in the interests of the countries concerned as well as of the owners that such plans should be made known well in advance, with full Governmental authority. It is unreasonable to keep present owners in a state of doubt about their future. Irresponsible utterances such as the recent one in Ceylon have undesirable effects in that they only serve to frighten away foreign capital from Asia generally. In this sense, the Ceylon Minister, Mr. Philip Gunewardena, has hurt not only his own country but others as well. The previous Government, headed by the United National Party, tried hard to attract foreign investment but without much success. The creation of such bodies as S.U.N.F.E.D. might help relieve the shortage of investment in many countries, but private foreign capital will still be necessary and beneficial. The tea nationalisation proposal in Ceylon has made the prospect of that flow gathering momentum still more remote.

Changes in Labour Policy.—Placating workers appears to be the main feature of the Government's labour policy. The Industrial Disputes (Amendment and Miscellaneous Provisions) Act, 1956, and the Industrial Disputes (Amendment) Act, 1956, are two recent examples. Employers have expressed concern over some of their more important provisions, such as the abolition of the Labour Appellate Tribunal, the amendments in lay-off compensation and retrenchment, and the new definition of "workman". Mr. E. F. G. Hunter, chairman, speaking recently at the annual general meeting of the Employers Federation of Southern India, said that in abolishing the Appellate Tribunal, which at the time of its appointment was welcomed by both labour and employers, the Government has acted under "persistent pressure from labour". The allegation that employers take every award to the Appellate Tribunal in order to delay its implementation is wholly unfounded. A major achievement of the Appellate Tribunal, according to Mr. Hunter, is that it has checked, if only partially, "the fanciful ideas of social justice followed by some tribunals". By another amending Act, employers have been made liable to pay lay-off compensation for the whole period during which a workman is laid off. This is contrary to the agreement reached in July 1953, which provided that "the duration of the benefit shall be restricted to a period of 45 days in a year". The new measure is unjustifiable because lay-off often results from circumstances over which employers have no control and which make it impossible to resume production for several months. The imposition of such a heavy financial burden may delay the reopening of factories, Mr. Hunter said. Criticising the amendment of the definition of "workman", he said that the new definition brings within the scope of the Industrial Disputes Act even supervisory staff getting salaries of up to Rs. 500 a month. If supervisory personnel are to belong to the same union as the workmen they supervise, the maintenance of discipline will not be easy. "Even now," as Mr. Hunter urged, "it is not too late for the Government to examine this aspect of the matter and consider the desirability of further amending this Section". Mr. Hunter regretted that whatever welcome provisions the Acts have—such as the amendment of Section 33 of the Industrial Disputes Act—are, in most cases, rendered ineffective by the Government's hesitation in enforcing them.

U.S. Business Conditions.—The overall measures of U.S. business activity have shown little change in February, according to the latest monthly letter of the First National City Bank of New York. The steel, automobile and petroleum industries have maintained output at high rates, and department store sales have been 5 percent larger than in February last year, which was not particularly a good month. From all indications, general business indices for the month will be about the same as in January, when non-farm employment, retail sales, and non-residential construction were all at record levels on a seasonally adjusted basis. Industrial production was the greatest for any January on record, although the moderate increase over December was not fully up to seasonal expectations. The Federal Reserve Board's index declined by one point to 146 (1947-49=100). February also usually brings a modest seasonal rise in output, after allowance for the shorter month. It remains to be seen whether this has been realised. In any event, it seems clear that general measures of activity have not slipped appreciably, if at all. While the statistical reports are good, however, it is common observation that business sentiment is less buoyant. Optimism has been tempered in recent weeks by a disposition to stress uncertainties and

to express caution and misgivings. For some persons, the reason behind these doubts may lie no deeper than the sag in stock market prices. Thoughtful observers, however, are concerned with the significance of current soft spots and the potential weaknesses in an economy which has been running at top speed for a long time. The shift of sentiment is appearing in the commodity markets as well as in stocks. While wholesale prices and consumer prices—the cost of living—have risen to new record levels, prices of basic industrial materials, on the average, have been easing slightly for some time. Along with this go reports that purchasing agents in some cases are shortening commitments. Where this is so, it reflects inventory accumulation, ability to obtain quick shipments, and a general feeling that inventories are a less attractive speculation than they were a few months ago. In the lighter steel lines for example, fabricators' inventories have been replenished since the strike last summer: with shortages disappearing, the inducement to build stocks further is disappearing also, despite the firm to strong outlook for prices. Copper and aluminium are two other metals in which markets are no longer tight. In some manufacturing lines also excessive inventories have appeared. Changes of this nature reduce the flow of orders to producers even though final consumption is maintained.

Outlook for the Fan Industry.—Speaking at the annual general meeting of the Fan Makers Association of India on Tuesday, Mr. D. A. S. Clark, chairman, expressed cautious optimism about the future of the electric fan industry. Availability of cheap electricity in new areas and more electricity in areas already electrified, increased industrial activity necessitating the construction of new factories, staff quarters, offices, etcetera, improvement in living standards—all these suggest that the demand for electric fans will rise in coming years. The Planning Commission's estimate of demand for 600,000 fans at the end of the second five year plan against the first plan's calculation of 330,000 by 1955-56, therefore, seems justified. Mr. Clark, however, cautioned that all the industry's attempts to increase production may prove fruitless in the long run due to the unsatisfactory supply of essential raw materials. Inadequate supply of important raw materials like pig iron, electrical steel sheets and ball bearings was mainly, though not wholly, responsible for what he called the "tame tone" at the end of the first plan. Production was as low as 287,600 fans in 1955-56 against the target of 320,000 to 350,000. Five years ago the industry depended for 50 percent of its total raw material requirements on foreign supplies. Today the supply position has improved to such an extent that about 80 percent is available from local sources, and efforts are being made to produce the remaining 20 percent. But difficulties remain because prices of indigenous materials are much higher than those of imported ones. As an example, Mr. Clark mentioned the case of ball bearings. He listed a number of other difficulties, such as the delay in granting rebate on import duty paid on raw materials used in the manufacture of fans for export, as provided under law, penalty clause and imposition of liquidated damages for late delivery of stores, security and tender deposits and inspection. The Government being the biggest buyer of electric fans, the payment of bills should be made as promptly as possible, Mr. Clark said.

MUNICIPAL NEGLIGENCE

WE see it stated in a daily paper that the condition of the North Barrackpore Municipality is extremely insanitary, and our readers are aware that Dr. Vaughan has reported that the Serampore Municipality, just opposite, is in about as insanitary a condition as it is possible to conceive. If this state of things continues we shall probably find the Government of India declining to come to Calcutta at all, because, no doubt, the Viceroy considers his life much more precious than those of the millions confided to his charge. We would, therefore, urge upon Sir Alexander Mackenzie that, unless he wishes his name associated with the permanent location of the Government of India at Simla, he should bestir himself to see that the surroundings of Government House at Barrackpore are such that a Viceroy can live there. We have heard that His Excellency would have remained in Calcutta but for the fear that the plague may make its appearance on the dirty condition of the Municipalities around his suburban retreat. We do not know how far there is any truth in this report but we look to Sir Alexander Mackenzie to give us something a little stronger than resolutions of the Government of Bengal are good ones, but this is the kind of article which paves the way to other regions. We again repeat that the people of this country, including such Europeans as come here, are prepared to run the ordinary risks inseparable to the climate, but they are not prepared for the new disease which Municipal negligence has introduced.

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INDUSTRIAL TRENDS IN THE UNITED KINGDOM

RISE IN COSTS WORRY MANUFACTURERS

(FROM A SPECIAL CORRESPONDENT)

BRITISH industrialists blow neither hot nor cold in discussing the situation in industry as it is at the moment in the United Kingdom. They have expressed mildly optimistic views upon such isolated matters as the petrol shortage and the satisfactory nature of some of the overseas trade figures. Little importance has been attached to the lowering of Bank rate, and although the decision to proceed with the Western Europe Customs Union has been welcomed, substantial results from this are not expected in the near future. Perhaps the most significant factor to the more thoughtful is the fact of continued rising costs revealed in the majority of industrial companies' reports issued over the past month. As nearly every principal type of company is represented, it is evident that this is a widespread and fundamental trend. A number of companies, too, have stressed that it is utterly beyond their power to effect further economies in manufacturing or trading expenditure. This state of affairs may be partly responsible for the issue of a memorandum by the Federation of British Industries, in which it is stated that no measure yet announced by the Macmillan Government is adequate to deal with the existing inflationary tendencies, which are, in fact, growing stronger every day.

It is generally agreed that the current level of industrial production is lower than it was a year ago, and some authorities estimate the decline at as much as 3 percent. The Government indices, which cover the year 1956, show that the production rate for the whole of that year was much the same as for the previous one, which at least shows a failure to gain pace. The Imperial Tobacco Company admits that there has recently been "a slight fall in sales of cigarettes and tobacco." The company has for so long enjoyed a continuous expansion of business that this cautious acknowledgment received larger headlines than would otherwise have been the case. It is beyond question that the continued issue of medical reports (none contradicting the other) establishing a connection between smoking and cancer of the lung has reduced the consumption of cigarettes. Casual conversation among one's own acquaintances alone indicates that—with women most inclined to disregard the specialist's warnings. Search is now being made, with the help of funds from the

tobacco companies' themselves, for the discovery and isolation of the irritant substance which induces a state of malignancy. We shall one day have available the new cigarette free from anything noxious. Meanwhile, public apprehension will continue to grow (since the cancer incidence a year shows no sign of check) and the tobacco industry is likely to have to continue to contend with the hitherto unfamiliar phenomenon of a diminishing number of patrons.

Controversy over Automation

The industrial lecture season in Britain, which runs from September to early April, followed by conferences in May which attempt to gather up some of the chief points made, is now well past its full flood. It is interesting to note that this season, various lecturers have thought it desirable to insist that you cannot do away in industry with the dependence upon the skill of the individual operator. Probably, this attitude is a reaction against the excessive claims for automation which have been made in some quarters. The reaction is natural enough, and is as justifiable a use of the critical faculty as it is in the realms of literature, the cinema or the theatre. It is coincident with a rather similar intellectual movement elsewhere (to which we have made reference on a previous occasion) namely, declarations by headmasters and others that technical subjects must be taught side by side with those of the humanities, and not be looked upon as all sufficient for the modern need. The rise of these inconsistencies can be largely explained by the fact that the Briton admires the robot while at the same time he has an innate distrust of the character of that gentleman—if he can be so-called. That suspicion still survives the clamorous propaganda of our time, with its constant call to bow down and worship the Mechanical with a capital M. Therefore, those who call for the exercise of more systems by the operative as a means of temperate industrial advance are gaining as attentive audiences as those other speakers whose one theme is the marvel of the machine and the power thereof. The student of history may recognise in this one of those endeavours to compromise for which the British are noted, and in all directions, not excluding the most unpromising. The unfriendly will in this development see only a shameful weakness raising its unworthy head; the generously disposed will discern the British genius trying to find a new expression more fitting to their hopes and fears. To the detached observer, neither in love with compromise nor averse to that expedient, it would appear as though it is only in some industries, and those not the largest, that the operative can hope

to initiate and maintain a human connection with his daily work. As is well known, in a number of industries, producing a mathematically standard part within an allotted span of time (as brief as possible) is the operative's sole function. This is especially true of the motor car manufacturing industry, and it may account for the unrest of the workers so engaged. In spite of very high financial rewards, unease among that body of workers seldom seems far away. Rest intervals, sports facilities and the like still leave some deep-seated need unsatisfied. It has been argued that if only the operative can remain conscious of his triumph over the machine, and not feel that he is being mastered by it or by his employer through the aid of the machine, then the maintenance of industrial peace would be assured. That the answer to this problem is not to be found in terms of cash alone is plain from the large number of absences from work recorded last year, when wages were at a record high figure and working hours at a record low. The United States provides a more striking example, for there the number of working days lost through absenteeism or disputes was much higher in proportion, allowing for the greater population. The fact is that modern industrial operatives, as a whole, are not deeply interested in their work.

Synthetic Fibres

The tenth anniversary of the commercial emergence of nylon has been celebrated by a nylon trade fair in London. The anniversary would have been celebrated in any event, because no progressive industry today can neglect any excuse for getting an advertisement. But, as it happens, nylon has special reasons for wishing to keep well to the front in display. These come from the demand of other man-made fibres to be given public attention. A dozen or so new acrylic fibres are expected to reach commercial production during the next few years, all of them claiming the already attained large-scale output, of which the most notable so far is Orlon. This is the man-made fibre nearest resembling wool, and for that reason is a competitive material for dress-making purposes. One of its chief successes has been for the making of artificial furs. While animal fur will always have a market among those who wish to or must appear glamorous or luxurious, there is a large public which prefers a synthetic fur on the humanitarian grounds. It might be said that the synthetic fur cannot compare with the natural, which, in a sense is true, although it may not always be so. But it could also be said that furs made of a blend of Orlon and Dynel (another acrylic fibre) have much to commend them in appearance and service, and, of course, they are a fraction of the cost of animal furs. Orlon, but a fraction of the cost of animal furs. The Dynel furs are in keen demand in Britain. The fact that over two million have been sold in the United States during the past year or so must be regarded as particularly significant, since American women exact high standards in dress requirements.

Handbook on Textiles

The seventh issue of the Textile Institute's standard work *Review of Textile Progress* has just been published. It consists of abstracts of articles from journals, research documents, etcetera, relating to fibres and textiles, the extracts being chiefly of a technical nature. Most of the matter reaches no farther than to the end of 1954, and this limit must be counted rather a drawback in these years of rapid discovery and invention. However, the industrialist and research worker who is eager for his information to be quite up-to-date can remedy the deficiency by subscribing to technical journals which will give a fair amount of later news. Equipped with the volume and the journals, a remarkably comprehensive survey of textile activity becomes available for the investigator. Dr. Venkataraman of the University of Bombay is the contributor on Colouring. Jute, as a subject, is accorded only three pages out of a total of 570 pages. It is true that there are also a number of scattered references to jute on other pages, but the impression remains that the subject deserves more extensive treatment than it has received.

Air-flow Measurement

Airflow methods for the measurement of the weight and maturity of fibres is a subject which soon leads to elaborate mathematical calculations. Nevertheless, the subject is of considerable importance to the wool and cotton industries and is being given prominence in the British, Continental and United States technical press. It is in the matter of States that most has been written on the manufacture and American firms are active in the manufacture of the necessary instruments. In Britain the Wool Industries Research Association and the British Cotton Industries Research Association have also instruments available. The latter's Fineness Meter for cotton is said to have an advantage in its relative simplicity. Laboratory methods for the measurement of fibre weight and maturity by the combined stapling test are too slow and tedious for comprehensive routine testing in the mill. Airflow methods are much more rapid and render representative samples of cotton (or wool) before processing is invaluable for securing uniformity of blend.

The committee of the Indian Mining Association for 1957 has Mr. D. Hogg as chairman and Mr. W. D. Forrest as vice-chairman. The other members are Mr. L. K. Karnani, Mr. R. Lal, Mr. R. Maulik, Mr. B. Mitter, Mr. R. H. Mody, Mr. H. B. Mondal, Mr. A. Selkirk, Mr. K. C. Thapar and Mr. A. S. B. Yee man.

March 14, 1957.

LAST week, I quoted Parkinson—if that really is his name—of the *Economist* as saying that air travel is one of the best ways of "getting rid of the boss". Since then I have had occasion to doubt that he might be right, although the second recommendation—plenty of form-filling—still stands unchallenged as far as I am concerned. The doubts arose when I settled into a comfortable seat in the spacious cabin of B.O.A.C.'s largest and newest aircraft, the Bristol *Britannia*, on its inaugural flight from London to Australia, and were complete by the time I arrived in Sydney. The fact that I am now back at my desk, and in at least as fair a condition as when I left it, must be accepted as a tribute to the plane, its crew, and the thought which B.O.A.C. gives to its passengers' comfort and convenience. What complaints I have are all to do with Mr. Parkinson's second recommendation—the forms, and the various customs, immigration and health authorities who must insist on their being filled in, even if they themselves do sometimes forget to collect them all. For the aircraft, I have nothing but respect. There was often no more sensation of movement than might have been felt in a stationary railway carriage. As for the noise and vibration, that was no greater than if the same carriage had been in motion. The name "Whispering Giant" may be a fortunate publicity tag, but after more than 10,000 miles without so much as a hum in my ears, I can realise what it means for the traveller who likes to arrive bright and fresh as well as punctual. I am told the *Britannia* embodies a number of technical innovations. The two that impressed me most were the reversible-pitch propellers, which slow the aircraft's landing speed at a rate which should reassure anybody who is afraid of some day over-shooting the runway and landing upside down in a ditch, and the "search radar" which shows the pilot the best way through the kind of storms a plane is likely to encounter in these latitudes, as well as giving him a picture of the ground over which he is flying, should he want it. This latest box-of-tricks, apart, I imagine, from paying for itself eventually in terms of unspilt whisky and unused cardboard receptacles, must add considerably to the peace of mind of any aircraft captain who has the odd million pounds' worth of machinery, plus a few score human lives, in his hands. I know that B.O.A.C. is setting great store by its latest acquisition, especially after the disappointments it incurred with that ill-fated, much-before-its-time aircraft, the *Comet*. It seems to me it is backing a winner. If it isn't, it will certainly not be from want of trying, because the *Britannia* ranks as the most-tested aircraft in the world, and has been under constant development since the prototype first flew in 1952. I enjoyed my trip to Sydney and back, and that was because the "Whispering Giant" is the perfect host: courteous, considerate and obliging—as well as being softly-spoken.

A question I have heard asked is: "Have aircraft propellers got a future?" On the face of it, it does seem strange that the *Britannia*'s designers have chosen to use its modern turbine engines to drive old-style airscrews instead of the more fashionable jets. This, of course, is over-simplifying things. Jets are not superior to propellers in the same way as, for example, the turbine is to the reciprocating engine. It is a question of requirements, or, what is the same thing in civil flying, of prices and costs. Jet planes are faster, but this is only important for very long stretches such as the non-stop north Atlantic run. Over the more normal stages of, say, the London-Johannesburg or London-Sydney routes, where far too much time has to be wasted at airports anyway, the propeller-driven plane is likely to remain cheaper to run. Another factor these days is the length of runways.

CAPITAL

A DITCHER'S DIARY

Jet planes need long ones, and any airport authority which intends to accommodate them has to be prepared to foot a heavy bill for alterations and extensions. That is something very few are eager to do. The choice of airscrews is one of the reasons why the *Britannia*, and its smaller brother, the *Viscount*, are economic aircraft for both the airline companies and airport authorities and are, therefore, likely to be flown in increasing numbers on all but the world's longest non-stop air routes. Jets may eventually, of course, provide an alternative service for those in a hurry who do not mind paying a little extra. But propellers themselves are not as old-fashioned as we sometimes tend to believe; they have been touched by technical development just like everything else, and nowadays there is a size and shape to suit every need. The days of the long-bladed airscrew are probably over because, as engine power rises, propeller speed increases and a large diameter may mean that blade-tips are travelling faster than sound. This causes noise and losses efficiency. I have seen the *Britannia*'s propellers described as paddle-shaped and certainly they looked different from any I had seen since the days of the old *Spitfire* Mark V, of which that indestructible war-time character Pilot Officer Prune once said: "I like it because its propeller-blades are five inches shorter—I can fly lower". B.O.A.C. assured me they had no such idea in mind with the *Britannia*. The reason why this particular shape has been chosen is that it cuts down noise without reducing efficiency. In fact, it is one of the reasons The Giant whispers.

The amalgamation of Grindlays Bank with the National Bank of India, which for some years past has owned the whole of the Grindlay share capital, effects a final fusion between two of the oldest banking concerns in the East. The Chartered is the oldest of the British exchange banks, being founded in 1853. The National Bank of India (1863) comes next. The Hong Kong & Shanghai was founded two years later in 1865 by British merchants in Hong Kong. After the fairly hectic development of the 1850's and 1860's there was a pause in new development. The Mercantile Bank of India was launched in 1892, though its origins go back to two banks founded some forty years before. The Eastern Bank was started in 1909 and Lloyds entered the Indian field in 1923 when they acquired the business of Cox & Co., and Henry S. King & Co. These had been started in 1758 and 1858 respectively. It was to this exclusive fraternity of private banks and army agents that Grindlays originally belonged, having begun operations in India in 1828. The private bankers carried on a specialised kind of business mostly confined to military stations and cantonments and to their largely civil and military residents. This was pretty much the position until the late 1920's or early 1930's, by which time profit margins had begun to shrink under the stress of increasing competition and, both at home and abroad, private banking concerns sought to strengthen themselves by absorption and amalgamations. The National Bank, the senior partner in the amalgamation announced last week, was originally registered in Calcutta as the Calcutta City Banking Corporation Ltd. Soon after, it established itself in London under the name by which it has ever since been known. Presumably the move was made to ensure ready access to the London money market. In 1866 the National absorbed the Indo-Egyptian & London Bank Ltd, taking over the latter's Bombay premises and other branches. The expansion into East Africa, largely to meet the needs of the Indian merchant community which was trading or had settled there, began

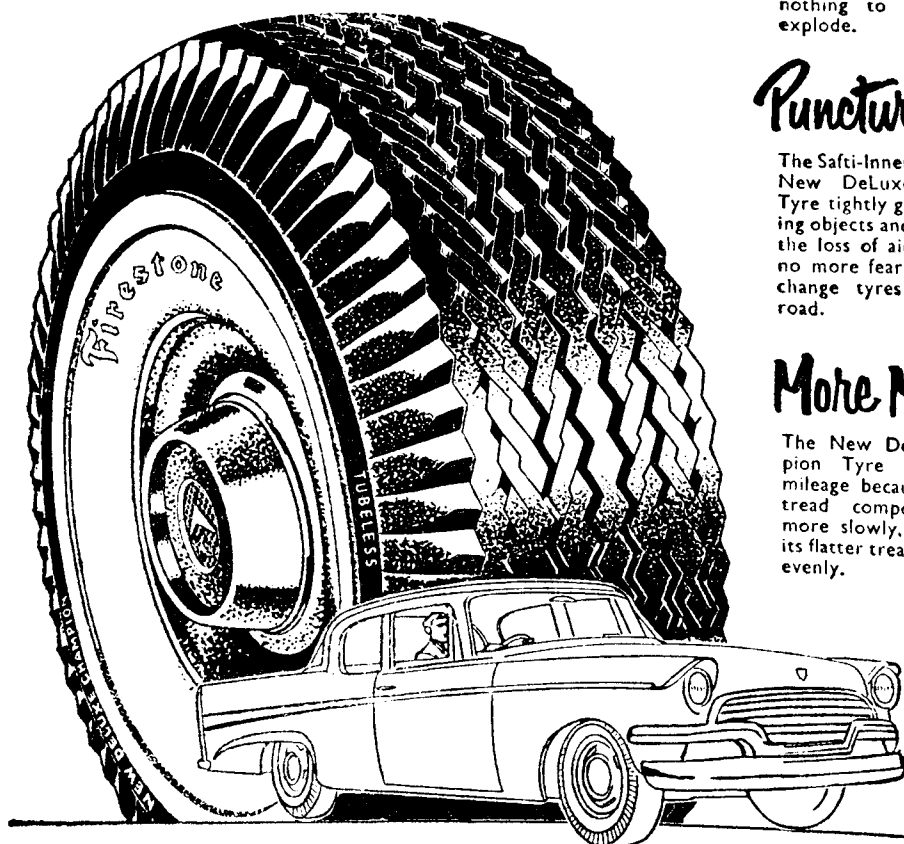
in the 1890's. The new merger is expected to be complete effective from 1st January, 1958, and the name of the amalgamated bank will be announced before then.

I see the number of millionaires is on the increase in Britain. At least, there were more in the financial year ended 31st March, 1956, than in the previous one. Whether this represents a trend or not is a question which the 100th report of the Commissioners of Inland Revenue for the U.K. should help to answer. But for that we must wait another year; in the meantime I can recommend the 99th report as an item of interesting bed-time reading. It gives forty as the number of people in Britain with gross incomes exceeding £100,000 a year—the unofficial definition of a millionaire—compared with 38 the year before. And this in spite of death duty payments during the period on ten estates of between £1 million and £2 million, and on one above that figure. Since the war, the number of people paying surtax has almost doubled, although a fair proportion of the increase must be accounted for by the general inflation of incomes rather than any rise in national prosperity. The number of cases of tax dodging went down to 16,116 compared with 19,663 in the previous year. But the penalties charged rose slightly to £8.49 million, from £8.42 million. More was paid out in back taxes—£22.7 million against £20.6 million. In addition to these, district inspectors settled more than 35,000 cases and raised £1 million in doing so. The figure for cases settled locally has decreased sharply since 1953 (136,000), but before that it was negligible: only 1,600 in 1951. That rather suggests an increasing honesty on the taxpayer's part, because it must be remembered that it was the Finance Act of 1951 which gave the Inland Revenue authorities power to obtain information from banks and other sources about those to whom interest is paid.

The East Pakistani Government has shown an interesting piece of originality by proposing a new tax on jute along with one on marriages in its 1957-58 Budget. The one is two annas a maund, the other fifteen rupees a time. Simple calculation shows that, as far as its Exchequer is concerned, one hundred and twenty maunds of jute will be much the same thing as one marriage. Whether this is meant to imply that the burdens can be directly equated is, of course, difficult to say. The decision to give misogyny in East Pakistan an official and fiscal status is, however, a development of great sociological interest. It would be interesting to know what has suddenly prompted the move. Cynics say the Finance Minister might have grown nervous about doings in his own domain since he read a Lucknow University survey report that married women in Kanpur have an average of 6.65 children each. Others feel that his reason may be more philosophical; over a century has gone by but nobody yet bothers over-much about Herr Schopenhauer's commendably sound warning that marriage on'y halves one's rights and doubles one's responsibilities. But I doubt if a warning of this sort will work even if it is reinforced by a penalty of fifteen rupees. There is no sign yet, but ultimately I expect the marriage tax will meet with strong opposition. It has not been clear whether the levy will fall on hopeful maidens or their reckless admirers, and with dowries already providing the occasion for hot argument among prospective in-laws, the question who is to pay the new tax will only make for more trouble.

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CHAIRMAN'S SPEECH INDICATES RISE IN BUSINESS

commercial life of India. The Budget is ordinarily introduced at the end of February. This year it is being postponed to a date in March or April due to the Government's desire to give the public time to realise the Elections. I do not think that Government caused any inconvenience the postponement not to interfere with the Elections in such a way as causes doubt of the Budget. The uncertainty for the introduction of the Budget. The uncertainty that the delay causes where, I fear, inclined members of the Government, and not always to look to their own anxiety due to the delay has that of the public. The rumours set afloat by irresponsible members of the Government may not have any foundation. The Government in the future. Private enterprise can only thrive on credit and confidence. We are already possibly the highest taxed country in the world and rumours of still higher direct taxation shake the confidence of the public.

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Rise in Business

Your Directors propose to place to the Bank's Reserve Fund the sum of Rs. 8 lakhs, making the Reserve Fund Rs. 310 lakhs.

A final dividend of 10 per cent., free of income-tax, is proposed, absorbing Rs. 25 lakhs, and making with the interim dividend of 6 per cent. paid last August, a distribution of 16 per cent. per annum, or Rs. 40 lakhs for the year, free of income-tax. The carry-forward is Rs. 15½ lakhs against Rs. 13 lakhs last year.

Miscalculation of Resources
When will Government learn to cut their coat according to their cloth? Five-Year Plans are all very



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Lubricating Oils
and Greases.

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MARTIN BURN LTD.
Oil Department
12 Mission Row, Calcutta I

THE NATIONAL BANK OF INDIA, LIMITED

PROPOSED AMALGAMATION WITH GRINDLAYS BANK

MR. J. K. MICHIE'S REVIEW

The annual general meeting of The National Bank of India, Ltd., will be held on March 26 at 24, Bishopsgate, London, E.C.

The following is an extract from the statement by the chairman, Mr. J. K. Michie, circulated with the report and accounts for the year to December 31, 1956:

Before turning to the Accounts I have a matter of more than ordinary interest to report.

Ever since we acquired from the National Provincial Bank Ltd. the total capital of Grindlays Bank Ltd. the interests and managements of Grindlays Bank and ourselves have naturally grown more closely together and it has become increasingly clear as experience accumulated that to ensure the full benefits of this association a physical fusion of resources and staff must be the ultimate step. The Boards of both Banks have now decided that the time is ripe for an amalgamation and the necessary preliminaries have been set in motion. It is hoped that the fusion can be effected as from 1st January, 1958 and every effort will be made to achieve this. Opportunity will be taken to make a change in our name and, despite the long and honourable associations attaching to the present titles, there are a number of good reasons for doing this. Until certain legal formalities are completed it is not possible to announce a name but it is hoped to preserve in the one adopted associations with both now in use.

What is important to our shareholders is that the two Boards are strongly and unanimously of the opinion that taking this action will solidify and strengthen our structure and enable us to progress both more soundly and more rapidly than would otherwise be the case. A public announcement of our intentions will be made at the earliest possible date. Any necessary resolutions will be put before you in due course.

The Accounts

Our consolidated Balance Sheet total at £163,635,741 shows the contraction anticipated in my last Statement, the comparable figure a year ago being £168,653,013.

Our Net Profit figure is somewhat larger and after full provisions for taxation, bad and doubtful debts and other necessary reservations comes out at £432,835 against £421,839 the previous year. Dividends declared are unchanged at 15% for the year. £100,000 has been transferred to Premises Account against £75,000 and £75,000 to Contingencies Reserve Account against £85,000 in 1955. The balance carried forward is increased by £11,888.

The fall in the value of Sterling Securities was arrested before the end of 1956 and an upward movement has since taken place. As I have previously reported all temporary depreciations in our holdings have been fully provided for ex interest reserves.

India

All Indian economic activity is being dominated by the Second "Five-year Plan" which has recently been widely commented on in the financial press and our own Quarterly Review published in January carried an interesting article on the subject.

Despite legitimate mental reservations as to the timing and correlation of certain sections of the plan and some doubt, having regard to the country's apparent resources—the significant reduction in their sterling balances has to be taken into account—whether too much is being attempted too quickly; it is generally agreed that the plan is imaginative and certainly reflects a dynamic outlook and determination on the part of the Government. All people of goodwill will wish the plan the greatest possible success.

Larger Calls on Banks

In such circumstances of stretched resources it is inevitable that larger calls are made on the banking system of the country. But Banks, while assisting their customers to the greatest possible extent, have the mundane and paramount duty of maintaining a reasonable liquidity and that can be achieved only by finding more deposits or by restricting their lendings. While the total of deposits with the Banking system in India showed a moderate rise over the year most recent figures available show that aggregate advances stand at over 70% of deposits; and in spite of an unchanged Bank rate money commands about 1% per annum more than a year ago. On this showing Banks can hardly be accused of under-lending, particularly in comparison with the ratio of lendings to deposits in the United Kingdom. Perhaps both reflect exaggerations of opposite policies.

This situation has been created partly by the Government's policy and partly by circumstances. To take the second first, the blocking of the Suez Canal automatically meant and still means that shipments have to be financed for considerably longer periods than normal, while a great deal of capital imports eventually are paid for by Government departments whose machinery for so doing works slowly. Secondly, there is so much pressure on the private sector of industry to expand that its reserves previously built up are rapidly being spent, plus very large additional sums, and that at a time when Government is keeping an extremely tight rein on the capital market as well as on money rates. The proposal that part of Company reserves should be deposited with the Reserve Bank would mean a depletion of ordinary banking deposits.

Tax Burdens Increased

Commerce and industry have recently had their tax burdens materially increased and there have been

THE NATIONAL BANK OF INDIA, LIMITED

Registered in London under the Companies Act of 1862 on the 23rd March, 1866.
(The Liability of Members is Limited)

ESTABLISHED IN CALCUTTA, 29th SEPTEMBER, 1863.

Subscribed Capital ... £4,562,500 Reserve Funds ... £3,104,687
Paid-up Capital ... £4,562,500 Number of Shareholders ... 3,212
HEAD OFFICE: 24, BISHOPSGATE, LONDON, E.C.2.

BALANCE SHEET 31st DECEMBER, 1956

1955	1956	1955	1956
£	£	£	£
CAPITAL—Authorised and Subscribed—		Current Assets—	
4,562,500 Shares of £1 each	4,562,500	Cash on Hand, at Call and Short Notice and at Bankers ...	16,844,105
2,851,563	2,851,563	Investments at under Market Value:—	
3,104,687	3,104,687	British Government and other Securities quoted on the London Stock Exchange ...	8,132,734
275,442	275,369	Indian, Pakistan, Ceylon and East African Government and other Securities quoted on Overseas Stock Exchanges ...	14,932,210
6,231,692	6,231,619	Unquoted Investments ...	650,461
Current Liabilities, Provisions and other Accounts—		Bills of Exchange, including Treasury Bills, Advances, Loans Receivable and other sums due to the Bank ...	28,852,613
Current and other Accounts, including provision for diminution in value of assets, taxation on profits to date and reserves for contingencies ...	101,487,587	Customers for Acceptances per Contra ...	446,601
Fixed and Short Deposits ...	27,040,533	Total Current Assets ...	135,144,648
Amounts due to Subordinate Companies ...	1,966,721	Subsidiary Companies—	
Loans Payable ...	2,833,436	Shares at cost less amounts written off ...	1,700,000
Bills Payable ...	446,601	Fixed Assets—	
Acceptances for Customers ...	446,601	Bank Premises, Property and Furniture at cost less amounts written off ...	2,305,555
Second Interim Dividend less Income Tax for the year ended 31st December, 1956 ...	122,974		
£163,635,741	£163,635,741		

NOTES

- There are commitments in respect of Confirmed Credits, Forward Exchange Contracts and Guarantees, including Guarantees to Government Departments in India. Securities to the nominal value of £302,550 (1955-£205,000) have been deposited as security for Government and other accounts. There are contingent liabilities on Bills re-discounted amounting to £210,594 (1955-£240,004), of which £137,743 has run off at 23rd February, 1957.
- Liabilities have been incurred in respect of building contracts for new premises amounting to approximately £285,000 (1955-£485,000).
- The rupee in India, Pakistan and Ceylon and the kvat in Burma have been converted into sterling at 1/6d. and the East African shilling at par. Other currencies have been converted at the rates of exchange ruling on 31st December, 1956.

REPORT OF THE AUDITORS TO THE MEMBERS

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit. In our opinion proper books of account have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from Branches not visited by us. We have examined the above Balance Sheet which is in agreement with the books of account and returns. In our opinion and to the best of our information and according to the explanations given to us the said Balance Sheet gives a true and fair view of the state of affairs and of the profit or loss of the Bank for the year ended 31st December 1956, and on such basis, the Balance Sheet gives a true and fair view of the state of the Bank's affairs as at 31st December 1956.

We have also examined the annexed Consolidated Balance Sheet and consolidated Profit and Loss Account of the Bank and its Subsidiaries dealt with thereby with the audited accounts of those Companies. In our opinion such Consolidated Balance Sheet and Consolidated Profit and Loss Account have been properly prepared from such accounts in accordance with the provisions of the Companies Act, 1948, in the manner thereby authorised for Banking Companies and on this basis, the Consolidated Balance Sheet and consolidated Profit and Loss Account give a true and fair view of the state of affairs and of the profit or loss of the National Bank of India, Limited.

COOPER BROTHERS & CO } Chartered Accountants,
London, 25th February, 1957.

CONSOLIDATED BALANCE SHEET OF THE NATIONAL BANK OF INDIA, LIMITED AND TWO SUBSIDIARY COMPANIES 31st DECEMBER, 1956.

1955	1956	1955	1956
£	£	£	£
CAPITAL—Authorised and Subscribed—		Current Assets—	
4,562,500 Shares of £1 each	4,562,500	Cash on Hand, at Call and Short Notice and at Bankers ...	18,787,175
2,851,563	2,851,563	Investments at under Market Value:—	
3,168,579	3,168,579	British Government and other Securities quoted on the London Stock Exchange ...	11,517,498
342,159	354,046	Indian, Pakistan, Ceylon, East African and Rhodesian Government and other Securities quoted on Overseas Stock Exchanges ...	18,994,722
6,362,300	6,374,185	Unquoted Investments ...	755,461
Current Liabilities, Provisions and other Accounts—		Bills of Exchange, including Treasury Bills, Advances, Loans Receivable and other sums due to the Bank ...	32,628,564
Current and other Accounts, including provision for diminution in value of assets, taxation on profits to date and reserves for contingencies ...	117,979,702	Customers for Acceptances per Contra ...	450,006
Fixed and Short Deposits ...	35,796,702	Total Current Assets ...	160,708,765
Loans Payable ...	2,912,314	Fixed Assets—	
Bills Payable ...	450,006	Bank Premises, Property and Furniture at cost less amounts written off ...	2,026,976
Acceptances for Customers ...	450,006		
Second Interim Dividend less Income Tax for the year ended 31st December, 1956 ...	122,974		
£163,635,741	£163,635,741		

NOTES

- There are commitments in respect of Confirmed Credits, Forward Exchange Contracts and Guarantees, including Guarantees to Government Departments in India. Securities to the nominal value of £602,613 (1955-£2,002,375) have been deposited as security for Government and other accounts. There are contingent liabilities on Bills re-discounted amounting to £234,630 (1955-£262,324), of which £137,743 has run off at 23rd February, 1957.
- Liabilities have been incurred in respect of building contracts for new premises amounting to approximately £285,000 (1955-£485,000).
- The rupee in India, Pakistan and Ceylon and the kvat in Burma have been converted into sterling at 1/6d. and the East African shilling at par. Other currencies have been converted at the rates of exchange ruling on 31st December, 1956.

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st DECEMBER, 1956.

1955	1956	1955	1956
£	£	£	£
Premises Account ...	100,000	Balance brought forward from previous year ...	342,159
Contingencies Reserve Account ...	75,000	Net Profit for year ended 31st December, 1956, after providing for Taxation and Transfers to Staff Pension Funds and to Contingencies Reserve out of which Reserves provision has been made for diminution in value of assets ...	432,835
Dividends after deduction of Income Tax ...	122,973		
First Interim Dividend paid at the rate of 7 1/2 per cent for the year ended 31st December, 1956 ...	122,973		
Second Interim Dividend payable at the rate of 7 1/2 per cent for the year ended 31st December, 1956 ...	122,974		
Balance of Profit unappropriated ...	275,442		
National Bank of India, Limited ...	275,369		
Retained in Subsidiary Companies' Accounts ...	78,677		
£748,105	£748,105		

NOTE. The aggregate amount paid in respect of Directors' fees was £19,146 of which £3,000 was borne by a subsidiary (1955-£16,917 and £500 respectively).

official indications that these possibilities are considered not yet to be exhausted.

It is true that industrial profits are good but the atmosphere of doubt about Government's intentions towards the private sector is very adversely affecting Stock Exchange values, in other words public confidence.

India's food production is being wonderfully well maintained but it is still the largest single problem which the Government has to face and will continue to be so in the foreseeable future. Other major cash crops, e.g. Jute, tea and cotton, all enjoyed reasonably good years, tea prices particularly having made a very good recovery since December 1955.

It is satisfactory to see that a fresh trade agreement between India and Pakistan has just been signed which should facilitate the natural transactions between the two countries. For the benefit of both it is to be hoped that this trade will steadily expand.

Pakistan

The recently published Budget for 1957-58 indicates that Pakistan expects to finish this financial year with a favourable trade balance of just under £1,000,000 against a surplus of £24,000,000 in the previous year.

The prime cause of this change was the food shortage in East Pakistan. Indeed as the Budget statement admits food production against the background of a rising population is the greatest weakness in the country's economy and the one perhaps which has had less than its need of attention. Tax relief is given to the lower income groups but surtax is raised by 6 1/2% and a wide range of tax increases is imposed on articles of consumption including tobacco, jute, cloth and oil. In other words in the main increases in direct taxation have been eschewed.

Ceylon

Economically Ceylon's experience in 1956 was a satisfactory one and in the year ending 31st October, 1956, her accumulated surplus rose by £6,500,000 to nearly £90,000,000. Money rates were easy, tea prices were good and rubber prices moderately so. Her efforts to grow more food continue to expand.

Burma

Throughout 1956 rice prices and demand both remained very steady and previously accumulated crop balances were largely disposed of, exports reaching nearly 1,950,000 against an estimated exportable surplus of 1,500,000 tons. This year's exportable surplus is estimated at 1,575,000 tons.

In these respects the position is sound and the country's financial resources have benefited. At 31st December, 1956, her sterling balances stood at £39 1/2 against £32 millions a year earlier.

East Africa

Since I last addressed you we have opened three Branches and sub-Branches in these territories and have closed one.

Kenya

It is good to be able to report that the Mau Mau problem has now reached the constructive stage of rehabilitation, the destructive force of the movement to all intents and purposes being exhausted. The Government of Kenya is to be congratulated on the enlightened way it has planned and is tackling the all important question of the resettlement of those who were involved in Mau Mau and even more on the success of their efforts.

Grindlays Bank Ltd.

I have already dealt with our proposals for the fusion of this business with our own. I am glad to report another successful year's operations which is reflected in the profit figure shown in their accounts attached to this report and as you will see the growth in the volume of the Bank's deposits has been well maintained. As in our own case all necessary provisions have been internally made, including any depreciation on the Bank's holding of Government securities.

During the year two further Branches have been opened in the Rhodesias and results of operations there show a considerable improvement and are encouraging.

Our Finance & Development Corporation again operated at a profit which is being retained in the business.

General

When I last addressed you we had just had a rise in the Bank rate of 5 1/2% in a further attempt to curb inflationary tendencies. The situation was apparently improving when the economic results of the Suez crisis fell upon us. By dint of calling up our reserves the critical phase has been by-passed and money has been plentiful enough to justify an adjustment of the Bank of England rate to 5%. I say adjustment advisedly for on the authority of the Governor of the Bank of England that it is all it is and we shall have to work hard for any further improvement in our monetary situation, whether expressed in gold and dollar balances or interest rates, and obviously they go together.

This is no time to attempt prophecy; the imponderables are too many and certainties too few but as has been said before no one owes this country a living and it can only be through the wisdom of our Government and the efforts of all our people that our present economic difficulties will be resolved; and surely there is nothing insurmountable about them so long as we do not spend as if we still had a large unearned income behind us.

Last year I remarked on the disparity between interest rates in London and those current in certain other countries. This gap has since been narrowed but in to-day's relative circumstances it is in some cases still too wide. Supply and demand will doubtless have their way in due course.

As to our own prospects, given reasonable operational conditions I feel sure our forward progress will continue.

THE MERCANTILE BANK OF INDIA LIMITED

SIR KENNETH W. MEALING DISCUSSES SECOND FIVE YEAR PLAN

The 64th annual general meeting of The Mercantile Bank of India, Ltd., will be held on March 26, in London.

The following are extracts from the statement by the chairman, Sir Kenneth W. Mealing:—

The expansion recorded last year in the Bank's general business continued during 1956. The Balance Sheet total at nearly £75 millions is higher by £3 millions. Deposits are higher by £2 1/2 millions whilst on the Assets side there are increases of over £5 millions in Loans and Advances and nearly £1 million in Bills Receivable. These higher figures indicate the increased share we are taking in World trade with the East and are in part responsible for the decrease in our holding of Government Securities by nearly £3 million.

The net profit of £236,484 is slightly higher than the previous year and your Directors recommend a final dividend of 7 per cent. If this recommendation is approved the dividend for the year will be 14 per cent., the same as last year. From the balance the usual allocations have been made to the Officers' Pension Fund, Premises Account and Contingencies Reserve Account leaving the balance carried forward at £224,521 against £219,372 from the previous year.

During the year the Board authorised the transfer of £250,000 from Inner Contingencies Account to the Reserve Fund, which now stands at £2,000,000.

In Britain the Government's fiscal policy was beginning to be effective without resulting in unemployment, but the events in the Middle East checked the progress anticipated and the change in Government in January, 1957, resulting from the Prime Minister's illness and the re-entry into World affairs of the U.S.A. following the Presidential Election, may be expected to open a new era of Anglo-American co-operation and economic prosperity throughout the Western World.

India

One of the principal events of the year in India was the introduction of the States Reorganisation Bill which after some modification, resulting from troubles in Bombay and Bengal, came into effect throughout India on the 1st November, 1956. Under this new Act the State of Bombay becomes one of the largest in India and with the final extinction of the Princely States the map of India takes on a rational and logical appearance such as it has never had in the past. Sir Chintaman Deshmukh, the Finance Minister, disagreed with the Government over the States Reorganisation Bill, insofar as it affected Bombay, and resigned his post in the Government. After an interregnum Mr. T. T. Krishnamachari became the Finance Minister and Mr. Morarji Desai, lately the Prime Minister of Bombay, went to the Centre as Minister of Commerce and Industry.

Mr. Krishnamachari introduced a surprise Autumn Budget which among other things included the re-introduction of a Capital Gains Tax, increases both in direct and indirect taxation, a proposal to siphon off reserves in private enterprise for the benefit of the public sector, and steps to bring the banking services under closer control by the Reserve Bank of India. A motion to nationalise all Banks in India was heavily defeated in the Lok Sabha.

The Foreign Policy continued to be directed by the Prime Minister, Pandit Nehru, who continues to maintain his policy of neutrality and non-alignment. During the Suez crisis he was under much pressure to sever India's connection with the Commonwealth, but stoutly refused to do so. During the year a British Consortium signed a contract with the Government of India for the erection of a steel plant at Durgapur. This plant is designed to produce ultimately a million tons of steel per annum and is the third such plant, the other two being respectively German and Russian, to be under construction in India at this time.

The second Five Year Plan to which I referred last year is already rapidly getting under way and is estimated to have a total cost of some 5,300 crores of Rupees. Inevitably this vast project will have repercussions on many aspects of Indian life. Initially it is almost inevitable that degree of inflation and high taxation must be anticipated and indeed is already taking place. It must be hoped that the ultimate effects of the great production and employment that this plan is hoped to produce will justify this great undertaking.

Towards the close of the year some anxiety has been caused regarding the country's economy following a continued rise in price levels, continued substantial dwindling of foreign exchange resources and the monetary stringency in the Banking system. It is unfortunate that at this time the Indian Jute trade, which is one of India's principal earners of foreign exchange, is passing through a time of economic crisis and heavy losses. The tea and cotton industries have both had a fairly successful year and on the whole labour relations throughout India have been reasonably harmonious.

Pakistan

In May, 1956, a draft five-year Plan was published envisaging the expenditure of Rs. 800 crores in the public and Rs. 360 crores in the private sectors, estimated to increase National Income by 12 per cent., foodgrain production by 13 per cent., provide employment for two million people and increase in electric output, irrigation, etc. The Plan relies upon foreign aid for some Rs. 300 crores of finance. It is regarded as being moderate and realistic and has been well received in the country but it has been criticised as putting far too little emphasis on agriculture and communications including port facilities.

Industrial development of East Pakistan is now receiving urgent consideration and may be greatly helped by the discovery of a gas field in Uchh. The jute industry now has some 7,750 looms and plans by 1960 to have an output of jute manufactures capable of Pakistan's export trade in raw and manufactured jute and cotton, but the necessity of importing and distributing very large quantities of foodstuffs particularly in East Pakistan has proved a major headache and resulted in much suffering in that State last year. No less than 883,000 tons of food were imported into East Pakistan and 600,000 to West Pakistan. The value of these food imports was in the neighbourhood of Rs. 80 crores which, had it not been for American aid would have seriously affected Pakistan's foreign exchange position. There is no doubt that Pakistan will continue to need foreign aid for some time to come notwithstanding the strenuous efforts she is making, by severe restrictions in imports at the expense of some degree of inflation, coupled with an industrial programme designed further to reduce imports and to increase her income from exports.

Ceylon

Economically the year 1956 proved less prosperous for Ceylon than the preceding year. This was largely due to circumstances outside Ceylon's own control. Adverse weather conditions, including the severest drought in 50 years, caused deterioration in the quality of tea and a falling off in coconut production. Delays in Colombo due to dock labour unrest and towards the end of the year the diversion of shipping round the Cape all had adverse effects on Ceylon's balance of trade. The Port development scheme was completed and ships are now able to go alongside for loading and discharging cargo. Given freedom from labour disputes, Colombo Harbour should regain efficiency and cease to handicap the Island's trade as it has for recent years.

Burma

There is not very much change to report in regard to Burma during the past year.

In the financial field it is satisfactory to report that Burma's foreign exchange reserves which at the beginning of the year stood at K.405.5 million rose by the end of December, 1956, to K.569.6 million. This improvement is most welcome and is largely due to the strict limitation of imports. During the financial year which ended on the 30th September, 1956, 1,932,000 tons of rice and rice products were shipped. Out of the total 459,000 tons were on account of barter agreements despite which the total foreign exchange earnings were in the neighbourhood of the equivalent of K.96 crores and practically none of the 1956 crop has had to be carried over into the new year unsold. This in comparison with previous years when there were large carry-overs of unsold rice stocks is indeed satisfactory. On the other hand, only a fifth of the petroleum was produced in 1956 than was produced in 1953 and only a quarter of the teak and silver. Burma's potential export of her natural resources therefore is very great provided that transitional conditions could be brought about throughout the country.

During the year Agencies of the Bank were opened in The Pethah, Colombo, and in Temerloh, Pahang, Federation of Malaya.

During the year our numerous Branches and Agencies throughout South East Asia and the Far East continued to render efficient services in every department of Banking to a wide variety of industry, trade and commerce. Our thanks are due to our large staff, British and Asian for their good work. I must also express our thanks to Mr. Drake our Chief Manager, Mr. Hawkins our Deputy Chief Manager, and to the Managers and Staff in London.

The Central Bank of India, Ltd.

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

(Established—December, 1911.)

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

Authorised Capital	Rs. 6,30,00,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,02,77,122
Deposits as at 31-12-56	Rs. 1,39,01,90,571

DIRECTORS:

Sir Homi Mody, K.B.E. (Chairman), Coverji Hormusji Bhadani, Esq. (Vice-Chairman), Dinshaw D. Rorer, Esq., Bharamsey Vithalji Khatav, Esq., Manmohandas Madhavdas Amersy, Esq., C. P. Wadia Esq. Chimanlal B. Parikh, Esq., Framrose J. Gazdar, Esq., Sir Jasvel Setjeebhai, Bart. His Highness Sir Jivajirao Madhavrao Scindia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

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

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

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

LOCAL BRANCHES

Calcutta—33 Netaji Subhas Road—Ballygunj—200/2C Rash Behari Avenue, Barrabazar—71, Cross Street, Bowbazar—8A, Road, Parkside—100, Sov. Bazar Street, Shambhazar—133, Cornwallis Street, Howrah—18-A, Grand Trunk Road, West Bengal—1, Asansol Bankura Burdwan, Jalpaiguri, Kalimpong, Purulia Raiganj, and Siliguri. Branches in East Pakistan—Chittagong, Dacca Darsanpur, Khatusang, Mirskadim, Myrmensingh, Dinanagar, Rangpur. Branches in Orissa—Sambalpur.

SPENCER & COMPANY LIMITED

MR. Z. R. IRANI REVIEWS DEVELOPMENTS

Addressing the Ordinary Shareholders of Spencer & Co. Ltd. at their Fifty-ninth Ordinary General Meeting which was held on 9th March 1957, at the registered Office of the Company at Madras, Mr. Z. R. Irani, Ag. Chairman of the Company said :—

Gentlemen,

I very much regret that Mr. Edwards cannot be with us to-day as he is on home leave. In his absence, my colleagues have appointed me to the proud and privileged position of taking the Chair and I welcome you most cordially to the fifty-ninth Annual General Meeting of the Company.

You will observe from the published Accounts that there have been considerable changes in their presentation. Much time has been taken in re-analysing heads so as to conform with the provisions of the Companies Act 1956 and the result is a more voluminous document. It has, however, not been possible to show comparative figures for the year under review and the previous year since to have analysed the previous year's figures would have taken more time than could be afforded. Although the compiling of the Accounts has led to a delay in the holding of our present meeting, the pattern having been established, I have no doubt that future annual meetings will be held earlier in each year.

There is little comment I can make on the Accounts as they give full information and present satisfactory reading. Trading has been consistent though profit margins slightly lower than previously. I shall be happy later to answer to the best of my ability any questions that you put.

The Board has had to bid farewell recently to Messrs. J. Grievson, S. J. Knights and H. B. Toothill.

SITUATION VACANT

Well established Company has vacancy for suitably qualified Chartered Accountant, preferably with overseas experience. Good salary and prospects for the right man.

Apply Box No. 4788.

C/o Capital (Private) Ltd.,

Post Box No. 14,

Calcutta-1.

THE EASTERN BANK LTD.

INCORPORATED IN ENGLAND.
(Liability of Shareholders is Limited.)

HEAD OFFICE:

2 & 3, Crosby Square, London E.C.3.

SUBSCRIBED CAPITAL	£ 2,000,000
PAID-UP CAPITAL	£ 1,000,000
RESERVE FUND	£ 1,500,000
RESERVE LIABILITY OF SHAREHOLDERS	£ 1,000,000

BRANCHES: Calcutta, Bombay, Madras, Cochin, Karachi, Chittagong, Colombo, Bagdad, Basrah, Mosul, Kirkuk, Amara, Bahrain, Doha, Aden (Crater), Aden (Steamer Point), Mukalla (Hadramaut), Beirut (Lefan), Singapore, Penang, Kuala Lumpur, Butterworth.

General Banking and Exchange Business transacted with all parts of the world.

The Bank undertakes Trustee and Executorship business through its affiliated Company Eastern Bank Trustee and Executor Co. (India) Private Ltd.

CALCUTTA BRANCH:
14 Netaji Subhas Road,
Phone: 22-5571/2.

B. PARKER,
Manager.

THE BANK OF BARODA LTD.

ESTABLISHED IN 1908.

Capital Authorised	Rs. 2,40,00,000
Capital Issued & Subscribed	Rs. 2,00,00,000
Capital Called Up and Paid Up	Rs. 1,00,00,000
Reserve Funds	Rs. 1,28,00,000

HEAD OFFICE: BARODA

SAFE DEPOSIT LOCKERS

AVAILABLE AT OUR

VARIOUS BRANCHES.

Sterling and Dollar credits arranged and foreign bills negotiated for approved customers.

General Banking Business Transacted.

N. M. CHOKSHI, General Manager.

I would like here to pay a tribute to their loyal and valuable services to which, in fact, the Company's present financial position is in no small measure due. I am sure you will join with me in placing on record our appreciation of their help and wise counsel during the many years that they have been associated with the Company and to wish them every success in their new spheres of activity.

Cut in Imports

Imported lines have always constituted a considerable part of the business of the Company but of late years we have had to reconcile ourselves to a steady tapering off in this activity of ours. This is a sacrifice which in common with other importing concerns we have had to make in the national interest. The successful implementation of the two five year Plans have made it imperative that the Country conserve its foreign exchange resources. These have been considerably depleted; exports, which are current exchange earners, have nearly always been smaller than the size of the payments that have had to be made for imports. Capital goods naturally have precedence and consumer goods from abroad have been allowed to come in steadily shrinking volumes because there have been large gaping deficits in our foreign exchange budgets. For the first five year Plan, a total foreign exchange deficit of about 700 crores was estimated; the actual deficit was even higher. For the second Plan an average annual deficit of about Rs. 200 crores is anticipated. The axe naturally will fall heavily on consumer goods; even capital goods will not escape and in fact an order of priority has been introduced, first for capital goods required to maintain economy at present levels with those required for development schemes only ranking after. India's sterling reserves have been used up to an extent that the balance is just a little more than is required and must be preserved for the Country's currency backing. In these circumstances, even the automatic basic two year quota of £750 allowed unconditionally to each person going abroad has had to be withdrawn. Higher import duties have been imposed with a view to discourage imported goods by making them costlier to the consumer, nevertheless indigenous displacement of the vacuum is even now not of the same standard of quality or consumer preference as the foreign goods imported formerly.

In such a situation, the Company is having to fill up the ground lost in import business by a shift to industrial activity, a trend which is likely to continue in greater measure in the coming years. It is not for us to criticize the Plan schemes as a little too optimistic and somewhat too ambitious for the Country's rated optimum capacity. But the private sector has to keep on adjusting itself to national policies which create conditions where traditional and established business has to be conducted in the manner possible under Governmental policies. The outlook however is not by any means discouraging. The Plans are creating more purchasing power. Theorists may say that present conditions may lead to a depression in business which may act as a corrective to the transitional maladjustment. In a controlled economy however, trade cycles of booms and depressions do not have natural play; artificial stabilising factors such as monetary policy, production cum import policy, etc., absorb many of the shocks with the result that a violent disturbance of the normal economy is avoided, but controls to be effective must be imposed from every angle and direction, and not just one or two, thus making the economy one of severe regimentation—a state of affairs to be shunned by all who have the free commercial instinct, inherent in every one of us.

Wages and Costs

Strictly speaking, all commodities emanate from the good earth and an analysis of their costs, whatever the nature of the commodity, whether raw produce, machinery or manufactured articles, will show that the value of the material content is negligible and therefore costs can be said to comprise cumulative stages of wages and remuneration for capital employed. An increase in the standard of wages will necessarily increase costs and it can be argued in theory that increased wages produce increase in production and that the consequent rise in production absorbs the increased wages leaving costs reasonably constant. I don't wish to digress into a treatise on economics, but, briefly, in practice what apparently evolves is the reverse in that costs rise in an ever mounting spiral. We are in this process to-day and I know of nothing to cause the spiral to topple save the impact of a trade depression. I sincerely hope and trust that the Country is not heading for this with its attendant ills of wage cuts and unemployment and I have every right to believe that our able Administrators will watch for and prevent such a circumstance arising.

I have no doubt that you are desirous of knowing what effect the impact of current import restrictions will have on our trading. It is fortunate that the Company has other irons in the fire and has the means of promoting other interests. Whilst the pattern of our activities will always include import trade as a major one, you may rest assured that your Board is studiously probing and pursuing openings which will be of benefit to the Country and the Company. I am not at liberty in this stage to tell you much about our endeavours, but I am reasonably sure of giving you good news in fuller detail when we meet next year.

Before I conclude, I must express our thanks to all grades of our staff for their loyal endeavours which have resulted in the satisfactory position now before you.

The Balance Sheet as at 30th June, 1956, was unanimously approved and adopted. A further and final dividend of 10 per cent free of income-tax on the Ordinary Shares as recommended by the Directors was declared making in all a total dividend of 15 per cent free of income-tax for the year.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting which will be sent separately to shareholders.

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	8-3-57	Week ended 1-3-57	9-3-56
Liabilities—			
Notes in Banking Dept.	6,55.04	15,58.42	8,86.82
Notes in Circulation	17,25,95.08	15,10,96.41	14,44,69.48
Total Notes issued	15,35,46.12	15,26,54.86	14,52,96.30
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,12,51.91	4,12,51.91	6,97,15.97
Total A	5,30,27.94	5,30,27.94	7,37,17.68
B Rupee Coin	1,20,20.99	1,21,23.48	1,02,55.71
Rupee Securities	8,84,97.19	8,75,03.44	6,13,22.91
Total	15,35,46.12	15,26,54.86	14,52,96.30

BANKING DEPARTMENT			
	8-3-57	Week ended 1-3-57	9-3-56
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term)	15,00.00	15,00.00	15,00.00
National Agricultural Credit (Stabilisation)	1,00.00	1,00.00	—
Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	51,87.61	55,09.78	54,31.44
(b) Other Govts.	2,75.15	3,70.45	1,055.34
(c) Banks	52,24.36	53,24.66	4,74,07.00
(d) Others	41,64.14	42,12.83	16,87.86
Bills Payable	14,61.70	14,25.37	10,20.33
Other Liabilities	1,12,63.01	1,11,94.65	27,56.51
Total	3,01,35.97	3,06,37.64	1,86,91.78

SCHEDULED BANKS			
	8-3-57	Week ended 1-3-57	9-3-56
Liabilities—			
(a) Borrowings from Bank	9,21.78	7,15.41	5,07.19
(b) Others	6,91,51.16	6,87,37.14	6,18,04.34
Time Liabilities—			
(a) Borrowings from Bank	1,62.60	1,69.00	3,96.50
(b) Others	4,61,13.01	4,65,39.05	4,14,73.48
Borrowings from State Bank Demand Liabilities	10,16.68	10,78.54	14,03.77
Time Liabilities—			
Banks	81,30.75	84,84.65	48,46.75
Cash	37,96.74	36,77.01	34,78.26
Balances with the Reserve Bank	50,20.44	51,91.50	54,46.91
Balances with other banks in current account	9,47.89	9,91.84	10,29.31
Money at calls and short notice	12,66.29	13,67.48	6,87.58
Investments in Central and State Govt. Securities	3,50,25.16	3,51,57.82	3,75,53.71
Advances	6,38,05.21	6,95,56.81	5,64,46.25
Inland Bills purchased and discounted	1,06,06.81	1,04,83.77	1,01,54.42
Foreign Bills purchased and discounted	57,54.41	57,05.42	45,86.87
Total	3,01,35.97	3,06,37.64	1,86,91.78

SCHEDULED BANKS

(In 000's of Rupees)			
	8-3-57	Week ended 1-3-57	9-3-56
Liabilities—			
(a) Borrowings from Bank	9,21.78	7,15.41	5,07.19
(b) Others	6,91,51.16	6,87,37.14	6,18,04.34
Time Liabilities—			
(a) Borrowings from Bank	1,62.60	1,69.00	3,96.50
(b) Others	4,61,13.01	4,65,39.05	4,14,73.48
Borrowings from State Bank Demand Liabilities	10,16.68	10,78.54	14,03.77
Time Liabilities—			
Banks	81,30.75	84,84.65	48,46.75
Cash	37,96.74	36,77.01	34,78.26
Balances with the Reserve Bank	50,20.44	51,91.50	54,46.91
Balances with other banks in current account	9,47.89	9,91.84	10,29.31
Money at calls and short notice	12,66.29	13,67.48	6,87.58
Investments in Central and State Govt. Securities	3,50,25.16	3,51,57.82	3,75,53.71
Advances	6,38,05.21	6,95,56.81	5,64,46.25
Inland Bills purchased and discounted	1,06,06.81	1,04,83.77	1,01,54.42
Foreign Bills purchased and discounted	57,54.41	57,05.42	45,86.87
Total	3,01,35.97	3,06,37.64	1,86,91.78

CLEARING HOUSE RETURNS

	Week ended 8-3-57	Rs (thousands) Calcutta	Week ended 1-3-57 Bombay
8-3-57	64,87.81	65,35.53	71,26.40
1-3-57	70,03.77	71,26.40	72,50.26
22-2-57	66,75.32	71,26.40	72,50.26
15-2-57	69,01.71	72,50.26	72,50.26

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	22-2-57	Week ended 15-2-57	Week ended 15-2-57
Liabilities—			
Notes in Banking Department	13,84.99	13,84.99	13,84.99
Notes in Circulation	3,30,71.84	3,30,71.84	3,30,71.84
Total Notes issued	3,44,56.83	3,44,56.83	3,44,56.83
Assets—			
(a) Gold Coin and Bullion	11,33.41	11,33.41	11,33.41
Sterling Securities	1,43.67	1,43.67	1,43.67
Government of India Securities	23,63.47	23,63.47	23,63.47
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30	43,02.30
Govt. of Pakistan Securities	1,71,73.55	1,71,73.55	1,71,73.55
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02	19.02
Gold Coin and Bullion	4,40.63	4,40.63	4,40.63
Sterling Securities	1,00.50	1,00.50	1,00.50
Govt. of India Securities	29.51	29.51	29.51
Rupee Coin	—	—	—
Total	3,44,56.83	3,44,56.83	3,44,56.83

BANKING DEPARTMENT			
	22-2-57	Week ended 15-2-57	Week ended 15-2-57
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	46,08.91	46,08.91	46,08.91
(b) Provincial Government	13,54.81	13,54.81	13,54.81
(c) Banks	8,34.43	8,34.43	8,34.43
(d) Others	14.24	14.24	14.24
Bills Payable	13,13.21	13,13.21	13,13.21
Other Liabilities	89.69.47	89.69.47	89.69.47
Assets—			
Notes	13,84.99	13,84.99	13,84.99
Rupee Coin	—	—	—
(a) Pakistan	19	19	19
Subsidiary Coin:	—	—	—
(a) Pakistan	19	19	19
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	11.17	11.17	11.17
(c) Govt. Treasury Bills	26.00	26.00	26.00
Loans and Advances to Govt.	3,33.33	3,33.33	3,33.33
Provincial Govt. Debtor Balances	18,64.99	18,64.99	18,64.99
Other Loans and Advances	40,49.97	40,49.97	40,49.97
Investments	10,98.38	10,98.38	10,98.38
Other Assets	86,09.47	86,09.47	86,09.47
Total	3,44,56.83	3,44,56.83	3,44,56.83

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

RECORD ADVANCES FOR JUTE

Wednesday, 13th March.

OVERALL demand in the money market has remained high during the past week. The sugar and the jute industries have maintained their offtake, and the requirements of the jute mills are still running at record levels. Accommodation against cotton storage has decreased slightly, but that on account of grains and seeds in upcountry areas shows little change. Money has remained easy in the inter-bank market with the call rate unchanged at 3½ percent.

Once again, little business is reported from the export bill market. Remittance has been good. Sterling has remained slightly easier during the past week, but the undertone continues steady. Continental rates have moved slightly against the pound.

Silver improved as arrivals were poor and support was forthcoming at lower levels. The price increased from the previous week's level of Rs. 175.4 to Rs. 178.12, quoted today. The ready rate was Rs. 178.15. The London and New York prices remained as before.

Gold increased in sympathy with silver. The price advanced from Rs. 106.12 to Rs. 107.4. The sovereign, at Rs. 70.4, showed a gain of 4 annas.

During the week ended 8th March, Government of India Treasury bills for Rs. 50,20,00,000 were sold in favour of the Reserve Bank.

Increases of Rs. 14.95 crores to Rs. 1,525.91 crores in active notes, and of Rs. 8.91 crores to Rs. 1,535.45 crores in the total note issue, were outstanding features of the return of the Reserve Bank of India for the week ended 8th March, 1957. Deposits of the Government of India declined by Rs. 3.22 crores to Rs. 51.88 crores, and other Government accounts fell by Rs. 95 lakhs to Rs. 2.75 crores. Balances of commercial banks were Rs. 1.01 crores lower at Rs. 52.24 crores. Balances held abroad fell by Rs. 3.99 crores to Rs. 98.89 crores, and investments at Rs. 56.22 crores showed a small decline. Other loans and advances dropped from Rs. 108.12 crores to Rs. 106.58 crores of which advances to scheduled banks against usance bills totalled Rs. 55.92 crores (Rs. 58.84 crores). Such advances amounted to Rs. 122.93 crores since 1st January, 1957. Ways and means advances stood at Rs. 11.40 crores (Rs. 7.63 crores).

The statement of the position of scheduled banks for the week ended 1st March, 1957, shows Demand and Time liabilities at Rs. 700.73 crores (Rs. 9.22 crores on account of borrowings from banks) and Rs. 462.75 crores (Rs. 1.62 crores), compared with Rs. 694.53 crores (Rs. 7.15 crores) and Rs. 467.08 crores (Rs. 1.69 crores) in the previous week. Cash has increased by Rs. 1.20 crores to Rs. 37.97 crores, while balances with the Reserve Bank have decreased by Rs. 1.72 crores to Rs. 50.20 crores. There is a drop of Rs. 1.33 crores in investments to Rs. 350.25 crores. Advances and bills discounted, at Rs. 862.26 crores, show a rise of Rs. 4.80 crores. The ratios to total liabilities of cash and balances and of advances and discounts are, in consequence, shown at 7.4 percent and 75.8 percent, against 7.6 percent and 73.8 percent.

The return of the State Bank of India for the week ended 1st March, 1957, shows a rise of Rs. 4.46 crores in total deposits to Rs. 276.01 crores. Investments in Government securities are down by Rs. 4 lakhs to Rs. 95.27 crores, while other authorised investments are up by Rs. 18 lakhs to Rs. 11.54 crores. Advances including loans, cash credits and overdrafts, and bills discounted and purchased have increased by Rs. 1.99 crores to Rs. 172.66 crores. Cash and balances are, in consequence, shown at Rs. 17.32 crores or Rs. 5.42 crores less.

The net profit shown in the consolidated profit and loss account of the NATIONAL BANK OF INDIA LTD. is £432,635 for the year ended last December, after providing for taxation and making other adjustments. The first interim dividend of 7½ percent has been declared. Notable allocations include reserve premises account £100,000 and contingencies reserve £75,000. The balance of unappropriated profit in the National Bank of India amounts to £275,360, while that of subsidiary companies is £118,823,564 to £317,979,702.

At the annual general meeting of stockholders on 3rd April, the directors of the CHARTERED BANK OF INDIA, AUSTRALIA AND CHINA will recommend a final dividend of 7½ percent actual, subject to income tax, making 15 percent for the year 1956. Not-

able allocations include pension fund £125,000, widows and orphans fund £20,000, bank premises £200,000 and contingencies £150,000. The carry-forward is £409,368.

The profit of the INDIAN OVERSEAS BANK is Rs. 28

Our City Cable

STOCK MARKETS QUIET AND UNCERTAIN

INDUSTRIALS AND GILT-EDGED

FALL

London, 13th March.

QUIET and uncertain conditions have prevailed in the London stock markets during the past week and prices in most sections have lost ground following the by-election results with their reduced Government majorities, and the news that snipyard workers have threatened to strike. There have been a number of other adverse influences including the lower trend of Wall Street, the developments concerning the Suez Canal and the Gaza strip and the current activity in the new issue market, particularly the £40 million Steel Company of Wales issue. Business has been small throughout and the decline in prices reflects a lack of support rather than an actual selling pressure. The recent talk of lower interest rates has died down and prices in the gilt-edged market have fallen back steadily in the absence of demand to close with extensive losses compared with the previous week. Short-dated stocks have resisted the trend and have been unaffected by the modest rise in the Treasury bill rate on Friday. Foreign bonds and rails have remained subdued with little change. The activity in the new issue market and the various adverse influences mentioned above combined to bring lower prices in the industrial market which has recorded an all-round decline on the week. Shipbuilding shares have been among the chief sufferers on the strike news while shipping shares have fallen back on the continuing fall in tramp freight rates. South African gold shares have been fairly well maintained on a selective demand. Copper shares have improved, but tins have been easier. Oil shares have reacted from their earlier firmness, but the leaders are higher on balance. Western hemisphere issues have receded. Quietly irregular conditions have prevailed in the tea share market. There was dullness during the latter part of the week following the setback at the auctions, and although there was no pressure to sell, buyers were reserved. So prices have moved to lower levels. However, Tara Tea have advanced strongly on the advice to shareholders not to sell their shares. Rubbers have been quiet but the tone is firm with interest centred on shares considered likely to attract bids. Sapong is particularly strong for this reason while North Hummock has also advanced sharply on bid hopes.

The Money Market

The outflow of funds to the Revenue Department on account of the seasonal tax payments

has continued to be on a large scale and has affected the short-loan position on the London money market. There has been a good demand for money with very stringent conditions arising on Thursday and the rate for day-to-day accommodation has touched a high of 4½ percent under the acute shortage which has developed. Mostly money is on a 3½ percent to 4 percent basis, but even so, the rate is high and gives the market but marginal scope in its take-up of new bills. In view of the difficult week, the market revised its ideas for last Friday's tender and lowered its bids and brought a small increase in the average rate for the week's take-up.

Activity on Wall Street

Long-dated United States Government securities inclined higher at the outset, but eventually met with mild selling and then went steadily down to register their biggest losses in a fortnight. Trading during the period was slow. Investment quality corporates eased slightly, while rails were generally mixed. Most convertibles were higher in sympathy with the recent firmness in the security market. In foreigners, German nationals showed only minor changes. Italians gained fractions to one point with most other Europeans unchanged to a shade higher. Japanese issues were firm. The Union of South Africa 4½ percents lost a fraction on sale of a couple of bonds.

Hongkong Gold Firm

The past week in the Hongkong gold market finished on a firm note following the depreciation of the sterling abroad. The market had earlier ruled steady reflecting low stocks of gold available for delivery locally and higher European prices. Carry-over charges were 52 cents a 10 tael in favour of buyers. The official offtake was 11,500 taels and unofficial 13,400 taels. Arrivals in Macao were 50,000 ounces, while forward contracts were done at \$ (U.S.) 37.73.

Vegetable Oils Featureless

The vegetable oil market has presented a lifeless appearance with little of buying interest. In the groundnut oil section, sellers of Argentine, United States and Nigerian have not been pressing for business, although lower bids would be acceptable in most instances. Indian castor oil has continued to weaken as sellers contrive to find a trading level, although rates from the origin are still relatively dear. Coconut oil is in a stalemate with sellers generally repeating last Friday's rates, while only weak buying interest has been noted in the region of £92½ c.i.f. at the best. Both cotton and soyabean oils have presented a featureless market with most prices repeated largely for want of a serious test. Week-end reports from Singapore intimated that a moderate quantity of Indonesian copra had come to hand and hopes of Singapore re-entering the export market are said to be a little brighter. The general structure of

groundnut prices is unchanged with no worthwhile activity, apart from a week-end sale of Nigerian for April-June shipment to Italian ports at £75½ c.i.f. Castorseed has tended easier on the slackening of speculative activity. However, others from the origin have been still sparse. Most other oilseeds have been featureless.

Little Change in Rubber

An improving trend in Singapore during the early part of the week ended 7th March, raised values by a 1d a lb, but dull and easier conditions ensued and most of the gain was lost. The early firmness was aided by covering against Polish orders, and buying interest was stimulated by renewed disturbances in Indonesia. A fair volume of trading was reported at the higher level to which New York advices gave encouragement. Later, selling orders on Dutch account and liquidation in Singapore found buyers somewhat unresponsive, although fair acceptances were eventually made. In the closing stages, the market was very thin with prices fluctuating unduly under small buying or selling orders. The modest demand for sole crepe was about equally balanced by stock arrivals, and prices were little changed on the week after business on the basis of 42½d to 93d a lb. for 1/8th inch smooth No. 1, on the spot.

World Sugar Supply and Demand

A communique issued after last week's meeting of the International Sugar Council in London said that the Council's Statistical Committee had confirmed its overall estimate of free market requirements for the current calendar year at 5,650,000 metric tons raw value. The Committee estimated supplies available from countries inside and outside the Agreement at about 6,300,000 metric tons raw value. The communique warned, however, that the estimated supplies included sugar which would not be available until later this year and that the acreage and yield of best sugar could not be accurately forecast at this stage. The Council adopted further measures to secure maximum sugar supplies for the free market during the period when quotas are inoperative and agreed on a method for restoring quotas and other limitations on exports under the agreement when the price falls below 3.90 cents. The next meeting of the Council is scheduled for 2nd July.

A. T. T. Shares

The directors of the American Telephone and Telegraph Company have opposed a shareholders' proposal that the Company should split its stock on a four-for-one basis. The object of the proposal is to reduce the price of the shares so as to broaden the base of ownership, says the initiator, the Grand Street Boys Foundation. The directors oppose the split on the ground that it would add nothing to the basic value of the shares, and say that a split unaccompanied by an increased dividend might lead to damaging speculation.

Stocks and Shares

REDUCED TURNOVER IN SHARES

TEAS PROVIDE BEST SECTION

Wednesday Evening.

ACTIVITY in the share market has tapered off this week. Conditions are now quiet with little business passing. The undertone is dull, although operators themselves are already working up a holiday mood. There has been little movement in speculative counters and Indian Irons have moved narrowly with little business transacted. The rights price is moving around Rs. 5-8.

Engineering shares have tended quiet in sympathy with Indian Irons. Jute and coal scrip have been neglected. Among miscellaneous issues, Alkali and Chemical have improved to Rs. 15 from last week's trough of Rs. 13-11 reached after the four-for-one rights announcement. The share will be quoted ex-rights, ex-dividend from 18th March. The only section which has shown signs of buoyancy in the past few days' trading has been tea, where prices have been marked up in a number of cases. The reason appears to be the expectation that there will be no carry-over of teas into the coming season. Government securities have been quietly steady.

Details of the week's trading follow.

The Government securities market ruled steady, but business was on a mediocre scale. Three percent Conversion Loan 1966 continued in demand due to the approach of the interest payment date (15th instant) and the price was up to Rs. 74-10, but at the close there were sellers rather than buyers. Three percent Non-terminable Paper had sellers at Rs. 73-8. In short-dated loans, 3% 1957 was offered Rs. 99-12 but 3% 1958 had buyers at Rs. 99-9. Three percent 1959-61 was fractionally easier at Rs. 97-12 and 3% 1961 was offered at Rs. 99-7; 2½% 1961 was steady at Rs. 93-5 and 2½% 1960 had buyers at Rs. 96-7. Among medium-dated loans, 3% 1963-65 changed hands at around Rs. 94-3, 3% 1964 was quoted at Rs. 94-6, 3½% 1964 was taken lower at Rs. 98-6 and 3½% 1965 was traded at around Rs. 98-4; 3½% 1967 was marked at around Rs. 98-8. In long-dated issues, 3% 1966-68 was unchanged at Rs. 94 and 3% 1970-75 was supported at Rs. 87-6; 3½% 1974 changed hands at Rs. 98-8.

There was rather more business in State loans during the period under review but prices were quotably unchanged. Four percent U.P. 1968 was marked at Rs. 97-15 and 4% West Bengal 1968 was quoted at Rs. 99-9.

Business in preference shares was on a very restricted scale with sellers rather than buyers. In the miscellaneous group, Bharat Collieries were done at Rs. 51 and Bathgate at Rs. 42. Calcutta Electric were offered at Rs. 9 and F. & C. Osier were reported at Rs. 50. Indian Iron & Steel changed hands at Rs. 100-8 and Indian Aluminium were done at Rs. 69-12. Jardine Henderson were crossed at Rs. 61 and Rallis India were marked at Rs. 62-8. National Tobacco 1st and 2nd Preference were crossed at Rs. 69 and Rs. 63 respectively. Kettiewell Bullen 2nd Preference were sold at Rs. 56 and Karanpura Collieries at Rs. 55. In jute, Bally were easier at Rs. 101 and Barnagore were depressed at Rs. 38. Hastings came to hand at Rs. 85.

In the banking section, United Commercial were slightly better at Rs. 57 while Punjab National and Hind Bank were unchanged at Rs. 52 and Rs. 36-8 respectively.

The only share dealt in among railway scrip was Delhi Rohtas at around Rs. 13-2.

In cottons, Bowreah lost three and a half points and closed at Rs. 116-8 while Dunbar gained five points and closed better at Rs. 190. Elgin Mills were easier at Rs. 24 against an opening price of Rs. 24-8 and Kesoram were shaded at Rs. 14-12.

In electrics, Calcutta were quiet at Rs. 12-15 while other shares in this section were unchanged at last week's levels.

In the engineering section, Indian Iron & Steel fluctuated narrowly around Rs. 20-4 ex-rights and the volume of business was on a reduced scale. It is understood that the last date for payment of the application money of the rights shares is 15th April, 1957. Until the rights have been taken up, operators believe that the shares are likely to continue to fluctuate narrowly. Indian Galvanizing were slightly better at Rs. 20 while Jessop & Co. and Richardson & Cruddas fell back again to Rs. 25 and Rs. 18 respectively. Textile Machinery were easier at Rs. 19-10 while Kumardhubi Engineering were fairly steady at Rs. 9-13. Indian Standard Wagon met with small selling pressure and closed lower at Rs. 176. Guest, Keen, Williams kept fairly steady at around Rs. 24-15.

Dull conditions obtained in the jute section and prices where changed were lower than those prevailing at the beginning of the period under review. Here is a chart showing representative price movements.

	Opening 7-3-57 Rs.	Closing 12-3-57 Rs.
Agarpara	9 5	9 0
Alliance	100 0	98 0
Anglo-India	136 0	134 0
Barnagore	94 0	93 0
Howrah	17 12	17 8

Kinnison	137 0	134 0
Lansdowne	95 0	93 0
National	19 4	18 14

Contrary to the general trend, Reliance were fairly steady at Rs. 9-8 on interested support. Except for Bengal, Union and New Manbhoom which met with some enquiry and closed better at Rs. 450, Rs. 14-4 and Rs. 9-14, the rest of the shares in the coal section were depressed, as will be seen from the following table of prices:

	Opening 7-3-57 Rs.	Closing 12-3-57 Rs.
Amalgamated	18 0	17 12
Central India	6 10	6 7
Karanpura Collieries	98 0	95 0
Katras Jheriah	58 0	56 0
Western Bengal	6 2	5 15

In paper, Bengal were shaded at Rs. 90 while India Paper Pulp on the announcement of a distribution of 7% were steady at Rs. 23. Orient were easier at Rs. 31-14 as were Titagur at Rs. 37.

In shipping, India Steamship were unchanged at around Rs. 10-7 as were India General Navigation at Rs. 72. Port Shipping, however, improved from Rs. 16 to Rs. 16-12.

In cement, Sone Valley were unchanged at Rs. 7-3 while Dalmia were slightly easier at Rs. 12. Orissa were steady at Rs. 13-5 but Assam Bengal were depressed at Rs. 6.

In insurance, there was a marked fall in Ruby General from Rs. 5-14 to Rs. 5-6. New Asiatic and Triton were unchanged at Rs. 4-3 and Rs. 145.

Among miscellaneous Industrials, Alkali & Chemical recovered from Rs. 13-11 to Rs. 15 cum-divi-

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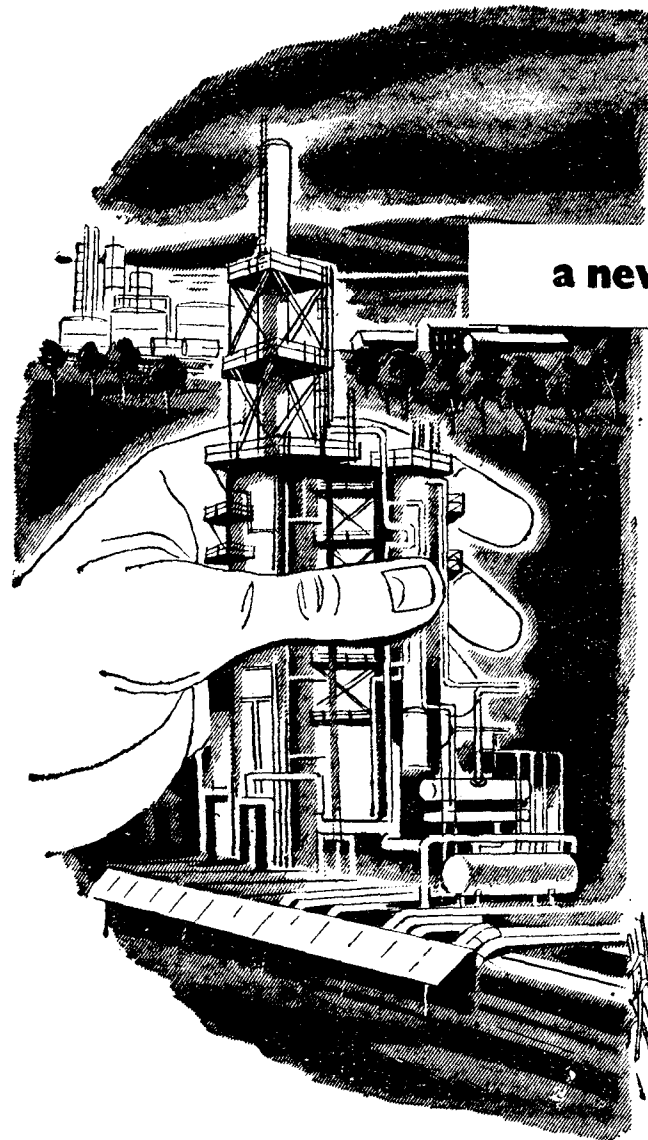
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11, Mahatma Gandhi Marg, Hazratganj, Lucknow

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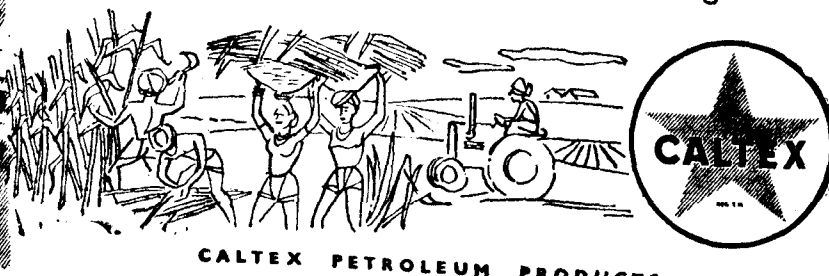
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‡ Less Tax at 8s 6d in the £	

Engineering and Transport

AIR INDIA INTERNATIONAL SERVICES TO LONDON

FREQUENCY TO BE INCREASED TO SEVEN A WEEK

(FROM OUR NEW DELHI CORRESPONDENT)

AIR India International will increase the frequency of its India-London service from six at present to seven, with effect from 1st April. In other words, from next month there will be a daily India-London service which will operate through Beirut, Cairo, Rome, Prague, Zurich, Geneva, Paris and Dusseldorf.

Italian Airport Tax

The Italian Government has levied airport charges for all passengers embarking at Italian airports for journeys other than domestic flights. This tax is similar to the ones in force at the State-owned British and French airports. At Ciampino airport, Rome, the charge is 700 lira. At all other Italian airports, it is 500 lira.

Stamp Tax in Brazil

The Brazilian insurance tax has now been abolished, but in its place a stamp tax has been imposed; this applies only to tickets issued in Brazil, the charge being 101.50 cruzeiros irrespective of the journey to be undertaken.

Changes in Austrian Levy

Since the announcement of the Austrian Government tax, certain modifications to the conditions of its application have been made. It will not apply to all passengers embarking at Austrian airports, but only to those who have their tickets issued and purchased in the country. Thus the return half of a ticket issued in other countries will not be subject to the Austrian tax.

Changes in Fares

The following is a summary of the principal

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changes in air fares on international routes which will become effective on 1st April.

First-class trans-atlantic fares will be reduced by \$(U.S.)40 between gateway points and to other cities in Europe and fares to and from the Caribbean area by \$(U.S.)30. Fares from north and central America via the Atlantic to and from points in the Middle East and the Far East will be reduced, but by smaller amounts varying according to the distance.

De-luxe class services will begin on 1st April and the extra charge for the use of a berth or sleeper chair by de-luxe flights will be \$(U.S.)50 one way and \$(U.S.)90 for round trips irrespective of the distance. It should be noted, however, that the de-luxe class fare will only apply to the routes to and from north America and passengers whose destination is in the Caribbean area, but who nevertheless travel via New York, will not pay the extra amount even though they use de-luxe accommodation.

Uniform Tourist-Class Fares

Tourist-class fares between Scandinavia and the west coast of north America will, from 1st April, be the same whether the travel is by the polar route or via New York; there are at present differences between the charges for the two routes. Fares between India, Pakistan and Ceylon on the one hand, and Europe and the western hemisphere on the other, will be slightly increased with effect from 1st April.

Order for Fokker Friendship

The Australian Department of Civil Aviation has ordered a Fokker F. 27 Friendship aircraft from the manufacturers in Holland for delivery in July, 1959. Announcing this, the Minister for Civil Aviation, Senator Paltridge, said that the aircraft would be used for regular flight tests of all Australian air, radio, navigation and safety aids and for flight checking of commercial airline pilots. It is important that for these continual checks, the Department's Division of Flying Operations will be using an aircraft contemporary with those in regular commercial use. At present the Department operates specially equipped DC-3s to check a network of flying aids that covers 3,500,000 square miles. Test equipment, weighing about one ton, will be installed in the new aircraft. An order by Trans-Australia Airlines for six Fokker Friendship aircraft to replace DC-3s was placed last April. These aircraft will be delivered early in 1959.

Faster Qantas Services

Qantas Empire Airways' new service between Sydney and Hongkong has reduced travelling time on the route to less than a day. The existing once-a-week service is the first regular Lockheed Super-Constellation service operating to Hongkong. It leaves Sydney on Mondays and Hongkong on Tuesdays. The General Manager and the chief executive of Qantas, Mr. C. O. Turner, who announced

the new service, said that the introduction of Super-Constellations on the Hongkong route had been made possible by the recent delivery of two new aircraft. Qantas now has 14 Super-Constellations serving its main line routes and another two would be delivered in 1957. The service will leave Sydney every Monday at 4.30 p.m. and arrive in Hongkong on Tuesdays at 11.25 a.m. Departure from Hongkong will be at 4 p.m. each Tuesday, arriving in Sydney on Wednesdays at 4.30 p.m. Routing will be through Darwin and Manila. Provision has been made for 45 tourist-class and 23 first-class passengers. Mr. Turner also announced that new Kangaroo route schedules were to be introduced by Qantas and B.O.A.C. They would cut the Sydney-London travelling time by almost one-third.

T.A.A. Sets New Passenger Record

Trans-Australia Airlines carried 773,144 passengers on scheduled flights to 94 cities and towns throughout the Commonwealth during 1956. This was an Australian airline record, and a 33,361-passenger increase on T.A.A.'s 1955 total. The passenger miles performed were 374,576,033, a 7 per cent increase, and the average passenger flew 484.5 miles. Passenger traffic increased on all routes during the year, and the nine Vickers Viscounts operated by T.A.A. carried a total of 400,000 passengers with an 85 per cent passenger load factor. Ordinary air cargo in 1956 totalled 36,007,922 lbs. (36,967,633 lbs. in 1955), but consignments under the "Air Express" service rose by 158,897 lbs. to 1,334,240 lbs. T.A.A. has now unduplicated routes totalling 31,391 route miles. Two new Viscounts were delivered last month.

Fourth Trans-Tasman Route

Tasman Empire Airways Ltd's fourth trans-Tasman route opened in February, when a new weekly service was inaugurated between Auckland and Melbourne. The new service provides Auckland and Christchurch with air connections to Sydney and Melbourne.

First-Class Fares Increased

First-class inter-capital fare rates charged by Australia's two major airlines—Trans-Australia Airlines and Australian National Airways—have been raised by 5 per cent. Tourist fares charged by these operators remain unchanged. So do the one-class fares charged by Ansett Airways and Butler Airways. The increases came into force on 1st November. In spite of them, the first-class fare rates on Australian major inter-capital routes remain among the lowest in the world. The average cost of this form of transport is now 5.34d a passenger mile.

Integration of French Companies

Sud-Est Aviation and Ouest Aviation, France's two big State-owned airframe companies, are now merged under the name Sud Aviation. One reason for the decision to combine the two, it is reported, is to produce Caravelle, a Sud-Est aircraft for which Ouest builds the primary wing structure. The merger of the two firms leaves only one other nationalised airframe company, the Nord, which produces the Noratlas twin-engine cargo plane, and it is predicted that Nord, too, will eventually be absorbed into the new firm.

Air France has opened a new service between Dakar and Atar, Mauritania via Saint Louis and Adjuait. There are three flights weekly. Air France has inaugurated a new six-times-a-week cargo service between Paris and Marseilles.

Japan-Brazil Air Agreement

Japan and Brazil signed an air transport agreement in Rio de Janeiro on 14th December, providing for the opening of direct air services between the two countries. Japanese Airlines has operated a series of special flights to Brazil, but has had no authorisation for a regular service. No Brazilian carrier has flown to Japan, but Real-Aerovias is expected to make a test flight to Tokyo soon. The routes and dates of inauguration of services between the two countries are still under discussion.

Japanese Plans for World Service

Under a ten-year expansion programme the Japanese Airlines plans to serve Peking, Moscow, London, New York and other distant points by 1965. The new programme envisages a European route with a terminal in London, and when normal diplomatic relations with communist China are established, a route to London via Peking and Moscow. By 1965, the route would include New York, Seattle, and Tokyo and thus become a round-the-world service. With the delivery of its four DC-7Cs in 1958, the Japanese Airline hopes to start once-a-month flights to Sao Paulo, increasing frequency to once-a-fortnight in 1959, and to once-a-week in 1961. The Airlines' officials emphasise that the ten-year blueprint drawn up by the Transportation Ministry represents merely what the Japanese Airline "would like to do," since the difficulties to be overcome are numerous.

Flight Records

Pan American and B.O.A.C. have created new records for commercial flights across the Atlantic. One of P.A.A.'s DC-7Cs made the New York-Paris trip in 9 hours 18 minutes clipping two minutes off the old record set in October 1955. B.O.A.C.'s new DC-7C on a proving flight made the London-New York crossing in 11 hours and 20 minutes, cutting the previous record by two hours.

American Carries More Passengers
Pan American carried a record of 221,240 passengers during 1956. The airline said it carried about one-third of all trans-atlantic passengers in both directions. The trans-atlantic traffic increased by 23.5 per cent over 1955, largely as a result of increased migrations to the U.S.A.

New Delhi

FURTHER DETAILS OF BRITISH HEAVY ENGINEERING MISSION REPORT

RECOMMENDATIONS OF JEHANGIR GHANDY COMMITTEE

EXPECTED BY END OF MARCH

(FROM OUR NEW DELHI CORRESPONDENT)

THE Jehangir Ghandy Committee assembled here last week for preliminary discussions about the Russian reports on the heavy machine-making plant and coal-mining equipment, and the report of the U.K. heavy engineering mission. The Committee's own report is expected here by the end of this month. The director-general of the Federation of British Industries, Mr. Norman Kipping, is arriving here on 20th March, and is expected to discuss the U.K. heavy engineering mission's report with the appropriate authorities. This report has followed the logical course by referring to the general scale, type and character of the services it is intended to provide for industrial expansion. It says:

"We might now consider more specifically what services or contributions heavy engineering, in the context of our terms of reference, can provide—in other words, what are the basic attributes or activities which characterise heavy engineering? Essentially, they are these:

"1. Machining large and heavy castings and forgings.
"2. Fabricating heavy and bulky structures from heavy structural members.
"3. Fabricating heavy and bulky plant and vessels from thick metal plate.

"Without this sort of capacity, there could be no heavy engineering. With it, the foundations of heavy engineering have been laid. Such capacity is not specialised, capable of performing only a few specialised operations, nor does it constitute a line of production, but is of the nature of heavy jobbing capacity serving many and varied industries or users. The product is normally made to customers' individual orders. But such capacity would be useless unless there existed also a capacity to produce the heavy castings or forgings, or the thick plate and rolled sections on which it can operate. The plate and sections will be provided by the new steel works, but we must add the basic requirement of heavy castings in steel or iron, and of heavy forgings. Although the production of such castings and forgings is not necessarily heavy engineering in itself, it is an essential foundation for it. By the same token, a heavy machine shop or structural shop needs heavy machine tools to do its job, and the manufacture of such tools is another essential foundation for heavy engineering. To make them in turn (and many other things), alloy steels are also required.

Basic Requirements

"So the basic requirements for establishing heavy engineering capacity in India (or any other country) are:

"Foundations: (1) heavy structural members; (2) heavy plates; (3) heavy castings in iron and steel; (4) heavy forgings; and (5) alloy or special steels.

"Basic heavy engineering capacity: (1) shops or works for making heavy structural fabrications; (2) shops or works for fabricating heavy plant and vessels from thick plate; (3) shops or works for building heavy duty industrial machinery, e.g., steel works mechanical plant; and (4) works for building heavy duty machine tools which may be used in any of the above.

"At this stage, it would be convenient to describe in each case what we mean by 'heavy'. We do not seek to define the term—for it is not definable on any generally accepted basis—but to indicate how we think the term might be interpreted in the context of this report, and related to India's present stage of industrial development and present needs. The following may be a useful guide in the matter:

"Castings: those over one or two tons in weight.
"Forgings: those normally requiring a forging hammer of five tons and upwards, or a forging press.

"Heavy Machinery: those machines containing one or more component parts weighing more than one ton.

"Heavy structures: the manipulation of 18 in. joists and over.

"Heavy plates and vessels: the bending or forming and assembly of plates from $\frac{1}{2}$ in. upwards in thickness.

"Machine Tools: these vary too widely to be defined by weight, but it might be taken that radial drilling machines capable of drilling in steel a hole of 3 in. diameter and upwards, a horizontal boring machine with a spindle of, say, 5 in. diameter and upwards, a centre lathe with a 36 in. swing and upwards, and a planing machine with a 4 ft. by 12 ft. table and upwards, can all be considered as within the heavy duty range.

Flexible in Character

"In conclusion, the above analysis led us to the view that the type of heavy engineering capacity

which the Government should install should be non-specialist and flexible in character so that it can contribute to a wide field of industrial expansion. This is the character and role of heavy engineering in other highly industrialised countries. Capacity of this nature, in adequate quantity and properly balanced, can cater for the heavy components for steel works, cement works, chemical and petroleum plant, earth-moving equipment and so on, provided always—and this must be emphasised—that it is fully complemented by medium and light engineering capacity of various types.

"We must next consider how such heavy engineering capacity should be provided in India. Later in this report the scale on which it might be established is discussed. Our recommendation is that this capacity should be created and built up in standard units of economic size and of the widest general utility. The types of units we recommend are:

"1. Heavy structural fabricating works.
"2. Heavy plate and vessel works.
"3. Heavy machine shop to make heavy industrial machinery.
"4. Heavy machine tool works.

"In the first place, each of these units or works, except the heavy structural works which, as will be seen, has a special character of its own, requires a high proportion of skilled personnel and skilled supervision, and with rigid inspection at all stages of production. Jobbing or general purpose work of this kind requires more versatile and individually higher technical skill than does repetitive work on a line of production. If a worker makes an error in, say, finishing a large forging weighing many tons on which several thousands of pounds may have already been spent in casting, forging and machining, it may have to be scrapped, and the piece has to be made again from the beginning—with consequent serious loss. At all stages, the skilled men have to be reliable and responsible, and supervision and inspection have to be meticulous. Errors or miscalculations are very expensive whether to the heavy equipment employed or to the parts being manufactured. Experience in the United Kingdom and elsewhere shows that for this class of work a factory with a maximum of 750 to 1,000 operatives is the largest satisfactory size for proper managerial control and economic production. There is no merit at all in mere 'bigness' in this kind of installation. Two-shift working is advisable (except in the case of the heavy machine tool works) in order to make economic use of expensive plant but three-shift working is not recommended.

Rate of Expansion

"Secondly, each such unit can readily be multiplied individually as required, each duplicate or multiple unit being then appropriately directed towards a more specialised group of products. The rate of expansion of heavy engineering capacity as a whole in India can also be thus readily nourished and controlled. For it can be expanded in a balanced manner as and when it is convenient to do so, either in accordance with the available capital resources of the Government from time to time. But even one such unit of each type will make a substantial contribution to India's industrial development.

"Thirdly, the geographical distribution of heavy engineering capacity over the great sub-continent of India will be of increasing importance as time goes on. Over-commitment and over-concentration in size or locality should be avoided from the outset, and deployment should be left flexible. Units of the size we recommend (except the heavy structural works, which should be attached to a steel works) can be located in the future where best suited to the developing pattern of India's industrial expansion, so as to be near the industries or the customers they will serve. The strain on the transport services will also be minimised.

Structural Steel Fabrication

"The very large industrial development contemplated in India will give rise to an enormous demand for structural steel fabrication. The demands for the heavier structural sections will not be restricted to the basic industries of steel production, chemicals and the like, but will also arise from the growth of other industries, many of which will require structures to carry heavy cranes. In this branch of engineering also, there are no clear dividing lines between heavy, medium and light work. In fact, most fabricated buildings or structures are a mixture of these. Any organisation or firm intending to undertake complete projects must, therefore, provide flexible capacity in its shops. Nevertheless, certain organisations direct their production to projects containing heavier work, while others avoid the heavier work and handle solely the medium and lighter varie-

ties. If firms contract to erect the whole structure, however, they must be able either to make themselves, or to procure from elsewhere, all the necessary structural sections from light to very heavy.

"We are concerned with the heavier structural only. It would be easy to suggest the creation merely of additional fabricating works of conventional style planned towards the heavier type of work, but such an approach might well be better implemented by further extensions of existing capacity and by enlarging the capacity which is scheduled for the new steel works. The proposal we advocate comprises a works planned and equipped to manufacture parallel flange sections for use as beams and columns by welding together plates. This works will not undertake structural projects itself but will provide a service to the structural industry by supplying semi-completed or completed sections or members resembling rolled sections, but generally beyond the scope of rolling mills to meet orders and drawings submitted by firms in the structural industry. If so required, the fabrication of individual members could be completed by the inclusion of stiffeners, cutting to dead length, drilling the appropriate holes, preparing ends for inter-connection and generally making the unit complete for delivery direct to site ready for erection. If not so required, the sections need only be completed to profile.

Advantages of Proposal

"The advantages of such a proposal are:

"(a) It can cater for a large part of the expanding requirements of the structural industry—namely, the requirements for rectangular heavy sections—and the output of the industry is increased without superseding proposals of the industry itself for its own general expansion.

"(b) Since the fabrication of the heavier rectangular work will be concentrated, the need for it can be directly met with a minimum of capital investment.

"(c) Because of its particular production, such a works can be planned with a positive production flow and thus lends itself to a relatively high degree of mechanisation.

"(d) It is a type of production which can be easily and considerably expanded before becoming unwieldy.

"(e) It offers the greatest degree of flexibility to the structural industry in that individual plates of varying sizes and thicknesses can be selected so that on joining together the most economical structural unit is made for any particular purpose.

"(f) The essential elements being plates, the fabrication is dependent upon only one source of supply, namely, a plate mill, and not on a variety of sources producing angles, joists, channels, etcetera as well as plates.

"(g) The cost of manufacture will be economical and should lower the overall cost of fabricated steel structural work in general.

"(h) Because of its very nature, the works will not deal with design and hence will not require a drawing office, other than a small one for possible development of details and tools.

"(i) If a works is attached to a steel works rolling plate section, there will be an appreciable saving in transport, bearing in mind that, if required, the heavy sections can be completed and despatched direct to the site ready for erection.

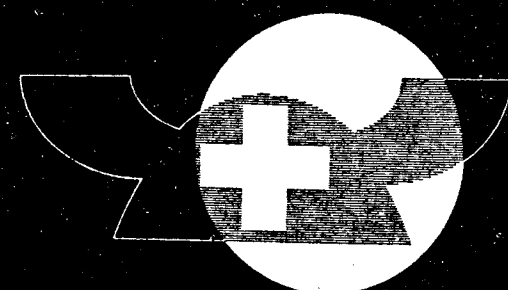
Estimated Output

"The works of one bay planned for the fabrication of completed plate members is capable of an output of 10,000 to 12,000 tons a year valued at Rs. 1.07 crores on single-shift working, and 18,000 to 20,000 tons a year valued at Rs. 2 crores on double-shift working. The total cost of the works, excluding working capital, site purchase and all work outside the perimeter of the works, would be approximately Rs. 1.10 crores, and the staff required would be 125 altogether. It can be readily expanded on the site to many times this size by simply adding identical bays. Each additional bay would cost about Rs. 70 lakhs and would give the same output as above with similar manpower. As the scheme develops, future bays would be set aside for the manufacture of sections completed only to profile. Such bays would be shorter in length and would cost only Rs. 55 lakhs a bay.

"Much of the work involved in constructing an integrated steel works up to the stage of the production of the ingot, and in constructing a fertilizer or other heavy chemical plant, calls for the bending or forming of steel plate of thicknesses between $\frac{1}{2}$ in. and 1 $\frac{1}{2}$ in. inclusive. No fabricated vessels of wall thickness greater than 1 $\frac{1}{2}$ in. are required for either purpose. India's programme for the further expansion of her steel industry will require blast furnaces and allied plant items such as stoves and gas-cleaning plant, hot metal mixers and ladles, gasholders and ingot bogie frames, to quote but a few. In expanding the heavy chemical industry, the demand will be for liquid containers, pressure and other vessels, and pipes fabricated from plates. There will be a demand for a proportion of vessels in stainless steel. In addition, other industries such as electric power stations, gas producing plant, and the field of nuclear energy require the same sort of service.

Heavy Plate and Vessel Works

"We, therefore, recommend the setting up of one or more heavy plate and vessel works of the following type to meet requirements up to and including 1 $\frac{1}{2}$ in. thickness. Works of this kind, although planned essentially for the manufacture and assembly of plate work, must include adequate machining capacity, and, in particular, fabricating capacity to make the supporting structures which



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become integral with the vessels. Our unit provides for this and is thus largely—and essentially—self contained, but it will nevertheless subcontract for the supply to it of items originating as castings or forgings requiring a lot of machining. If, however, more than one unit were to be established, it would be advisable to consider some degree of specialisation, and this would also afford a saving in capital expenditure. For example, the fertiliser and heavy chemical industry is likely to be more widely dispersed than the steel industry. The growth of the former may well call for additional fabricating capacity which can be set up locally and directed to vessel manufacture. Units planned towards expanding the chemical industry will not require the same machining capacity as units required primarily to undertake the construction of the pre-ingot stage of a steel works plant.

Capital Costs

"The capital cost of the unit proposed, excluding working capital, site purchase and all work outside the perimeter of the works proper would be of the order of Rs. 5.20 crores. This would include all civil engineering and structural work, administration and amenity buildings, services within the perimeter and plant. Its annual output would be 10,000 to 12,000 tons with a value of approximately Rs. 2.35 crores on single-shift working, or 18,000 to 20,000 tons valued at Rs. 4 crores on a double-shift. Based on British standards and including skilled staff for assembling on site, it would require about 800 employees for a single shift and about 1,350 for a double-shift, including management and administration. Out of a works staff of about 650, some 400 would be craftsmen and 70 would be apprentices. Initially, it would require a minimum of seven skilled men from overseas to supervise it.

"Completion of the works would take some 3½ years from the time of calling for a detailed project report, assuming present-day availability of materials and labour and early transport facilities to the site, and provided that it does not take longer than three months to give a decision on the project report. Provided that housing, power and water are available at the site, the programme of execution could be somewhat as follows: after 21 months, training school in operation; after 33 months, works building erected and clad and cranes in operation; after 42 months, plant installed and production commencing in all shops.

Heavy Machine Shop

"The heavy machine shop we recommend will provide capacity for the purpose as its primary objective, including medium and light capacity for the auxiliary equipment. Nevertheless, it will be a general purpose heavy jobbing shop, flexible in its lay-out, capable of machining to the finished state any castings and forgings which will be produced in the N.I.D.C. foundry-forging project, and of building them into any completed units which may be required. It will be equipped also for the cutting of simple gears and for the fabrication of such weldments as would enable it to produce complete fabrications of a straightforward nature but which require accurate machining. It can also manufacture the mechanical parts of winding engines and other surface machinery for coal mines.

"It will be capable from the outset of handling and machining single pieces of a weight of up to 50 tons. This is the maximum weight of castings and forgings which the foundry-forging project will be initially equipped to produce. This is a sensible limit at this stage, for there will be very

few castings required even of that weight, and heavier single weights will be so rare that it will not be justifiable on economic grounds to cater for them as yet. Nevertheless, this machine shop can readily be expanded and arranged to accommodate heavier cranes to enable single pieces of over 50 tons weight to be handled. Complete units for exceeding 50 tons in weight can, of course, be manufactured—the weight limit only applies to individual pieces of metal. The capital cost of the works including buildings and plant, but excluding working capital, site purchase and all work outside the perimeter of the works, would be in the neighbourhood of Rs. 3.30 crores, depending upon the site selected and the availability of the essential services, such as gas, water and electricity. The annual output would be of the order of Rs. 3.30 crores a year, based on two-shift working.

Medium-Heavy Machine Tool Works

The capital cost of the project, excluding working capital, site purchase and all work outside the perimeter of the works would be of the order of Rs. 4 crores to Rs. 4.70 crores, depending on the site, and would include offices, welfare, training and other services. Its annual output would be from 3,500 to 4,500 tons of machine tools to a value of between Rs. 2.70 crores and Rs. 3.30 crores on a one-shift basis. In a works such as this which employs a very high percentage of skilled workers, it is not practicable to work two full shifts at least for some time, but there is no reason why any temporary out-of-balance machine loading should not be corrected by double shifting a limited number of machines as occasion requires. By British standards, it would require about 850 employees and 150 apprentices for one shift, of whom over 600 would be skilled production workers. It would require a minimum of seven highly qualified men from overseas to supervise it in its earliest years. It would take about 3½ to four years to complete from the time of calling for a detailed project report, provided that a decision on it is reached within three months. It would get into production roughly as follows: first year Rs. 33 lakhs; second year Rs. 67 lakhs; third year Rs. 2 crores; and fourth year Rs. 2.70 crores.

"Very heavy machine tools are only built one at a time against a customer's order, but some machines in the medium range can safely be built in small batches of three or more for stock. It is suggested that though the plant is capable of manufacturing all but a very few types of very heavy machine tools, it should be started on small batches of machines in the medium-heavy range, if necessary against Government orders for stock, before machines in the heavy range are commenced. It is possible that some of the machines produced might have to be stockpiled for a year or two, but we see no other way of getting a medium-heavy machine tool works into production from scratch, as it is only by building machines which can be inspected by customers that confidence will be created and orders secured for the 'one at a time' machines in the heavy range. The types of machines in the medium-heavy range which are considered suitable for the first small batch production are: (1) vertical boring machines 5 ft. to 6 ft. table; (2) planing machines 6 ft. by 4 ft. by 12 ft.; (3) planing machines 6 ft. by 6 ft. by 16 ft.; (4) radial drills 3½ in. diam. in steel 6 ft. arm and over; (5) five or 10 cwt. air-operated hammers; (6) roll turning lathes suitable for 25 in. diam. by 8 ft.; (7) roll turning lathes 33 in. diam. by 12 ft.; (8) table type horizontal boring machines 3 in. or 4 in. spindle diam.; and (9) floor type horizontal boring machines 4 in. or 6 in. spindle diam. All these are very useful general purpose machines for which a ready sale could be expected. The plant we recommend could be expanded on the same site by two additional bays 500 ft. by 80 ft. (80,000 sq. ft.) i.e., by 33½ per cent of capacity with special reference to the heavier tools.

Coal Mining

"The second five year plan provides for an increase in output from about 38 million tons to 60 million tons annually, the increase of 22 million tons being allocated as to 10 million tons from the private sector and 12 million tons from the public sector. It is expected that about 7 million tons of the public sector contribution will be obtained from open-cast workings. The third five year plan calls for a further increase of coal production to 100 million tons annually. It is expected that the additional 40 million tons a year will be provided almost entirely by the public sector, and that approximately half the increase will be obtained from open-cast workings and half from deep mines. We can now list the types of machinery likely to be needed for the new open-cast workings and deep mines, confining our attention to those items within our terms of reference as extended by the Government. The lists are not, of course, complete lists of all the machinery required for new colliery undertakings.

"For open-cast workings: (a) mechanical shovels (heavy duty); (b) haulages (heavy duty); and (c) conveyor drives (heavy duty).

"For deep mines: (a) winders, reduction gears, drums, etcetera (electric drive is assumed); (b) headgear pulleys and driving pulleys for ropeways (classified as heavy structures); (c) headgears (light and heavy duty); (d) haulages (light and heavy duty); (e) conveyor drives (light and heavy duty); (f) shafts (including crankshafts) used in wagon tippers and larger size mine car tippers, and also in some screens used in screening and washing plants; (g) crushers (especially for large coal) used in preparation plants and for

preparing material for pneumatic stowing or hydraulic stowing where sand is not available; (h) components of filters, thickeners, and centrifuges used in washeries; (i) coal cutters; it is suggested that two types of coal-cutting machines should receive priority, namely longwall/shortwall (suitable for either longwall or room and pillar systems of mining), and arewall (for room and pillar systems or development of longwall faces); (j) loading machines; (k) conveyors, belt, scraper chain and shaker; (l) shuttle cars; (m) mine locomotives (battery and trolley); and (n) pneumatic stowing machines.

"The capital cost of the factory, excluding working capital, site purchase and all work outside the perimeter of the works, would be in the region of Rs. 3 crores, depending on the site selected and the facilities available. The annual output would be of the order of Rs. 2.70 crores to Rs. 3.30 crores, based on two-shift operations. Certain conditions must, however, be fulfilled if the proposed factory is to give the best results and have the greatest usefulness. These are:

"1. Early decisions would need to be made by the Government on the types and makes of machines (cutters, loaders, conveyors, shuttle cars, locomotives, etcetera) to be manufactured in the new works. This could be done in consultation with experienced mining engineers in India and is important for two reasons. First, the proposed factory could not be designed in detail without such decisions, and second, negotiations with the present makers of the chosen equipment (for licensing arrangements and the like) will be necessary and will take time.

"2. The factory would have to be built and put into production not later than the end of the second five year plan, and should be used at full capacity as soon as possible after proof of the success of its products in practical use, even if considerable numbers of the various units are put into stock. By this means, the machines necessary for the new collieries should be made available when needed, and at the end of the third five year plan the new collieries should be fully equipped. The capacity recommended for the proposed works is such that it could equip and maintain the new collieries only if it is used in this way from the start. Otherwise there could be a lack of manufacturing capacity just at the critical time when many collieries would be coming into production.

"3. The factory has been designed to provide spare parts for the units made in it (a reasonable stock of which could also be built up with advantage) and also for other machines at present employed in the field. Here again, arrangements for servicing existing machines would have to be made with their makers."

Loans from World Bank

The Secretary to the Ministry of Finance, Mr. B. K. Nehru, will head a small mission, consisting mostly of railway experts, which will leave next month for Washington to negotiate a loan with the World Bank. The Bank's experts will by then have made their report on the working and requirements of the Indian railways. While in Washington, Mr. Nehru will also open negotiations with the Bank for loans to finance India's port development plans. Meanwhile, Mr. Basch of the World Bank will reach Bombay on 11th March and arrive here on 16th March for discussions with the Government on these loans.

Iron Ore for Japan

A five-year agreement for the supply by India of 7.2 million tons of iron ore to Japanese steel mills was finalised last week. The ore will be supplied by the State Trading Corporation—1.3 million tons in 1957-58, 1.4 million tons in 1958-59 and the remainder at the rate of 1.5 million tons a year over the following three years. The contract becomes effective from 1st July, 1957, and will be examined in Tokyo. During the negotiations, the possibility of Japanese interests collaborating in providing facilities in the minor ports on the east and west coast of India to enable the supply of larger quantities of iron ore to Japan, was also discussed. These discussions are expected to continue.

Indo-Egyptian Trade

A six-man Egyptian trade delegation had discussions with the Government last week, when the present position of Indo-Egyptian trade was examined. This trade depends heavily on the import of cotton from Egypt. During the discussions, the Indian side, it is believed, referred to the high price of Egyptian cotton and suggested that it be reduced. In the seven months ended October, 1956, imports of Egyptian cotton were 5,755 tons, compared with 13,480 tons during the same period in 1955. In terms of money, the seven months' imports were valued at Rs. 3,67,46,070, compared with Rs. 7,79,19,961 during the first seven months of 1955. The value of exports from India to Egypt during the first seven months of 1956 was Rs. 7,42,74,587, compared with Rs. 5,47,75,152 during the same period of 1955.

Loan to Burma

The Finance Minister, Mr. T. T. Krishnamachari, has signed an agreement on behalf of the Indian Government giving a loan of Rs. 20 crores to the Burmese Government. The loan carries 4½ per cent interest, and is repayable in 24 half-yearly instalments starting from 1st April, 1957. Burma has been given the option to transfer part of the total to any other sterling area country.

London

TASKS BEFORE THE CHANCELLOR OF THE EXCHEQUER

LESSONS OF RECENT BY-ELECTIONS

(FROM OUR LONDON CORRESPONDENT)

THE Chancellor of the Exchequer, Mr. Thorneycroft, will open his first Budget in the House of Commons on 9th April, and he will certainly have to produce something exceptional if he is to satisfy the wants of his numerous unofficial advisers. He has also to do something to restore national confidence in the Government's policies generally, not merely in its economic policy, for the results of recent by-elections, and especially that in Warwick and Leamington (Sir Anthony Eden's former constituency), have demonstrated a measure of unpopularity which the Government cannot afford to ignore merely because of the safe Parliamentary majority it now enjoys. Before the Budget, the annual Statement on Defence is expected in the last week of this month—probably the most important factor in budgetary planning; the first series of Civil Estimates for 1957-58 are expected this week; the "Economic Survey and White Paper on National Income and Expenditure" also in the last week of the month, and the "White Paper on Balance of Payments" in the first week of April. Not until the Budget is presented, can the overall policy be dealt with, but Mr. Macmillan is due to make an important speech in Avon on the Friday after the Budget day, and it will be surprising if he does not define in detail the policy his Government intends following. Meantime, he is assured of the support of the Conservative backbenchers, having apparently satisfied the 1922 Committee that unpopular measures will not be shirked, and in the long run the party's achievements will overcome current setbacks.

A New Approach

Of one thing there can be no possible doubt—the Government is certainly approaching the country's problems from a fresh angle and with a greater sense of urgency, without departing from the basic features of the policy it has followed throughout. Also, it is not allowing itself to be put off by temporary difficulties or disappointments. The full impact of its new thinking on defence expenditure has yet to be disclosed, but last week Sir Percy Mills, Minister of Power, disclosed new programme to treble the nuclear power plan under which 18 or 19 stations are to be built over the next nine years at a cost of £742 million to generate a quarter of U.K.'s needs of electricity. According to Sir Brian Robertson, chairman of the Transport Commission, the plan to bring British railways up-to-date has also been accelerated and more than £400 million of the £1,200 million to be spent on modernisation has already been allotted, including £92 on electrification, £66 million on diesel locomotives and trains, and £46 million on track reconstruction. These are impressive developments calling for heavy investment, which will have to be matched in the private sector to provide the necessary equipment and materials.

The only unanswered query is where all the capital is to come from. So far the market has found little difficulty in meeting a regular spate of new issues, which the forthcoming Steel Company of Wales offer will raise to an aggregate sum of about £150 million. In these circumstances, not a little surprise has been occasioned by the latest monthly statements of the London clearing banks, made up to 20th February, which certainly indicate some easing of the credit squeeze. It discloses an unexpected rise of £59.5 million in advances, which lifts the loan total to £1,923.5 million. This has taken place during a period in which the borrowings of the nationalised industries from the clearing banks have dropped by £37.6 million to £57.5 million. This implies that the banks' loans to the private sector have risen by as much as £97 million. The answer may turn out to be that the increased calls on bank accommodation have come mainly from the heavy industries, especially those connected with the nuclear power programme, and from companies expanding their export trade. Purchase Tax demands are also seasonally high in February. Another feature is a sharp reduction in liquidity ratios, which, taking the clearing banks as a whole, are down from 37.45 per cent to 33.5 per cent in the month. This is due partly to the success of the Treasury's funding operations before Bank rate reduction, when heavy sales of bonds were made in the market through the "tap." The banks' holdings of investments are up by £19.1 million to £2,011.3 million, mainly as a result of purchases by Barclays and the Midland. Gross deposits have dropped by £343.4 million to £6,189.9 million—mainly a seasonal movement. Lloyds Bank's index of net deposits, which adjusts for seasonal variations, is down from 106.8 to 106.2.

Rise in the Reserves

On the basis of the figures alone, the gold and dollar reserves in February showed their first genuine increase since last July, but it is obviously too early yet for optimism on this score. According to the Treasury, there was an increase of \$63 million which, following the \$49 million drop in January, looks distinctly satisfactory, especially since no recourse has yet been had to the Export-Import Bank to help meet the considerable cost of the February increase had the help of the \$59 million drawing by India on the I.M.F. and that over January was not nearly so impressive. U.S. Defence aid last month amounted to \$4 million, \$20 million was received from the E.P.U. in settle-

ment of the January surplus, and \$3 million was paid to E.P.U. creditors in bilateral settlement. Allowing for these debits and credits and ignoring the Indian drawing, there was a residual surplus of \$42 million in February, against a comparable deficit of \$33 million in January.

Last month's E.P.U. surplus of £8 million following the January surplus of £9 million can be regarded as encouraging. Broadly, it seems fair to describe the February outturn as a whole, as reasonably satisfactory. It confirms the January evidence that the speculative pressure against sterling has been effectively stemmed but brings little indication that "short" positions in sterling have yet been covered on any substantial scale. On the other hand, the reserves ought to benefit from the proposed revision of the agreements covering the U.S. and Canadian loans by permitting the postponement of up to seven instalments of both principal and interest, by extending the repayment period beyond 2000, instead of claiming a waiver or cancellation of interest payments under certain conditions. U.S. Congress is not expected to prove difficult, so the reserves in March ought to be credited with at least the interest payment for 1956 which is now lying in a special account.

Strike Threat in Shipbuilding

Developments in other spheres of business activity are less easily explained. The labour situation, with the rejection of the shipyard workers' wage claim and a threat of strike action this week, is as uncertain and precarious as ever, though the improved conditions in the motor industry have had the effect of reducing both unemployment and short-time working in the four weeks ended 11th February and, no doubt, have gone even further since then. The shipbuilding strike would affect some 200,000 workers, but if the engineering industry follows the same line, the numbers affected would jump to almost 3 million. The workers' argument that these industries are prospering, with overfull order books, is certainly true, but it is equally true that in the face of severe foreign competition profits are more apparent than real, while any increase in prices might well mean loss of markets and disaster in future.

Problems of Jute Industry

Mr. W. G. N. Walker, Chairman of Jute Industries Ltd., gave a realistic review of the industry's progress and problems when addressing the recent shareholders' annual meeting. He raised several pertinent points of interest to a wider circle than those concentrated in Dundee. For instance, it is three years since the Government announced that public trading in imported jute goods would continue until appropriate measures to safeguard the British manufacturers under conditions conducive to efficiency could be worked out and in-

troduced, while in July, 1955, it was stated that official policy on this matter was unchanged. So far, however, no "appropriate measures" appear to have been devised. Meanwhile, Mr. Walker asked how participation in a European free trade area could be reconciled with the present arrangements for jute manufacturers without disturbing Commonwealth relations, and also, how the Restrictive Trade Practices Act will affect the present price structure in the jute industry and trade? Serious long-term effects on the jute trade could come also from the suggested establishment of a Jute Marketing Corporation by the Pakistan Government. Any central direction additional to that already exercised by the Pakistan Export Control might well disrupt present commercial relations between buyers and sellers. In contrast, at this end, the Jute Control remains the sole purchaser of imported Asiatic goods. Mr. Walker is not alone in being concerned about any developments which may disturb the smooth working of existing arrangements.

Prospects of Ralli Brothers

Any encouragement that shareholders of Ralli Brothers may have drawn from last year's rise in profits is likely to be nullified by the comments of the president, Mr. Jack Vlasto, on the outlook for the current period. He reports that although subsidiaries' profits should be higher, overall prospects are disappointing. In the merchanting section, a bad start was worsened by the effects of the Middle East crisis. The diversion of shipping round the Cape put an added burden on costs, and after some recovery the trend of results is again unfavourable on account of the recent decline in commodity prices. Mr. Vlasto states that since their Alexandria branch was taken over by the Egyptian Government in November, they have had no knowledge of what has been done there. On the other hand, the Indian associate company has done better. Orion Insurance continues to do well and the Jute Mill in East Pakistan has earned a profit in spite of labour difficulties. From Japan also there is good news in the agreement over compensation for the Osaka associate, even though this is in blocked yen which will take some time to find its way into the accounts.

Brevities

Air India International, India's international air line, is borrowing \$16.8 million to finance the dollar costs of three Boeing long-range jet passenger planes. Five U.S. commercial banks have granted a credit of \$11.2 million and the World Bank has lent \$5.6 million.

In the window of the Indian tourist office in Cockspur Street is a model of a jungle from which a leopard is emerging with bared fangs. With this display, points out "Peterborough" in the Daily Telegraph, is a card saying: "India welcomes you."

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Bombay

LOWER PRICES FOR EGYPTIAN COTTON

DULL TREND IN PIECEGOODS CONTINUES

(FROM OUR BOMBAY CORRESPONDENT)

THE reported Egyptian decision to reduce prices of cotton exported to India has been welcomed. It is possible that business will result if the Indian authorities issue a fresh import quota. The ceiling fixed for sterling area cotton has already been reached and no import licences are available. But trade circles believe that the Government of India may reconsider the question in order to take advantage of the offer of long-staple growths at reduced prices. An 18 percent discount is offered if payment is made in U.S. dollars and 12 percent if West German marks or Swiss francs are tendered. Egypt needs these currencies to bolster her economy following the Suez Canal crisis. It is true that she is also compelled to look to India for a selection of consumer goods but she could ordinarily balance this trade by cotton exports. Indian mills have so far refrained from buying Egyptian cotton because of the high price level and also because the internal and export demand for superfine cloth has fallen off considerably. This demand still shows no sign of reviving and in the circumstances it is possible that business with Egypt at the reduced prices may be only of a token nature. The possibility emerges that Indian purchases may not be enough for Egypt to build up an adequate rupee fund with which to finance her

imports from this country. A stalemate could arise. India can ill afford to stockpile cotton merely to enable Egypt to import consumer goods from here, particularly when the cotton would have to be paid for in West German marks and Swiss francs which India herself urgently needs.

Exports from India

Indian exports of cotton are practically at a standstill. It is reported that Japanese buyers are interested but they are continuing to hold off in anticipation of a fall in prices. Meanwhile, the futures market here continues to soar on fresh support. Tenders against the Jarilla March contract have been negligible. On the first day, only 50 bales were tendered. The contract reached a new high of Rs. 745 but declined later on profit-taking. The Vijay April contract shot up to Rs. 845 a candy and Vijay June was quoted at Rs. 802 a candy. The spot market remains firm despite offtake being at a low level. Mills are cautious and show no interest in buying more than is necessary for current needs. The premium of staple styles has remained unchanged. Arrivals have been moderate and latest reports indicate that the total crop might not exceed 4.9 million bales.

The piecegoods market is still listless. The expected demand from upcountry centres has not materialised and business is negligible. The trade believes that the slackness is because of the approaching Holi festival and that demand will brighten within a couple of weeks or so. There is no apparent reason to support such optimism. The seasonal demand should have revived long ago. The fact that it has not done so indicates that general trading conditions are difficult. The enhanced excise duty, the stringency in the money market and the high price level have all contri-

buted to the shrinkage of trade. It is curious that despite the lack of offtake and piling stocks with mills and dealers, prices continue to be steady.

Textiles for Burma

There has been hardly any export demand. A few desultory enquiries have been received from East Africa, the Sudan, Hongkong and Singapore. Britain has purchased moderate quantities of grey sheeting. But the fall in overseas sales has been sufficient to cause a drop in export prices. It is reported that representatives of the new corporations set up in Burma will arrive in this country to negotiate for fresh textile supplies. When this occurs, Indian merchants believe substantial business will be transacted in the popular varieties. Burma has become a major buyer of Indian textiles, but it must be remembered that this is a temporary market because she is now developing her own cotton industry in collaboration with Japanese interests. The cotton yarn market is equally depressed. Prices are easy despite the firm trend in cotton. Spinners, however, are reluctant to sell because they believe that demand will broaden after the Holi festival.

Conditions in the rayon fabrics market present a depressing picture. The offtake has been unusually poor and stocks are now beginning to accumulate with mills and dealers and production continues to run at a steady level. There have been no enquiries from Calcutta or Delhi while the local market is listless. There has been a further break in the prices of grey linen which have dropped by about half an anna a yard to 12 annas 3 pies. Ninons and georgette remain steady at lower levels. The former are quoted at 10 annas 9 pies to 11 annas 3 pies, and the latter between Rs. 1-1-6 and Rs. 1-6 a yard, according to quality.

Madras

COMFORTABLE VICTORY FOR CONGRESS

POOR SHOWING BY COMMUNISTS

(FROM OUR MADRAS CORRESPONDENT)

POLLING in Madras State is over. The returns announced so far suggest that the Congress will have a comfortable majority and most sitting M.L.A.s will be re-elected. The Chief Minister won easily from the Sattur constituency. He has disclosed that support offered him by the Dravida Kazhagam at public meetings was unsolicited. The elections here are regarded as a personal triumph for the Chief Minister who has kept a tight control of the party organisation from 1945. The re-organisation from the bottom has paid off handsomely and the "revolt" in some districts has fizzled out. Wherever Mr. Kamraj personally commended candidates, they achieved success.

In Karaikudi, Mr. Muthiah Chettiar, the Congress nominee defeated a dissident Congressman, but it was a close contest all the same, with all groups opposed to the Chief Minister, making it a point to vote for Mr. Muthiah Chettiar's opponent. Mr. Muthiah Chettiar was an interim Minister in 1937 and his adherence to the Congress is recent, and there is now the possibility of his becoming a Congress Minister. The last Justicite, Mr. P. T. Rajan has lost his seat in the Assembly. The Dravida Munnetra Kazhagam that campaigns for communal justice has done fairly well. For a new party it has polled well in all districts. In Kancheepuram, its leader, Mr. Annadurai, defeated the Congress candidate chosen specially for his local connections and influence. In Madras city the D.M.K. is in a fair way to annex some Assembly seats without difficulty. So it acquires a new standing as the main opposition to the Congress party, first, because it has Leftist leanings and, secondly, because communal antipathy is still a factor in politics here. It is noteworthy that the D.M.K. candidate opposing the Union Finance Minister, Mr. T. T. Krishnamachari, in Madras South secured such a substantial backing that Mr. Krishnamachari had to secure the personal support of Mr. Kamraj. Furthermore, the Neiveli project is making satisfactory progress, and there is a hope that the Parambikulam project will take shape as the Planning Commission is prepared to let Madras have the use of Kerala waters.

Loss of Communist Grip

If the elections have shown that the D.M.K., a local party opposed to the so-called control of the Hindi-speaking north, is no negligible quantity, they have also proved that the Communists have lost their grip on Tanjore. Agrarian reforms have helped the Congress bag both Assembly and Lok Sabha seats and it is presumed that differences, especially over Kashmir, will prevent the Communists from making common cause with the D.M.K. in the Assembly. The loss of Congress is likely to be inconsiderable. The election news might not be so reassuring to investors who fear higher taxes, but Mr. Krishnamachari's success is taken as a guarantee both for the second plan going through and for the survival of the private sector. Madras business leaders sponsored his candidature with an appeal which highlighted the need to maximise the State's efforts for the plan, as well as the need for capitalists to place their confidence in the Congress.

Of the new Congress M.P.'s only Mr. Pattabhiraman is new to politics. The son of Dr. C. P. Ramaswamy, he was an easy winner with Congress backing. The Chief Minister predicted an 80 percent majority for the Congress, and the actual results have proved him thoroughly correct. The poll in most of the districts was heavy. The arrangements were satisfactory. In the Nilgiris, the Badagas took a last minute decision at a caste gathering to vote for the Congress.

Politician Teachers

The Madras Government's order against the teachers of aided schools entering active politics is a necessary measure. In Kerala, most school teachers have gone over to Communism and experience has perhaps inspired the Madras Government's decision that a teacher must resign if he wishes to participate in a political campaign. As a voter, a teacher is free to express political likes and dislikes, but he cannot become a campaigner on behalf of another. Teachers are represented in the Legislative Council, but those elected to the legislature must resign if their employers insist. The order which is regarded as salutary for making teachers efficient and reliable proves that only a school that can do without Government grants can afford to employ active politicians on its staff. It also is suspected that Tamil teachers have become ardent supporters of the D.M.K., and the Government felt that a curb on their activities was called for.

Handloom Output and Sales

The "Handloom House" opened by Mr. T. T. Krishnamachari last week in the main shopping area is an imposing addition to the drapery shops. Help given over four years to weavers has been justified. The Finance Minister, too, thought so. The Central Government is still ready to find

money for the benefit of the handloom industry, but it hopes that the industry would outgrow the need for "feather-bedding". Thanks to the co-operative organisation handloom production is rising but the problem of a steady market remains. In the last two months Madras goods met with keen competition from Japan in West Africa. The superiority of handmade fabrics is admitted, but the export trade is languishing. If a new market has been found in the U.S.A. for handloom fabrics, an old one has been lost. Whether the State Trading Corporation will start a drive in Nigeria for recovering the market is not yet certain. It is also becoming clear that the market in East Pakistan served through Calcutta has been lost. The domestic market for luxury fabrics is steadily shrinking and the handloom industry must adopt improved methods to reduce costs. Advantages have been granted in taxation, yarn supplies and finishing facilities. The Government-aided society has been induced to buy for stock and release for export, but a steady sale depends on demand at home. So emporia in Bombay and Calcutta are contemplated. The only important point Mr. Krishnamachari added was that the use of powerlooms would be encouraged by the Government as part of its policy for raising cloth output.

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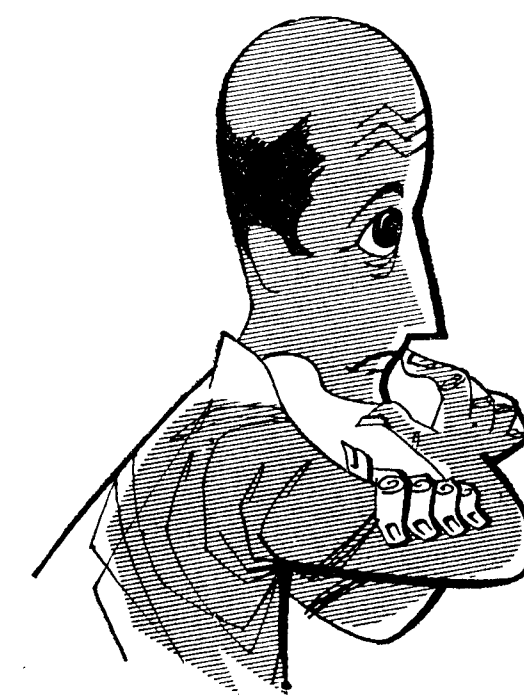
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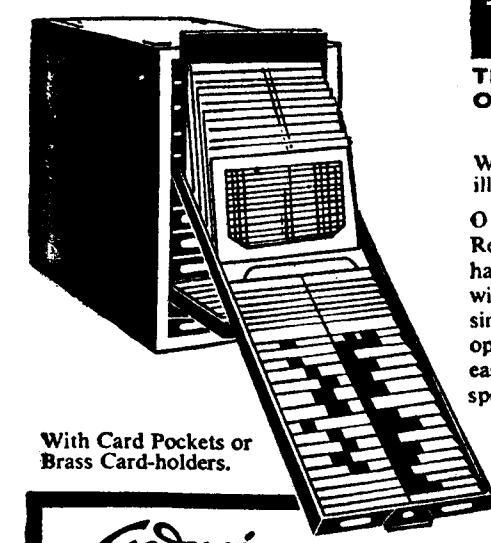


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Commodity Markets

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August, 1939=100) declined further by 0.6 percent to 421.6 during the week ended 23rd February, compared with 424.2 (revised) for the earlier week. The index was lower by 1.0 percent when compared with the corresponding week of the previous month, but was higher by 10.6 percent than that of last year. The average for the month stood at 424.8 compared with 422.3 (revised) for January, 1957, and 378.4 for February, 1956. Lower prices of tea (-8%), gram in Hapur (-4%), gur (-2%) and wheat in Hapur, bajra, dal arhar and sugar (-1% each) brought down the index for Food Articles by 1.2 percent to 403.0. The index for Industrial Raw Materials declined by 0.6 percent to 514.5 as a result of a fall in the prices of linseed (-7%), rapeseed in Calcutta (-3%) and in Bombay (-1%), cottonseed and raw jute (-3% each), raw silk, groundnuts and copra (-2% each), and castorseed in Bombay (-1%), in spite of an advance in the prices of lac (+6%), rapeseed in Kanpur (+4%), and raw cotton (+2%). The index for Semi-Manufactures also fell by 0.5 percent to 405.4. Items which exhibited significant variations were: linseed oil (-6%), gingelly oil (-5%), groundnut oil (-3%), coconut oil and mustard oil (-2% each) and copra cake (+2%). Prices of jute manufactures (-3%), witnessed a fall while those of soaps (+4%) and chemicals (+1%) advanced; the Manufactures index went down by 0.2 percent to 384.1, compared with 385.0 (revised) for the earlier week. Higher prices of chillies (+9%) were responsible for an increase of 0.3 percent to 579.4, compared with 577.7 (revised) for the previous week, in the index for the Miscellaneous group in spite of a decline in the prices of black pepper in Cochin (-4%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year Ended August, 1939=100)

Groups and Sub-Groups	23-2-57	We 16-2	1 1-57	25-2-56
I Food Articles:	403.0	407.7	399.7	343.9
Cereals	329*	330*	306	430
Pulses	426	419	426	359
Others	244	259	158*	227
II Industrial Raw Materials:	514.5	511.5	533.7	461.5
Fibres	499	509	511(R)	473
Oilseeds	556	568	601	465
Minerals	559	552*	543	459
Others	413	419	433	409
III Semi-Manufactures:	405.4	407.6	413.1	357.2
Leather	410	419	431	408
Mineral Oils	219	219	219	208
Vegetable Oils	593	608	629	422
Cotton Yarn	485	487*	493*	448
Metals	328	327	328	281
Oilseeds	436	434	440	341*
Others	372	372	362	365
IV Manufactures:	384.1	385.0(R)	386.5(R)	375.3
Textiles	410	413	415(R)	409
Jute	411	424	441	415
Cotton	414*	414*	414*	403*
Rayon and Silk	442*	442*	442*(R)	502*
Woolen	266	266	266	278
Metal Products	392	392(R)	394	371
Others	392	391	393	284
V Miscellaneous:	579.4	577.7(R)	589.3(R)	528.3
All Commodities:	421.6	424.2(R)	425.8(R)	381.3

R=Revised. * =Estimated.

Groups and Sub-Groups	February 1957	January 1957	February 1956
I Food Articles:	405.8	392.1	333.3
Cereals	326	491	411
Pulses	446	429	351
Others	251	257	230
II Industrial Raw Materials:	529.5	525.0	464.6
Fibres	503	507	470
Oilseeds	574	592	473
Minerals	546	530	443
Others	415	435	426
III Semi-Manufactures:	409.8	412.4	355.8
Leather	422	433	402
Mineral Oils	219	219	204
Vegetable Oils	611	623	426
Cotton Yarn	488	492	444
Metals	328	328	280
Oilseeds	445	441	347
Others	372	362	364
IV Manufactures:	385.5	387.4(R)	375.3
Textiles	413	417(R)	409
Jute	429	450	417
Cotton	414*	414*	403*
Rayon and Silk	442*	442*(R)	498*
Woolen	266	266	278
Metal Products	392	394	371
Others	391	398	284
V Miscellaneous:	583.2	592.7	529.3
All Commodities:	424.3	422.3(R)	378.4

* =Estimated. R=Revised.

Plantation Topics

CALCUTTA TEA AUCTIONS IN FEBRUARY

FAIR GENERAL DEMAND BUT PRICES EASE

THE offerings were a little smaller than in the previous month and averaged about 64,500 chests a week. Demand continued to be good and fairly general though the majority of the offerings were disposed of at lower rates, say Messrs Carritt Moran & Co. Private Ltd. in their monthly tea market review. Tippy teas, stylish whole leaf grades, and any bright liquoring kinds with autumnal flavour were well supported, but prices for all other kinds declined by about 1 to 2 annas in each of the first three sales of the month. C.T.C. teas and Darjeelings shared in the general decline. In Sale No. 35 plain and low medium teas, especially the broken grades, were generally 1 anna and sometimes up to 2 annas dearer. "Teas for price" were also a strong feature and were often up to 2 annas dearer, but medium Assams with declining quality were a weak feature and often sold up to 2 annas below previous rates.

The first two sales of the month contained some useful autumnal Darjeeling teas of fair appearance. In the last two sales leaf appearance became much browner and the majority of the offerings were typical end-of-season teas. With very few exceptions, Assam teas of C.T.C. manufacture showed a further marked decline. Teas of orthodox manufacture showed an improvement in cup quality, but stalk and fibre were more in evidence. Doars cup quality generally was of quite a useful description, but a seasonal decline in leaf appearance was evident. Cachar leaf appearance was much above average for the time of year, but the majority of liquors were rather plain in character.

Quotations

	1956-57	1955-56
	Rs. As. P.	Rs. As. P.
Sale No. 32 Plain B.P.	1 15 3	1 8 6
Sale No. 33 " " "	1 15 0	1 7 6
Sale No. 34 " " "	1 13 3	1 7 0
Sale No. 35 " " "	1 14 0	1 5 9

Internal Market

There was a total of approximately 9,300 chests of leaf on offer and demand for the reduced number of chests was well maintained. The majority of the teas were of a stalky description. The few cleaner leaf teas were well supported, but tended to be easier. Dust offerings consisted of approximately 72,300 chests. There was a good general demand but prices for the majority of the descriptions tended to be slightly easier. Quality showed some improvement and the brighter liquoring kinds sold well particularly the few bright invoices of C.T.C. Assams. Interest in black leafy types suitable for the Middle East was not maintained and prices declined accordingly. Of the very few lines from Darjeeling on offer, only those with flavour met with keen competition.

Quotations

	1956-57	1955-56
	Rs. As. P.	Rs. As. P.
Sale No. 32 Clean Common Dust	1 13 6	1 7 3
Sale No. 33 " " "	1 13 3	1 7 6
Sale No. 34 " " "	1 13 0	1 8 0
Sale No. 35 " " "	1 12 6	1 7 3

Export sales up to No. 34 totalled 1,794,362 chests at an average price of Rs. 2-7-7 against 1,652,709 chests at an average price of Rs. 2-2-5 in the corresponding period of the 1955-56 season. Internal sales at 55,417 chests of Leaf and 588,714 chests of Dust at an average price of Rs.1-10-10 and Rs.2-2-11 go against 80,948 chests of Leaf and 510,137 chests of Dust (Rs. 1-4-7 and Rs. 2-0-2) in the same period of the previous season.

The price of export quota declined in the first week from 44 pies to 33 pies a lb., but rose steadily thereafter to 60 pies, easing on the last day of the month to 57 pies a lb.

On 20th February, an additional allotment of 10 million lbs. of Export Quota was announced and this now brings the total amount released to 63.1 percent of a garden's best crop figure.

Arrivals in Calcutta warehouses (in chests) during the period 24th January, 1957 to 23rd February, 1957, with the corresponding figures in parentheses, were: by steamer 198,050 (370,453), by rail 47,963 (87,318), by air 10,347 (13,448), making a total of 256,860 (471,219) chests. From the beginning of the season, 1st April, 1956 to 23rd February, 1957, arrivals have been: by steamer 2,985,760 (3,209,340), by rail 1,049,805 (876,213) and by air 160,293 (190,635), making a total of 4,195,858 (4,276,188) chests.

NORTH INDIAN TEA CROP REPORTS

The following is the summary of the crop and weather telegrams received from different districts for the month of February:

Upper Assam: The weather is variable, there has been some evenly distributed rainfall in Dibrugarh, but in Sonari, Doom Dooma, Panitola and North Lakhimpur it is unusually wet, and in places cold. The crop is coming forward more quickly than usual in Sonari and Panitola and an early season is expected generally.

Central Assam: The weather is seasonable in Jorhat with generally favourable crop prospects; in Nazira rainfall is much above normal to-date, and a very early season is expected.

Lower Assam: The immediate prospects in Bishnath are good, with the rainfall being much above normal for the season; in Borsitola the weather is seasonable with growth ahead of normal.

North Cachar: The prospects are now brighter, good rain having fallen generally, in places being above normal for the season; blister blight is prevalent in North Cachar district.

South Cachar: The weather is seasonable with good rainfall in Chutlabheel and the prospects are now brighter; blister blight is prevalent, and is severe in Hailokandi; in Chargola the immediate prospects are good, and an early season is expected.

Eastern Doars: The weather is seasonable, blister blight is negligible, and the immediate prospects are fair; an early season is expected.

Central Doars: The weather is dry and cold in places, and blister blight is lifting.

Western Doars: The weather is seasonable and the immediate prospects are fair; in Oodlabari rainfall is much above normal for the season, and an early season is expected; the crop prospects are favourable, though blister blight is severe in some districts; the season has closed in Chulsa, and is expected early in Dam Dim; Nagrakata is in need of rain.

Darjeeling: Weather conditions in most districts are normal for the time of the year; red spider blight is prevalent in some places.

Teral: Weather is seasonable with some light rain.

CASHEW FACTORIES LIKELY TO REOPEN SOON

ORDER DECLARING INDUSTRY

NON-SEASONAL QUASHED

(FROM A SOUTH INDIAN CORRESPONDENT)

THE Kerala High Court has quashed the Government notification which some time ago declared the cashew processing industry as non-seasonal. The facts of the case are as follows. The South India Cashew Manufacturers Association of the Quilon had requested the Government to treat the cashew processing factories as seasonal for the purpose of industrial disputes. The Government, after making enquiries and discussing the matter with the representatives of management and labour, issued a notification on 31st July, 1956, to the contrary. In the judgment, it is stated that the Government has, apparently, taken this decision in pursuance of sub-section 2 of section 25A of the Industrial Disputes Act, 1947. The court had no doubt that the Government was labouring under a misconception about the procedure to be followed in arriving at such a decision which was quasi-judicial, in character. When the decision is quasi-judicial, the Court has pointed out, the rules of natural justice have to be observed. Mr. Justice M. S. Menon, who gave this judgment, however, made it clear that the quashing of the notification and nothing in his judgment will, in any way, preclude the Government from coming to "any decision it deems fit in any dispute under section 25A of the Industrial Disputes Act, provided that decision is preceded by a quasi-judicial enquiry."

Thus the cashew processors have got their case accepted. They are expected to reopen the factories immediately. The Government has also done something to expedite reopening. It has agreed to give certain assistance to the owners of the largest group of factories which have remained idle for the last six months. The industry has apparently got out of a crisis—the biggest, in fact, in the 30 years of its existence.

Uncertain Prospects

Prospects for cashew in 1957 are rather uncertain. Demand for cashew may not be so keen this year as it has been in the past two or three years because the world almond crop is again back to normal. With the build-up in almond stocks, prices are coming down and cashew, which is likely to be a substitute for almond in the west, is likely to suffer a setback. But crop prospects, in both India and Africa, are considered exceptionally bright. The Indian crop has started to move into the market and is estimated at over 60,000 tons. The African crop is expected to touch an all-time peak of 80,000 to 90,000 tons. But in the light of prospective demand conditions, the manufacturers may not make full use of the likely abundant supply. The processors in Quilon may have to face yet another difficulty. Following some disagreement with dock labour, a steamer which brought cashew nuts from Africa was diverted to Cochin. According to one report, its agents have decided not to unload in Quilon. If a settlement is not eventually reached between the steamer agents and the dock workers, the processors will have to take raw nuts all the way from Cochin.

Need to Raise Pepper Output

India's pepper production should be increased in order to maintain the export markets and leave enough for domestic consumption. With the output steady at the present level, it is doubtful whether India would be able to maintain her market abroad in view of the large domestic needs. The Government should help the growers in raising their output. This is the suggestion of Mr. Vallabhdas Mariwala, chairman of the Pepper and Ginger Merchants Association of Bombay. While appreciative of the activities of the Export Promotion Council for the industry, he suggests that private delegations be encouraged. Mr. Mariwala wants a cut in freight rates, which he claims is justified by the steep decline in pepper prices.

COCHIN TEA SALES

At Dust Sale F, 450,000 lbs of tea were on offer. There was a good general demand, but prices were irregularly 1 to 2 annas lower, particularly for best liquoring and highgrown sorts. Medium descriptions which were steady were the best feature of the Sale.

Jute

THE SUPPLY OF FERTILISERS TO JUTE GROWERS

STATES ASKED TO MAKE ARRANGEMENTS IMMEDIATELY

DOUBTS having been expressed about the arrangements for the distribution of fertilisers to jute-growers for top dressing, a communication on the subject has been addressed to jute-growing States by the Central Ministry of Agriculture. The States have been asked to make immediate arrangements for moving supplies out of their share of the Central pool to the jute districts, and to organise distribution so that growers have no difficulty in obtaining them. The Ministry has said that it should be informed if difficulties arise in getting wagons. The West Bengal Government has been authorised to utilise stocks already in hand in case supplies do not reach it in time. These stocks will be replenished later. While the distribution of fertilisers over a large area is a very big operation, it should not present any serious difficulty. Sowing does not take place simultaneously in all the States, nor even in different districts in the same State. For instance, sowing in Assam and some areas of north Bengal may be expected to commence any time now, if it has not already commenced. But in the southern districts of West Bengal, it will not commence until May. In the case of the early districts, the fertilisers should be on the spot now. For later districts, they will be in time if they arrive within the next two months. The movement of these fertilisers should not, therefore, place any strain on the transport system or the organisation for distribution. It is, however, satisfactory to know that something is actually being done in the matter.

By the use of fertilisers, it is hoped to increase the yield of the crop in the current year by 20 percent. It is not known whether or not the figure includes mesta, but assuming that it does, and that last year's yield of the two fibres was 5.5 million bales, it would make India more than self-sufficient in the supply of raw material for the mills. There are, however, other factors which could easily offset to a large extent the lavish use of fertilisers. There is also the disadvantage, in this method of increasing the crop, that it involves a huge increase in the production of waste matter. Taking the fibre produced last year as 5.5 million bales, the green weight of the crop would be about 20 million tons. An increase of 20 percent would mean 4,000,000 tons of green plant, of which approximately 200,000 tons would be fibre and 3,800,000 tons would be of no commercial value. For a short-term policy, this cost may not be too high, but ultimately, to put the increase on an economic basis, it must come from the development of varieties giving more fibre per plant.

Consumption of Raw Jute

On the basis of the reported output of manufactured goods, it is estimated that mills in February consumed 467,600 bales of jute, making the total consumption for July-February 4,001,600 bales. In February 1956, they consumed 576,900 bales, and the total consumption for July-February, 1955-56, was 4,086,300 bales.

Cancellation of Dealer Licences in Pakistan

Reports from Dacca state that the licences of a number of jute dealers have been cancelled, but the exact number is not yet known nor are the reasons given, though it is rumoured that it is because of non-fulfilment of contracts made early in the season. One report states that those who have had their licences cancelled will be allowed until the end of April to complete shipments against their contracts. At the time of writing, most of the reports are vague and some are conflicting.

THE JUTE MARKETS

Manufactured Goods: The publication on 7th March of the I.J.M.A. stock figures gave the manufactured goods market a boost which lasted for almost a week. What seemed to please it most was the reduction of 5,900 tons in heavy goods. After the stock figures became known, there was a good deal of bear covering in the fatka market. Covering by shippers was also reported, there being enquiry for Liverpool, plain Cees and cornsacks. Rumour said that the Government of Burma had called for tenders for a further 15,000 tons of heavy goods. Mills were at first reluctant to sell, but when prices rose, they were reported to be more willing. This willingness was in fact, week-end and continued on Monday. On Tuesday, confidence was restored and prices in the fatka market rose quickly.

On Wednesday morning quotations were as follows:

	March	April-June	July-Sept.
	Rs.	Rs.	Rs.
40in. 8oz.	33-10	33-4	32-14
40in. 10oz.	40-10	40-13	40-14
B Twills	111-12	112-6	112-4
Heavy Cees (Plain)	113	112-8	112-4
A Twills	133-12	134-12	134-8
Liverpools	128	127-8	126-8
Cornsacks	114	113-12	113-8

Raw Jute: With a firmer tendency in the gunny market, sellers regained confidence and buying

interest from mills met with some reserve. There was not much movement in jute prices but mesta prices rose as stocks were much depleted and imports upcountry were very small. Business was done in various kinds of mesta at Rs. 25 to Rs. 26, and even Rs. 26-8 was reported to have been paid. A fair amount of business was done in Northern and Desal Middles at Rs. 31-4 and Rs. 31-8. Mesta Middles alone were done at Rs. 28-8 and Daissee Middles at Rs. 33. Pakistani N.C. Cuttings were done at Rs. 108 to Rs. 113, and Indian Mill Firsts and Lightnings at Rs. 210 and Rs. 195, respectively. On Monday, the market was easier in sympathy with the gunny fatka. But on Tuesday there was renewed buying and fair business resulted, though the quantity was restricted by mills' unwillingness to pay the prices asked by sellers. Mills paid Rs. 30-12 for Northern Middles alone, Rs. 25 to Rs. 25-8 for Daissee Mesta and Rs. 29 and Rs. 29-4 basis Bottoms for Northern, Pakistani Export Firsts were sold at Rs. 225 and Indian Mill Firsts at Rs. 220.

On Wednesday morning quotations were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Northern, Dhubri and Assam	29-	March-April
Purneah Desal	28-8	"
Jungh	27	"
Murshidabad Tossa	31-8	"
Daissee	32	One month
Daissee Mesta	25-8	"
Northern Mesta	26	March-April
Desal Mesta	26	"
Northern ex Calcutta	28-8	One month
Local Packing	27-8	"
Bimbi	24 F.A.Q.	"

Mills have been more active in the local bazars. Arrivals have increased and there were 648 wagons last week.

Mofussil: Off-season conditions are prevalent everywhere with growers more interested in ploughing and harrowing than in marketing jute. Imports into the upcountry centres are very small and markets are steady.

THE PAKISTANI JUTE MARKETS

LABOUR TROUBLE IN DAULATPUR AREA

(FROM A CORRESPONDENT)

THE apparent scarcity of jute remains the most important factor in this market. Prices have improved locally, and the little business that is being done is at Rs. 31-8 for B Bottoms, Rs. 29-8 for C Bottoms and Rs. 27 for B Bottoms. Tossa prices have increased by Re. 1. It is interesting to note that most of the small quantity of jute which is coming now is appearing from the jat districts. As it is arriving mostly in the form of kutcha bales packed in the mofussil areas, one assumes that it represents reluctant releases from the godowns of upcountry stockists, who are converting a small percentage of their jute into ready cash for making early advances to the growers. There has been a very slight increase in arrivals over the last two days, probably due to the better prices which are once again tempting stockists. Pucca bale prices have also increased. Export Firsts are quoted at Rs. 200, Export Lightnings at Rs. 190 and Export Hearts at Rs. 175. Interest is mainly in Lightnings. Cuttings have improved and business is reported at Rs. 87. At this price, there has been some inter-baler business but sellers are reluctant.

Reports from overseas indicate better prices, and mention £108 done for Export Firsts and £104 for Export Lightnings. Overseas buyers are apparently showing selective interest in white jute at prices approximately £3 a ton below local rates. There appears to be very little interest in Tossa, and price indications are about £5 a ton below local costs. If, despite these high prices, more jute was available, balers and shippers would be more interested in offering and selling short, in the reasonable expectation of lower rates later when reports of sowings start coming in.

As expected, E.P.C. registrations have been larger, and for the last 13 days of February amounted to 184,000 bales. Contrary to previous reports,

I.J.M.A. STOCK FIGURES FOR FEBRUARY

The Indian Jute Mills Association reports the total stocks of jute goods at the end of February, 1957, as follows:

Description	28th February, 1957	31st January, 1957	Increase over (+) or decrease from (-) last month	29th February, 1956
	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons
Hessian Cloth and Bag	9.29	25.2	8.83	23.8
Sacking Cloth and Bag	14.84	61.8	16.09	67.7
Others		10.6	11.7	
Grand Total				
(000 Tons only)		97.6	103.2	-5.6

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

Burma only bought 14,000 bales. But India has suddenly stepped up her purchases to 59,000 bales. She was the biggest buyer in this period, and the quantity was in fact the largest purchase she has made in any fortnight since November.

In the local market, there has been very little enquiry for B Twills so they have eased to Rs. 124; 45in 11oz remains unchanged at Rs. 55-8 and it is understood that there are heavy freight bookings from East Pakistan for Karachi but little freight is offering. Pakistani mills have in the past few weeks sold fairly heavily to South Africa at approximately 195s 10-6 for Liverpools. Good business has also been reported in hessian to the American market but this was done at lower prices than prevail now.

There has been a certain amount of labour trouble in the mills in the Daulatpur area. All of them have either been on strike or declared lock-outs since 1st March, but not all have announced this. The disturbances started because labour wanted Shaheed Day as a holiday over and above its quota of 10 days a year. The mills have refused to pay for this and are maintaining their position with Government backing. There is no doubt that if the matter goes to court, the mills will win. But this looks like being one of the worst strikes in Pakistani mills and will have repercussions, especially since labour in Khulna is particularly unstable and the P.J.M.A., which is a fairly young body, is not yet strong and united enough to take bold action.

THE FOREIGN JUTE MARKETS

(FROM OUR LONDON CORRESPONDENT)

THE raw jute markets have been so erratic that little fresh business has been done in any section of the trade. A very firm undertone prevails in the fibre market and, since the last report, there has been a rise of anything from £3 to £6 a ton, according to grade. The advance from the bottom points touched this season is now pretty considerable

Calcutta Markets

LESS DEMAND AT TEA EXPORT SALE

SUPPORT FOR GOOD DUSTS

AT Sale No. 37, held on 11th and 12th March, offerings at the export auction consisted of 53,857 packages. There was less demand than in recent weeks and the majority of the offerings were 2 annas easier at the beginning of the Sale, but as the Sale progressed, the market weakened and at the close was generally up to 3 annas easier. The strongest features of the Sale were the few bright liquoring Assam teas and stylish Whole Leaf grades which were well supported and were at times dearer, while for the few tippy teas on offer there was again a keen competition. All other descriptions showed a decline of 1 anna to 3 annas, especially the poor liquoring teas, but B.P.'s were generally in more demand than Fannings, except in the case of clean, black Fannings suitable for the Middle East. The majority of the C.T.C. teas on offer were of poor quality and these were a very weak feature, being fully 3 annas to 4 annas easier, and many lines were withdrawn.

Quotations	1957		1956	
	Rs.		Rs.	
Clean Black Pekoe	2 2 0		1 14 0	
Plain B.P.	1 12 6		1 8 0	
Medium Assam B.P.	1 14 0	to 1 14 6	1 9 0	
Best C.T.C. Assam B.P.	2 2 0	(Nominal)		

At the Internal Sale, Dust offerings amounted to 17,227 chests and the market was again easier for most descriptions, but the demand improved as the Sale progressed. The best bright liquoring C.T.C. Assam were keenly competed for and were generally dearer, but the more ordinary C.T.C. descriptions weakened and were sometimes as much as 2 annas easier. Commons, Doonars and orthodox Assams opened at about 1 anna below last rates, but as the Sale progressed, advanced slightly and at the close, were only 1 anna easier. The black leafy exportable kinds suitable for the Middle East and the small powdery types were stronger features than the remaining offerings.

Quotations	1957		1956	
	Rs.		Rs.	
Medium Doonars Dust	1 10 6	to 1 11 0	1 10 0	to 1 10 6
Medium Assam Grainy				
Dust	1 12 0		1 10 6	to 1 11 6
Medium Assam C.T.C.				
Dust	2 0 0	to 2 3 0		
Best Assam C.T.C. Dust	2 12 6		2 14 0	to 3 0 0

Of other grades, there was a total of 5,090 chests on offer for which there was a good general demand. Prices were generally irregular, but except for C.T.C. Fannings and the few green teas, the rest were generally dearer.

FALL IN ATLANTIC COAL FREIGHTS CONTINUES

FREIGHT rates in the Atlantic coal trade continue to slide down rapidly. Fixtures have been reported at 6s 6d for April, with charterers talking the rate down to 6s 6d. While this has caused a sympathetic decline in other American markets and in the time charter section, the effect on eastern and Far Eastern business has not been marked. Markets in this area did not respond much to the Suez crisis and when the American transatlantic coal rate was 7s 4d, the ore rate to Japan was 12s 5d f.o. from Mormugao. In view of the sale of 1,300,000 tons of iron ore to Japan for July 1957-March 1958 shipment, combined with increased enquiries for coal to Japan, it is likely that rates will rise in this area.

Representative fixtures include Black Sea-West Coast India, metals, 137s; Whampoa-Colombo, rice, 83s; Burma-Colombo, 78s 9d; Madras-France, ore, 200s via Cape, 150s via Suez; Visakhapatnam-U.S.N.H. \$23 via Cape, \$20 via Suez. A Liberty type accepted \$5.50 for six months' time charter, and an 8,670-ton motorship 47s 6d for the trip out to India with prompt delivery Hamburg.

HIDES AND SKINS STEADY

The market in skins ruled steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 5th March and 11th March, 1957)
Cowhides: Wet salted 55,000 pcs. on the basis of Rs. 6-6 to Rs. 9-4; Wet salted (Slaughtered) 21,500 pcs. on the basis of Rs. 12-4 to Rs. 21.
Goatskins: Wet salted (Daissee, Killed) 60,100 pcs. on the basis of Rs. 245 to Rs. 265; Rs. 280 to Rs. 315 and Rs. 360 to Rs. 375; Assam-Dinajpur 30,300 pcs. on the basis of Rs. 260 to Rs. 330; Purneah-Kissenganj 16,500 pcs. on the basis of Rs. 285 to Rs. 310; Pakur-Patna (Ord.) 34,100 pcs. on the basis of Rs. 240 to Rs. 255; Muzafferpore-Patna 70,800 pcs. on the basis of Rs. 290 to Rs. 300.

Bazaar Stocks

(11th March, 1957)
Cowhides: Wet salted 3,32,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 19,000 pcs.; Assam-Dinajpur-Murshidabad 17,500 pcs.; Muzafferpore - Patna-Pakur - Purneah-Kissenganj 1,48,100 pcs.

COMPANY AND PUBLIC NOTICES

THE ALEXANDRA JUTE MILLS LTD.

NOTICE is hereby given that the 102nd Annual General Meeting of the Members of THE ALEXANDRA JUTE MILLS, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Monday, the 15th day of April, 1957, at 4-15 O'clock in the afternoon for the following purposes:—

1. To receive and consider the Profit and Loss Account for the half-year ended 30th June, 1956, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare dividends.
3. To appoint Directors in place of Messrs. R. G. Edwards and A. B. Kingsley, the Directors retiring by rotation at the Meeting.

And in this connection to consider, and if thought fit, to pass the following resolutions which will be proposed as Special Resolutions in conformity with the provisions of Section 261 of the Companies Act, 1956.

- (i) "That Mr. R. G. Edwards be and is hereby appointed a Director of the Company liable to retirement by rotation."
- (ii) "That Mr. A. B. Kingsley be and is hereby appointed a Director of the Company liable to retirement by rotation."

Special Notice dated 9th March, 1957 of the intention to propose the foregoing resolutions as Special Resolutions in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956 has been received by the Company where-in it is stated that Messrs. R. G. Edwards and A. B. Kingsley are "associates" of the Managing Agents within the meaning of the Act by reason of their being Directors of the Company which is a subsidiary of the Managing Agents' Company, and that, therefore, they can only be appointed by special resolutions as Directors of the Company liable to retirement by rotation.

4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following Resolution which will be proposed as a Special Resolution:—

5. That the Articles of Association of the Company be altered in manner following:—
 (a) Articles 82 and 83 shall be deleted and the following new Article substituted therefor:—

82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956, and, subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors. Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. All other meetings of the Company shall be called "Extraordinary General Meetings."

- (b) Article 87 shall be deleted and the following new Article substituted therefor:

87. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.

- (c) In Article 121, line 1, the words "Ordinary Meeting in every subsequent year" shall be deleted and the words "Annual General Meeting to be held in every year" substituted therefor.
- (d) Article 175 shall be deleted and the following new Article substituted therefor:

175. At every Annual General Meeting the Directors shall lay before the Company a Balance Sheet and a Profit and Loss Account made up in accordance with the provisions of Section 210 of the Companies Act, 1956, and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the said Act, so far as they are applicable to the Company, but, save as afore-

said, the Directors shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient.

- (e) In Article 179, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

- (f) In Article 180, lines 1 and 2, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing, shall be deleted and the words "Annual General" substituted therefor.

The Share Transfer Books of the Company will be closed from 1st to 15th April, 1957, both days inclusive.

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

By Order of the Board,
 McLEOD & CO. LTD.,
 A. T. DOIG,
 Managing Director,
 Managing Agents.

3, Netaji Subhas Road,

Calcutta, 18th March, 1957.

Note: Payment of the proposed dividends, if declared, will be made on or after 30th April, 1957, only to those members whose names are registered in the Books of the Company on 15th April, 1957, or to their Mandatees. Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

Explanatory Statement in respect of Special Business

In order to comply with the Articles of Association of the Company, the Company's Accounts have been closed and audited half-yearly and a Profit & Loss Account in respect of each half-yearly period ending on the 30th June, and the 31st December in each year and the Balance Sheet as at each date, have been laid before the Company in General Meetings held twice in every calendar year.

Under the provisions of the Companies Act, 1956, each such half-yearly period has to be regarded as a "financial year" and as a result, the usual half-yearly General Meetings will each be deemed to be an "Annual General Meeting" within the meaning of the Act, thus resulting in two "Annual General Meetings" in each calendar year. Having regard to the obligations imposed on a Company by the Act in respect of every Annual General Meeting, viz. retirement of Directors by rotation, appointment of auditors, and filing of an Annual Return, etc., and the work and expense attending the preparation of the Accounts to be laid before members in conformity with the provisions of the Act, your Directors recommend that the Articles of Association of the Company be amended to provide that the Company's Accounts be closed and audited annually and laid before the Company at an Annual General Meeting in each calendar year. The proposed amendments are set out in Resolution 5 of the convening notice. If this resolution is passed as a Special Resolution, your Directors propose closing the Company's Accounts annually on 31st December in each year, which hereafter will be the closing date of each financial year of the Company. The next Annual General Meeting will, therefore, be held to consider the Accounts for the half-year ended 31st December, 1956, and thereafter the Accounts for a full financial year ending on 31st December will be placed before every subsequent Annual General Meeting.

The foregoing changes will not result in any financial benefit either to the Directors or to the Managing Agents of the Company, and interim dividends may, subject to trading results in a current financial year, be declared by the Directors under Article 161.

TIDE WATER OIL CO. (INDIA) LIMITED.
 THE Board of Directors has today decided to recommend to the forthcoming Annual General Meeting of Shareholders a dividend of Twelve Annas per share without any deduction in respect of taxation payable by the Company for the year ended 31st October, 1956.

By Order of the Board,
 ANDREW YULE & CO., LTD.,
 Managing Agents.

Calcutta, 6th March, 1957.

INDIA PAPER PULP COMPANY LTD.
 THE Board of Directors have today declared an interim Dividend in respect of the year ending 31st March, 1957 at the rate of 7 per cent without any deduction in respect of the taxation payable by the Company.

By Order of the Board,
 ANDREW YULE & COMPANY LIMITED,
 Managing Agents.
 Calcutta, 6th March, 1957.

CHITAVALSAR JUTE MILLS COMPANY LIMITED.

NOTICE is hereby given that the 60th Annual General Meeting of the Members of Chitavalsar Jute Mills Company Limited will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Monday the 15th day of April, 1957 at 3-30 o'clock in the afternoon for the following purposes:—

1. To receive and consider the Profit and Loss Accounts for the half-year ended 30th June, 1956, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare dividends.
3. To appoint a Director in place of Mr. H. J. Silverston, the Director retiring by rotation at the Meeting.

And in this connection to consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956.

"That Mr. H. J. Silverston be and is hereby appointed a Director of the Company liable to retirement by rotation."

Special Notice dated 9th March, 1957 of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956 has been received by the Company where-in it is stated that Mr. H. J. Silverston is an "associate" of the Managing Agents within the meaning of the Act by reason of his being a partner with Mr. A. D. Vickers in the firm of Messrs. Orr, Dignam & Co., Mr. A. D. Vickers being a Director of the Managing Agents' Company, and that, therefore, he can only be appointed by special resolution as a Director of the Company liable to retirement by rotation.

4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

5. That the requirements of Articles 82, 83, 87, 121, 174, 178 and 179 of the Articles of Association of the Company be not complied with in respect of the half-year ended 31st December, 1956.

6. That the Articles of Association of the Company be altered in manner following:—

- (a) Articles 82 and 83 shall be deleted and the following new Article substituted therefor:

82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and, subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors. Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. All other meetings of the Company shall be called "Extraordinary General Meetings."

- (b) Article 87 shall be deleted and the following new Article substituted therefor:

87. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.

- (c) In Article 121, line 1, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor.

- (d) Article 174 shall be deleted and the following new Article substituted therefor:

174. At every Annual General Meeting the Directors shall lay before the Company a Balance Sheet and a Profit and Loss Account made up in accordance with the provisions of Section 210 of the Companies Act, 1956, and such Balance Sheet and Profit & Loss Account

shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the said Act, so far as they are applicable to the Company but, save as aforesaid, the Directors shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient.

- (e) In Article 178, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

- (f) In Article 179, lines 1 and 2, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing, shall be deleted and the words "Annual General" substituted therefor.

The Share Transfer Books of the Company will be closed from 1st April to 15th April, 1957, both days inclusive.

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

By Order of the Board,
 McLEOD & CO. LTD.,
 A. T. DOIG,
 Managing Director,
 Managing Agents.

3, Netaji Subhas Road,

Calcutta, 18th March, 1957.

Note: Payment of the proposed dividends, if declared, will be made on or after 30th April, 1957, only to those members whose names are registered in the Books of the Company on 15th April, 1957, or to their Mandatees. Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

Explanatory Statement in respect of Special Business

In order to comply with the Articles of Association of the Company, the Company's Accounts have been closed and audited half-yearly and a Profit & Loss Account in respect of each half-yearly period ending on the 30th June and the 31st December in each year and the Balance Sheet as at each date, have been laid before the Company in General Meetings held twice in every calendar year.

Under the provisions of the Companies Act, 1956, each such half-yearly period has to be regarded as a "financial year" and as a result, the usual half-yearly General Meetings will each be deemed to be an "Annual General Meeting" within the meaning of the Act, thus resulting in two "Annual General Meetings" in each calendar year. Having regard to the obligations imposed on a Company by the Act in respect of every Annual General Meeting, viz. retirement of Directors by rotation, appointment of auditors, and filing of an Annual Return, etc., and the work and expense attending the preparation of the Accounts to be laid before members in conformity with the provisions of the Act, your Directors recommend that the Articles of Association of the Company be amended to provide that the Company's Accounts be closed and audited annually and laid before the Company at an Annual General Meeting in each calendar year. The proposed amendments are set out in Resolution 6 of the convening notice. In respect of the half year ended 31st December, 1956, it is proposed that the Accounts be not separately prepared and laid before members but that they be embodied in consolidated accounts for the period commencing the 1st July, 1956. Special Resolution 5 in the convening notice suffices to effect this proposal. If Special Resolutions 5 and 6 are passed, the accounts of the Company will be closed on a date subsequent to 31st December, 1956, of which members will be advised later, which hereafter will be the closing date of each financial year of the Company.

The foregoing changes will not result in any financial benefit either to the Directors or to the Managing Agents of the Company, and interim dividends may, subject to trading results in a current financial year be declared by the Directors under Article 160.

MARTIN BURN LIMITED.

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of the Dividend on the Preference Share Capital of the Company at the rate of 5% per annum for the half-year ending 31st March, 1957. The Preference Share Registers will be closed from the 1st April to the 16th April, 1957, both days inclusive. Payment will be made on or after 16th April, 1957, to those Preference Shareholders whose names appear on the Company's Registers on the 31st March, 1957, or in accordance with their instructions.

By Order of the Board,
 A. G. GIDLEY,
 Secretary.

12, Mission Row,
 Calcutta,
 11th March, 1957.

THE EMPIRE JUTE COMPANY, LIMITED

NOTICE is hereby given that the 88th Annual General Meeting of the Members of THE EMPIRE JUTE COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Monday, the 15th day of April, 1957 at 4 O'clock in the afternoon for the following purposes:—

1. To receive and consider the Profit and Loss Account for the half year ended 30th June, 1956, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare Dividends.
3. To appoint a Director in place of Mr. M. R. C. Thomas, the Director retiring by rotation at the Meeting who, being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

5. That the requirements of Articles 82, 83, 87, 121, 176, 180 and 181 of the Articles of Association of the Company be not complied with in respect of the half-year ended 31st December, 1956.

6. That the Articles of Association of the Company be altered in manner following:—

- (a) Articles 82 and 83 shall be deleted and the following new Article substituted therefor:

82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and, subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors. Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. All other meetings of the Company shall be called "Extraordinary General Meetings."

- (b) Article 87 shall be deleted and the following new Article substituted therefor:

87. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.

- (c) In Article 121, line 1, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor.

- (d) Article 176 shall be deleted and the following new Article substituted therefor:

176. At every Annual General Meeting the Directors shall lay before the Company a Balance Sheet and a Profit and Loss Account made up in accordance with the provisions of Section 210 of the Companies Act, 1956, and such Balance Sheet and Profit & Loss Account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the said Act, so far as they are applicable to the Company but, save as aforesaid, the Directors shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient.

- (e) In Article 180, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

- (f) In Article 181, lines 1, 2 and 3, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing, shall be deleted and the words "Annual General" substituted therefor.

The Share Transfer Books of the Company will be closed from 1st April to 15th April, 1957, both days inclusive.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend

and vote in his stead. A proxy need not be a member of the Company.

By Order of the Board,
MCLEOD & CO., LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3. Netaji Subhas Road,
Calcutta, 18th March, 1957.

Note: Payment of the proposed dividends, if declared, will be made on or after 30th April, 1957, only to those members whose names are registered in the Books of the Company on 15th April, 1957, or to their Mandatees. Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

Explanatory Statement in respect of Special Business

In order to comply with the Articles of Association of the Company, the Company's Accounts have been closed and audited half-yearly and a Profit & Loss Account in respect of each half-yearly period ending on the 30th June and the 31st December, in each year and the Balance Sheet as at each date, have been laid before the Company in General Meetings held twice in every calendar year.

Under the provisions of the Companies Act, 1956, each such half-yearly period has to be regarded as a "financial year" and as a result, the usual half-yearly General Meetings will each be deemed to be an "Annual General Meeting" within the meaning of the Act, thus resulting in two "Annual General Meetings" in each calendar year. Having regard to the obligations imposed on a Company by the Act in respect of every Annual General Meeting, viz. retirement of Directors by rotation, appointment of Auditors, and filing of an Annual Return, etc., and the work and expense attending the preparation of the Accounts to be laid before members in conformity with the provisions of the Act, your Directors recommend that the Articles of Association of the Company be amended to provide that the Company's Accounts be closed and audited annually and laid before the Company at an Annual General Meeting in each calendar year. The proposed amendments are set out in Resolution 6 of the convening notice. In respect of the half year ended the 31st December, 1956, it is proposed that the accounts be not separately prepared and laid before members but that they be embodied in consolidated accounts for the period commencing on the 1st July, 1956. Special Resolution 5 in the convening notice suffices to effect this proposal. If Special Resolutions 5 and 6 are passed, the Accounts of the Company will be closed on a date subsequent to 31st December, 1956 of which members will be advised later, which hereafter will be the closing date of each financial year of the Company.

The foregoing changes will not result in any financial benefit either to the Directors or to the Managing Agents of the Company, and interim dividends may, subject to trading results in a current financial year, be declared by the Directors under Article 162.

THE KELVIN JUTE COMPANY, LIMITED.

NOTICE is hereby given that the 98th Annual General Meeting of the Members of The Kelvin Jute Company Limited will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Monday, the 15th day of April, 1957 at 3 O'clock in the afternoon for the following purposes:—

1. To receive and consider the Profit and Loss Account for the half-year ended 30th June, 1956, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare Dividends.
3. To appoint Directors in place of Mr. Gobind-lall Banerjee and Mr. H. J. Silverston, the retiring Directors.

And in this connection to consider, and if thought fit, to pass the following resolution which will be proposed as a Special Resolution in conformity with the provisions of Section 261 of the Companies Act, 1956.

"That Mr. H. J. Silverston be and is hereby appointed a Director of the Company liable to retirement by rotation".

Special notice dated 9th March, 1957 of the intention to propose the foregoing resolution as a Special Resolution in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956 has been received by the Company where-in it is stated that Mr. H. J. Silverston is an "associate" of the Managing Agents within the meaning of the Act by reason of his being a partner with Mr. A. D. Vickers in the firm of Messrs. Orr Dignam & Co., Mr. A. D. Vickers, being a Director of the Managing Agents' Company, and that therefore, he can only be appointed by special resolution as a Director of the Company liable to retirement by rotation.

4. To appoint Auditors and fix their remuneration.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

5. That the requirements of Articles 82, 83, 87, 121, 176, 180 and 181 of the Articles of Association of the Company be not complied with in respect of the half-year ended the 31st December, 1956.

6. That the Articles of Association of the Company be altered in manner following:—

- (a) Articles 82 and 83 shall be deleted and the following new Article substituted therefor:

82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and, subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors. Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. All other meetings of the Company shall be called "Extraordinary General Meetings".

- (b) Article 87 shall be deleted and the following new Article substituted therefor:

87. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Report of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.

- (c) In Article 121 line 1, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor.

- (d) Article 176 shall be deleted and the following new Article substituted therefor:

176. At every Annual General Meeting the Directors shall lay before the Company a Balance Sheet and a Profit and Loss Account made up in accordance with the provisions of Section 210 of the Companies Act, 1956, and such Balance Sheet and Profit & Loss Account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 of the Schedule VI to the said Act, so far as they are applicable to the Company but, save as aforesaid, the Directors shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient.

- (e) In Article 180, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

- (f) In Article 181, lines 1 and 2, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing, shall be deleted and the words "Annual General" substituted therefor.

7. That this meeting approves of lending to the Company of money by McLeod & Company Limited, the Managing Agents of the Company, and the guaranteeing by McLeod & Company Limited of loans made to the Company by any other person, the material terms being as follows:—

- (i) McLeod & Company Ltd. shall, from time to time, when requested by the Company, notify the Company of the rate of interest at which it will lend money to the Company or the rate of guarantee commission in consideration for which it will guarantee a loan made to the Company by any other person specified by the Company, as the case may be, of any limit on the amount which it will so lend or guarantee and of any special terms and conditions as to security or otherwise upon which it will so lend or guarantee on the terms so notified;

- (ii) McLeod & Company Ltd., will then lend to the Company or guarantee the loan to the Company by such other person specified as above, as the case may be, on the terms so notified at any time up to the date so specified, such sum or sums as the Company shall specify within the limit, if any, notified as above;

- (iii) With immediate effect and without prejudice to the foregoing the payment to McLeod & Company Ltd. of a commission of one-half-of-one per centum per annum on the maximum amount guaranteed in any year by

McLeod & Company Ltd. at the request of the Company be and is hereby approved;

- (iv) these arrangements shall not prejudice the right of the Company to borrow money from any person other than McLeod & Company Ltd. and to secure the guaranteeing of a loan made to it by any other person willing to guarantee the same; and

- (v) it is hereby expressly declared that any interest or guarantee commission received by McLeod & Company Ltd. from the Company on or in respect of a loan or guarantee made pursuant to such contract shall not be treated as remuneration paid by the Company to McLeod & Company Ltd. as Managing Agents of the Company.

The Share Transfer Books of the Company will be closed from 1st to 15th April, 1957, both days inclusive.

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

By Order of the Board,
MCLEOD & CO., LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3. Netaji Subhas Road,

Calcutta, 18th March, 1957.

Note: Payment of the proposed dividends, if declared, will be made on or after 30th April, 1957, only to those members whose names are registered in the Books of the Company on 15th April, 1957, or to their Mandatees. Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

Explanatory Statement in respect of Special Business

In order to comply with the Articles of Association of the Company, the Company's Accounts have been closed and audited half-yearly and a Profit & Loss Account in respect of each half-yearly period ending on the 30th June and the 31st December, in each year and the Balance Sheet as at each date, have been laid before the Company in General Meetings held twice in every calendar year.

Under the provisions of the Companies Act, 1956, each such half-yearly period has to be regarded as a "financial year" and as a result, the usual half-yearly General Meetings will each be deemed to be an "Annual General Meeting" within the meaning of the Act, thus resulting in two "Annual General Meetings" in each calendar year. Having regard to the obligations imposed on a Company by the Act in respect of every Annual General Meeting, viz. retirement of Directors by rotation, appointment of auditors, and filing of an Annual Return, etc., and the work and expense attending the preparation of the Accounts to be laid before members in conformity with the provisions of the Act, your Directors recommend that the Articles of Association of the Company be amended to provide that the Company's Accounts be closed and audited annually and laid before the Company at an Annual General Meeting in each calendar year. The proposed amendments are set out in Resolution 6 of the convening notice. In respect of the half year ended the 31st December, 1956, it is proposed that the accounts be not separately prepared and laid before members but that they be embodied in consolidated accounts for the period commencing on the 1st July, 1956. Special Resolution 5 in the convening notice suffices to effect this proposal. If Special Resolutions 5 and 6 are passed on a date subsequent to the 31st December, 1956, of which Members will be advised later, which hereafter will be the closing date of each financial year of the Company.

The foregoing changes will not result in any financial benefit either to the Director or to the Managing Agents of the Company, and interim dividends may, subject to trading results in a current financial year, be declared by the Directors under Article 162.

In the course and for the purpose of the Company's business manies have to be borrowed and it is often necessary as well as expedient to borrow from McLeod & Company Ltd. the Managing Agents of the Company or from banks or other persons, such loans being guaranteed by the Managing Agents. That the Managing Agents should be entitled to interest on money lent by them and remuneration by way of a commission on the loans guaranteed by them is only right and proper. The Companies Act, 1956, provides that a Managing Agent is entitled to receive additional remuneration for services rendered otherwise than as such Managing Agent provided certain formalities are complied with. The services proposed to be rendered by McLeod & Co., Ltd., the Managing Agents, to the Company may be deemed to be a "service" as contemplated in Section 360 of the Act. This Section requires that the arrangements have the approval of the Company in general meeting recorded by special resolution. Special Resolution 7 in the convening notice sets out particulars of the proposed arrangement and your Directors commend its adoption in the interest of the Company.

THE UNITED COMMERCIAL BANK, LIMITED

Registered Office: 2, India Exchange Place, Calcutta-1.

NOTICE

NOTICE IS HEREBY GIVEN that the FOURTEENTH ANNUAL GENERAL MEETING of the Shareholders of THE UNITED COMMERCIAL BANK, LIMITED, will be held at the Registered Office of the Bank at 2, India Exchange Place, Calcutta, on Thursday, the 18th April 1957, at 4 P.M. to transact the following business:—

1. To receive and adopt the Report of the Directors and the Audited Balance Sheet as on 31st December, 1956, and Profit & Loss Account for the year ended 31st December, 1956.
2. To declare a dividend.
3. To elect four Directors in the place of

Shri G. D. Birla
Shri M. R. Ruia
Shri G. D. Kothari
Shri Yogindra N. Mafatlal

who retire under Article 95 of the Articles of Association of the Bank, and being eligible, offer themselves for re-election.

4. To appoint Auditors for the current year and to fix their remuneration.
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as a SPECIAL RESOLUTION:

"That the regulations contained in the printed document submitted to this meeting, and for the purpose of identification subscribed by the Chairman thereof, be and are hereby approved and adopted as the Articles of Association of the Company, in substitution for, and to the exclusion of all the existing Articles of Association thereof."

- Note:** 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing the proxy shall be deposited with the Registered Office of the Bank not less than 48 hours before the time for holding the meeting.

2. (a) The transfer books of the Bank will be closed from Monday, the 25th March 1957 to Thursday, the 18th April 1957 both days inclusive.

- (b) The dividend, if sanctioned, will be payable on and after the 19th April, 1957, to those Shareholders whose names appear in the Register of Members on Thursday, the 18th April 1957.

- (c) Dividend warrants will be posted to Shareholders at their registered addresses or in accordance with their mandates. Shareholders are requested to advise change in their addresses, if any.

EXPLANATORY STATEMENT REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956.

(a) The item of Special Business to be transacted at the Annual General Meeting to be held on the 18th April 1957 is to consider and pass a Special Resolution adopting a new set of Articles of Association.

(b) The existing Articles of Association of the Bank were framed in 1943 when the Bank was incorporated under the Indian Companies Act, 1913. Since then, the Companies Act, 1956, has come into force and has effected considerable changes in the law and procedure relating to Companies. Further, the Banking Companies Act, 1949, has also effected other changes.

(c) Several of the changes which came into force as a result of the new Acts affect, and are in conflict with, some of the Articles of Association of the Bank which consequently require amendment to bring them into line with the amended provisions of the Companies Act, 1956, and the Banking Companies Act, 1949, and certain new provisions in the Acts for the regulation of companies need to be incorporated in the Articles for the guidance of members and the Directors.

(d) As the alterations are many it has been considered desirable to substitute a new set of Articles for the present Articles of Association of the Bank. The proposed alterations fall into the following categories:—

- (i) Alterations made to comply with the provisions of the Companies Act, 1956 and/or Banking Companies Act, 1949 where the present Articles are in conflict with such provisions;
- (ii) Alterations which, though not essential for removal of a conflict between the present Articles and the provisions of the Act, have been considered desirable as a result of such provisions.
- (iii) Alterations resulting in either improvement of language used or made with a view to bringing the existing Articles into line with modern practice.
- (iv) Alterations which relate to the position of Directors regarding their rights and obligations under the Act.

- (v) Deletion of obsolete Articles.

- (vi) A few alterations not falling under any of the above categories but considered desirable.

- (c) The Directors have no interest in any of the amended Articles except Article 87 which replaces existing Article 92 and clarifies that remuneration payable to Directors for attending meetings of Committees of the Board of Directors and defines the mode of payment for travelling and other expenses for attending meetings, which is the same as the basis on which they are being paid all along.

- (f) Copies of the draft of the proposed new Articles of Association and of the existing Articles of Association may be inspected by any shareholder at the Registered Office of the Bank at 2, India Exchange Place, Calcutta, between the hours of 10 A.M. and 4 P.M. on any working day except Saturday and the hours of 10 A.M. and 12 Noon on Saturdays.

By Order of the Board,

S. T. SADASIVAN,
General Manager.

Calcutta 12th March, 1957.

THE SAMNUGGER JUTE FACTORY COMPANY LIMITED.

The Directors of this Company have declared:—

- (1) On the ordinary shares a dividend of 3% for the year ended 31st December, 1956; and
- (2) On the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December, 1956.

These dividends will be paid on 29th March, 1957, less Income Tax at 8/6d. per £ and the Transfer Books will be closed from 15th to 29th March, 1957, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December, 1956.

Preliminary figures for the year ended 31st December, 1956 show Trading Profit £37,620 (less £25,741), Income from Investments £20,113 (£30,045), Net Profit after Taxation £24,600 (less £9,139), net interim dividend on preference shares already paid £2,588, net dividends now declared £12,937, Depreciation written off £10,000 (Nil) and estimated carry forward £58,069 (£58,994).

P. WILLIAMS,
Secretary.

Dundee, 12th March, 1957.

THE VICTORIA JUTE COMPANY LIMITED.

The Directors of this Company have declared:—

- (1) On the ordinary shares a dividend of 3% for the year ended 31st December, 1956; and
- (2) On the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December, 1956.

These dividends will be paid on 29th March, 1957, less Income Tax at 8/6d. per £ and the Transfer Books will be closed from 15th to 29th March, 1957, both days inclusive.

At the Annual General Meeting the Directors will not recommend payment of any further dividend for the year ended 31st December, 1956.

Preliminary figures for the year ended 31st December, 1956, show Trading Profit £24,278 (less £16,091), Income from Investments £14,957 (£22,794), Net Profit after Taxation £14,864 (less £5,240), net interim dividend on preference shares already paid £2,588, net dividends now declared £9,487, Depreciation written off £10,000 (Nil), and estimated carry forward £73,290 (£80,501).

P. WILLIAMS,
Secretary.

Dundee, 12th March, 1957.

THE UNITED COMMERCIAL BANK LIMITED

NOTICE

Closing of Share Register & Transfer Books

NOTICE is hereby given that Register of Members and Transfer Books of The United Commercial Bank Limited will be closed from Monday, the 25th day of March to Thursday, the 18th day of April 1957, both days inclusive.

By Order of the Board,

S. T. SADASIVAN,
General Manager.

Calcutta, 7th March, 1957.

MARTIN BURN LIMITED.

Convertible Notes.

NOTICE is hereby given that interest for the half-year ending 31st March, 1957, will be paid on or after that date to those holders of Convertible Notes whose names appear on the Company's Register on the 31st March, 1957, or in accordance with their instructions.

A. G. GIDLEY,
Secretary.

12, Mission Row,
Calcutta,
11th March, 1957.

EASTERN INVESTMENTS LIMITED

NOTICE is hereby given that an Annual General Meeting of EASTERN INVESTMENTS LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, at 3.30 P.M. on Friday, the 29th day of March, 1957, for the following purposes:—

1. To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1956 and to receive the Directors' and Auditors' Reports thereon.
2. To declare the Dividends recommended by the Directors.
3. To appoint Directors in the places of retiring Directors.
4. To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from 16th March, 1957 to 29th March, 1957 both days inclusive.

By Order of the Board,

BIRD & CO. (PRIVATE) LIMITED,
Secretaries.

Chartered Bank Buildings,

Calcutta, 27th February, 1957.

Note:

- (a) A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

- (b) The Dividends, if declared, will be paid on or after 5th April, 1957, to those Shareholders so entitled whose names appear in the Company's books on the 29th March, 1957 or to their Mandatees. No application for Dividend Warrants will be necessary.

THE TITAGHUR JUTE FACTORY COMPANY LIMITED.

THE Directors of this Company regret that they are unable to recommend payment of any dividend on the ordinary shares for the year ended 31st December, 1956.

The Directors have declared on the preference shares the dividend at the rate of 6% per annum for the half-year ended 31st December, 1956. This dividend will be paid on 29th March, 1957, less Income Tax at 8/6d. per £ and the Transfer Books will be closed from 15th to 29th March, 1957, both days inclusive.

Preliminary figures for the year ended 31st December, 1956 show Trading Loss £50,634 (loss £37,076), Income from Investments £29,597 (£45,563), Net loss after Taxation £53,489 (loss £11,243), Net Interim dividend on preference shares already paid £2,588, net dividend now declared £2,587, Depreciation written off £10,000 (Nil) and estimated carry forward £14,884 (£23,548).

P. WILLIAMS,
Secretary.

Dundee, 12th March, 1957.

The Company Meetings and Dividends Table appears on page 367

JARDINE HENDERSON, LIMITED.

NOTICE is hereby given that an Interim Dividend at the rate of 2% per cent. less Indian Income-tax thereon, will be paid to the Registered holders as on the 6th April, 1957, of the 50,000 Cumulative Preference Shares of Rs. 100 each in the Company in respect of the year ending 31st March, 1957.

The Share Transfer Books of the Preference Shares will be closed from 28th March to 6th April, 1957, both days inclusive.

By Order of the Board,

D. FORDWOOD,
Secretary.

4, Clive Row,
Calcutta-1, 7th March, 1957.

THE ELGIN MILLS COMPANY LTD.

NOTICE is hereby given that the Share Transfer Books of the Company will be closed from 30th March to 16th April, 1957, both days inclusive.

By Order of the Board,

P. P. BEGG, SUTHERLAND & CO. PTE. LTD.,
E. C. CALDWELL,
Registrar,
Managing Agents.

KANPUR, U.P., 9th March, 1957.

MACNEILL & BARRY, LIMITED.

NOTICE is hereby given that payment of the Half-yearly Interest on the 5% Debenture Stock 1966-71 of the Company will be made on 1st April, 1957, to those Stockholders whose names appear on the Company's Register on that date or in accordance with their instructions.

MACNEILL & BARRY LTD.,
J. H. G. WHITFIELD,
Acting Secretary.

2, Fairlie Place,
Calcutta-1, 12th March, 1957.

All rights reserved.

Wednesday 13th March, 1957.

GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.	Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY				
2,48,31,47,000	3	1946	1986 or later	74½	90,24,200	4	1914	1974	99	36,50,000	4	1904	1964	98
			At the option of the Government of India after 3 months' notice.	73½	76,90,100	4	1915	1975	99	35,00,000	4	1905	1965	98
9,93,35,000	3	1896-97			68,02,300	3	1921	1st 1981	82	15,00,000	4	1906	1967	98
					1,50,00,000	3½	1921	2nd 1981	144N	44,00,000	4	1907	1968	98
57,00,69,000	2½	1946	1961	93½	£892,600	5	1923	1953-83	£79	75,00,000	4	1908	1969	98
45,53,07,000	2½	1946	1960	96½	£901,000	5	1924	1954-84	£79½	40,00,000	4	1909	1970	98
50,35,63,000	3	1951	1958	99½						56,00,000	4	1910	1971	98
1,16,17,46,000	3	1938	1963-65	94½						75,00,000	4	1911	1972	98
1,10,11,78,000	3	1943	1966-68	92½										
75,86,72,000	2½	1947	1962	93½						BOMBAY				
		2nd issue	1962	93½	1,49,49,500	5	1927	1957-87	101½	50,00,000	4	1899	1959	99½
30,33,10,000	3	1950	1964	94½	1,49,30,000	5	1928	1958-88	102½	30,00,000	4	1901	1961	99½
14,77,48,000	2½	1946	1976	83½						30,00,000	4	1902	1962	99½
63,30,26,000	4	1926	1960-70	101	80,00,000	4	1931	1961	95	60,00,000	4	1903	1963	99½
1,15,05,83,000	3	1945	1970-75	87½	£835,100	3½	1932	1962	£91½	£892,600	5	1923	1953-83	£87½
1,14,06,89,000	3	1944	1967	90½	60,00,000	3	1935	1965	97½	£901,000	5	1924	1954-84	£87½
5,85,73,000	4½	1928	1968-68	102½	50,00,000	3	1946	1976	84½	£835,100	5½	1932	1962	£96
75,29,00,000	3½	1953	1961	99½						MADRAS				
1,13,65,64,000	3	1945	1959-61	97½	50,00,000	3	1945	1-2-2005	74	31,47,169	3½	1947	1977	A
1,58,17,07,000	3½	1954	1964	98½	50,00,000	3	1945	1-2-1975	85	9,88,000	3	1947	1977	A
1,03,67,92,000	3½	1955	1965	98½	2,31,07,100	3½	1936-37	1956-66	95½	3,00,000	3	1949	1979	A
33,82,00,000	3½	1956	1966	98½	25,00,000	3	1938	1963-68	90					
66,64,00,000	3½	1956	1966	98½	50,00,000	3	1946	2006	74					
57,27,00,000	3½	1956	1962	97½	50,00,000	2½	1947	1977	79½					
					50,00,000	2½	1948	1978	83½					
					50,00,000	2½	1949	1959	97					
					50,00,000	3	1949	1959	97					
					50,00,000	3	1950	1960	95½					
					50,00,000	3	1951	1961	81½					
					50,00,000	3½	1951	1961	98½					
					50,00,000	4	1953	1963	100					
					90,00,000	4	1955	1965	98½					
					77,00,000	4	1956	1966	97½					
										A=Held by the Govt. of India.				

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares (If any)	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until	13-3-57	6-3-57	A year ago
Rs	Rs	Rs	Rs				Rs	Rs	1954 1955 1956	Rs	Rs	Rs	Rs	Rs
25,50,000	27,30,536	25,05,000	3,69,797	Amalgamated	3-8	236	2,92,390	28,619	3-8 5 5-1-74 5-...	10	181	181	23	23
1,00,00,000	1,96,15,238	1,40,49,225	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	7-1-74 8-1-81	200	459	443	523	7
4,49,350	5,08,192	70,000	2,24,300	Bengal Bhatdee	5-12	2	15,149	4,951	11-1-11	10	68	68	7	16
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil-Nil	10	16	16	16	16
15,97,000	14,16,666	6,91,471	13,32,376	Bhalgarh	9	152	8,13,899	39,978	Nil-Nil-Nil	10	62	62	91	5
40,00,000	68,01,474	20,23,235	32,65,321	Bharat Collieries P	6	335	2,52,221	27,438	6-1-74 6-1-74	10	61	61	144	81
7,15,000	15,63,291	14,29,045	68,704	Bhulanbarree	6-12	106	20,811	1,87,446	Nil-Nil-Nil	10	142	142	144	144
16,00,000	18,87,271	16,18,634	7,185	Bokare & Ramgur	6-12	315	1,21,936	79,196	Nil-Nil-Nil	10	121	121	201	191
7,50,000	18,86,889	24,29,026	11,60,066	Borree P	5-12	106	2,14,682	84,207	10-1-11 10-1-11	10	201	201	214	214
90,92,480	2,39,17,614	1,75,02,136	28,93,839	Burrakur P	6-12	21	7,43,659	38,168	2-1-74 3-1-74 3-1-74	10	211	211	14	14
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	2-1-74 2-1-74	5	62	62	74	74
6,00,000	16,67,572	13,30,511	15,752	Central Kurkand P	6-12	323	34,743	82,768	2-1-74 2-1-74	10	121	121	11	11
16,00,000	24,00,428	1,43,671	7,32,536	Churulia	6-12	106	20,811	1,87,446	Nil-Nil-Nil	10	142	142	38	38
2,240,000	2,239,116	2,313,125	50,309	Chum Main	6-12	19	60,039	1,83,318	Nil-Nil-Nil	10	51	51	64	64
29,63,760	1,15,25,711	83,55,049	24,17,691	East Indian	6-12	128	8,96,155	4,58,922	18-1-74 18-1-74	10	261	261	221	221
8,00,000	8,74,708	2,07,486	3,32,971	Equitable P	6-12	19	2,975	24,844	2-1-74 2-1-74	10	15	15	16	16
6,50,000	5,06,857	3,31,155	4,95,444	Ghuskie & Muslia	3	307	12,979	24,844	7-1-74 7-1-74	10	15	15	16	16
8,00,000	3,17,786	1,25,000	7,92,425	Juzdar Kajora	6-12	20	2,41,500	2,491	Nil-Nil-Nil	10	13	13	14	14
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	6-12	19	2,70,524	45,985	7-1-74 7-1-74	10	231	231	201	201
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	2-8	2	1,38,130	2,21,237	Nil-Nil-Nil	10	221	221	23	23
5,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil-Nil	100	131	141	23	23
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil-Nil-Nil	100	97	97	165	165
6,00,000	10,29,548	16,60,000	11,25,332	Katras Jherriah	1-7	2	5,92,347	1,33,475	28-2-74 25-3-74	100	97	97	91	91
1,38,400	6,75,000	95,000	11,89,294	Khas Kajora P	6-12	326	49,776	1,918	28-2-74 25-3-74	100	97	97	91	91
5,65,750	10,84,977	85,000	9,599	Mundulpur	6-12	326	49,776	1,918	28-2-74 25-3-74	100	97	97	91	91
7,48,240	3,46,939	2,00,000	10,14,803	Nazari	6-12	326	49,776	1,918	28-2-74 25-3-74	100	97	97	91	91
7,00,000	5,13,418	26,611	61,641	New Bansdeopur	3-9	347	92,517	31,201	5-1-74 5-1-74	10	612	612	7	7
17,76,230	31,15,787	20,01,762	3,78,538	New Beerbhoom P	3-9	347	92,517	31,201	5-1-74 5-1-74	10	612	612	7	7
6,00,000	11,11,646	75,000	46,891	New Manbhoom	3-9	347	92,517	31,201	5-1-74 5-1-74	10	612	612	7	7
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	46,201	7,954	5-1-74 5-1-74	10	17	17	191	191
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	5-1-74 5-1-74	10	171	171	191	191
7,50,000	1,20,000	12,19,887	23,26,757	Orndal P	6-12	106	22,197	56,646	5-1-74 5-1-74	10	171	171	191	191
8,34,000	9,21,342	10,88,621	1,34,374	Parasea P	6-12	106	22,197	56,646	5-1-74 5-1-74	10	171	171	191	191
15,75,000	13,39,442	16,50,000	13,39,442	Pure Valley	3-5	236	2,48,291	33,734	7-1-74 7-1-74	10	151	151	181	181
2,50,000	2,62,400	7,500	11,531	Pure Sitapur	6-12	79	3,67,442	23,188	7-1-74 7-1-74	10	161	161	61	61
23,98,500	36,99,424	20,17,105	67,893	Raneegunge	6-12	79	3,67,442	23,188	7-1-74 7-1-74	10	161	161	61	61
8,89,001	10,45,115	15,51,501	14,29,642	Rewa	6-12	236	1,44,394	15,614	7-1-74 7-1-74	10	111	111	221	221
20,00,000	23,74,261	1,52,027	1,01,427	Samla	12	48	1,80,660	31,543	7-1-74 7-1-74	10	121	121	151	151
2,50,000	1,56,194	1,34,374	11,356	Searsole	1	350	88,009	11,078	30-1-74 30-1-74	10	51	51	81	81
2,80,000	10,92,193	8,36,508	7,87,726	Seebore P.	6-12	2	2,42,112	49,299	14-2-74 14-2-74	10	291	291	34	34
8,00,000	23,624	5,29,306	6,32,757	Sendra	5-12	106	59,079	51,533	14-2-74 14-2-74	10	91	91	101	101
17,50,000	22,81,985	10,75,016	83,654	South Karanpura	2-8	21	59,079	51,533	14-2-74 14-2-74	10	91	91	101	101
8,00,000	1,42,060	14,01,053	23,80,817	Standard	12	106	70,093	17,411	7-1-74 7-1-74	10	201	201	211	211
10,00,000	15,58,085	15,075	1,910	Talcher	6-12	277	22,689	3,85,056	Nil-Nil-Nil	21	21	21	31	31
3,50,000	4,62,000	3,47,000	12,836	Union	6-12	279	54,089	9,659	5-2-74 5-2-74	10	131	131	161	161
49,98,000	33,66,553	50,000	2,17,164	Western Bengal	6-12	166	4,09,468	7,262	5-2-74 5-2-74	10	6	6	61	61
7,00,000	3,66,170	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,656	Nil-Nil-Nil	10	81	81	131	131

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares (if any)	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up Capital Share	Latest Market Quotation as available until		A year ago
	Spindles	Looms									1954	1955	1956		13-3-57	6-3-57	
Ra			Ra	Ra	Ra				Ra	Ra			Ra	Ra	Ra		
15,00,000	14,106	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	..	..	10	51	51	51	
32,72,340	22,197	505	47,69,576	24,531	23,18,009	Benares P	3-9	121	-1,27,187	-4,79,347	..	..	10	4	4	38	
7,11,286	932	924	17,17,120	2,20,369	30,842	Bengal Luxmi	1	27	4,66,176	47,818	10	..	40	40	10	101	
27,00,000	11,476	824	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	3-12	236	-5,23,389	18,199	NU	..	10	71	71	101	
15,00,000	38,764	992	28,31,200	88,48,588	1,22,417	Birsa Cotton	1	42	16,69,225	2,76,936	30	30	15	10	304	304	
6,00,000	12,872	641	17,54,142	22,72,588	1,44,344	Bowree P	3-12	136	94,028	-23,47,371	NU-11	NU-11	..	100	1161	123	
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	35	6,73,253	36,767	NU-11	NU-11	..	6	71	310	
3,27,02,900	1,01,808	2,762	3,94,63,168	2,74,48,390	1,94,83,800	Delhi Cloth & Genl P.	6	231	1,81,41,278	82,759	9	9	25	36	36	38	
1,00,363	1,00,363	7,62	3,94,63,168	2,74,48,390	1,94,83,800	Delhi Cloth & Genl P.	6	231	1,81,41,278	82,759	9	9	25	36	36	38	
19,00,000	12,944	318	34,12,181	25,11,422	1,53,848	Dunbar	6-12	136	9,92,372	1,37,951	NU-11	NU-11	..	100	191	177	
63,00,000	34,000	1,200	22,44,751	58,33,361	43,06,584	Elgin P	6	25	32,80,464	93,386	10	10	..	25	25	27	
1,80,00,000	9,29,561	1,872	1,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	32	37,41,719	2,45,435	83	83	20	141	141	161	
33,96,288	15,864	864	17,48,143	3,75,679	74,08,655	Mohini P	12	45	5,53,311	3,158	..	..	25	..	..	..	
30,00,000	38,000	1,825	47,44,344	52,19,601	12,65,055	Muir P	12	204	18,77,941	7,77,294	..	..	10	75	75	107	
22,89,882	18,846	1,367	43,25,577	26,00,968	1,48,701	New Victoria P	12	204	18,77,941	7,77,294	..	..	100	111	111	111	
19,47,750	23,196	795	22,57,946	16,38,739	2,02,179	Rampoora Cotton	6	4	16,16,936	1,094	NU	NU	10	161	161	111	
5,00,00,000	3,196	795	22,57,946	16,38,739	2,02,179	Rampoora Cotton	6	4	16,16,936	1,094	NU	NU	10	161	161	111	
17,50,000	1,14,836	2,077	2,83,77,688	4,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,08,025	71	71	100	121	121	111	
1,57,50,000	1,14,836	2,077	2,83,77,688	4,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,08,025	71	71	100	121	121	111	
40,50,000	48,754	1,310	31,31,708	1,89,73,211	43,89,974	Bangalore W C Silk F	12	46	56,34,938	2,38,649	30	30	100	5981	585	590	
1,78,47,800	1,20,012	2,770	1,20,71,600	1,87,39,278	23,80,514	Bangalore W C Silk F	12	46	56,34,938	2,38,649	30	30	100	5981	585	590	
20,00,000	28,000	1,800	18,03,003	20,32,374	11,26,526	Bombay Cotton	12	184	16,37,791	51,404	10	10	100	183	182	171	
12,00,000	23,654	407	14,15,992	9,00,000	46,53,501	Bombay Cotton	12	184	16,37,791	51,404	10	10	100	183	182	171	
20,76,900	12,832	407	14,15,992	9,00,000	46,53,501	Bombay Cotton	12	184	16,37,791	51,404	10	10	100	183	182	171	
6,50,000	50,640	295	12,25,506	7,98,681	22,221	Bombay Spg & Wvg	6	44	2,52,344	10,23,344	..	..	50	92	91	315	
24,00,000	30,512	200	60,83,320	17,90,900	4,09,950	Kothari Textile P	12	141	6,24,560	42,942	6	10	100	335	335	315	
23,64,000	48,756	..	15,01,051	21,70,200	78,300	Lakshmi	12	184	31,41,248	2,209	..	..	100	138	142	190	
1,75,02,480	1,65,324	..	15,02,101	21,70,200	78,300	Lakshmi	12	184	31,41,248	2,209	..	..	100	138	142	190	
12,00,000	21,854	..	14,13,189	1,13,81,878	31,04,681	Madura	12	106	77,86,509	18,86,811	20	20	15	484	473	551	
60,00,000	44,252	603	20,49,893	69,00,000	19,41,251	Malabar Spg & Wvg	12	244	4,44,184	-80,184	..	..	100	109	109	109	
31,61,781	3,000	..	14,15,992	3,80,278	1,32,898	Mettrur Industries	6	29	18,49,473	45,835	35	62	100	4421	4421	101	
4,00,000	20,137	NU	1,36,608	5,00,000	4,24,400	Mysore Spur Silk	12	142	1,753	..	..	..	100	4421	4421	101	
7,78,700	15,544	616	1,42,111	2,43,421	1,65,311	Nandan Andavar P	12	30	7,84,454	2,687	..	..	100	147	147	147	
7,00,000	28,104	270	12,98,563	18,23,501	11,71,324	Sitaran Spg & Wvg	12	164	87,729	3,083	..	..	100	147	147	147	
						Vasanta P	12	47	16,37,454	3,083	..	..	100	147	147	147	

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Average under Tea	Dividend and Average Price realised for crop						Settlement	NAMES	Accounts closed	Managing Agents	Net Profit including Taxation	Dividends per cent			Paid-up Capital	Latest Market Quotations as available until					
				1954											1955	1956	1957		1958	1959	1960	1961	1962	1963
				Lbs	As	P	As	Lbs	As																P
Rs.	Rs.	Rs.		Lbs	As	P	Lbs	As	P	Lbs			Rs.	1955	1956	1957	Rs.	Rs.	Rs.	Rs.				
CACHAR																								
3,00,000	1,40,887	1,75,000	862	2,89,940	39-11	..	..	..	..	Aruttipore	12	38	1,72,877	Nil	..	..	10	12	12	12				
4,00,000	3,20,259	49,878	465	3,90,263	10-10	..	..	8,40,392	..	Baitakhal	12	35	43,907	..	..	..	10	7	7	10				
10,00,000	18,22,881	5,88,800	1,436	1,00,450	4-2-57	7,07,748	4-0	7,44,000	..	Central Cachar	12	128	2,28,232	Nil	7	..	100	67	66	101				
2,00,000	57,753	Nil	794	3,91,326	38-4	3,91,440	28-6	4,40,000	..	Chandapore	12	128	49,892	Nil	Nil	4	100	65	65	116				
7,00,000	7,07,190	11,00,000	549	1,59,926	35-0	16,36,400	24-1	16,00,000	..	Eastern Cachar	12	202	33,600	Nil	Nil	10	100	91	91	9				
12,00,000	17,92,487	11,50,000	1,153	1,59,926	35-0	16,36,400	24-1	16,00,000	..	Hatikura	12	202	2,46,355	25	40	74	10	101	173	253				
4,30,000	3,12,914	1,24,291	503	4,49,507	27-6	3,48,445	27-6	3,36,000	..	Kalinugarg Khoreal	12	313	31,571	Nil	15	..	100	102	102	1101				
3,00,000	4,20,000	5,50,000	1,368	4,33,267	37-0	7,06,038	26-7	8,00,000	..	Kunchupore	12	35	33,915	Nil	27	Nil	10	101	101	194				
2,59,050	3,18,608	Nil	509	3,68,960	38-0	4,86,980	23-11	4,80,000	..	North Western Cachar	12	35	3,68,196	Nil	20	15	100	264	264	264				
2,00,000	4,34,515	3,56,592	618	4,34,515	36-4-57	6,76,240	23-11	6,40,000	..	Pathamara P.	12	202	2,49,491	Nil	Nil	Nil	10	101	101	194				
5,20,000	8,87,291	10,42,956	888	8,76,900	41-11	7,25,980	29-3	6,00,000	..	Rongacherra	12	165	1,16,999	Nil	10	15	10	22	22	24				
4,00,000	5,88,416	1,52,314	562	4,49,338	36-7-15	..	..	..	..	Rungamattre	12	35	2,38,825	20	35	20	50	97	97	138				
3,75,000	5,02,307	4,31,256	1,056	4,63,326	..	..	..	..	..	Sonai River P.	12	14	3,73,677	Nil	12	1	10	15	15	19				
										Tilkab	12	35	5,22,670	Nil	20	..	10	12	12	101				
DARJEELING																								
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	..	Bloomfield	12	101	99,904	Nil	Nil	Nil	10	2	2	4				
2,79,400	3,07,560	1,25,000	407	1,41,174	52-0	1,44,772	46-8	1,76,000	..	Lhamong	12	279	40,551	Nil	20	Nil	10	15	15	15				
3,75,000	4,75,800	3,11,926	991	1,35,780	32-5	1,27,760	38-9	1,28,000	..	Darj Tea Chinchona	12	159	1,15,895	Nil	40	..	100	175	175	250				
2,00,000	1,84,414	1,62,679	506	1,35,780	32-5	1,27,760	38-9	1,28,000	..	Jitaram	12	200	27,865	Nil	21	Nil	100	190	190	250				
2,00,000	5,08,900	3,44,549	906	5,34,146	38-3	6,18,730	42-3	6,72,000	..	Jijela P.	12	14	62,814	Nil	25	Nil	10	25	25	434				
7,00,000	6,59,000	2,60,770	1,049	6,54,146	38-3	6,18,730	42-3	6,72,000	..	Jijela P.	12	14	62,814	Nil	25	Nil	10	25	25	434				
10,32,000	1,25,076	1,11,111	761	1,25,076	18-8	..	..	..	..	Jijela P.	12	279	1,52,945	20	50	25	10	25	25	304				
4,00,000	3,12,081	4,00,225	816	3,39,040	37-11	3,53,520	36-7	3,68,000	..	Longview	12	165	3,04,827	10	10	10	11	11	13	13				
1,59,000	2,06,770	3,50,239	463	1,82,082	52-4	1,63,443	50-6	1,84,000	..	Margaret's Hope	12	165	36,658	7	30	Nil	10	163	163	181				
2,89,000	3,67,500	2,95,009	689	4,33,016	33-4	4,34,342	36-0	4,40,000	..	Mim	12	1	65,269	10	40	15	100	255	255	300				
1,00,000	2,23,710	97,647	365	1,81,152	35-3	1,68,126	38-4	1,90,000	..	Nagri Farm	12	279	91,100	20	50	15	10	221	271	271				
3,40,000	4,42,688	2,61,118	776	4,42,688	..	..	..	..	..	Kayati P.	12	35	55,958	Nil	37	Nil	100	600	600	600				
3,00,000	3,83,067	4,09,567	500	4,68,997	30-8	1,64,824	37-11	1,76,000	..	Pashok	12	135	55,958	Nil	30	..	10	141	141	20				
2,05,000	4,30,000	2,07,812	570	1,58,141	38-8	1,27,541	35-11	1,60,000	..	Pashok	12	63	55,958	2	15	Nil	10	9	9	15				
1,40,000	1,69,062	4,65,653	341	1,80,721	38-4	1,87,840	41-4	1,76,000	..	Rungtong Runglot	12	14	15,953	Nil	10	Nil	10	10	10	16				
3,00,000	3,33,822	1,36,462	389	1,77,704	33-2	1,59,385	35-0	1,68,000	..	Seevok	12	63	33,455	17	50	20	100	408	408	390				
6,25,000	3,98,413	1,41,414	747	2,55,335	47-4	..	..	..	..	Singlet	12	63	1,07,336	2	15	Nil	10	13	13	20				
9,00,000	9,08,557	1,54,419	682	2,55,335	47-4	..	..	..	..	Singlet	12	113	45,941	Nil	Nil	..	100	21	181	307				
3,00,000	3,24,400	4,10,000	594	3,24,400	40-3	2,90,650	41-11	3,24,000	..	Singlet	12	101	39,380	Nil	5	11	10	6	6	7				
6,25,000	12,36,873	5,74,583	332	4,76,907	34-5	3,74,800	39-3	3,84,000	..	Singlet	12	279	1,56,165	30	50	30	10	30	30	304				
3,20,000	4,40,947	10,86,234	718	4,40,947	41-11	4,11,347	..	4,00,000	..	Teesta Valley	12	165	57,883	Nil	71	Nil	10	10	10	91				
8,01,356	11,54,000	2,62,417	1,666	7,11,345	50-5	7,09,403	34-4	8,80,000	..	Tukvar	12	14	90,088	15	40	15	10	383	383	444				
											12	279	3,06,860	Nil	10	Nil	10	111	111	124				
DUARS																								
27,00,000	19,11,197	24,25,000	2,549	30,81,690	51-2	30,69,367	31-9	33,20,000	..	Banarhat P.	12	4	11,23,882	45	120	25	100	318	324	318				
6,00,000	20,30,782	19,29,000	1,105	13,91,420	43-7	14,32,132	32-1	14,00,000	..	Baradighi	12	128	3,17,533	30	85	30	10	252	252	252				
9,00,000	9,80,500	16,53,306	1,117	14,15,840	41-10	14,18,240	29-8	13,60,000	..	Baradighi	12	165	3,78,003	30	65	25	10	252	252	252				
9,00,000	14,52,896	11,61,394	1,367	11,96,881	52-0	11,04,658	32-3	12,80,000	..	Birpara P.	12	63	1,67,717	Nil	20	5	100	160	160	126				
6,00,000	8,48,764	7,74,645	902	6,04,104	55-10	6,10,033	29-7	5,60,000	..	Carron	12	63	1,67,717	Nil	20	5	100	160	160	126				
6,00,000	6,91,678	10,50,000	903	10,58,386	49-4	10,82,880	31-11	11,60,000	..	Channabhatti P.	12	63	1,28,962	22	25	7	100	160	160	126				
3,00,000	4,47,806	3,00,192	300	4,01,294	43-4	3,84,267	30-7	4,48,000	..	Channabhatti P.	12	63	1,28,962	22	25	7	100	160	160	126				
1,20,000	1,25,171	2,64,901	285	2,24,800	49-4	2,12,726	26-9	2,40,000	..	Channabhatti P.	12	63	1,28,962	22	25	7	100	160	160	126				
5,00,000	7,87,048	8,00,000	1,253	7,87,048	49-4	8,75,280	35-0	8,40,000	..	Channabhatti P.	12	63	1,28,962	22	25	7	100	160	160	126				
10,00,000	17,49,550	22,55,502	1,022	12,26,090	47-11	12,20,160	27-11	..	..	Channabhatti P.	12	63	1,28,962	22	25	7	100	160	160	126				
24,00,000	37,95,527	49,07,736	4,427	30,88,842	47-11	27,90,549	29-0	31,20,000	..	Channabhatti P.	12	63	1,28,962	22	25	7	100	160	160	126				
82,00,000	53,65,929	64,68,285	12,367	53,71,277	41-11	60,72,776	36-2-3	62,56,000	..	Channabhatti P.	12	63	1,28,962	22	25	7	100	160	160	126				
7,00,000	10,98,000	17,14,718	1,472	16,37,368	42-11	17,67,246	26-11	17,20,000	..	Hudibari	12	14	5,25,271	25	60	10	10	271	271	271				
9,00,000	13,88,809	15,10,000	907	14,86,400	44-2	14,82,400	28-7	15,60,000	..	Jaypirpara	12	14	2,77,456	22	30	12	10	135	251	324				
2,00,000	12,59,500	13,04,319	931	11,46,814	39-4	12,06,832	39-10	12,00,000	..	Killcot	12	63	1,28,962	22	25	7	100	160	160	126				
9,00,000	15,71,057	18,15,032	1,125	16,93,538	49-4	17,98,888	28-1	10,00,000	..	Manabbarrie	12	217	5,69,151	10	41	10	10	211	211	208				
14,00,000	8,81,962	18,45,000	1,163	15,52,400	49-2	18,35,520	31-2	16,00,000	..	Manabbarrie	12	63	1,28,962	22										

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Stock Account	Reserve & other Funds	Debt & Securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	12-3-57	5-3-57	1 year ago
Rs	Rs	Rs	Rs				Rs	Rs	1956	1955	Rs	Rs	Rs	Rs
CEMENT														
12,71,67,258	18,41,79,990	9,27,02,709	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,362	8 1/2	10	100	168 1/2	170 1/2	215
ELECTRIC LTG POWER														
8,74,72,300	11,09,39,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	69,49,803	440	6 1/2	5	100	100 1/2	100 1/2	103 1/2
2,92,83,500	4,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	1,000	1,210	1,200	1,297 1/2
1,74,99,700	2,14,85,127	39,32,487	5,79,832	Bombay Suburban Elec. Sup.	3	146	19,21,755	45	7	7	100	111 1/2	111 1/2	116 1/2
38,08,200	17,49,050	15,42,320	14,87,590	Goons Electric Supply P	12	229	3,86,017	..	..	..	100	125	123 1/2	146
1,34,45,225	1,37,65,356	63,82,045	58,39,870	Ista Hydro Elec Power sup F	6	267	47,75,587	21,171	7 1/2	7 1/2	100	121 1/2	121 1/2	134
5,02,78,750	3,98,37,405	1,41,56,578	1,29,22,546	Ista Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	1,000	1,218 1/2	1,221 1/2	1,280
ENGINEERING & METAL														
33,42,200	17,06,292	14,16,374	1,54,98,311	Alcock Ashdown	12	268	3,79,556	1,35,820	12 1/2	..	100	271 1/2	265	356 1/2
5,00,000	29,341	59,338	1,49,48,481	Costs Engineering	3	115	62,291	1,598	15	5	50	66	66	96
40,00,000	11,26,513	16,00,000	9,74,564	Larsen & Toubro P.	3	351	14,80,736	28,741	10	10	10	161	17	133 1/2
40,95,100	31,25,755	2,02,500	49,330	Machinery Mfgs Corp Ltd F	3	330	2,02,000	64,676	Nil	Nil	100A	76	76	96 1/2
1,10,00,000	15,09,979	16,66,190	7,08,216	McKenzie	7	283	1,49,085	64,938	..	..	100	174	186 1/2	179
2,50,000	5,834	1,00,53,050	1,79,57,040	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	174	186 1/2
4,20,00,000	5,99,52,365	1,17,73,382	23,24,732	Ista Locomotive & Eng P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	315	148	149 1/2
6,63,75,000	32,44,07,755	16,63,05,530	12,34,83,516	Ista Iron & Steel P.	3	269	9,26,44,872	1,04,945	14	14	750	175	178	253 1/2
INSURANCE COMPANIES														
20,00,000	..	33,84,913	95,96,330	British India General	12	297	4,24,621	1,18,604	..	..	10	133	131	131
5,15,000	..	1,10,44,481	1,49,48,481	Empire of India Life	12	253	..	..	..	..	100	350	350	675
8,46,120	..	18,36,990	18,36,990	Indian Mercantile	12	75	..	1,13,109	..	..	100	454	454	454
18,74,940	25,01,134	2,88,61,100	2,88,61,100	Imperial General P.	12	55	38,351	4,65,316	Nil	Nil	15	61	61	41 1/2
1,06,81,580	..	1,06,81,580	1,06,81,580	New India	12	179	13,38,655	11,250	16 2/3	..	15	41 1/2	41 1/2	3,910
8,00,000	..	77,81,74,430	77,81,74,430	Oriental Life	12	298	..	..	..	..	200	3,730	3,730	151
1,59,97,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,805	2,81,242	10	..	10	15 1/2	15 1/2	15 1/2
MISCELLANEOUS														
90,79,065	31,95,468	3,97,405	12,61,990	Air Service of India	6	336	-15,61,400	37,22,790	..	..	15	..	..	..
47,97,250	21,34,985	35,75,180	78,89,034	Delapuri Sugar	9	42	13,89,000	61,389	..	..	50	230 1/2	232	228 1/2
50,00,000	2,20,64,300	1,12,66,150	1,67,27,639	Bombay Burmah Trading	5	285	47,93,171	61,990	16	21	125	636 1/2	658 1/2	604 1/2
42,00,000	..	..	..	Bombay Steam Navigation P.	6	256	4,54,210	30,135	..	..	100	236 1/2	250	220
45,00,000	1,21,04,050	11,14,430	11,14,430	Industrial Investment Trust	12	299	5,81,909	2,83,136	..	..	25	76	74	72
99,99,250	3,080	19,47,480	12,80,499	National Chemists	3	87	68,232	16,942	..	..	100	197 1/2	195	215
11,99,900	13,82,950	7,34,142	14,05,237	National Mayors Corp.	12	352	33,19,604	4,72,071	10	..	100	236 1/2	229	213 1/2
1,57,71,400	3,74,35,775	1,81,13,447	1,98,140	Scindia Steam Navigation	6	198	38,40,882	5,62,020	24	24	5	20 1/2	20 1/2	109
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Shivrajpur Synd. (Manganese)	11	146	45,49,489	21,561	80	80	10	92 1/2	96	19 1/2
1,00,000	27,45,000	37,30,000	11,27,000	Ista Chemicals P.	3	269	3,06,461	11,452	Nil	Nil	7 1/2	10	16 1/2	48 1/2
1,39,95,990	2,25,39,547	13,22,272	4,37,991	Ista Oil P.	3	269	3,06,461	11,452	9	8	12	25	45 1/2	45 1/2
70,07,475	1,46,45,900	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	..	11	11	100	174 1/2	175	198 1/2

*1956 †Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Net Stock Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	12-3-57	5-3-57	1 year ago
Rs	Rs	Rs				Rs	Rs	1956	1955	Rs	Rs	Rs	Rs
CALCUTTA													
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	100	60	60	61 1/2
21,89,300	33,41,889	6,00,100	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	100	67 1/2	67 1/2	76
34,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,807	..	2 1/2	2 1/2	100	58 1/2	58 1/2	60 1/2
19,00,000	29,09,640	4,91,171	Barasat Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	100	10	10	10 1/2
17,80,000	21,78,786	2,20,877	Bardwan Cutwa S.S.G.	3	165	78,839	..	..	..	100	59	59	60 1/2
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,334	10,849	129-129	12-12	100	52 1/2	52 1/2	56 1/2
4,75,000	4,30,040	47,500	Cherra Chhatka Ropeway	3	38	9,917	124	12 1/2	12 1/2	100	7 1/2	7 1/2	7 1/2
2,47,650	2,75,015	85,326	Jarjeeling Ropeway	3	101	18,097	4,549	11	11	100	7 1/2	7 1/2	6 1/2
22,50,000	62,20,813	13,52,600	Jehri-Rohas	3	335	6,42,311	37,814	6 1/2	7 1/2	100	13 1/2	13	13 1/2
11,49,700	20,10,843	1,68,141	Pulwaha (Jamunpur) S.S.G.	3-9	32	-33,016	5,917	98-98	98-98	100	63 1/2	63 1/2	56 1/2
18,00,000	50,82,188	17,87,954	Lowrab Amte D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	100	50 1/2	52	72 1/2
6,00,000	13,87,138	4,43,410	Lowrab Shekhals D.B.G.	3-9	32	28,627	20,122	3-3	3-3	100	65	65	61 1/2
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,98,472	..	2 1/2	2 1/2	100	60 1/2	60 1/2	61 1/2
8,91,100	15,16,175	10,581	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	100	72	72	69 1/2
15,00,000	62,56,929	28,77,041	Shahdara Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	100	129 1/2	129 1/2	146 1/2
1,75,000	5,41,779	2,04,341	Tezpore Balipara Tramway F	3-9	165	-43,574	5,944	..	..	100	..	..	..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15 Shib Bhakur Lane Calcutta.	338. M. G. Investment Corp., Ltd.—127, Manatma Road Fort Bombay.	347. Chandmull Batta—7, Canning Street, Calcutta.
321. F. C. Williams—14 Old Court House Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd. Fort Bombay-1.	330. Manindra & Manindra Ltd.—Gateway Building Apollo Bunder Bombay.	340. K. J. Chervani—Travancore James Finlay & Co. Ltd.—2 Netaji Subhas Road Calcutta.	350. K. & Agarwal—Empire House Borealis Road Fort Bombay.
322. Anderson Wright & Co.—7, Wellesley Place Calcutta.	331. N. Roy & Sons—Canning St. Calcutta.	341. U. N. Chatterjee—2 Royal Exchange Place Calcutta.	351. L. & I. (Management) Private Ltd.—J. K. Building Dougal Road Ballard Estate Bombay.
323. Indo Corporation Private Ltd.—5, Swinhoe St. Calcutta-19.	332. W. Jaspatti—21 Ravelin Street Fort Bombay.	342. Eastern Smelting & Refining Co., Ltd.—10 Clive Row Calcutta.	352. C. G. Mahant—Gwari House Bruce Street Fort Bombay.
324. John Rutherford Blake—Virginia House 7, Chowringhee Calcutta.	333. Jaipuria Bros. Ltd.—33 Netaji Subhas Road Calcutta.	343. V. Pillai—Victoria Bunder Calcutta.	353. N. K. Bhattacharya—14 Netaji Subhas Road Calcutta.
325. Berwala Bros.—63 Netaji Subhas Rd., Calcutta.	334. Sahu & Co.—2, Fairlie Place Calcutta.	344. The National Tea Corporation—130, Cotton Street Calcutta.	354. L. C. Kanol—P. B. Mission Row Extension Calcutta.
326. Marwar Textiles (Agency), Ltd.—Waudby Road Fort Bombay-1.	335. Sahu & Co.—2, Fairlie Place Calcutta.	345. Senasayee Brothers (Travancore), Ltd. Elor Factory Alwaye.	355. G. J. Robertson—10 Strand Road, Calcutta.
327. John Taylor & Sons (India) Ltd.—Mysore, Coorg, South India.	336. Fulsdas Chhabard—Scindia House, Dougal Road Bombay.	346. Associated Commercial Co., Ltd.—181/1 Harrison Road Calcutta.	356. B. Bajoria—10, Clive Row Calcutta.
	337. Berwala & Co.—63 Netaji Subhas Rd. Calcutta.	347. Sahu Jain, Ltd.—11, Clive Row, Calcutta.	357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta.

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CAPITAL

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SCOTT & PICKSTOCK PRIVATE LTD.
5, Fairlie Place, Calcutta.
THERMAL INSULATION ENGINEERS

GROWING WORLD DEMAND FOR LONG-TERM CREDITS

INDIA'S PLACE IN THE QUEUE: NEED FOR FAIR TAX TREATMENT

A BRITISH banker has recently made some important observations on the subject of long-term credits for countries importing capital goods. Although his remarks were not directed at India or any other south-Asian country, they are nonetheless relevant to existing problems in this part of the world. Addressing the shareholders of the Bank of London & South America, the chairman, Sir Francis Glyn, a member of the historic banking family of that name, spoke of the prevalence of demand for capital as distinct from consumer goods in the twenty Latin American republics. This he pointed out, immediately raises the question of finance. It would be declared, be unreasonable to expect purchasing countries to pay for this category of imports as promptly as they are normally required to do for goods destined for immediate consumption. Capital goods, Sir Francis added, usually represent a long-term investment, the service of which can normally provide for its repayment only within a period which will vary according to the type of fixed asset in question but is likely to be a matter of years rather than months. Furthermore, a capital development programme may require a lengthy period before the resulting increased production capacity has accumulated enough foreign exchange to pay for the original cost.

Thus far, Sir Francis might have been speaking for one of the under-developed countries of south Asia. He might with advantage even have been at Mr. L. K. Jha's elbow when the latter drafted his recent directive to the Associated Chambers of Commerce and the Federation of Indian Chambers on the subject of financing the import of capital goods for the private sector. What he said furnished an admirable supporting philosophy for that document. And, perhaps more important, Sir Francis Glyn emphasised just how much conditions have changed since the days when importing countries could raise sterling loans in the London market to pay for capital imports. Long-term credits there have always been. They are not an innovation which has been thought up as part of the new twentieth century technique of economic planning, and Sir Francis Glyn was speaking of a part of the world which, unlike the south-Asian countries, is predominantly free-enterprise in outlook and capitalistic in practice. All that has happened is that nowadays long-term credits are being sought over a wider area in a somewhat different way and for different purposes than in the past. There is a queue, not of sponsors of loans wanting to enter the markets, but of seekers of privately negotiated long-term credits, in London, New York, Amsterdam and anywhere else where finance and capital goods can be obtained together.

Nor was this eminent banker prepared to accept the contention that the failure to raise as many long-term credits as required is due exclusively to the sins of omission or commission of would-be borrowers. He said: "It would be quite wrong for me to suggest that the blame can be attributed only to causes of political and economic instability that have made many of the republics of Latin America less welcome as borrowers than they were in the past. It is just as much the case that shortage of capital and the demands of the Commonwealth, which have hitherto been given priority, make it impossible for such loans to be placed in the London market even if the authorities were prepared to sanction them". It is not to be supposed that the chairman of the Bank of London & South America is unaware of the long list of defaults and repudiations which have given the government of the area a bad name as debtors. But he is still prepared to attest to the creditworthiness of the south-Asian countries, which he regards as "remarkable both for the speed and the extent with which they can transform almost overnight their trading prospects" partly because of changes in the political climate make it possible

for them to reverse economic policies far more quickly than would be politically possible in slower moving democracies elsewhere". Government by palace plots, revolution and dictatorship is not, it would seem, without its own special advantages.

More seriously, there is a message for this country in the words quoted above. It is that other areas besides India and her south-Asian neighbours are competing strongly for a limited supply of long-term credit in the financial centres of the western world. There is a disposition to think that credit restrictions apply only in the United Kingdom and for that reason, therefore, London is the sole unwilling lender at the present time. Such an assumption is quite incorrect. Only recently the *Bank Deutscher Lander* announced that it was reducing the amount available for advances to the West German export finance banks from 600 million marks to 500 million marks from the end of April, thereby restricting the rediscount facilities available to exporters in that country. West Germany has perhaps the most thriving of all the European economies—a booming export trade and a currency which is "hard" in terms of the currencies of her main competitors. In such a context a decision deliberately to cut back export facilities seems difficult to understand. But the Adenauer administration has embarked on a series of measures which is deliberately calculated to restrain the boom in exports and, in consequence, credits are to be made less plentiful and more expensive. The Germans are, in fact, anxious to control inflation at home and some reduction of exports is a logical step to this end, especially exports of consumer goods, though doubtless the new edict will

THE UNITED COMMERCIAL BANK LIMITED

(Incorporated on 6th January, 1943.)

FOURTEENTH REPORT OF THE BOARD OF DIRECTORS.

The Directors submit to the shareholders the Audited Balance-Sheet of the Bank as on, and the Profit & Loss Account for the year ended, 31st December, 1956.

The net profit for the year, after providing for all known and anticipated charges and including Rs. 27,761-2-0 brought forward from the previous account, amounts to

The Directors have made the following appropriations out of the net profit:

Transfer to Reserve Fund 20,00,000 0 0

Provision for Taxes 16,00,000 0 0

Provision for Bonus to Staff 6,50,000 0 0

Balance 14,29,419 10 9

Out of the balance of Rs. 14,29,419-10-9 the Directors recommend to the shareholders the payment of a Dividend at Rs. 3-0-0 per share, free of income-tax, which will absorb Rs. 14,00,000/- leaving Rs. 29,419-10-9 to be carried forward to the next year's account.

The Bank's business continued to expand during the year and the profit showed a substantial increase as compared to the preceding year.

Demand for money continued unabated throughout the year.

The Bank Rate remained unchanged at 3½% but the rate of interest on both deposits and advances rose steadily throughout the period. After the turn of the year the Reserve Bank of India raised the rate of interest to scheduled banks on advances against Government Securities from 3½% to 4%.

The Bank's investments appear in the balance sheet at below market value. During the year branches of the Bank were opened at Kuala Lumpur in the Federation of Malaya and Rongkela.

The Directors are thankful to the shareholders and the clients of the bank for their continued support. They also express their gratitude to the Bank's advisers and advisory committees for their able help and guidance.

The Directors place on record their appreciation of the services of the General Manager and the officers and staff of the Bank during the year.

Under Article 95 of the Bank's Articles of Association four of your Directors—

Shri G. D. BIRLA
Shri M. R. RUIA
Shri G. D. KOTHARI
Shri YOGINDRA N. MAFATIAL

retire by rotation, and being eligible offer themselves for re-election.

The Shareholders are requested to appoint auditors for the current year and to fix their remuneration.

By Order of the Board,
G. D. BIRLA,
Chairman.

Calcutta,
12th March, 1957.

BALANCE SHEET AS AT 31ST DECEMBER, 1956.

31-12-1955				31-12-1955				PROPERTY AND ASSETS				
CAPITAL AND LIABILITIES				CAPITAL AND LIABILITIES				PROPERTY AND ASSETS				
Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	Rs.	A.P.	
8,00,00,000		8,00,00,000	0 0					1. CASH :				
4,00,00,000		4,00,00,000	0 0			3,99,64,036		In hand and with Reserve Bank of India and State Bank of India (including foreign currency notes).		4,45,96,493	14 4	
	2,00,00,000				2,00,00,000	0 0		2. Balances with Other Banks : (including Foreign Government Treasuries)				
								On current account : Rs. A. P.				
								(i) In India 18,67,061 2 2				
	95,00,000				1,15,00,000	0 0	1,90,54,156	(ii) Outside India 2,79,42,529 9 8	2,96,09,590	11 10		
19,53,88,974		22,57,81,483	2 1				Nil	On deposit account : In (Staff Security)	6,80,000	0 0	3,04,89,590	11 10
4,51,03,195		5,22,24,625	13 5		52,14,75,587	15 2		3. Money at Call and Short Notice			Nil	
23,64,32,225	47,69,24,364	24,34,69,478	15 8					4. Investments : (at below market value)			7,50,88,084	10 9
4,05,50,000								(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments	17,22,35,838	15 3		
20,06,539	4,25,56,539	8,49,00,000	0 0		8,50,11,856	11 11	19,55,86,864	(ii) Shares :				
								(a) Fully Paid Preference Shares	4,18,212	8 0		
4,24,15,285							45,812	(b) Partly Paid Preference Shares	5,98,400	0 0		
								(c) Fully Paid Ordinary Shares	32,05,325	0 0		
								(iii) Debentures or Bonds	9,50,000	0 0		
								(iv) Securities of the U.S.A. : Burma Malaya and Pakistan Governments and Foreign Trustee Securities	1,69,09,374	0 3		
							2,15,97,194	(v) Gold			19,43,17,150	1 0
								5. Advances :				
								(other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors.)				
								I. Loans, Cash Credits, Overdrafts etc. : Rs. A. P.				
								(i) In India 19,03,16,638 3 3				
								(ii) Outside India 3,50,34,588 4 4	22,53,51,226	7 7		
								II. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)				
							4,77,63,064	(i) Payable in India 9,01,22,990 11 1				
								(ii) Payable Outside India 6,90,57,911 7 6	15,91,80,902	2 7	38,45,32,128	10 9
								Particulars of Advances :				
								(i) Debts considered good in respect of which the banking company is fully secured	31,08,22,115	9 2		
								(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	3,55,21,181	0 1		
								(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	3,81,88,832	0 11		
								(iv) Debts considered doubtful or bad not provided for	Nil		38,45,32,128	10 2
								(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	1,28,910	1 0		
								(vi) Debts due by companies or firms in which the directors of the banking company are interested as partners or managing agents or in the case of private companies as members	2,83,79,002	5 11		
								(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	2,01,823	13 0		
								(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners, or managing agents or in the case of private companies, as members	2,92,54,700	12 7		
								(ix) Due from banking companies	14,41,455	7 7		
81,68,74,401												
	Carried over											

by the Government in regard to the details are prompted by sound consideration.

Naturally, I have the Coal Industry in mind. The public sector in this industry has been in existence for quite a long time, but its output has always been a modest fraction of that of the private sector. In 1956 collieries in the public sector produced only 3 million tons against 35 million tons mined by the collieries in the private sector. Even with the very considerable expansion envisaged for it under the current Plan, its target at the end of the Plan period is 15 million tons against 45 million tons assigned to the private sector. But that, of course, is to be considered only as a beginning. In subsequent Plans the public sector will have a progressively increasing role assigned to it. That seems to be the firm policy of the Government and it is not for me to criticize the policy.

The fact remains however that the Coal Industry in both sectors has undertaken the vast commitment of providing the country with 60 million tons of coal at the end of five years of which one year has already gone without an appreciable increase in production owing, as I have already pointed out, to Government's shilly-shallying methods. Can we reach the target in the four remaining years? I can speak only for the private sector. It has received the green signal rather late. But that is a minor matter compared with the other handicaps under which it has to operate. For example, new mines have been declared out of bounds for the private sector. While collieries are expected to go all out for production it seems hardly a logical decision to ask them to confine their operations within a restricted area. The idea seems to be gradually to narrow the scope of the private sector and widen that of the public in pursuit of the policy of establishment of a socialist pattern of society.

Achieving Targets

But, socialism, after all, is to be achieved in stages and, at this particular stage, the entire energy of all concerned should be concentrated on the achievement of the target of 60 million tons of coal at the end of the current Plan period and 150 million tons at the end of the next. The plain fact is that you cannot have socialism or any other kind of economy without production, and of all the raw materials needed for industrial production, coal is absolutely basic. The private sector in the Coal Industry has made no small contribution towards promotion of industrial production in this country. Indian coal is the cheapest in the world, a fact which bespeaks the sound management of collieries on the economic side. The technical efficiency of colliery managements is borne out by the facts that the rate of accidents is the lowest in the world and that the percentage of loss in extraction is low considering the thickness of seams. These facts are not stated in an attempt to stake a claim to a place in the socialist El Dorado when it materializes, but just to stress the point that if in the very first stage of our journey, when we should be all set for production, there is any restriction placed on the scope and initiative of a sector of the economy that has already proved its worth, it would be difficult to reach the goal.

After all, the private sector in the Coal Industry is not nearly so private as many might imagine, being subject to a whole series of control measures exercised by the Mines Department and the Coal Board in regard to the methods of mining, the depth of mines and safety measures on the one hand and the Coal Controller on the other who is responsible for the entire business of distribution of coal. The public sector too is not entirely manned by public servants, it has to lean fairly heavily on contractors who work for a profit. My point is that the two sectors are not two different worlds. They are complementary rather than contrary. An integrated coal policy, covering all aspects of production as well as distribution, can therefore be fully implemented throughout the industry irrespective of the two sectors. But, unfortunately, it is not. Modest enough as the public sector's role appears to be in the present scheme of things, the principle of "weightage" still functions, as a heritage from the bad old days, in determining its "minority rights". This is borne out by the fact that it often gets an unduly large share of necessary facilities like supplies of iron and cement and, most important of all, transport. As you are aware, strong representations have been made by the industry, both in Calcutta and Delhi, against the favoured treatment in respect of wagons received by the Government collieries. What is most unfortunate in this connexion is that details of tenders and allotments to Government collieries asked for by the representatives of the industry on the Wagon Allotment Committee in Calcutta were never furnished.

It is the same sad story of unfair discrimination in the matter of sidings and new tracks. Instances can be cited of sidings not being available for the private sector even when coal is being mined after thorough prospecting and proving, while a new track has been laid and a siding provided to enable the public sector to open a mine in an area where even prospecting and proving operations have not been completed. This has actually happened in the Korba field where the Government seems to be in such a hurry to start mining operations that they have no

time to spare even for proper prospecting. So they must arrange for coal loading long before there is any coal to load. We have indeed in a topsy-turvy world!

Industrial Policy

The revised Industrial Policy Resolution of the Government, announced on 30th April, 1956, expressly declared that whenever there existed in an industry both privately and publicly owned units, it would continue to be the policy of the State to give fair and non-discriminatory treatment to both of them. I earnestly hope that in shaping its coal policy, the Government will be fully guided by the spirit of the above Resolution.

The Government should also keep in view the likely requirement of coal not only in the current Plan period but, also the progressively heavy demand made by the industries in an expanding economy under the third and subsequent Plans. If the industry is to cope with this demand, it must take in hand development work wherever there is any scope for it, not necessarily for extraction of coal in the immediate future but by way of preliminary spade-work so that when future Plans are put into operation, the industry may not be caught unprepared. Planning has come to stay; we must go on planning all the time; we can only cease to do so at our peril. Planning implies taking a long view; looking ahead, thinking ahead and acting ahead. That is why I strongly urge that all the existing units in the Coal Industry should be allowed as free a scope as possible so that they may not only maintain the chartered course of production, but be in a position to meet a sudden and unexpected rise in demand brought about by unforeseen circumstances. In other words, as I have already stressed, targets are always to be taken as flexible.

Let me give a concrete example. By the end of the current Plan period the railways will require about 16 million tons of coal per year which represents a rise of 4 million tons over their current level of consumption. They will require another 4.7 million tons for replacing the coking coal now being used by them. It is understood that a part of this additional tonnage is to be drawn from the Government collieries in the Korba field. But the Billai steel plant will need all of Korba's good coal while inferior coal from the 100 feet seam at Korba is hardly likely to prove suitable for the railways even after washing. It stands to reason therefore that the target for the private sector in the Central India Coalfields be so revised as to enable them to provide the railways with a substantial part of the additional requirement. My intimate knowledge of coal mining in this area entitles me to commend this as an eminently practicable proposition. Other such instances may occur as we go along; a shortfall in one particular area may have to be made up by production in excess of the target in another. This is how we should look at the Plan and be ready to fill gaps when they arise. That is why I consider it most unwise to tie down the units of production in an uncertain industry like Coal to static targets. Looking at planning in perspective, the Coal Industry faces a colossal task which can only be achieved by the joint efforts of the two sectors. You cannot very well ask the private sector to participate in this co-operative enterprise with full energy with its hands tied.

Gentlemen, there is one further reason why the private sector in the industry should have greater scope than what the planning authorities are inclined to allow it. The most difficult problem posed by the Second Five Year Plan is how and where to find the capital needed for the various projects in the two sectors. This applies as much to the Coal Industry as to the others. The public sector may be kept going by taxation or deficit financing. So far as the organized industries in the private sector are concerned, the Government's view, expressed at the time of the publication of the Plan, was that it should not be difficult for them to raise the resources needed in view of the increasing strength of the capital market and the fairly high rates of investment already achieved. The fact is, however, that the capital market in India in its present state is a frail reed to lean upon with the result that industrial units are left to their own resources. It is perfectly true however that the rate of investment so far in private industry has been fairly high and it follows, therefore, that the only logical course is to make it possible for industries to derive full benefit from the capital already invested, otherwise there cannot be sufficient accumulation of savings for ploughing back into the industries to enable them to carry on. Collieries therefore should be given every possible opportunity for making a fair return on the capital invested in installed capacity and land. This is a matter of crucial importance at a time when the public exchequer is being subjected to the utmost strain to find adequate resources to finance the Plan. There are considerable areas which are held on lease by the private sector, where coal has been proved after due prospecting but which have so far remained unworked owing to the sheer lack of transport facilities. It seems to be the Government's policy gradually to take over these and install its own mines there. Such a policy may or may not be justified on academic grounds. But what are its likely consequences? The private sector has already invested a huge amount of money in these properties and, with its experience, trained personnel and installed capacity, is in every way in a very advantageous position to

work them. The Government can take over areas held under existing mining leases only by causing a heavy drain from the public exchequer which will in all possibility let loose a disastrous flood of inflation and seriously damage the national economy.

Coal Prices

The question of finance naturally brings me to the question of coal prices. This subject has been dealt with very ably by my friend, Sri R. Maulik, in his speech from the Chair at the last Annual General Meeting of the Indian Mining Association held on the first day of this month. I endorse every word that he has said. The Government exercises a very high degree of control over both the production and distribution of coal which are no longer subject to the unpredictable forces operating in a free market. The statutory price of any commodity, that is subject to control, should allow a fair margin over the cost of production. For reasons I have already explained, this fair margin should, in the present circumstances of the country, must contain an element that will pay for development of the particular industry. In the case of coal two further facts have to be taken into account in fixing correct prices, namely, (1) that coal is a wasting asset and (2) that there is a considerable time-lag between production and actual despatch, for a part of the coal that comes out of mines, goes to pitsheads representing so much loaded-up stocks at pitsheads which interest is payable. The Government has chosen the principle of auto-financing for basic industries of which coal is the most important. A correct pricing policy for coal is therefore based on the above considerations; other-wise, shut out from the capital market on the one hand and, on the other, deprived of the opportunity to create its own resources for expansion, it will just wither away.

It is therefore very unfortunate that the Government is still pursuing a make-shift policy which is neither sound in principle nor uniform in practice. Thus, to give an example, while collieries in the Bengal and Bihar and the Madhya Pradesh fields have been granted an increase in price of Rs. 3/- per ton, an increase of only Rs. 2/- though the cost of production in the latter case is not lower than that in the adjoining Madhya Pradesh fields. It is a sound principle that prices should be related to cost, but there is a snag in it. If the Plan has any meaning, increase in production as well as improvement in quality should be encouraged by all possible means. It seems however that collieries who effect an improvement in the quantity and quality of their output, thereby reducing their cost of production, are liable to pay a penalty for their efforts because the cost accountants deputed to examine the cost sheets of collieries are assessing the cost of production at the lower level resulting from improvement in quantity and quality. It looks therefore that collieries who are unable to reduce their costs are entitled to a higher price for their products compared with the more efficient collieries. It is a strange order of things in which inefficiency wins a premium. If the Government persists in its policy or, rather, lack of policy, the private sector will be hard put to it to carry out its assignment. Perhaps that will give the fanatics of nationalization an excuse for raising the war-cry that the Government step into the shoes of the private sector. If that happens in the Coal Industry, real disaster, for the public sector, can be in a position to deliver all the coal that the country needs at the price at which the private sector can offer it now or in the foreseeable future.

Experience of Private Sector

The private sector has behind it several decades of experience in running collieries. Its trained personnel and its experience are now at the disposal of the whole country. But the public sector is so wrapped up in itself that it seems hardly aware of the existence of the private sector, being absolutely secretive about its plans and its methods of operation. The National Coal Development Corporation, which is responsible for the public sector, seems to be a very private affair, the one member, representing industry and trade on it being innocent of any direct experience regarding coal. The Coal Board, which has made itself conspicuous by its inaction, is a close preserve of officialdom. If the two sectors are to march together and march together they must if the objectives of the Plan are to be realized, the composition of both the Corporation and the meeting should be so widened as to make them the Review Committee should not also be exclusively concerned with the private sector; it should be entrusted with a periodical check-up of the operations of collieries in the public sector as well and the results of its review should be made freely available to both the sectors.

The public sector, which should serve as a measure of yardstick of costs and efficiency, will be of little use either to the public or the Government if it is given any special privileges. Treatment in the matter of allocation of import quotas for machinery and of quotas for iron, steel and cement must be equal. If the public sector is given more than what is its due, it would become entirely worthless as a yardstick to enable the public to measure the relative efficiency of the two sectors.

The very essence of planning is partnership and co-operation. It is up to the Government to accept or reject this thesis but I feel it my duty to warn it that the consequences of its action will be far-reaching.

Gentlemen, before I sit down it is my duty to thank my colleagues who elected me Chairman of the Federation. I have tried in my own humble way to follow in the foot-steps of my predecessors among whom were some of the pioneers who built up the Coal Industry in this country. It has been my particular good fortune to have come in personal contact with at least one of them, Sri M. N. Mookherjee who passed away during the tenure of my chairmanship. It is therefore with a sense of personal sorrow that I pay homage to his memory.

It would not have been possible for me to carry out my duties as your Chairman without the co-operation received from the Vice-Chairman and my other colleagues and also the members of the Branch Executive and Coalfield Committees and the Secretariat of the Federation. I take this opportunity to express my appreciation of their services and especially their keen realization of the fact that the Coal Industry has a key role to play in the promotion of the economy.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

POOR SHOWING OF BILLS

Wednesday, 27th March.

MONEY has continued in good demand during the past week with advances to the sugar industry showing some slight increase. Cotton mills have largely maintained their offtake, and the jute industry's requirements have been maintained at the same high level. In spite of restrictions on lending against rice and paddy, advances on account of grains and seed storage in upcountry areas have also shown some slight increase. There has been little change in the inter-bank market in the past seven days and the call rate is still quoted at 3½ percent.

Bills have, once again, been in short supply. A few on account of shellac and mineral exports have come to hand, but there has been little sign of any for gunny and tea. Remittance remains fair. After showing some signs of recovery following the announcement of a possible settlement in the U.K. shipbuilding, and engineering strikes, sterling has once again been marked down. On the week there has been a small improvement.

Bullion was steady on short-covering. The price of silver advanced from the previous week's level of Rs. 178-2 to Rs. 178-8, quoted today. The rate for forward delivery was Rs. 178-3. The London and New York prices showed no change.

Gold was firm in sympathy with silver and the price increased from Rs. 106-8 to Rs. 107. The sovereign, at Rs. 69-15, showed a gain of 3 annas.

During the week ended 22nd March, Government of India Treasury bills for Rs. 11,05,00,000 were sold in favour of the Reserve Bank. The correct figure for Treasury bills sold in favour of the Reserve Bank during the week ended 15th March was Rs. 66,85,75,000, and not Rs. 68,68,00,000.

A decline of Rs. 6.92 crores to Rs. 1,517.79 crores in active notes was the notable feature of the return of the Reserve Bank of India for the week ended 22nd March, 1957. The total note issue was Rs. 1,08 crores higher at Rs. 1,537.20 crores. Notes held in the Banking department increased by Rs. 8 crores to Rs. 19.41 crores. Deposits of the Central Government declined by Rs. 1.24 crores to Rs. 53.63 crores, while other Government accounts increased by Rs. 12.37 crores to Rs. 35.15 crores. Balances of commercial banks, at Rs. 51.10 crores, showed a decline of Rs. 93 lakhs. Balances held abroad declined by Rs. 5.02 crores to Rs. 125.21 crores. Ways and means advances stood at Rs. 5.81 crores (Rs. 9.64 crores). Other loans and advances increased from Rs. 108.87 crores to Rs. 124.73 crores, of which advances to scheduled banks against usance bills amounted to Rs. 73.20 crores against Rs. 60.18 crores. Such advances aggregated Rs. 154.21 crores since 1st January, 1957.

The return of the State Bank of India for the week ended 15th March, 1957, shows a rise of Rs. 1.92 crores in total deposits to Rs. 277.58 crores. Rs. 82 lakhs to Rs. 94.19 crores, while other authorized investments remain unchanged at Rs. 11.55 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased have increased by Rs. 4.42 crores. Cash and balances are, in consequence, shown at Rs. 16.59 crores, or Rs. 1.61 crores less.

The statement of the position of scheduled banks for the week ended 15th March, 1957, shows Demand and Time liabilities at Rs. 706.72 crores (Rs. 9.92 crores on account of borrowings from banks) and Rs. 467.17 crores (Rs. 2.07 crores), compared with Rs. 706.01 crores (Rs. 8.99 crores) and the previous week (Rs. 1.72 crores), respectively, in crores to Rs. 35.66 crores, while balances with the Reserve Bank have increased by Rs. 1.03 crores to Rs. 51.59 crores. There is a drop of Rs. 44 lakhs in investments to Rs. 348.96 crores. Advances and bills discounted, at Rs. 876.71 crores, show a rise of Rs. 10.69 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.4 percent and 74.7 percent, against 7.5 percent and 74.0 percent.

The net profit of the CENTRAL BANK OF INDIA, LTD. has improved from Rs. 78.67 lakhs to Rs. 1,04,36,285 for the year ended last December. The dividend has been increased by 2 percent to 14 percent, including an interim of 6 percent. Important allocations include bank's investments Rs. 15 lakhs, taxation provision Rs. 13 lakhs and staff bonus Rs. 27½ lakhs.

The profit of the UNITED COMMERCIAL BANK shows an encouraging increase of Rs. 19.83 lakhs to Rs. 56.82 lakhs for the year ended last December. Bringing in Rs. 27,761, there is Rs. 56,79,420. The dividend has been increased from Rs. 2-12 to Rs. 3-8. Notable allocations include reserve fund Rs. 20 lakhs and taxation provision Rs. 16 lakhs. Bonus to staff gets Rs. 6½ lakhs, leaving a carry-forward of Rs. 29,420. The bank continues to expand and diversify its activities.

PRICE STABILITY IN WORLD BULLION MARKET

LONDON AGAIN BECOMING GLOBAL

GOLD TRADING CENTRE

THE annual review of bullion markets issued by Messrs. Samuel Montagu and Co. Ltd. suggests that 1956 was rather an uneventful year. Although conditions were largely back to normal peacetime standards, according to which the international free gold market could be regarded as a barometer of world political and economic conditions, the crisis following on Egypt's nationalisation of the Suez Canal last July caused little fluctuation in the price of bar gold delivery London as quoted against U.S. dollars in Europe. During 1956, the range of these quotations was only about 23 cents an ounce (less than ½ percent) compared with about 11 cents an ounce (slightly under ½ percent) in 1955—a year of comparative international tranquillity, and compared with fluctuations of \$12 in 1949 and \$6 in 1951. The extent to which central banking institutions are using the market as a medium for their arbitrage operations in bar gold, and the fact that the Bank of England is ever present as a potential seller of newly mined South African gold, together now exert a very stabilising effect. This is, of course, not at all conducive to private speculative buying. The market, however, continues to satisfy the normal demand of hoarders.

Sales of gold by Russia in 1956 were the largest since the war, but their effect on the market was not very noticeable, in spite of the extensive publicity they received. Turnover in world markets increased by at least 25 percent over 1955. The firm estimates that hoarding demand increased by about 10 percent, but it is difficult to determine this figure accurately due to the large purchases for delivery in Europe for Middle Eastern account, some of which were for monetary purposes. On the other hand, markets in gold coin registered very wide movements. Coin has a special appeal to the smaller hoarder, especially when there is a danger of war. The available supply of genuine coins tends to diminish as time goes on. Sovereigns and the other gold coins coveted by the hoarder are relics of a gold standard existing before the first world war. With one exception, no gold coins have been officially minted for circulation for some 30

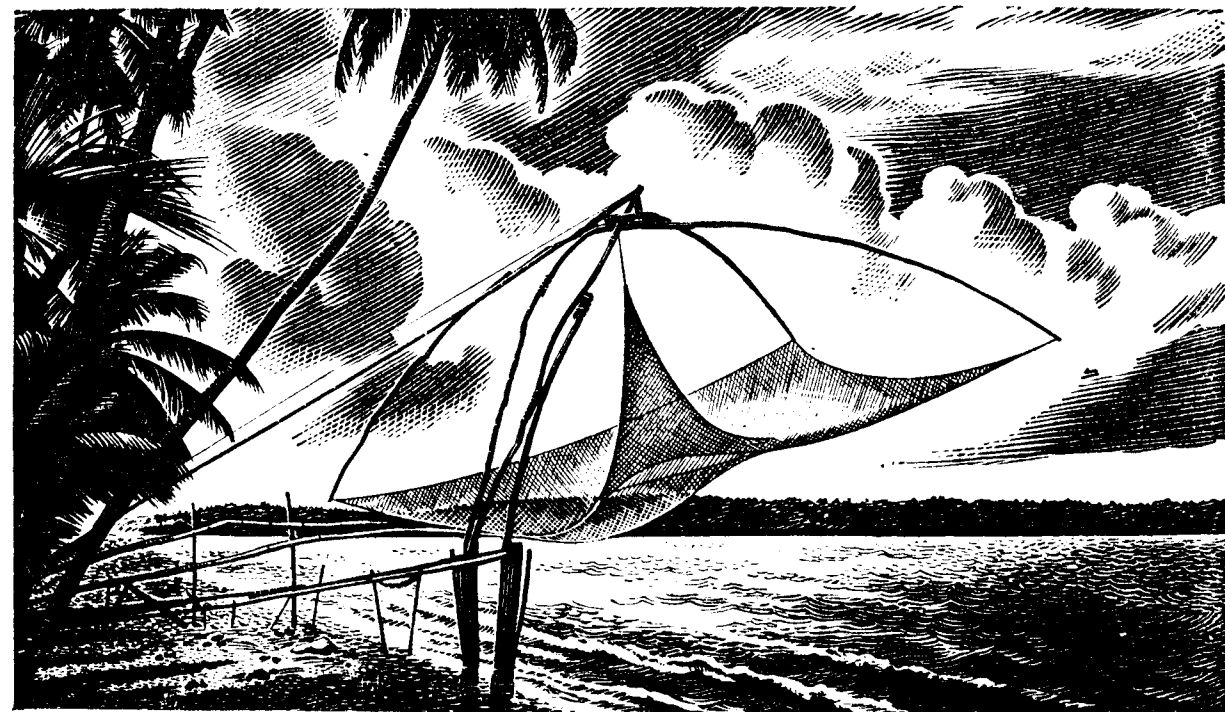
years, although fairly passable imitations are produced from time to time in various places.

London as a Centre

The London gold market further consolidated its position as the centre of the world trade in gold. Fluctuations in the U.S. dollar-sterling exchange rates were responsible for a much wider range in price than those quoted in Continental centres for bar gold delivery London against payment in U.S. dollars. The highest price of the year at the London fixing was 252s 1d a fine ounce on 31st July, and the lowest 248s 11½d on 19th April. These two prices reflect the fluctuation in the dollar-sterling exchange rate and constitute a difference of about 1½ percent, compared with that of only about ½ percent between the mean quotations of gold against U.S. dollars on those dates.

Central bank operations in gold are now a well-established feature of the London market. During the year, buying orders continued to be received from debtor countries before the monthly settlements of the European Payments Union whenever prices ruled below the parity of \$35 an ounce. E.P.U. creditors have also figured as sellers, but these were far less in evidence. Other central bank selling was also noticeable, but the Bank of England was the largest seller, as it handles the South African sales.

The activity of central banks other than the Bank of England probably accounted for about a third of the total turnover in London. Most of the transactions were concluded outside the "fixing" and it is, therefore, evident that the fixing turnover was only a small proportion of the total. This does not in any way detract from its importance as the sterling price for gold which is "fixed" at 10.30 a.m. every day, and the U.S. dollar-sterling rate ruling at the time establishes the parity dollar price. This serves as a basis for dealings thereafter, which, with extremely rare exceptions, are all against U.S. dollars. Fluctuations in price after "fixing" are as a rule extremely small. It is the "fixing"



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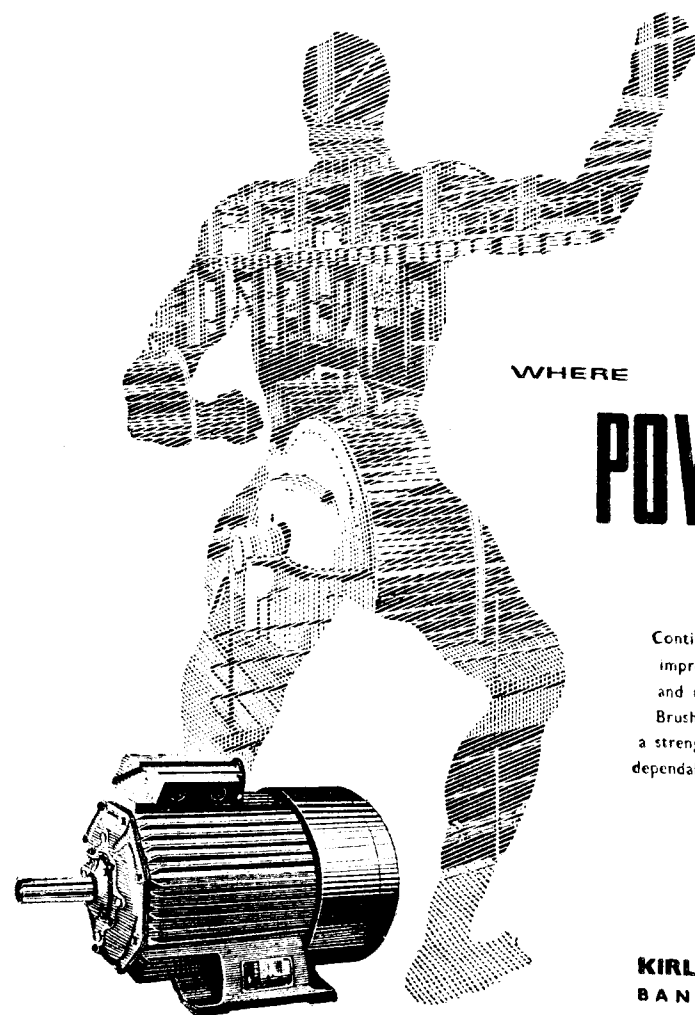
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system in the market which determines the day-to-day selling policy of the Bank of England.

International Trading

At the beginning of last year, bar gold for delivery London was quoted at \$34.97 1/2 to \$34.97 3/4 an ounce. Stimulated by uncertainties in the French political situation, demand from Europe on private account, together with a very good offtake by central banks for the monthly E.P.U. settlements, and a fair enquiry from the Middle and Far East, prices hardened around \$34.99 1/2 by 10th January, which proved to be the highest quotation for the first half of the year. The turnover of business fell away sharply in February, but recovered somewhat in March, and after remaining at a fair volume for the succeeding two months, improved to the January level in June. During these months, the pattern of the market was uneventful.

During July, an increase in central bank buying and an active enquiry on private Continental account raised prices to either side of \$34.99. Thereafter, they improved more rapidly on a continuation of these demands until, when Egypt's sudden nationalisation of the Suez Canal Company was announced on 26th July, prices had passed the \$35.00 mark and were quoted around \$35.02, finally ending up the month with quotations of \$35.07 to \$35.09. After the blocking of Egyptian assets, there was a marked flight of capital from the whole of the Middle East, which resulted in considerable gold purchases from Switzerland, presumably on that account. In August, the volume of business fell away and so did prices, to \$34.98 1/2 to \$34.99 1/2 by the end of the month. Turnover in both September and October improved, and general buying brought prices again over \$35.00, until on 31st October, the date of the Anglo-French intervention in Egypt, \$35.05 to \$35.07 was quoted. At that time, there was a certain amount of selling by hoarders, and with the Middle East demand physically dislocated by the events in that area, and the sales by certain central banks—the latter said to be for the purpose of acquiring dollars to purchase oil—prices were forced down to \$34.87 to \$34.90 by the last week of the month. December recorded almost daily changes in prices, which ranged between \$34.86 and \$34.94, and ended on the last day of the year at \$34.91 to \$34.93.

Private Hoarding

Messrs. Samuel Montagu and Co. Ltd. estimate that private hoarders in Europe bought some 4 million ounces during 1956. The greater part of this gold eventually found its way into France. Large quantities were also sold in Switzerland, the purchasers being hoarders and, in some cases, for the official accounts of certain Middle Eastern countries. In the Middle East, they estimate that hoarding amounted to about 3 million ounces, the greater part of which was sent to Beirut for distribution in the area and in India. There is no doubt that some of this gold was used for the building up of reserves of local central banks and, therefore, used for monetary purposes. In the Far East, 2,251,000 ounces were imported into Macao in 1956. Again, this market acted as a distribution centre for the Far East. In Thailand, gold was imported to the extent of some half a million ounces. There was some demand from South America, mainly the Argentine and Uruguay, but quantities absorbed there were not very substantial. During the year 1956, they estimate that over 10 million ounces were diverted from world production sources for hoarding, in

addition to about 3 million ounces destined for the arts and industries.

Various free markets such as in Belgium, Canada, Western Germany and Greece were opened during 1956, but on the whole, although they may have had some local attractions, they never developed to such a scale as to become a factor in the international market.

Russian Sales in 1956

Total sales by Russia in 1956 amounted to some 4,300,000 ounces, the firm estimates. While, initially, sales in 1956 followed the usual pattern of 1954 and 1955, when about 2 million ounces were sold in the first half of the year, November and December saw a repetition of 1953, when substantial offerings were made. It will be remembered that the large sales of Russian gold towards the end of 1953, it was presumed, were made to finance the Russian payments for its large purchases of consumer goods. It is of interest that, in 1956, more than half the Russian gold sales were made on the Continental markets, principally in Switzerland, although, no doubt, the greater part eventually found its way to London. From reports from Continental centres, it would appear that the considerable offerings towards the end of the year were for the purpose of meeting the payments and difficulties encountered by Poland, Hungary and other countries. The amount of gold sold by Russia in 1956 is the largest known in any year since the war, although it probably amounts to less than one-third of its annual production.

In spite of its enormous potentialities as a seller of gold, Russian activities on the free market gave no indication of any inclination to flood the market. Indeed, as an important gold producer, Russia has a special interest in the maintenance of gold as a basis for the settlement of international balances, and on the subject the *Financial News Survey* of 10th February, 1956, issued by the International Monetary Fund refers to the views of two Russian economists as published in *Vnesheiaia Torgovlia*—an official Russian publication. The first points out that currency convertibility, as planned by the western nations, will lack a firm material basis, unless it provides for free convertibility of currencies into gold, will only be of limited duration. The second economist emphasises that gold is a world currency, and that it is being used by Russia as a foreign exchange reserve to restore equilibrium in its balance of payments. For this reason, Russia is accumulating reserves consisting mainly of gold.

The rising tendency in the premiums quoted for gold coins in 1955 continued during the past year. The main cause was the increased demand stimulated by the crisis over the Suez Canal and, later, the aftermath of the Anglo-French intervention in the Middle East.

Industrial Consumption of Platinum High

Although the industrial consumption of platinum last year continued at a very high level, so urgent competition for open market supplies, so prominent a feature of the closing months of 1955, and lapsed completely in the early days of 1956, and a much easier tone prevailed in the free platinum market throughout the whole of the year. The prospect of increased supplies from the expanding South African production and the cessation of U.S. Government stockpiling purchases may have contributed to the reticence of buyers, which persisted in spite of the fact that no fresh selling by Russia was in evidence during the first half of the year. The Suez Canal crisis had no hardening influence on the market, and quotations, after fluctuating between £37 and £37 1/2, finally dipped to either side of £36 towards the end of the last quarter.

In 1956 the demand for palladium on the open market was amply provided for by the freely available supplies from Russia, with the result that, after opening at £7 7s 8d to £8 an ounce, prices tended to ease slowly, and at the end of the year were quoted nominally at about £7 an ounce. The U.S. Government was reported to have acquired substantial quantities of palladium last year for stockpiling.

Large Silver Flow to America

The substantial flow of bar silver to the U.S.A. during 1956 provided the most noteworthy feature of a somewhat uneventful year for silver. The incidence of these shipments had no material effect on the course of market prices beyond, to some extent, influencing the difference between cash and forward quotations in the London market towards the end of the year. The greater part of these shipments—67,816,979 ounces—came from Britain and represented the largest annual movement of silver from the U.K. westwards since 1938. In that year no less than 382,350,000 ounces of silver were despatched to New York, of which some 200 million ounces similarly by-passed the open market being exports from China routed via England and ultimately acquired by the U.S. Treasury under the Sino-American agreement in force at that time.

Two opposing factors during 1956 more or less neutralised each other. One was the arrival in London of about 3,500,000 ounces of melted Saudi Arabian silver coin from the Middle East for re-refining and sale; to this should be added over 5,500,000 ounces shipped direct to the Continent, thus lessening to that extent potential enquiry from that quarter on the London market. The other was the almost complete cessation of those Russian sales of silver in London which had amounted to about 9 million ounces yearly in 1954 and 1955.

The highest fixed price for cash delivery in the London market last year was 81 1/2d quoted on consecutive working days from 20th November to 4th December, and the lowest, 76 1/2d on 1st, 2nd and

3rd February, giving an extreme range of 6 percent, compared with only a little over 1 1/2 percent in the range between the highest and lowest published New York prices for the same period, namely, 91 1/2 cents and 90 cents. Unfortunately, this much wider spread in London prices was not due to greater activity in that market. On the contrary, the overall offtake last year was some 4 million ounces less than in 1955, mainly due to a drop in export business, and it was the restricted size of the market that on many occasions made prices so sensitive to comparatively small amounts of buying or selling.

The Bank of England, although it did not recommence the general loan facilities which it had terminated in August, in a few cases granted short-term loans of silver to help alleviate the acute shortage of spot supplies until, early in December, some large delayed shipments arrived, and proved more than sufficient to meet the U.K. essential and Continental demands, which became much smaller at the approach of the Christmas holidays. The London fixed price for cash delivery moved rapidly downward from 81 1/2d on 4th December to 79 1/2d on 19th December and finally closed at 79 1/2d on the last day of the year, once again well below the parity of the New York price.

U.K. Imports and Exports

Australia easily maintained its position as the chief source of supply to the London market as, in addition to the 6,467,126 ounces shown as imported, another 3 million ounces of silver came from the same quarter in the form of concentrates for treatment in England and do not figure in the bullion imports. Imports of silver coin have been small. Practically all the imports derived from Saudi Arabian coin were melted before shipment from the Middle East and are shown as silver bullion. On the export side, about 800,000 Maria Theresia dollars were shipped last year to Aden and Persian Gulf ports. Last year, essential industries in the U.K. absorbed 12,400,000 ounces of silver and 800,000 ounces were used for export in fully or partly manufactured form, making in all just under 13,200,000 ounces compared with about 14 million ounces used for similar purposes in 1955.

Lend-Lease Silver

Last April the U.K. commenced shipping consignments of silver to New York in repayment of Lease arrangements from the U.S.A. and due for return by April 1957. The Board of Trade returns show that by the end of 1956, 67,816,979 ounces had already been shipped. As a result of the refining of U.K. demobilised silver coin, it is thought that the Bank of England's silver stocks were augmented by about 13 million ounces. There were no signs of any official purchases of silver in the market, and it can be assumed that the authorities have sufficient stocks in hand to complete the repayment of the U.K.'s Lend-Lease obligations by the due date. The Netherlands, continuing the 19,641,146 ounces during 1956 and Australia also repaid about 10 million ounces during the same period. The following table shows Lend-Lease obligations still outstanding after allowing for the movements mentioned:

	Ounces
United Kingdom	20,256,899
India and Pakistan	225,999,904

Netherlands	(approx.)	7,900,000
Saudi Arabia		22,347,431
Australia	(approx.)	1,800,000
Ethiopia		5,425,000
Fiji Islands		196,364

Approximate Total 283,925,000

No information is available as to the plans of India, Pakistan, Saudi Arabia, Ethiopia and the Fiji Islands for meeting their commitments. At the time of the original loans, special terms were made to Saudi Arabia and Ethiopia which allow a postponement of repayment for two years by mutual arrangement, and this concession also applied to 100 million of the original loan taken by India.

World Production and Consumption

The world production of silver during 1956, as detailed in the table at the end of the review, is estimated to have been about 225 million ounces, compared with about 221 1/2 million ounces in 1955. This improvement in production would appear to have been more than offset by increases in the world consumption of silver for industrial purposes and for coinage. Messrs. Handy and Harman of New York estimate that the arts and industries absorbed 204,300,000 ounces and coinage another 56,100,000 ounces in 1956, compared with 179,100,000 ounces and 43,300,000 ounces respectively in the previous year. However, in order to make a proper comparison between world consumption and demand, it is necessary to make due allowance for the U.S. Treasury's operations. That institution in 1956 under the authority of the Act of 31st July, 1956, purchased 15,600,000 ounces of newly mined U.S. silver and sold to U.S. industrial consumers some 3,700,000 ounces, thus siphoning off a net amount of 11,900,000 ounces of fresh production during the year. On the other hand, coinage operations by the U.S. Treasury do not absorb fresh production, but use supplies from the Treasury holding. Silver coinage by the U.S.A. used about 31,100,000 ounces in 1956. Thus the world production available to the open market in 1956 was: 225,000,000 ounces of total world production less 11,900,000 ounces of net purchase by U.S. Treasury = 213,100,000 ounces; which should be compared with 204,300,000 ounces of offtake for arts and industries + 56,100,000 ounces of offtake for silver coinage = 260,400,000 ounces. This less 31,100,000 ounces used in U.S. coinage is equal to 229,300,000 ounces. The balance of some 16 million ounces of the offtake was filled by supplies from non-production sources such as melted Saudi Arabian coin.

Future of the Market

The United States Treasury through the buying and selling powers conferred on it by the Act of 31st July, 1946, has firmly established itself as the major stabilising influence on the world silver markets, and Messrs. Samuel Montagu do not expect any drastic changes in 1957. The price in New York is not likely to vary much either side of the U.S. Treasury's buying and selling rates of 90 1/2 and 91 cents respectively, an ounce, unless some extraordinary heavy selling or buying develops. The Treasury is quite capable of taking up surplus U.S. domestic production or giving out supplies to U.S. domestic buyers to even out any wide price variations.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	22-3-57	15-3-57	23-3-56
Liabilities—			
Notes in Banking Dept.	19,40.96	11,40.53	9,84.28
Notes in Circulation	15,17,79.47	15,24,71.02	14,53,77.66
Total Notes issued	15,37,20.43	15,36,11.55	14,63,61.94

Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,12,51.91	4,12,51.91	6,76,29.10
Total of A	5,30,27.94	5,30,27.94	7,16,30.81
B Rupee Coin	1,21,95.30	1,20,86.42	1,03,27.59
Rupee Securities	8,84,97.19	8,84,97.19	6,44,03.54
Total	15,37,20.43	15,36,11.55	14,63,61.94

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long-term Fund)	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—

Deposits—			
(a) Central Govt.	53,62.88	54,36.57	52,68.68
(b) Other Govts.	35,15.35	22,78.01	48,52.02
(c) Banks	51,10.04	52,03.43	49,72.12
(d) Others	74,57.72	74,38.29	17,24.69
Bills Payable	17,02.96	14,28.24	12,08.10
Other Liabilities	1,14,70.31	1,13,51.13	29,17.54
Total	3,72,18.26	3,73,85.67	2,29,43.15

Assets—			
Notes	19,40.96	11,40.53	9,84.28
Rupee Coin	9.02	9.10	7.37
Subsidiary Coin	9.11	8.42	7.34
Bills Discounted Int.	—	—	45.50
Govt. of India Treasury Bills	2,57.70	3,18.12	10,73.25
Balances held abroad	1,25,21.30	1,30,22.62	7,154.31
Loans to Govt.	5,30.52	9,63.70	20.00
Other Loans etc.	1,24,73.25	1,08,87.45	81,67.12
Investments	80,81.59	80,82.21	37,41.87
Other Assets	13,44.81	13,53.52	17,41.87
Total	3,72,18.26	3,73,85.67	2,29,43.15

SCHEDULED BANKS

(In 000's of Rupees)

	15-3-57	8-3-57	16-3-56
Demand Liabilities—			
(a) Borrowings from Bank	9,91.77	8,99.32	4,92.63
(b) Others	6,96,80.07	6,97,01.92	6,10,67.28
Time Liabilities—			
(a) Borrowings from Bank	2,07.00	1,72.00	3,01.50
(b) Others	4,65,09.58	4,62,53.10	4,10,71.15
Borrowings from State Bank Demand Liabilities	9,07.20	9,20.16	17,38.89
Time Liabilities	—	—	—
Borrowings from Reserve Banks	81,59.91	79,07.95	61,59.45
Cash	35,96.32	36,83.81	35,26.42
Balances with the Reserve Bank	51,58.71	50,55.63	47,03.13
Balances with other banks in current account	9,54.91	10,44.73	9,57.91
Money at calls and short notice	16,20.42	14,76.24	4,99.77
Investments in Central and State Govt. Securities	3,48,96.02	3,49,39.93	3,63,81.40
Advances	7,10,50.56	7,01,12.08	5,90,95.26
Inland Bills purchased and discounted	1,08,28.46	1,06,06.54	98,84.33
Foreign Bills purchased and discounted	57,92.12	58,82.96	45,19.95

CLEARING HOUSE RETURNS

Rs. (thousands)

	Week ended	Calcutta	Bombay
22-3-57	76,57.57	72,81.96	
15-3-57	62,50.33	70,52.97	
8-3-57	64,87.81	70,52.97	
1-3-57	70,03.77	65,39.53	

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(in 000's of Rupees)

	week ended	week ended
Liabilities—	8-3-57	1-3-57
Notes in Banking Department	11,17.21	13,50.86
Notes in Circulation	3,33,06.44	3,31,02.05
Total Notes issued	3,44,23.65	3,44,52.91

Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	83,60.20	83,60.20
Government of India Securities	23,63.47	23,63.47
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30
B Rupee Coin	5,00.70	5,29.42
Govt. of Pakistan Securities	1,71,73.55	1,71,73.55
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02
Gold Coin and Bullion	4,40.63	4,40.63
Sterling Securities	1,00.90	1,00.90
Govt. of India Securities	29.51	29.51
Rupee Coin	3,44,23.69	3,44,52.91

BANKING DEPARTMENT

Liabilities—		
Capital Paid-up	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00
Deposits—		
(a) Central Government	45,17.94	44,39.16
(b) Provincial Government	14,65.51	75.16
(c) Banks	8,57.76	8,57.76
(d) Others	78.35	15.85
Bills Payable	12,30.15	12,85.04
Other Liabilities	60,02.11	87.49.77

Assets—		
Notes	11,17.21	13,50.86
Rupee Coin	—	—
(a) Pakistan	—	—
Subsidiary Coin	—	—
(a) Pakistan	20	21
(b) India	—	—

Bills Purchased and Discounted—		
(a) Internal	10.12	10.12
(c) Govt. Treasury Bills	64.00	26.00
Loans and Advances to Govt.	5,77.86	2,79.45
Provincial Govt. Debtor Balances	19,23.12	19,28.38
Other Loans and Advances	38,96.57	40,92.40
Investments	12,12.90	10,62.11
Other Assets	—	—
Total	86,02.11	81,46.77

Estimated or provisional figure

Our City Cable

STOCK MARKETS RECOVER

INDUSTRIALS AND GILT-EDGED ADVANCE

London, 27th March.

THE sharp falls in the London stock markets which followed the start of the shipyard strike were recovered later, and on balance, prices have been higher during the past week compared with their previous levels. After the initial fall, the markets became steadier and then went slowly ahead until the end of the week, when rising hopes of the labour troubles being settled brought a sharp advance. The recovery gathered momentum after the week-end when a settlement, it was thought, was imminent, but was brought to a halt following the breakdown of the shipyard strike settlement talks. Nevertheless, the gains were almost fully maintained on the view, which was also responsible for the sharpness of the rise, that the wage concessions to railway workers and the probability of similar settlements in other wage disputes would have inflationary effects. Sentiment in the markets was assisted by the success of the Bermuda conference. In keeping with the general improvement, Government securities have tended higher. In the foreign market, Baltic and Greek bonds have improved on speculative buying, but there has been very little interest in rails. Dollar stocks have been irregular, with prices fluctuating somewhat in sympathy with Wall Street. Industrials have recorded a strong recovery after their fall and prices are higher on the week. South African gold shares have relapsed in the absence of interest and are now around their all-time lows.

Tins have responded to the news that the floor price under the International Tin Agreement has been raised, but other base metals have been subdued. Oils are higher in common with most other sections. As very little interest developed in the rubber share market, idle conditions have prevailed for most of the week. Bid possibilities were responsible for a number of firm spots, but Kapala eased on the lower dividend and profits. A firm undertone has been maintained in the tea share market, although there was very little movement of prices. Mogan improved on the reported oil finds while there were several other firm spots. The rejection by the Indian Government in Parliament of a move to nationalise tea estates has had little effect on the market.

The Money Market

Credit conditions have been more stringent in the money market during the past week. Expectations of easier conditions following Government disbursements failed to materialise, and the market was never able to recover from a bad beginning until the week-end. The shortage of credit was made acute by the absence of maturities in the hands of the banks because of previous operations by the authorities, while tax payments continued to run at a high level. On two occasions, the market had to borrow from the Bank of England and this was in spite of a large volume of assistance given by the authorities. The rate for money varied between $3\frac{1}{2}$ percent and $4\frac{1}{2}$ percent, with the average rate around $4\frac{1}{2}$ percent.

Activity on Wall Street

Foreign bonds were featured by the strength in German Nationals and Greeks which gained up to a couple of points or more. Norwegians were also firm but Italians, Danish and Serbs were shaded slightly. Japanese issues held steady at small

gains. A number of Brazilians were higher by one to two points on a very light volume. Chile 3 per cent held steady around the \$(U.S.) 45 $\frac{1}{2}$ level. U.S. Government securities fluctuated irregularly. Long-dated issues dropped sharply early in the period on a carry-over of selling which was prompted by the disclosure late last week that the Treasury was considering the issue of a new long-term bond. The pressure eventually lifted and the market turned firm on the stimulus of renewed buying interest. Top quality corporates moved ahead in active dealings with new issues in the forefront. Rails were mixed in quiet trading.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 20th March shows that gold stocks increased by \$1 million to \$22,305 million. Foreign deposits increased by \$8 million to \$300 million; but foreign investments fell by \$1 million to \$3,735 million. The Federal Reserve bought \$85 million worth of bills and \$45 million worth of securities under purchase agreements, but sold \$1 million worth of notes. Total discounts and advances increased by \$254 million to \$893 million, while the aggregate excess reserves of member banks increased by \$69 million to \$246 million. The daily average excess reserves of member banks rose by \$197 million to \$602 million, but their daily average borrowings fell by \$97 million to \$757 million. Business loans of New York city banks rose by \$376 million to \$11,817 million, compared with a rise of \$433 million to \$9,984 million in the corresponding week a year ago.

Hongkong Gold Weak

The Hongkong gold market was steady for most of last week, but eased latterly on settlement prospects of U.K. labour disputes. Prices reached their peak on Tuesday of the week after which they fluctuated narrowly until they declined on the following Saturday to close slightly lower on the week. Business was inclined to dwindle for lack of political incentives. Traders expect the market to follow closely the movements of sterling on foreign exchange markets. Carry-over charges totalled 90 cents in favour of buyers. The official take was 2,280 taels, and the unofficial 14,400 taels. Arrivals in Macao were reported at 40,000 taels. Forward contracts were done at \$(U.S.) 37.73 c.i.f., Macao.

Vegetable Oils Mostly Dull

Nigerian groundnuts were active in an otherwise dull market with business extending over last week-end mainly to north Continental ports, and in a smaller volume to Italy. Unconfirmed reports claimed that the bulk of the north European trade was on East German account, involving from 10,000 to 12,000 tons for shipments April-June to May-July from £72 on last Friday up to £74 c.i.f. on last Monday. The Nigerian Board also made further offers at £74 for May-July shipments. Other origins were relatively inactive, although the week-end business to Rotterdam included April-May Chinese groundnuts at £75 c.i.f. In the oil section, groundnut oil continued to weaken with Nigerian offered 10s a ton lower and afloat parcels of South African subject to a sharp reduction to £132 $\frac{1}{2}$ c.i.f. Rotterdam, without apparent results. Linseed oil softened slightly in a featureless market, while coconut oil was generally ignored except for possible Italian interest in Ceylonese for April-May shipments in the region of £102 c.i.f. Castor oil was rarely mentioned on a constructive footing with European sellers still sharply discounting the original levels. Japanese soyabean oil was more freely offered to the Continent with the general level down to £120 a metric ton, c.i.f. No offers of Uganda cottonseed were traced to U.K. ports, but it is understood that the local mills secured the bulk of the supply at a parity of around £36 $\frac{1}{2}$ c.i.f., U.K.

U.K. Sugar for Russia

Authoritative trade sources in London confirm the sale of a further 10,000 tons of British refined sugar to Russia. This deal—which, it is reported, was finalised over last week-end—now brings the total for shipment to Russia, spread over March to May, to 60,000 tons. The contract price so far remains undisclosed, although it is stressed by trade circles in London that the deal underlines the scarcity of sugar not only in Russia, but in other east European countries.

Heavy Tax on Malayan Rubber Industry

A plea to the Malayan Government to abolish rubber replanting rebates and return to a straight 5 percent export duty has been made by Sir John Hay, chairman of the Guthrie group of companies. In his statement to the shareholders of Linggi Plantations Ltd., he said that allowing for all rebates, taxation had taken 71.75 percent of the company's profits—a higher rate of tax than that was levied on any other Malayan industry. Reviewing rarely equalled in any other country. Reviewing the prospects for the Malayan rubber industry, Sir John said that the future was hopeful as he expected the 1957 output and consumption to balance each other at around 1.9 million tons. Referring to comparative prices of natural and synthetic rubber, he pointed out that in 1955 and 1956 nearly one-third of the world's production of natural rubber was sold to the U.S.A. where the supplies of synthetic rubber were readily available. This seemed to belie the unqualified statement, made too often, that there was a particular price at which natural and synthetic rubber came into direct competition and that any rise above that price would lead to a smaller demand. This, Sir John added, did not mean that there should be a complacent disregard of competition.

Stocks and Shares

SHARE PRICES CONTINUE TO FALL

JUTES AT NEW LOW LEVEL: FRESH TAXATION FEARS

Wednesday Evening.

SHARE prices have receded in restricted trading on the Calcutta market this week. Interest in all sections, including speculatives, has been at a minimum. Operators have been preoccupied with interpretations of last week's Union Budget; the general feeling appears to be that fresh taxation is inevitable. Indian Iron shares have sunk from Rs. 20.4 to a low level of Rs. 19.7. This evening's closing quotation is Rs. 19.12; there is little business at this price.

All the important investment sections of the market have been neglected. Jute shares reached some of the lowest quotations yet recorded. Coals have remained dull and sellers have predominated in tea shares. Only Government securities have remained reasonably steady. The directors of Guest, Keen, Williams have announced a final dividend of 15 percent "for 52 weeks ended 29th December, 1956".

Details of the week's trading follow.

The Government securities market ruled fairly steady and there was a good enquiry for most short-dated loans. In contrast to the general trend, 3% Conversion Loan 1956 was easier at Rs. 74.5 and 3% Non-terminable Paper was marked down to Rs. 73. In short-dated loans, 3% 1957 was traded at around Rs. 99.12, but 3% 1958 recorded a further improvement to Rs. 99.10; 2 $\frac{1}{2}$ % 1961 was also better at Rs. 93.8 and there was a good enquiry for 2 $\frac{1}{2}$ % 1960 at Rs. 96.7. Three percent 1959-61 had buyers at Rs. 97.12 and 3 $\frac{1}{2}$ % 1961 was asked for at Rs. 99.7 without attracting sellers. Amongst medium-dated loans, 2 $\frac{1}{2}$ % 1962 was on offer at Rs. 93.15 and 3% 1963-65 was easier at Rs. 94.3; 3 $\frac{1}{2}$ % 1964 had sellers at Rs. 98.7 but 3 $\frac{1}{2}$ % 1965 was in demand at Rs. 98.4. In long-dated loans, 3% 1966-68 continued on offer at Rs. 92.4, 3% 1970-75 was quoted lower at Rs. 87.5, while 3 $\frac{1}{2}$ % 1974 was unchanged at around Rs. 98.8. State loans continued dull with business passing at around the previous quotations. Four percent U.P. 1967 was traded at Rs. 97.13 and 4% U.P. 1968 changed hands at Rs. 97.15. Four percent West Bengal 1963 had buyers at around Rs. 99.15 and 4% West Bengal 1968 was marked at around Rs. 99.

Business in preference shares was once again on a restricted scale. In jute, an odd lot of Anglo-India was done at Rs. 100 and Chitavalahs were marked at Rs. 100. Kinnison were placed at Rs. 102. Among miscellaneous issues, Aluminium Corporation 5% and 6% changed hands at Rs. 74 and Rs. 94 respectively. Bengal Assam Steamship were done at Rs. 75 and London offerings of Calcutta Electric brought the shares down further to Rs. 8-14. Calcutta Tramways were depressed at Rs. 7-10 and Dalmia Cement were crossed at Rs. 94. Duncan Brothers were marked at Rs. 58. Equitable at Rs. 100 and Hall & Anderson at Rs. 67. Indian Iron & Steel were depressed at Rs. 99 and a small lot of Karanpura Collieries was offered at Rs. 54-12 at which price business was reported.

The only share transacted in the banking section was Hindusthan Commercial at around Rs. 10-6.

No business was reported in railway shares.

In cotton, Kesoram were slightly easier at Rs. 14.5 and Bowreah were unchanged at Rs. 120, as were Dunbar at Rs. 200. Jaysree Textiles were marked at Rs. 5-10 and New Victoria at Rs. 1-14.

Business in coal shares was on a reduced scale and prices tended to lower levels. Bengal were marked down from Rs. 450 to Rs. 444 and Borra from Rs. 19.8 to Rs. 19. Central India were easier at Rs. 6.3, as were Western Bengal at Rs. 5-11. East Indian were shaded at Rs. 26 and Equitable were offered at Rs. 23. Katras Jheriah reacted from Rs. 56 to Rs. 53-8. New Beerhoom were lower at Rs. 15-2 while Union were better at Rs. 14-14.

Jute shares, in the absence of support, touched new low levels and selling orders were extremely difficult to execute. Here is a chart showing representative price movements:

	Opening 21-3-57	Closing 27-3-57
	Rs.	Rs.
Agarpara	8 14	8 8
Anglo-India	132	130
Birla	15	14 8
Dalhousie	95	85
Delta	135	127
Ganges	49	46
Howrah	16 6	15 12
Kelvin	195	180
Kinnison	134	122
Megna	72	68
National	20 8	20
Reliance	9	8 4

In electrics, Calcutta were subdued at Rs. 12-13 and Jubbulpore were easier at Rs. 13-12. Benares and U.P. were unchanged at Rs. 17-4 and Rs. 142. Sugar shares were marked down in the absence of enquiry. Balrampur eased from Rs. 8 to Rs. 7-12. Belsund from Rs. 10-14 to Rs. 10-12 and Cawnpore from Rs. 18 to Rs. 17-12. Champaran were lower at Rs. 20-4 as were Ramnugger at

Rs. 24. Darbhanga improved today from Rs. 21-2 to Rs. 22-4.

In the engineering section, Indian Iron & Steel shares met with selling pressure and receded steadily from an opening price of Rs. 20.4 to Rs. 19.8; tonight's closing quotation is Rs. 19.12. Bhartia Electric Steel reacted from Rs. 15-14 to Rs. 15 and Braithwaites were easier at Rs. 25 ex-dividend. Burn & Co., were quiet at Rs. 318 and Jessops were marked down further to Rs. 24-10. Richardson & Cruddas were easier at Rs. 17-8 and Textile Machinery dropped from Rs. 19-15 to Rs. 19-7. Guest, Keen, Williams were shaded at Rs. 24-8.

Paper shares were marked down in sympathy with the general trend of the market. India Paper Pulp were quoted at Rs. 22 ex-dividend against Rs. 22-4 at the beginning of the week and Orient slipped back to Rs. 31. Titagur were easier at Rs. 35-4.

In cement, Ashoka were easier at Rs. 10-2 and Dalmia were marked down to Rs. 11-12. Orissa were comparatively steady at Rs. 13-3 while Sone Valley were neglected at the lower rate of Rs. 6-14.

A solitary transaction was reported in the insurance section. In Ruby General at Rs. 5-8.

In shipping, Calcutta Landing were unchanged at Rs. 12-2 and Calcutta Steam Navigation (Rs. 10 paid-up) shares were crossed at Rs. 15-4. India Steamship reacted to Rs. 10-5.

Among miscellaneous industrials, Alkali & Chemical Corporation Old shares had buyers at Rs. 11-4 ex-dividend ex-rights, while the rights to apply were mentioned at around 8 annas with few declared buyers. Aluminium Corporation were lower at Rs. 9-12 as were Angelo Brothers at Rs. 19-4. Britannia Biscuits were offered at Rs. 13-4 and British India Corporation were depressed at Rs. 7-8. Clive Row Investment were unchanged at Rs. 9-14 and Dunlop Rubber were shaded at Rs. 25-2. Imperial Tobacco had sellers at Rs. 13-14 as did Indian

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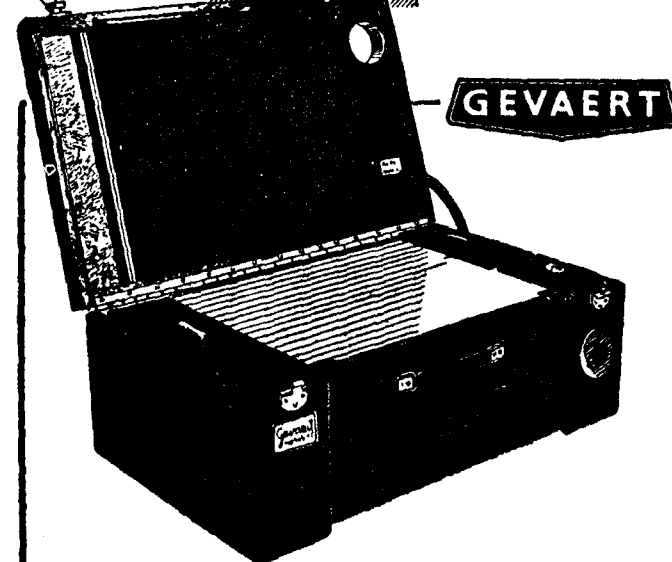
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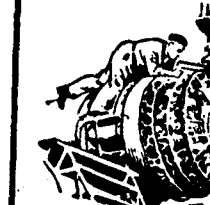
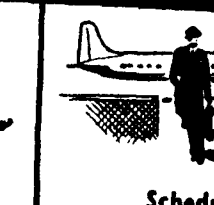
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AGRICULTURE AND TAXATION**

(FROM OUR NEW DELHI CORRESPONDENT)

THE two-day annual session of the Federation of Indian Chambers of Commerce and Industry, held this week, was inaugurated by the Prime Minister Mr. Nehru. He dealt with things which appeared to be unconnected with the points raised in the outgoing F.I.C.C.I.'s President's address. No hope was offered either of lightening the burden of taxation or of changing the pattern of development. Mr. Nehru took notice of the Forum of Free Enterprise, and deprecated its activities.

The Federation adopted eight resolutions on the problems of commerce and industry. It is gravely concerned "over the stresses and strains which have developed in the economy during the past year or so. There has been a rise in prices, a rapid decline in our foreign exchange resources and tightness in the money market", it says. Another serious matter is "the continuous fall" in food-grains production over the past two or three years, necessitating large imports of foodgrains. In the present predicament, the Federation feels that all sections of the community must do their best. It strongly urges the Government to assist the people in a positive way so that they can contribute to economic growth. The Government has been requested to: (1) give increased weightage to the improvement of agricultural production and provide facilities for its implementation; (2) adopt a monetary policy which, while putting the appropriate restraint on non-essential expansion, speculation and consumption, encourages production of essential items; and (3) formulate the taxation policy so that it may encourage savings, thereby ensuring the creation of investment resources for the plan.

Foreign Exchange Crisis

The Federation has a 12-point plan to meet the foreign exchange crisis. In its opinion, "the action taken so far falls short of the vital need to assist industry and trade to make an all-out effort in the direction of augmenting foreign exchange resources. As the problem is multi-faceted, so also should be the solution. The import policy should be so modified as to conserve foreign exchange resources and export promotion should come to be regarded as a joint and national responsibility. Considering the magnitude of the deficiency in foreign exchange, we must be prepared for austerity in consumption of at least non-essential goods." Towards that end, the Federation suggests:

1. The import of consumer goods should be restricted further and steps taken to augment internal production to meet domestic requirements.
2. A liberal licensing policy should be followed for the establishment of new units and expansion of existing ones.
3. The recent restrictions on the import of capital goods need to be reviewed and priority should be given for the establishment of the industries which will help reduce imports or augment exports. Consequently, the scheme for importing capital goods on a deferred payment basis should be modified, taking due note of the desirability of exempting such imports where orders have already been placed, part payments made and effective steps taken for setting up the industries.
4. Suitable schemes for Government guarantees to back the import of capital goods on a deferred payment basis, as also to cover exchange risks should be formulated.
5. The concession of granting special import licences to exporters to replace the imported raw material content of the goods already exported should be extended further.
6. Steps should be taken by industry and trade, with the active help and co-operation of the Government, to diversify the export trade both in commodities and markets. Indian industries, particularly export industries, should be permitted and encouraged to adopt modern methods of production to improve their competitive position in world markets.
7. Manufacturers and exporters should pay greater attention to the quality of finished products and arrange for the inspection of goods before shipment.
8. The organisation of Trade Commissions abroad should be strengthened to ensure better publicity for Indian goods.
9. Further fiscal incentives should be given and the procedural formalities in connection with the grant of rebate or drawback should be simplified.
10. A review of the activities of the State Trading Corporation should be made so that private efforts to augment foreign exchange earnings are not supplanted.
11. Adequate and cheap transport facilities for the efficient handling and movement of goods at ports and en route should be provided.
12. A positive programme to increase the earnings on invisible account through the increased utilisation and development abroad of Indian bank-

ing, insurance and shipping should be evolved, and an imaginative drive for attracting tourist traffic should be launched.

Economic Growth

The outgoing President, in his address, said that "the most important condition for economic growth is the urge to improve material well-being, to consume more goods and services and to desire new and varied items of consumption. Age-old customs, particularly in India where a premium is placed on austerity, will not go with modern economic development." He also said that "in a competitive world market, what counts more than anything else, is quality, price and salesmanship." The Federation says that to make up the deficiency created by cuts in consumer goods imports, steps should be taken to increase internal production. Here two issues arise. First, what happens until home production is adequately augmented? The reply may be that people will have to consume less. But the bigger issue is whether the business community takes the responsibility that its members, during the interim period when home production is being augmented, will not take advantage of the scarcity and raise prices.

Quality and Prices

Presumably, the President's reference to "quality and price" related only to the "competitive world market." The policy of protection, and now the foreign exchange crisis, have reduced competition at home, where conditions are slowly assuming the characteristics of a seller's market. The case of automobiles illustrates the point. It is not the testimony of the Tariff Commission, but of the users of motor cars, which should have influenced the Government in the formulation of its policy. The Government could have ascertained the comparative durability, prices and servicing facilities now and before the introduction of its present policy.

Expanding Exports

The Federation in its 12-point plan has made

several suggestions to stimulate exports. The question asked here is: how many of its members have taken advantage of the facilities granted by the Government in the course of last three years? What is for example, the extent of the drawback in customs duties, relating to articles of Indian origin exported, that has been claimed by Indian houses? Some leading business men were taken to Scandinavian countries last year. Their report is still being awaited.

Two of the key resolutions, it is said here, might indicate why "free enterprise" is losing ground in India. First, competition is the sine qua non of free enterprise. And competition is increasingly disappearing from the Indian market. Second, with the exception of one provision which advises manufacturers to pay greater attention to the quality of exportable goods, the 12-point resolution is essentially a charter of demands on the Government.

Burden of Taxation

While recognising fully the need to increase financial resources for the second five year plan, the Federation views "with concern" the frequent attempts to raise additional resources by increasing the burden of taxation on both individuals and companies. With the shifts in thinking on taxation, its range as also the rates of levy are frequently being revised and raised. Such measures are likely to affect adversely individual as well as corporate enterprise. The Federation referred to the official emphasis on corporate savings, while increasing the burden of individual direct taxation which has already reached saturation point. Savings have to be effected both by individuals and by corporate enterprise. Its considered view is "that in all economies, especially in under-developed ones, the backbone of capital formation can only be the will to save and invest and the capacity to do so on the part of the individual. Individual taxation requires to be reduced more if the policy of the Government is to subject corporations to heavier levies.

In this context, the Federation invites the attention of the Government to the additional corporate taxes recently imposed, namely, the tax on dividends, the tax on bonus shares and the withdrawal of the rebate on undistributed profits by the Finance Acts of 1955 and 1956, as also to the scheme of deposit with the Government by companies of part of their profits and accumulated reserves. "These measures are likely to act as serious handicaps in the functioning of corporate enterprise. The scheme of deposits, in particular, would also act as a serious impediment unless the rules to be made in this behalf are such as to eliminate all possible difficulties." The Federation feels that

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there is an urgent need for evolving a scientific tax structure.

On transport problems, the Federation urges the Government to: (1) pursue an integrated transport policy which will encourage private entrepreneurs, especially in road, coastal and overseas transport; (2) view road transport as an essential complement to the railways and co-ordinate the development of both to augment the overall transport capacity for short and long distance traffic; (3) make a detailed survey of the internal water transport system and provide facilities for the increasing use of internal waterways; and (4) develop the facilities available in the ports, the inadequacy of which is becoming a serious bottleneck to our development programmes.

Productivity

The Federation has a resolution on productivity, in the course of which it points out that the national income, as also the income of different sectors of the economy, can rise only if economic efficiency is increased. The resolution says: "Agricultural productivity in the country is proverbially low. So is the output per man-hour in industry and tertiary occupations. There is also the need to increase the productivity of investment by improving technology and organisation. Productivity in agriculture can be increased only by reducing the pressure of population on land and improving the age-old methods of cultivation. Similarly, unless there is an improvement in the techniques and organisation and an increase in the contribution of labour, no significant rise can be expected in industrial productivity. Incomes of various factors of production have also to be related to the pro-

ductivity of each. An increase in wages unrelated to increases in productivity can only mean a breeding ground for inflation which will nullify the advantages of a wage rise. Labour should be ensured of its fair share in the growth of productivity and in turn it should be the duty of workers to put in the effort required to attain a high level of efficiency. The Federation urges that it is the responsibility of all, in whatever capacity, connected with agriculture or industry, trade or transport, to exert their energies and improve their performance. This alone can make a real contribution to the economic advance of the individual as well as the nation."

It, therefore, emphasised the need: (1) to augment the facilities for technical education to provide for a regular flow of different categories of skilled personnel so essential for the plans of development; and (2) to encourage the adoption of modern and improved methods of production in agriculture as well as in industries, small, medium and large-scale, so that production is increased, quality improved and costs reduced for the benefit of consumers. In its resolution on sales tax, the Federation requested the Union Government to evolve, in consultation with State Governments, a model sales tax Act for adoption by the States. The Federation also appealed to the various State Governments to give their wholehearted co-operation to the Central Government in this matter.

Monetary Stringency

By another resolution, the Federation called the attention of the Government and the central banking authority to the hardship caused to trade

and industry on account of the stringency prevailing in the money market. "Demands for funds from various sectors of trade and industry have naturally increased, consequent upon the rising tempo of activity under the five year plan. The high level of industrial and commercial activity, particularly has absorbed a larger volume of funds, and the prevalence of higher prices for raw materials and semi-manufactured articles, coupled with the increase in costs of manufacture, has added larger rates of wages and emoluments of machinery, to the problem. Increased imports of machinery, capital goods, iron and steel, cement, etcetera, required on a large scale for developmental projects, further account for the absorption of a fairly big amount of available resources. While, thus, on the one hand, the demand for money has substantially gone up, there has been no corresponding increase in the available supply of money, with the inevitable consequence that certain sectors of trade and industry experience considerable difficulty in financing their current operations. The Federation feels that, if corrective measures are not taken in time, the situation created by the monetary stringency in the country will cause a setback not only in preserving the existing levels of trade and economic activity, but also in the smooth progress of the programme of development under the plan.

"The Federation is, therefore, of the opinion that it is quite imperative that suitable remedial steps calculated to ease the position and to impart an element of liberalisation in the present money market conditions are taken at an early date. In particular, it suggests:

"1. Further liberalisation in the policy and programme of re-discounting of bills by the Reserve Bank of India.

"2. The adoption of an active open market operations policy for Government securities.

"3. Relaxation in the procedure governing the payment of bills for the supply of stores and materials to Government and quasi-Government departments, with a view to expeditious settlement of accounts.

"4. A waiver or relaxation of the requirement in regard to deposits with Government and quasi-Government departments for securing due performance of contracts or execution of works for, or on behalf of, public authorities.

"5. Immediate payment of compensation on account of the nationalisation of life insurance as well as early payment of compensation for other properties acquired by the Central and State Governments.

"6. Evolving suitable proposals for the resources with the Life Insurance Corporation of India being available both to the private and public sectors for financing development schemes.

"7. Providing quicker remittance facilities to banks, thereby reducing the amounts of money in transit.

"8. The opening of branches in the rural areas by banks with the assistance of the central banking authority to mobilise rural savings.

Exports to South-East Asia

The prospects of expanding exports to four leading markets in south-east Asia, particularly for the products of the engineering industries, are considered favourable as a result of the discussions held by Mr. K. B. Lall, Joint Secretary to the Ministry of Commerce and Consumer Industries, with Government and business representatives in Rangoon, Bangkok, Singapore and Phnom Penh (Cambodia). Mr. Lall led the Indian delegation to the E.C.A.F.E. Committee on Industry and Trade, which recently met in Bangkok. He utilised this opportunity to explore possibilities of developing trade with these four countries. His discussions with official and trade interests were devoted to finding out ways and means of augmenting trade and assessing specific difficulties in the way of trade expansion. These discussions have shown the common desire to strengthen commercial ties among Asian countries. It has, however, been difficult to fulfil this desire so far because of trading communities in the region have remained isolated from each other, and do not have an adequate knowledge of the conditions in one another's markets. The first step, therefore, in the direction of developing trade is to break this isolation among business men. The discussions have also shown that traders in those countries are generally satisfied that, in quality, Indian products are as good as those of the traditional suppliers. But an improvement is needed in business methods. Particular attention has been drawn to the need for proper business relations between agents and exporters, an adequate guarantee for the quality of the product, after-sales service and safe and attractive packing. Some instances were quoted in which the machines arrived safe in the importing country, but the packing had broken loose. There are some import restrictions and foreign exchange difficulties in these markets. Methods of overcoming them are, however, being explored.

CORRECTION

In the New Delhi letter on page 406 of the issue of Capital dated 21st March, under the heading "Tube and Tyre Manufacture", it was wrongly stated that the Firestone Tire and Rubber Co. of India had "already been granted a licence to set up a factory in Madras State." This, of course, refers to the Dunlop Rubber Co. (India) Ltd., and

London

GROWING ANXIETY ABOUT U.K. LABOUR TROUBLES

PUBLICATION OF WHITE PAPER ON DEFENCE DELAYED

(FROM OUR LONDON CORRESPONDENT)

THE strike of 200,000 shipyard workers has been in progress throughout the past week. Work on between four and five million gross tons of shipping under construction or repair in more than 70 yards has been at a complete standstill. The costs to shipbuilders and ultimately to owners must run into several millions of pounds. But even more damaging will be the indirect repercussions on the economy as a whole. The minor run on sterling and the uncertainty on the Stock Exchange are indications of the lack of confidence that is developing. The threat of a progressive strike throughout the engineering industry, starting with one million workers in selected areas and extending to the total labour force by 6th April, and of similar action by the railwaymen in support of the N.U.R. rejection of the Tribunal's award of a 3 per cent wage increase, which it called "an insult", would prove crippling. In view of the uncompromising attitude hitherto adopted by both sides in the shipbuilding and engineering industries, the Minister of Labour and his officials have done well to get the employers first to agree to arbitration and, when the trade unions rejected that way out, to negotiate direct if the unions also accepted an investigation into restrictive practices. Peace in the shipyards is possible along those lines but the situation is "delicate." The engineering strike would probably be obviated along similar lines, while the Transport Commission is negotiating, with some hopes of success, with the railwaymen.

The Government's anxiety in the face of these dangers is understandable, and it is concentrating its main activities on fostering sensible solutions. At the same time, the Prime Minister and the Foreign Secretary, the former after a most successful defence of the Government's policy at a meeting in Leicester, have been busy in Bermuda striving to re-establish Anglo-American accord in the international sphere. Their Ministerial colleagues here are pressing forward with domestic measures, unperturbed by by-election portents of increasing unpopularity. They are confident the results will restore the party's fortunes before the next general election.

Budget Build-up

The approach to Budget day will be choked with documents now that the Defence White Paper has been delayed for about a week. It is due in the first week of April along with the Economic Survey, the Exchequer returns, the National Income White Paper, the gold and dollar figures for March and the Balance of Payments White Paper. The climax will be the Budget itself, which becomes more problematic the longer the defence bill is kept secret, though recent hints lead to an expert assessment that the defence estimates will total about £1,450 million. Meanwhile, the modest improvement in the outlook for the current year continues. With only two weeks remaining, the national accounts show an above the line surplus of £318.8 million. At this time last year, the surplus was £412.5 million. Below the line there is a deficit of £556.6 million, so that the overall deficit to 16th March is £237.8 million. At the corresponding date last year, the below the line deficit was £503.4 million and the overall deficit £117.8 million. The outlook is brighter than was expected a few weeks ago, but even so Mr. Thorneycroft is not expected to go very far in offering widespread relief in the face of the continued threat of inflation. Incentives are another matter, and help for those in real need, but no one would dare make predictions at this stage. Cutting expenditure is a difficult job, as the £14 million extra guarantee to farmers just announced goes to show, while the National Health Service doctors want a lot more if they are to join the lengthening strike queue in October.

Qualified Optimism

Sir Graham Hayman, President of the Federation of British Industries, said in Birmingham the other day that the objectives of the Government's restrictive measures—to overcome inflation and the weakness in the balance of payments—were as vital as ever. "We are still operating at the very edge of the margin. The economy appears to remain at a point of balance where the forces of restriction and expansion are fairly evenly matched. Any small but premature relaxation might well rapidly multiply its effect, and the most careful timing must be observed in giving reliefs if we are to avoid a fresh spurt to the inflationary conditions." This view leads Sir Graham to think that there is very little room for tax reduction in the coming Budget except in so far as Government expenditure can be reduced. He would like to see immediate changes limited mainly to the reintroduction of investment allowances and the removal of certain serious taxation anomalies. "This is a sensible view but it is not as widely held in the business world as it should be. On the outlook generally, however, Sir Graham was reasonably optimistic, as indeed were many of those who heard him, seeing that the number of workers in the Midlands on short time dropped from 34,470 on 23rd February to 23,000 on 16th March. He is also supported by the production figures for the motor car industry and by the detailed trade figures for February. Production of both cars and commercial vehicles is well up on January (47,640 cars against 41,598 and 20,147 goods

vehicles against 17,866) and exports of cars (28,400) are higher not only than in January (26,372) but also in February of last year (26,040). The total value of all road vehicles and aircraft exported last month was about £1 million down on February 1956. All the other staple export lines showed good increases—chemicals £3 million, iron and steel £4 million, non-ferrous metals and manufactures £4 million, machinery £7 million, electrical apparatus £2 million and ships £3 million. A notable feature of the import trade was a £4 million drop in iron and steel purchases. Oil cost £4 million more. For crude and partly refined petroleum, we paid £1 million less than in February 1956, but got only three-quarters of the quantity.

Costs of Suez Closure

The effects of the closure of the Suez Canal have varied so greatly that it will probably be some time before an overall assessment is possible, for even within the same industry experience has been different. Sir Colin Anderson put the cost of the closure to the Orient Line at some hundreds of thousands of pounds in lost passenger revenue from Colombo and the Mediterranean ports and through higher fuel oil prices. The Liverpool Steam Ship Owners' Association attempts to present a more complete picture as far as the shipping industry is concerned in its annual report. It enlarges on Sir Colin's point by showing that the extra mileage of the Cape route matters, particularly for the East African and Persian Gulf ports. But the loss that affects all routes which formerly passed through the Canal, including Australia, where the extra mileage is not great, is the revenue from cargo and passengers to and from the normal ports of call on the Suez route, which "contribute substantially to the financial result of the voyage as a whole." The loss to individual liner companies has undoubtedly been severe, but for the United Kingdom as a whole the impact of the Canal closure has been surprisingly mild and seemingly short-lived. Its course may be traced through the monthly trade and navigation accounts. Imports were affected first. In the words of the Liverpool Association, "all ships normally proceeding via the Canal had forthwith to be diverted via the Cape, and many of those on voyages at the time had to turn round and travel long distances before getting back on to the Cape route." Import arrivals in U.K. ports fell in November and December, showed a big jump in January when the diverted ships arrived in a bunch, and were more or less back to normal in February. The effect on exports was slower to develop and might have been expected to last longer, but here again the February figure cannot be far away from normal and it is well in excess of the average for the first quarter of 1956. No firm conclusion can be based on the experience of a single month, but it is surely surprising that only four months after the Canal had been closed the trade of the United Kingdom should have returned to its normal dimensions both in exports and in imports. The ports that have suffered most are not the terminal ports in Britain and in Europe, Australia and the Far East, but the intermediary ports in the Mediterranean, the Persian Gulf and East Africa. One must sympathise, too, with the liner companies whose services have been diverted round Africa but who are barred by local carrier agreements from competing for trade in the ports at which they are now obliged to call.

More Commonwealth Cotton

The reports and accounts of the British Cotton Growing Corporation show a decrease in earnings

which hardly seems to justify the recently announced decision of the directors to recommend an increased dividend of 12½ per cent, of which 6½ per cent is a bonus, against the 11 per cent which was paid in each of the two previous years. Cotton and other profits amounted to £198,323, against £250,868 in the previous year, and though the income from investments rose to £23,101, against £18,370, the net profit was struck at £293,530, against £119,264. A transfer of £10,000 is made to trustee securities reserve, against £45,000 transferred to contingencies reserve a year ago, and the carry forward will again be increased, this time from £299,506 to £349,002. A note on the balance-sheet gives outstanding commitments for capital expenditure as £57,492, compared with £261,711 a year previously. The report records further construction work, extensions and modernisation of ginning plants in Nigeria, where a new ginny in Kuru should soon be operating and new offices are to be erected at the headquarters in Zaria. There have been minor improvements to ginning plants in Uganda in conformity with recent legislation and the saw ginning plant at the Mbale ginny is to be replaced by roller-ginning equipment. A new high record, the report says, was established last year for cotton production in the Commonwealth (excluding India and Pakistan) and the Sudan. The total was given as 1,279,000 bales, against 1,222,400 bales in 1955, and 1,227,600 bales—the previous record—in 1954. Production rose sharply last year in the Sudan and Uganda but Nigeria had a setback. The crop in Aden increased further to 30,709 bales against 23,300 bales in 1955.

Brevities

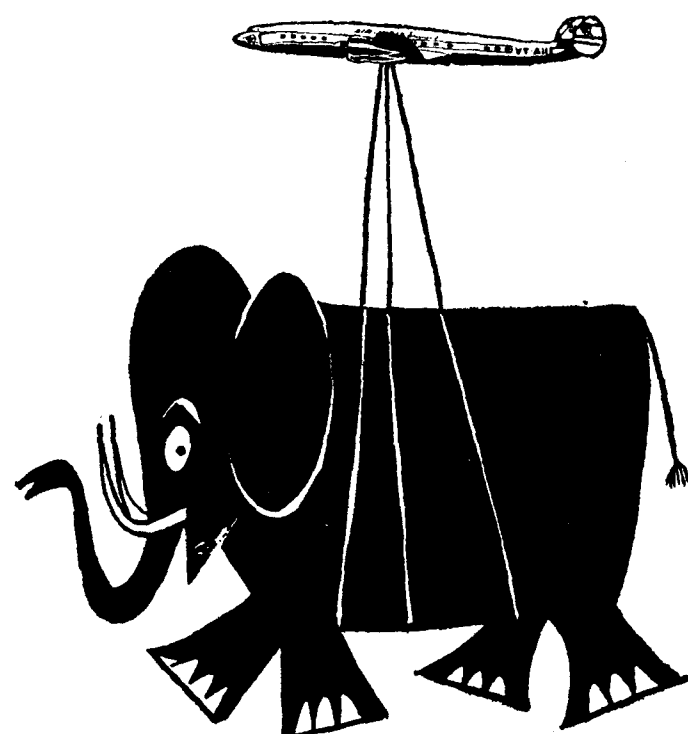
Oriental Telephone and Electric Co. is to be placed in voluntary liquidation, enabling the liquidators to make an interim distribution to stockholders. The board states that negotiations have not yet reached a stage where it is possible to estimate when agreement is likely to be reached on the final purchase price to be paid for its nationalised telephone undertakings.

The board of Jorehaut Tea proposes to transfer ownership of the estates in India and the company's other interests to a new holding company to be called Jorehaut Holdings. Stockholders will be issued with an equivalent amount of shares and stock in the new concern in place of existing holdings. The present company will continue to work the Indian estates.

The European Coal and Steel Community is to raise \$35 million for the development of coal and steel industries in member countries.

The Board of Trade has for disposal from its strategic tungsten stocks about 500 tons metal content and has instructed British Tungsten to dispose of this quantity gradually as required so as to avoid undue disturbance of the market. Recent reports put the amount for disposal at upwards of 3,000 tons of tungsten ores.

With the import and export price index numbers both up by one point in February, the terms of trade were unchanged last month. The import price index rose from 110 to 111, mainly due to higher prices for fuels and for food, beverages and tobacco. The index of export prices rose from 109 to 110. The main influences were higher prices for manufactured goods, mainly in the engineering categories.



Carried any elephants lately?

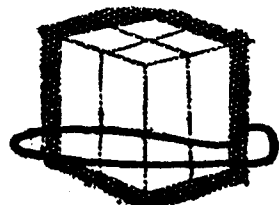
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INDIAN MANGANESE ORE LOSES GROUND IN U.K.

COMPETITION FROM BRAZIL AND RUSSIA

(FROM OUR BOMBAY CORRESPONDENT)

INDIAN manganese ore has lost substantial ground in the U.K. market because of increased competition from Russia and South Africa. Total imports of manganese ore into the United Kingdom during the first 11 months of last year rose to 424,156 tons from 388,660 tons in the corresponding period of the previous year, but those from India recorded a decline of 36,340 tons. Supplies from India were placed at 82,254 tons, compared with 118,594 tons in the first 11 months of 1955. Imports from Russia and South Africa, on the other hand, rose to 146,439 tons and 57,441 tons from 109,576 tons and 34,937 tons respectively. The full implications of Russian competition are not yet known because that country's trade is often conducted on considerations other than purely economic ones, but the fact remains that she is in a position to influence the world's manganese business to a large extent. Global reserves of high-grade ore are computed at over 10,000 million tons, of which Russia accounts for nearly 48 percent. The Chiatara deposit in the Caucasus mountains is the largest single mine, being continuous for 14 miles. The second major Russian manganese ore deposit is located in Nikopol in the Ukraine.

India has, however, another formidable competitor in Brazil where the envisaged expansion of manganese production will reduce America's dependence on this country for supplies. Manganese deposits in the Amazon region are being explored jointly by Brazilian interests and the Bethlehem

Steel Company which holds a 49 percent interest in the undertaking. These deposits, with a manganese content of 45 percent, were discovered in 1946. Output from this region is likely to total 600,000 tons a year, of which 400,000 tons are to be shipped to the United States. With the help of an Export-Import Bank loan of \$67,500,000, a 120-mile-railway was built from the mines to the Amazon. A modern deep water port capable of taking ocean-going vessels has also been constructed with floating loading piers and capacity to handle 2,000 tons of ore an hour. Yet another potential competitor is Ghana where the African Manganese Company owns the largest single property of its kind in the world in Nanta, some 40 miles from the Takorach harbour. Now independent, Ghana is expected to make an all-out bid to develop her economy and manganese will be one of the commodities which she will seek to produce in increasing quantities for the export market. It would seem, therefore, that India will have to streamline and mechanise her manganese mining operations. The country should also maintain a flexible export duty policy if she is to retain her position in the export trade.

Brisk Trading in the Cotton Market

"King cotton continues to soar" is how a daily journal describes the local cotton market. Trading was brisk, both in the futures and the spot markets, with many popular varieties topping the ceilings. The Jarilla March and the April Vijay contracts advanced further on renewed bull support. The former touched Rs. 805 a candy while the latter was quoted at Rs. 879 a candy. Tenders against the Jarilla March contract totalled 400 bales. In sympathy, Jarilla May and Vijay June also touched new high levels at Rs. 696 and Rs. 840 a candy respectively. The spot market rocketed upwards following a scarcity in the popular varieties and renewed mill demand. The growths particularly affected are the new crop

Vijay, Surti and good Jarilla whose prices are about Rs. 30 to Rs. 50 a candy above the ceiling limits. The principal reason for this activity is that the cotton crop estimate now stands at 49 million bales, against the earlier estimate of 54 million bales. This is just adequate to meet domestic needs and a modest export quota. Mills have complained to the authorities that they are unable to obtain their needs of the popular varieties at reasonable prices. The authorities have declared that any sale or purchase of cotton above the permitted level is illegal. There is considerable nervousness in trade circles about the steps the Government might take to stabilise prices and ensure a steady supply for mills. It is believed that if the position does not improve, New Delhi may order the freezing of existing stocks and regulated sales to mills. Meanwhile, the mills are holding off purchases unless absolutely necessary.

Moderate Enquiry for Piecegoods

There has been some activity in the piecegoods market, moderate enquiries being received from upcountry centres. Interest is chiefly focussed on superfine qualities in cambrics, doria cloth, mulls and voiles. There have been some enquiries for medium counts also, but the coarse varieties have been neglected. Prices have ruled steady. Now that it is clear that there will be no change in the excise duty policy, the textile trade may come to normal as stocks in consuming centres are reported to be low. Fair business was done with the United Kingdom in medium greys. Burma also entered the market and West Africa showed some interest after a long period of inactivity. The Sudan also resumed purchases and modest business was reported. The yarn market continued to be easy on lack of buying support. Futures and spot prices declined as the post-Holi demand, which was expected earlier, failed to materialise. Weavers from Delhi, Surat, Malegaon and Banaras showed no inclination to make new purchases.

Uttar Pradesh

CONGRESS VICTORY IN UTTAR PRADESH

SCHEME TO REFORM AGRICULTURAL EDUCATION

(FROM OUR LUCKNOW CORRESPONDENT)

THE Congress has been returned to power with an absolute majority in Uttar Pradesh. With eight results yet to be declared, the party position in the 430-member Legislative Assembly is as follows: Congress 281, Praja Socialists 44, Jan Sangh 16, Communists 9 and Independents 72. Although the list of Independents includes 23 members of the Lohia socialist group, the number of non-party members who have been returned this time is impressive. Among them are many Rajas and zamindars whose local influence has carried them to victory. In the last general elections, the Congress received 47.9 percent of the votes cast but this time the percentage has gone down to 42.65. The P.S.P. has received 13.98 percent of the valid votes which compares unfavourably with its total poll of 17.8 percent in the last elections. The Jan Sangh's poll has gone up from 6.37 percent in 1952 to 9.59 percent. The Communist Party has improved its voting position, the poll in its favour having gone up from 0.93 percent to 3.6 percent. The Ram Rajya Parishad, which was the only State party recognised in U.P., has secured only 0.75 percent of the valid votes, against the 3 percent required for retaining its former status.

Election Surprise

The Opposition has increased its numerical strength considerably, getting almost three times the number of seats it occupies in the present House (47). Of the results declared so far, it has annexed 138 seats, and is likely to get two or three more. Of the 86 Lok Sabha seats, results have been declared for 62. Forty-nine seats have gone to the Congress and 13 to the Opposition so far. The biggest election surprise in the State was the defeat of the Planning and Industries Minister, Mr. C. B. Gupta, by the P.S.P. General Secretary, Mr. Triloki Singh, by an overwhelming majority of 12,000 in the Lucknow East constituency. Mr. Gupta had for many years been the "party boss" of Uttar Pradesh. It is, however, conceded that Lucknow East has voted not so much against the Congress as against Mr. Gupta personally. Mr. Gupta's refusal to admit defeat and his unilateral announcement that he will fight another bye-election has not enhanced his popularity. Another interesting feature of polling in U.P. is the Congress victory in three of the predominantly labour constituencies of Kanpur. This is all the more significant in view of the agitation that the defeated Suti Mill Mazdoor Sabha leaders have been carrying on against rationalisation in textile mills.

The results from east U.P., which suffers floods and drought, show that the Leftists did not have a walk-over as was expected. It may also be mentioned that some Leftist leaders like Professor Shibbanlal Saxena and Mr. Genda Singh were clearly defeated in Parliamentary contests although they were elected to the Assembly seats. Dr. Lohia is another prominent loser to the Congress. The electorate in the State has increased in size since 1952 from 31.7 million to 34.5 million. The percentage of polling has been as high as 70 in urban and 60 in rural areas. In double-member constituencies, the number of invalidated votes has been very high—15,000 to 20,000 in some constituencies. This is attributed to the confusion caused by the existing method of casting votes. An analysis of the voting figures, however, shows that in spite of the increased political consciousness of the electorate, caste and communal considerations still play a decisive rôle.

Survey for Magnesite Deposits

The Central Geological Department has recommended the survey of the Garhwal and Almora districts of Uttar Pradesh for discovering magnesite deposits in view of their importance for the expansion of the iron and steel industry. The survey has been recommended by a team of geologists which was deputed to collect about 10 maunds of magnesite bulk samples from the Almora area for detailed examination at the National Metallurgical Laboratory in Jamshedpur. The collection was made from an outcrop of the mineral near Doba and the adjoining areas. The team has suggested in its report that careful sampling and investigation may reveal the presence of large and good quality deposits and that it would be easy to utilise them if an easy electrical method of reducing magnesite metal from magnesite could be developed. It also states that if the electrolysis of magnesite could be perfected on a commercial scale, the numerous streams in this area could be harnessed for producing cheap electrical energy. In this connection, it is interesting to note that hydel power is already available in Bageshwar.

Food Production Department

The State Government is likely to set up a food production department for accelerating the pace of agricultural development through better co-ordination and supervision. Except in the N.E.S. blocks and the community project areas, agricultural development has been lagging behind targets. An overhauling of the present system of agricultural education is also engaging the attention of a high-level committee which will study the problem with

particular reference to the need for co-ordinating agricultural education with research. In the Government agricultural college in Kanpur—which is the premier institution of its kind in U.P.—there are two types of experts. One section is exclusively engaged in research. The other is engaged primarily in teaching, and in research when there is time. It is proposed to bring about a change in the functions of these experts as also to place the entire Kanpur district in charge of the agricultural college authorities.

The rising trend of food prices on the eve of the elections has now been reversed in the State. Wheat is now selling at 24 seers a rupee against 1 seer 14 chattaks a week ago. As the time for harvesting the rabi crop is drawing near, wheat and gram prices are expected to decline further. When wheat prices were soaring the State Government opened a chain of fair price shops where subsidised imported wheat was sold at the rate of 2 seers 12 chattaks a rupee.

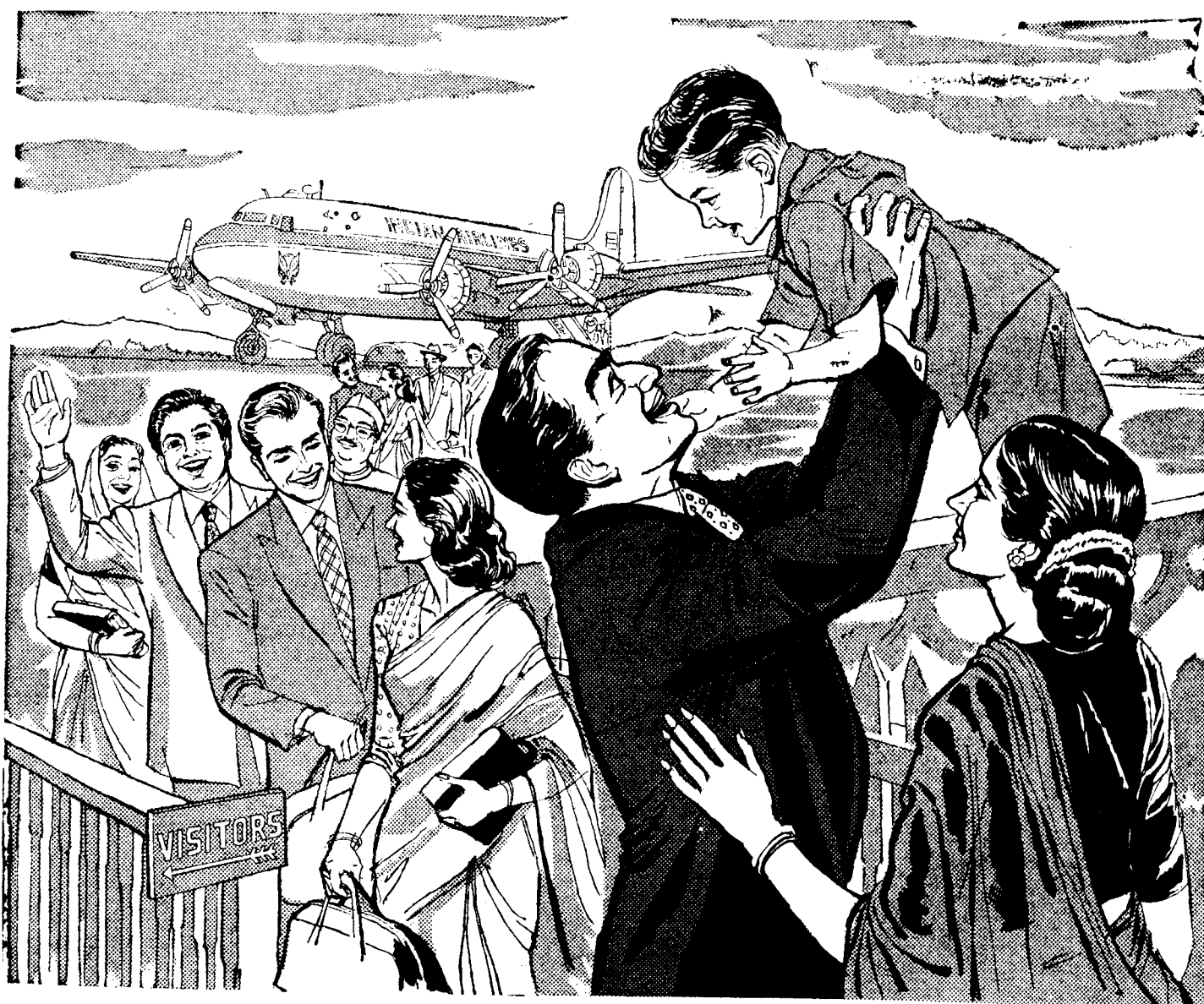
Second Plan Programme

Mr. V. T. Krishnamachari, Vice-Chairman of the Planning Commission, paid a two-day visit to Lucknow. He had discussions with the State Government on the 1957-58 programme of the second five year plan. The Chief Minister, Dr. Sampurnanand, asked him to enable the State to go ahead with the first phase of the Yamuna hydel project in the coming financial year. He also pleaded for an

early revision of the formula for the division of the State's collection of small savings. Among the other points urged by the Chief Minister were the difficulty of the State in finding money to meet unforeseen contingencies and the unscientific nature of the present rigid division between a plan and a non-plan item of expenditure.

Training Facilities for Trade Unionists

Labour leaders in Kanpur have generally welcomed the Planning Commission's proposal to open colleges for "the right type of education in trade union leadership." They expressed their views to the Central Government's Labour Education Team which visited Kanpur last week. Mr. Arjun Arora, one of the labour spokesmen, admitted that most trade unionists were at present drawn from the educated middle class who were not actual workers. Mr. Surya Prasad Awasthi, another labour leader, agreed with the aims of the proposed education of workers; but the President of the U.P. branch of the I.N.T.U.C., Mr. Jagdish Chandra Awasthi, sprung a surprise by his statement that "if you teach the worker to be a trade unionist, he will be dismissed by the employer." Mr. Awasthi, however, suggested that the proposed Harihar Nath Shastri Memorial Institution in Kanpur should be converted into a trade union college. Another trade union leader, Mr. Ganga Sahai Chaubey, was of the view that the money for running such colleges should be obtained from the Government and employers.



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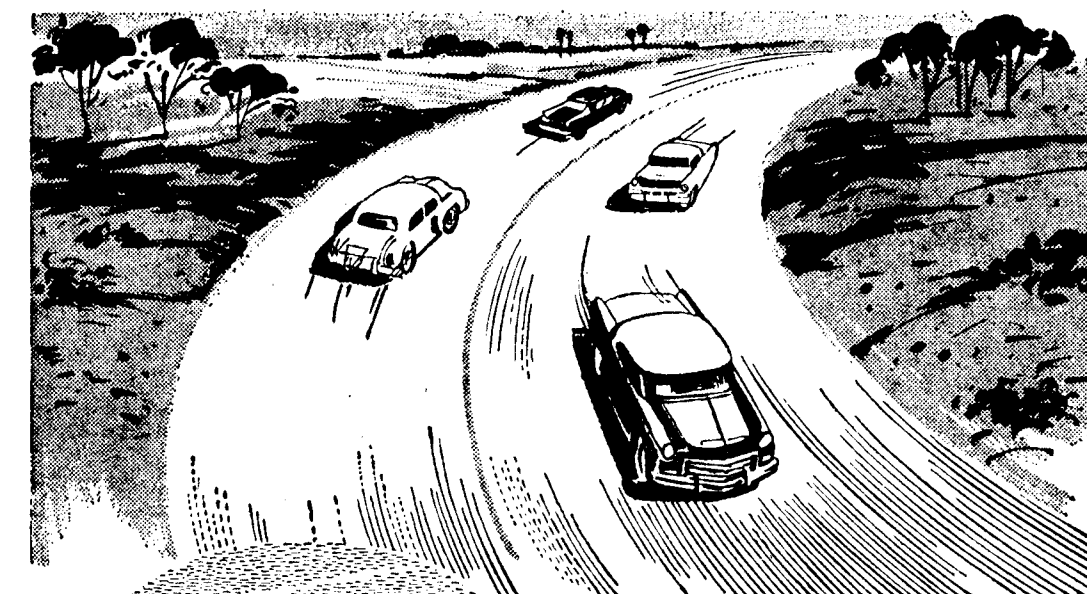
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D. P. PARTHASARATHY,
B.A. (Hons.), B.L.
SECRETARY

The needs of road transport were stressed at the meeting of the Motor Vehicles Merchants Association, held on 22nd March. Import curbs were criticised, as it was felt that more vehicles were urgently needed. The amended motor vehicles Act was welcomed by the trade which argued that protection for the motor industry must be reinforced by a new liberal policy for road transport, permitting inter-State traffic. Road services to Kurnool and Bewdha have been started recently. The lorry traffic along the trunk roads now enables the carrying of oil in tanker trucks from Madras. The operators, however, need oil, spares and tyres and shortages affect efficiency, as the trade complains. The producers of accessories are in need of encouragement. While the cut in prices of trucks may help the haulage industry, the maintenance of the trade in spares demands a fair volume of imports.

BRITISH OVERSEAS AIRWAYS CORPORATION WITH QANTAS EMPIRE AIRWAYS LIMITED

That the operations of speculators in the fatka market are often responsible for the discounts at which heavy sacking has to be sold is evident from the daily quotations. It will be noted that at times B Twills, the fatka counter, for the fatka delivery period are at a lower price than heavy Cees for the same period, though it costs more to make a B Twill bag than to make a heavy Cees bag, and they are both the same weight. When this happens, it is due to selling pressure in the fatka market, which prevents mills from being able to sell at prices which will cover the costs of raw material and production. There are also times when the fatka-wallahs are bullish and push up prices without justification because, say, some operator is trying to organise a "corner". Even at these times, however, the fatka has little to recommend it.

	March	April	April-June	July-Sept.
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	33-4	33-2	33-2	33
40in. 10oz.	40-9	40-13	40-15	41
B Twills	109-12	110-10	110-14	111

Indian Jute :	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Northern, Dhubri and Assam	28-8	April-May
Desal	28	"
Jungli	26	"
Assam Tossa	31	"
Murshidabad Tossa	31	"
Daissee	31	One month
Daissee Mesta	24-8	"
Northern and Desal Mesta	25	April-May
Northern jute ex Calcutta	28	"
Local Packing	27	One month
Bimli	23	April-May
Pakistani N.C.'s	105	F.A.Q. a bale

Small sowings of white jute are reported in Assam and of mesta in the Daissee districts. The weather has been dry most of the week but some districts had showers on Monday night. More rain would be beneficial. In East Bengal, the weather was hot and dry most of the week but showers were reported on Monday. Sowing has progressed in the deltaic lowlands. Sowing in the midlands will go ahead wherever there is rain.

	Hessian		
	Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	2,054.5	27,761.1	29,815.
Short Shipped	172.3	1,473.1	1,645.
February, 1957 (Net)	1,882.2	26,288.0	28,170.
January, 1957 (Net)	5,442.7	32,002.5	37,445.
December, 1956 (Net)	3,859.3	33,813.9	37,673.

	Sacking		
	Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	27,004.9	3,433.5	30,438.
Short Shipped	1,768.5	5.6	1,774.
January, 1957 (Net)	27,035.8	2,271.2	29,307.
February, 1957 (Net)	26,238.4	3,427.9	28,666.
December, 1956 (Net)	29,766.5	1,851.9	31,618.

Hessian			
	Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 20th March, 1957	1,372.3	18,790.5	20,162.8
1st to 20th February, 1957	1,422.0	17,457.6	18,879.6
1st to 20th January, 1957	3,962.5	20,943.3	24,905.8
Sacking			
1st to 20th March, 1957	23,596.9	3,499.7	27,096.6
1st to 20th February, 1957	11,864.3	2,341.7	14,206.0
1st to 20th January, 1957	18,396.4	1,344.9	19,741.3

U.S. Burlap Consumption (as reported to T.B.M.A.) (Million Yards)			U.S. Burlap Consumption (Estimated Industry Total) (Million Yards)		
	1957	1956		1957	1956
Jan.	69	68	Jan.	75	72
Feb.	58	64	Feb.	62	68
Total	127	132	Total	137	140
Mo. Av.	64	66	Mo. Av.	69	70
Mar.		67	Mar.		71
Apr.		65	Apr.		69
May		69	May		73
June		59	June		62
July		59	July		61
Aug.		79	Aug.		83
Sept.		77	Sept.		80
Oct.		79	Oct.		86
Nov.		75	Nov.		81
Dec.		66	Dec.		72
Total		827	Total		878
Mo. Av.		69	Mo. Av.		73

	1957	1956		1957	1956
Jan.	232	213	Jan.	267	243
Feb.	237	214	Feb.	266	245
Mar.		224	Mar.		253
Apr.		224	Apr.		255
May		216	May		247
June		216	June		240
July		219	July		244
Aug.		228	Aug.		259
Sept.		229	Sept.		258
Oct.		225	Oct.		262
Nov.		233	Nov.		268
Dec.		236	Dec.		267

IMPROVED arrivals and reduced buying recently brought prices down to Rs. 29 for B Bottoms, Rs. 27-8 for C Bottoms and Rs. 25-8 for X Bottoms. But arrivals have again dried up in the past few days. Unfortunately, there has been little improvement in the jute itself, which is once again very moist. In the absence of an appreciable increase in prices it is found that sellers are reluctant to part with their jute. Pucca bale prices have declined considerably. There are sellers of Export Firsts at Rs. 190, Export Lightnings at Rs. 180 and Export Hearts at Rs. 168. Cuttings have weakened, but in general, little or no inter-baler business is reported. The only big buyers during the past week have once again been Adamjees, who have bought kutchra bales for April-May delivery totalling 40,000 maunds. More jute has been available in uncountry agencies, and it is noteworthy that both in Narayanganj and the mofussil, more and more of the early season jute is appearing. Many people read into this an indication that the crop has been much smaller than expected and sellers are "scraping the bottom of the pot." While there is every indication in the market that this could be a fact, it is very hard to believe the trade could have been so hopelessly wrong in its earlier estimates.

Overseas buyers, who paid as high as £110 to cover their requirements at the end of February, and early March, have now completely withdrawn. They are showing no interest even at £100 for Export Firsts. It is understood that even the spot and afloat positions command no premium and it can only be presumed that overseas buyers feel the Canal will open shortly and arrivals will be

Jute yarns and cloth remain quiet but firm. Calcutta goods have had a very steady undertone and quoted 61s 6d for 40in. 10oz. and 47s 6d for 74oz. March, 60s 6d and 47s 3d April, and 61s 9d and 46s 9d May and June. B Twills were at 169s March and April and 170s May and June, all firm. Calcutta. o.b.

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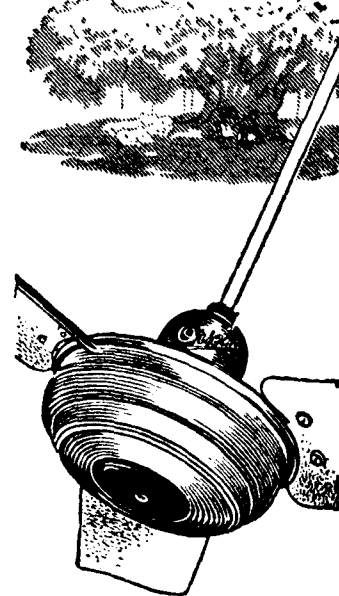
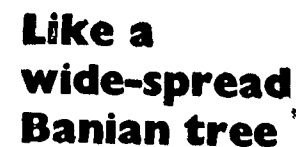
TRADE here is very dull at the moment and very few transactions are taking place. The possibility of lower prices, judged by the easier trend of raw material values in Pakistan, naturally calls for caution on the part of buyers. Many purchased wisely when prices looked like advancing just about the time of the Suez crisis, and those



PHILIPS SALES AND SERVICE
GO HAND-IN-HAND

The number of passengers traveling on U.S. domestic airlines will jump from the 42 million who flew in 1956 to 66 million in 1960 and 118 million by 1970, the C.A.A. predicts, in a new booklet entitled *Civil Aviation and Federal Airways Forecast*. U.S. international and overseas air passengers, it says, will rise from the 1956 total of four million to 6.2 million in 1960, 8.9 million in 1956 and 11.5 million in 1970. Other predictions for the U.S.A. are: air cargo will climb from 380

At the 24th annual general meeting of the Indian Coal Merchants Association, Jharia, held on 20th March, 1957, the following persons were declared elected as members of the Executive Committee: Messrs. D. N. Kakkar, Surinder K. Sikri, D. S. Thaker, M. K. Thacker, P. P. Joshi, Hansraj Thacker, Mohanlal D. Sonetta, Rafilal M. Dave, M. S. Shethia, Devchand Amulak Mehta, Chanrakant H. Worah, B. R. Dalmia and K. L. Dixit.



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Calcutta Markets

GOOD GENERAL DEMAND AT
TEA EXPORT SALE

MIXED TREND IN DUSTS

AT Sale No. 39, held on 25th and 26th March, export offerings consisted of 59,385 packages which were mainly end-of-season descriptions. There was a good general demand, but prices were generally 1 anna to 2 annas easier except for Whole Leaf grades and the few tippy teas on offer which were strong features. Clean, black leafed sorts were fully firm, while C.T.C.'s followed the general decline, although the smaller Fannings grades were about firm. Due to the poor selection of teas on offer, only plain B.P. is quoted this week.

Quotations

Plain B.P.	Rs. A.P.
110 6	

At the Internal Sale, Dust offerings were 19,298 chests. Middle East types were a strong feature and were frequently dearer while orthodox Assams sold well, particularly the black leafy kinds. Clean Commons and Mediums were well supported while non-wither Doonars were about firm. C.T.C.'s received less support and were sometimes up to 2 annas easier, while the dull fibrous kinds on offer were a weak feature and were often neglected.

Quotations

	Rs.
Medium Doonars Dust	110 0 to 111 9
Medium Assam Grainy Dust	111 6 to 112 0
Medium Assam C.T.C. Dust	2 0 0 to 2 2 0
Best Assam C.T.C. Dust	2 12 0

Of other grades there was a total of 4,009 chests on offer for which there was a fairly good demand and most descriptions were dearer.

FREIGHT MARKETS IMPROVE

THE freight markets in the past week presented a more favourable appearance to owners. A number of re-let American-Continental coal voyages were done at 72s, and the current single voyage rate for new business rose to 68s. Further activity in the grain trades helped bolster up rates, but there was a temporary weakness in the Indian market due to the weight of tonnage available after discharging grain cargoes in this area. A number of vessels were fixed from the Pacific Coast to Bombay at 170s for May-June loading. Unless there are last-minute changes in the destination, considerable congestion is likely to take place in Bombay from April to July in view of the large number of direct fixtures made during the last two or three months. Visakhapatnam-Northern Range showed a further decline of \$1.50 at \$18 for June-July and Madras-Yawata secured tonnage at 125s despite a delay of 10 to 14 days in obtaining a berth.

SUGAR MARKET INACTIVE

During the week ended 26th March, sugar sales in the Calcutta market averaged 5,000 bags daily. Arrivals were 2,000 bags a day and stocks totalled 80,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-6 for ordinary grain and Rs. 32-6 for big grain. The market was inactive for the best part of the week.

LINSEED DULL

Better conditions have been noted during the past week, and prices have advanced to slightly better levels, following keener enquiries from crushers; a somewhat easier undertone, however, was displayed towards the close due to a fall in demand. With ready goods still very scarce, activity has been rather limited. In the oil section, shippers have been fairly active, chiefly for near positions, and prices have advanced to higher levels. Latest quotations were as follows: March Rs. 21-12 a maund and April-May Rs. 21 a maund.

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HIDES AND SKINS FIRM

The market in skins ruled firm. Stocks were less than in the previous week.

Bazaar Sales

(Between 19th and 25th March, 1957).

Cowhides: Wet salted (Ord.) 24,000 pcs. on the basis of Rs. 6-8 to Rs. 9-8; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 12-4 to Rs. 22.
Goatskins: Wet salted (Daissee, Killed) 62,520 pcs. on the basis of Rs. 270 to Rs. 295; Rs. 345 to Rs. 355 and Rs. 370 to Rs. 385; Assam-Dinajpur 6,000 pcs. on the basis of Rs. 265 to Rs. 295; Purneah-Kissanganj-Malda 3,000 pcs. on the basis of Rs. 295 to Rs. 340; Muzafferpore-Patna 75,000 pcs. on the basis of Rs. 290 to Rs. 310.

Bazaar Stocks

(25th March, 1957)

Cowhides: Wet salted 3,08,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 13,000 pcs.; Assam-Dinajpur 44,500 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissanganj 1,11,000 pcs.

SHELLAC MARKET STEADY

During the week ended 26th March, the market was dull at the beginning and steady at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 100, 102 value.
Lemon No. 1 Shellac	Rs. 102 to 104 buyers.
Lemon No. 2 Shellac	Rs. 95 to 98 buyers.
F. O. Std. 1 Shellac	Rs. 86-8 to 90-8 buyers.
Pure TN Shellac	Rs. 82 to 83-8 buyers; 85, 86 basis doing buyers.
4% I.T.N. Shellac	Rs. 71-8 to 75 buyers.
No. 1 Kusmi Seedlac	Rs. 90, 92 buyers.
No. 2 Kusmi Seedlac	Rs. 85, 87 buyers.
Fine Bysaky Seedlac (Manbhum)	Rs. 84-8 to 86 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 81-8 to 84 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 76, 75-8 to 78 buyers.
Ordinary Bysaky Seedlac under 5% (C.P.)	Rs. 70 to 73 buyers.
Kireelac	Rs. 30, 31, 30-8 buyers.

Shipments during March until the 20th were 18,934 packages comprising—shellac 12,219 packages, seedlac—4,290 packages, buttonlac—465 packages and others—1,960 packages.

Plantation Topics

RAIN IN S. INDIAN PLANTATION
AREAS

(FROM A SOUTH INDIAN CORRESPONDENT)

AFTER about two months' drought, the plantation belt in south India is getting some scanty showers since the middle of February. These rains are beneficial for tea, rubber and almost all other plantation crops. Some of them, in fact, require more frequent rains to produce the best results.

The Coffee Board has released for export a further quantity of 1,500 tons of coffee from the 1956-57 crop. Tenders have been invited from registered exporters for this quantity. The total allowed for export by the Central Government amounts to just over 11,000 tons out of an estimated crop of about 38,000 tons. The crop estimate is due for revision in March. This is likely to be followed with a larger allocation for export.

Shipments to Russia

A steamer left Cochin on 17th March for Russia with 1,300 tons of pepper, about 8,000 packages of tea, some cashew kernels, coffee and cardamom.

Pepper Dull

The pepper market remains featureless on account of the lack of enquiries from abroad. The final size of the Indian crop is not likely to exceed 20,000 tons against the original estimate of about 24,000 tons as a result of the extensive crop failures in Tellicherry side.

Lemongrass Oil Prices Fall

With the approach of the new season, lemongrass oil prices are falling. Old stocks are now being sold at about Rs. 80 a dozen bottles in the Cochin market against Rs. 135 in the comparable period last year. Brisk trading in forward section is reported. The season usually begins in May in Kerala. Production in 1956 was estimated at the record figure of 1,200 tons to 1,400 tons. A total of about 180 tons of lemongrass oil was exported from Cochin during the first two months of 1957.

COCHIN TEA SALES

At Dust Sale G. 350,000 lbs. of tea were on offer. There was a good demand. The commonest sorts were firm to dearer. Mediums were irregularly 1 anna easier while best liquorings were lower.

INDIAN RUBBER PRODUCTION AND
CONSUMPTION IN FEBRUARY

Indian rubber output in February was 1,165 tons, according to the Rubber Board of India. Exports were 16 tons and 79 lbs. while imports were 539 tons. Consumption by manufacturers was 2,493 tons. Stocks with estates and dealers on the last day of February were 3,697 tons. Stocks with manufacturers at the end of the month amounted to 3,788 tons. Manufacturers also consumed 304 tons of reclaimed rubber of which they held a month-end stock of 537 tons, and used 257 tons of synthetic rubber, their month-end stock of which was 887 tons.

AIMS OF THE AUSTRALIAN
TRADE DELEGATIONPROMOTING EXPORTS IN NEW
LINES

THE first major Australian trade mission, consisting of 37 members, arrived recently in Calcutta. There are on it representatives of the following industries: wheat and flour; dairy produce; wool, wool tops and yarns; tallow; heavy and general engineering; diesel locomotives and railway rolling stock; earthmoving equipment; bulk handling and conveying equipment; cranes; road trailers; tipping hoists; cement making plants; flour milling machinery; boilers; automobiles; tractor and automotive spare parts and accessories; air conditioning and refrigeration equipment; factory construction; radio and telecommunication equipment (including air navigation and airport control aids); plastics. Also there are four executives from prominent Australian Import-Export houses and nine representatives from five Australian trading banks. The members of mission altogether hold briefs for over 250 manufacturers and traders.

Speaking at a Press conference, Mr. John G. Hurley, leader of the mission who is a prominent industrialist and President of the New South Wales Chamber of Manufacturers, pointed out that the mission, sponsored by the Australian Government, was representative of a wide field of Australian primary and secondary industries, banking, export and importing interests. He mentioned his country's "remarkable strides" in developing secondary industries in which factory output has doubled in the last two decades. Recent increases in Australian manufacturing production, had been of the order of between 5 percent and 6 percent annually, Mr. Hurley said. "I am confident that in the weeks to come many of our Indian friends will have the opportunity of learning about Australia's ability to supply a wide range of high quality goods at competitive prices," he added.

Changing Pattern of Trade

Mr. Hurley pointed out that Indian trade figures have already shown a downward trend in imports from Australia due mainly to reduced purchases of Australian wheat—and that, therefore, there was a need to "mitigate such developments which fit better with the new economic pattern of your country". Australian exporters had endeavoured to do this, as the rapid increase over the last four years in India's imports of Australian wool tops showed.

India would end the present financial year with a favourable balance of something like Rs. 6.5 crores. This is not however part of a consistent pattern. The tendency has been for "up and down" balances in Indo-Australian trade. It is encouraging to note, as Mr. Hurley acknowledged, that there has been an increase in Indian exports to Australia (now India's fourth customer) "taking mainly bags and sacks, cotton and hessian piece-goods, tea and linseed oil". In answer to a question he suggested that Australian imports of wool packs now amounting to 3.5 million could be anticipated as rising to 5 million if the present prosperity is maintained. Naturally Mr. Hurley mentioned the question of import and export control policy and expressed the hope that India will shortly be able to introduce a less restrictive import policy so that "Australian and other suppliers will be able to participate to a greater extent in your market."

Trade on Credit

He was however unable to give an encouraging reply to a question as to whether there was any likelihood of an increase in Indo-Australian trade being financed by means of a loan. It may be, of course, that trade can be boosted by means of long-term deferred credits, if not by a large increase in Indian exports to Australia. Mr. Hurley mentioned that plans were well advanced for the establishment of an export payments insurance corporation and that, therefore, before long Australia would be able to compete on equal terms with other exporters to the Indian market. This may have offered some consolation to one enquirer who asked whether among the goods for sale would be overdrafts from Australian bankers.

QUESTIONNAIRE ON MEASURES FOR
EXPORT PROMOTION

The Export Promotion Committee, appointed by the Government of India, has issued a questionnaire to chambers of commerce, business houses and other interests to elicit their views on the problems of increasing exports. The Committee has been asked to report on the nature of fiscal and other concessions to be granted, the nature and extent of the facilities required for the trade and the lines on which the export promotion bodies should function. It has also been asked to recommend measures for transport facilities and the simplification of commercial transactions. The questionnaire seeks the views of business associations and others on long and short-term measures to be adopted by the Government, industry and trade. Suggestions have been invited on the scope for the export of those commodities which have not figured in the country's foreign trade so far. The views of the trade have been invited on other questions such as export policy and procedure, particularly the quota system and export duty. Comments have been sought on the forms of fiscal incentives considered necessary for the purpose, the procedure for refunding excise duty and the import duty drawback. Information on shipping problems, especially cases of discrimination by shipping companies, if any, has been sought.

Commodity Markets

AGRICULTURAL OUTPUT AND
PROSPECTS

MEASURES TO STABILISE PRICES

THE Agriculture Ministry's summary report for 1956 says that in spite of adverse seasonal conditions which affected some crops, the higher tempo of production in agriculture set in since 1952-53 was well maintained during 1955-56. In certain lines however, there was a slight fall in actual yields compared with 1954-55. The overall production of foodgrains in 1955-56 amounted to 63.5 million tons which was 1.95 million tons higher than the target fixed for 1955-56 under the first five year plan. This was, however, less by 3.1 million tons than in 1954-55 due to excessive rains and floods in some parts of the country and drought conditions in others. The fall in production of foodgrains in 1955-56 was mostly accounted for by coarse grains; for the rice output at 25.5 million tons was a million tons more than in 1954-55 and wheat production at 8.4 million tons was only slightly less than in the previous year. On the other hand, the production of coarse grains declined from 22.4 million tons in 1954-55 to 19.5 million tons in 1955-56.

The production of commercial crops with the exception of jute and sugarcane also showed a small decline during 1955-56 compared with 1954-55. The production of oilseeds which touched the level of 6.2 million tons in 1954-55 declined to 5.6 million tons in 1955-56, even then the target of production fixed for 1955-56 under the first five year plan was exceeded by 100,000 tons. The output of cotton, estimated at 4.2 million bales during 1954-55, declined to 4 million bales in 1955-56. The production of jute, on the other hand, showed a marked increase from 2.9 million bales in 1954-55 to 4.2 million bales in 1955-56. Similarly, the production of sugarcane (in terms of gur) increased from 5.7 million tons in 1954-55 to about 5.9 million tons in 1955-56. The index number of agricultural production (with 1949-50=100) stood at 113.7 in 1955-56 compared with 116.4 in 1954-55. Even then it was about 19 percent higher than in 1950-51, the base year of the first five year plan.

The fall in production of some of the principal commodities which coincided with the stepping up of the development expenditure and consequent increase in money incomes, has had the effect of pushing up agricultural prices, particularly those of foodgrains, oilseeds and raw cotton. The Economic Adviser's index number of wholesale prices of food articles stood at 382 towards the close of December, 1956, compared with 331 during the corresponding period of the previous year, showing a rise of about 20 percent and the index number of industrial raw materials stood at 520, compared with 455 during the corresponding period of the previous year, showing a rise of about 14 percent. The increasing demand for food and raw materials likely to be generated by the implementation of the second five year plan, underlines the necessity for substantially stepping up agricultural production and as a result of discussions with the State Governments, the target of foodgrain production to be achieved by 1960-61 has been increased from 75 million tons to 80.5 million tons; that of oilseeds (in terms of gur) from 7.1 million tons to 7.8 million tons; of cotton from 5.5 million bales to 6.5 million bales and of jute from 5 million bales to 5.5 million bales.

Crop Prospects

Prospects for the current year's crop appear to be satisfactory though the floods in parts of Assam, West Bengal, Bihar and U.P. caused damage to the standing kharif crops particularly millets. According to the all-India first estimate of kharif cereals, the overall area under these cereals indicates an increase of 6.3 million acres or 0.2 percent over that of the previous year. The area under cotton, groundnut and sugarcane during the current year, has also recorded an increase over the last year. The jute crop for 1956-57 has been better than last year: the estimate of production being 4.22 million bales compared with 4.20 million bales in 1955-56. Preliminary crop reports indicate that the production of cereals will be slightly better than last year even though millet crops like jowar and bajra may not be better. The outlook for commercial crops is encouraging.

Food Policies

Giving further details of food production and policies, the Food Ministry's summary report for 1956 adds that in contrast with the two earlier years, namely 1954 and 1955, when steps had to be taken to protect the cultivators against a precipitate fall in the prices of foodgrains through purchases at certain fixed minimum prices, in 1956 the main efforts had to be directed towards protecting the consumer against rising prices. A separate Ministry of Food was established in October 1956, because it was felt that a strengthening of the machinery of food administration was necessary to deal with the situation. Production of rice, estimated at 25.5 million tons in 1955-56, was a million tons higher than that in 1954-55 and the production of wheat at 8.4 million tons was lower than that in 1954-55 by about 400,000 tons. The production of other cereals (jowar, bajra, maize, ragi, small millets and barley) witnessed a marked decline in 1955-56; the production estimated at 19.5 million tons was lower than that in 1954-55 by about 2.9

million tons. The total production of cereals during 1955-56, estimated at 53.4 million tons, was lower than the production of 1954-55 by about 2.3 million tons; still it was higher than the first plan target by 900,000 tons.

The Economic Adviser's index number of wholesale prices of cereals was at its lowest, since independence, in May 1955, when it stood at 311. After May 1955, prices started recovering slowly to more economic levels. The heavy damage to the 1955-56 millets crop led to a pressure of demand on rice and wheat and prices of cereals began to harden towards the close of 1955. The Economic Adviser's index number of wholesale prices of cereals rose from 385 in December 1955 to 572 in December 1956, showing an increase of 38 percent. During the same period, the rice index number rose from 436 to 596; the wheat index from 566 to 578; the jowar index from 133 to 328 and the bajra index from 241 to 370. The rise in prices was the cumulative effect of a number of factors, including the damage to the 1955-56 millets crop with its bullish repercussions on the prices of wheat and rice, speculative hoarding of stocks and increased

demand as a result of the increased tempo of development expenditure.

Bigger Imports

During the year as a whole, the total quantities of foodgrains imported amounted to 1,420,000 tons, valued at about Rs. 56.3 crores as against the import of 700,000 tons, valued at Rs. 33.1 crores during 1955 and import of 810,000 tons, valued at Rs. 47 crores during 1954. The Government of India became a party to the revised International Wheat Agreement of 1956 with the guaranteed annual purchases of 200,000 metric tons of wheat. The Government have also entered into an agreement with the U.S. Government for the import under P.L. 480 of wheat and rice of the value of \$226.4 million over a period of three U.S. fiscal years ended on 30th June, 1959. About 3.4 million tons of wheat and 190,000 tons of rice are expected under this Agreement. A quantity of 60,000 tons of rice was also contracted with the Government of China and another agreement was entered into with Burma for the import of 2 million tons of rice over a period of five years.

In view of the rising trend of prices, exports of rice and other coarse grains, like jowar and

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

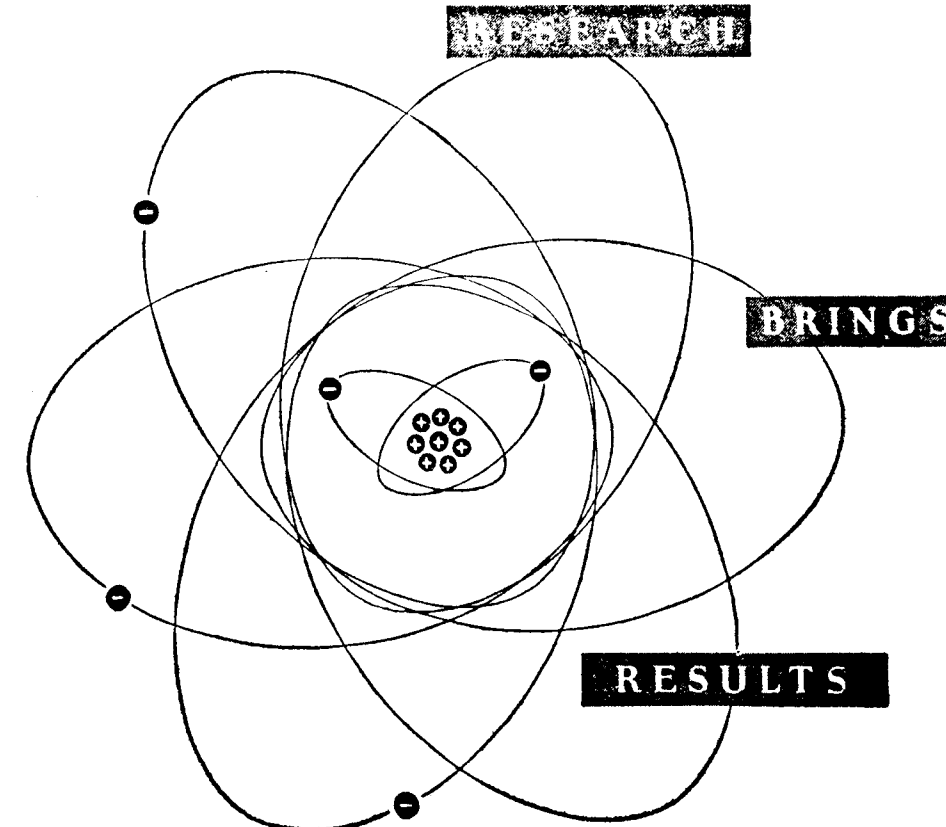
THE Middle Class Cost of Living Indices by groups, have now been brought up to February, 1957. As compared with January, the February Indices for Food, Clothing, Fuel and Lighting, and Miscellaneous remain unchanged at 468, 543, 268 and 283 points, respectively.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living remained unchanged at 414 points during February, 1957.

Middle Class Cost of Living Index Number for Calcutta. Prices in August 1939=100

Groups	Weights	GROUP INDICES											
		Feb. 1956	March 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	Dec. 1956	Jan. 1957
Food	53.6	442	453	461	470	475	480	484	484	484	475	468	468
Fuel and Lighting	4.4	239	239	239	239	235	259	268	268	268	268	268	268
Clothing	12.4	507	520	520	526	523	534	534	546	546	546	543	543
Miscellaneous	29.6	282	283	283	283	283	283	283	283	283	283	283	283
Combined Index	100.0	394	402	406	411	414	418	421	422	424	422	417	414

Compiled and constructed by the Statistical Department of "Capital"



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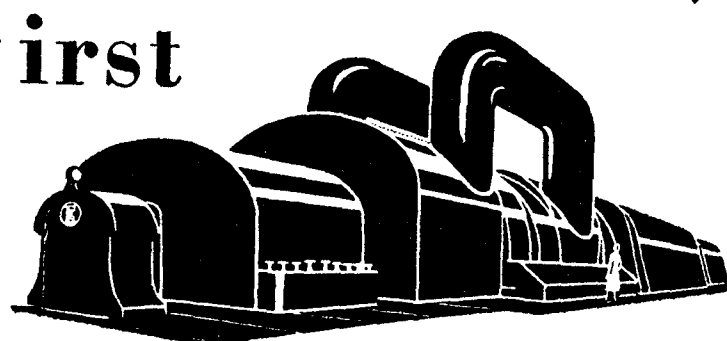
Agents for South India: Bombay Co. Private Ltd.
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STG/27

The ENGLISH ELECTRIC Company Limited, has been awarded contracts for the first five 200 MW steam turbo-alternator sets to be ordered and produced in the United Kingdom.

The Company is the first manufacturer to have on order at the same time units of all the standard ratings of the Central Electricity Authority, U.K., namely:—

200 MW,	2350 p.s.i.g.,	1050° F.	reheat cycle
120 MW,	1500 p.s.i.g.,	1000° F.	reheat cycle
100 MW,	1500 p.s.i.g.,	1050° F.	straight cycle
60 MW,	1500 p.s.i.g.,	1050° F.	straight cycle
60 MW,	900 p.s.i.g.,	900° F.	straight cycle
30 MW,	600 p.s.i.g.,	850° F.	straight cycle



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The Company supplied the generating plant for Drakelow Power Station and Stourport B.2 Power Station, which have recorded the highest thermal efficiencies of any central stations in England.

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maize, were banned in January 1956. The Government practically stopped purchases of foodgrains in the internal markets. The Central and State Governments had to take steps to release stocks of wheat and rice at the main consuming centres during the course of the year. Towards the end of October 1956, about 18,000 fair price shops had been opened in different States. Wheat is being released at 14 a maund and rice at Rs. 16 a maund ex-central godowns or on a f.o.r. destination basis. The retail issue prices for sale of wheat and rice are fixed by the State Governments after allowing a reasonable amount to meet incidental charges and an element of profit to the retailer. During the year 1956, while the imports amounted to about 1.4 million tons, the Government releases through its depots and fair price shops amounted to about 2 million tons.

Outlook for Coming Months

According to present indications, the production of foodgrains in 1956-57 is expected to be slightly higher than in 1955-56. The all-India first estimate of kharif cereals for 1956-57 indicates an increase in acreage of 6.3 million acres or 0.2 percent over that of the previous year. The prospects for the rabi crop are encouraging. Prices of cereals, which fell at the beginning of January 1957 as compared with November 1956, again began to harden towards the close of the month. In view of this, the Government announced that no internal purchases of rice and paddy would be made for the purpose of building stocks. Further, restrictions on advances against paddy and rice, which were withdrawn in November 1956, were reimposed with effect from 11th February, 1957, to prevent hoarding and of large stocks by traders. The new wheat and gram crops, which are expected to be satisfactory, will start coming into the market in March and April 1957. It has been decided to construct permanent foodgrain storage godowns of the capacity to build a reserve of 2 million tons of foodgrains. Some of these godowns have been completed, some are under construction and the rest are at various preliminary stages.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.3 percent to 422.3 during the week ended 9th March, compared with 421.2 for the previous week. The index was lower by 0.9 percent when compared with the corresponding week of the previous month, but was higher by 10.2 percent than that of last year. Higher prices of gram (+5%), tea for exports (+4%), wheat (+2%) and rice (+1%) raised the index for Food Articles by 0.5 percent to 404.9 in spite of a decline in the prices of dal arhar (-1%). The index for industrial Raw Materials went up by 0.6 percent to 519.6 as a result of a rise in the prices of manganese ore (average export price) (+8%), gingellyseed in Jhansi and raw jute (+3%, each), rapeseed in Calcutta, groundnuts and linseed (+2% each), and lac (+1%), although prices of gingellyseed and rapeseed both in Bombay, raw cotton, raw wool and copra (-1%, each) witnessed declines. The index for Semi-Manufactures worked out to 402.8, compared with 403.2 (revised) for the earlier week. Items which exhibited significant changes were: brass, groundnut cake and gingelly cake (-3% each) and gingelly oil and zinc (+2% each). An advance in the price of jute manufactures (+1%) raised the Manufactures group index to 384.2 compared with 384.0 for the previous week. Prices of Calcutta pepper (-6%) and betelnuts (-2%) in Calcutta and turmeric (-4%) and bricks and tiles (-3%) showed declines while those of black pepper in Cochin and chillies (+2% each) and betelnuts in Bangalore (+1%) were marked up, and the index for the Miscellaneous group fell by 0.9 percent to 569.7 compared with 574.9 (revised) for the previous week.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August, 1939=100).

Groups and Sub-Groups	9-3-57	(Week Ended) 2-3-57	9-2-57	10-3-56
I Food Articles:	404.9	402.8	405.2	339.8
Cereals	528*	523*	523	427
Pulses	446	433	440	370
Others	246	248	252	221*
II Industrial Raw Materials:	519.6	516.3	523.7	476.3
Fibres	503	502	506	481
Oilseeds	563	557*	578	496
Minerals	569	561	552	447
Others	415	414	416	412
III Semi-Manufactures:	402.8	403.2(R)	412.5	366.3
Leather	410	410	433	409
Mineral Oils	210	210	210	208
Vegetable Oils	579	579	617	471
Cotton Yarn	484	483	491	382
Metals	328	328	327	356
Oilcakes	421	432	457	364
Others	371	372	372	276.1
IV Manufactures:	384.2	384.0	386.4(R)	376.1
Textiles	411	410	415	425
Jute	413	410	438	403*
Cotton	414*	414*	414*	502*
Rayon and Silk	442*	442*	442*	276
Woolen	266	266	266	271
Metal Products	392	392	392(R)	384
Others	302	302	301	281
V Miscellaneous:	569.7	574.9(R)	592.8(R)	511.1
All Commodities	422.3	421.2	426.1(R)	382.3*

R=Revised

*=Estimated

COMPANY AND PUBLIC NOTICES

THE BOMBAY DYEING & MFG. CO. LTD.

NOTICE

THE Eighty-fifth Annual General Meeting of The Bombay Dyeing & Manufacturing Co., Ltd., will be held at the Registered Office of the Company, Neville House, Ballard Estate, Bombay, on Thursday, 18th April, 1957 at 4-30 P.M. to transact the following business:—

- To adopt the Directors' Report and the audited Balance Sheet and profit & Loss Account for the year ended 31st December, 1956.
- To sanction the declaration of a Dividend.
- To elect a Director in place of Mr. Maneklal Premchand who retires by rotation and is eligible for re-election and to consider, and if thought fit, to pass the following resolution, of which a Special Notice as required by Section 281 of the Companies Act, 1956, has been received by the Company and the relative explanatory statement is annexed hereto as required by Section 173 of the said Act:—
"RESOLVED that pursuant to the provisions of Section 281 and other applicable provisions (if any) of the Companies Act, 1956, Mr. Maneklal Premchand, who has attained the age of 67 years and who retires by rotation, be and he is hereby re-elected a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the said Act shall not apply to him."
- To elect a Director in place of Mr. Pratap-sinh Mathuradas who retires by rotation and is eligible for re-election.
- To appoint Auditors for the current year and to fix their remuneration.

AND for the purpose of considering, and if thought fit, to pass with or without amendment as may be permissible the following Resolutions as Ordinary Resolutions and/or Special Resolutions as specified below:—

ORDINARY RESOLUTIONS

I. RESOLVED that each of the existing 1,00,392 Ordinary Shares of the face value of Rs. 250/- each in the Capital of the Company which have been issued and subscribed and each of the 2008 Shares of the face value of Rs. 250/- each in the Capital of the Company not issued so far be sub-divided into ten shares of the face value of Rs. 25/- each, such sub-division to take effect as from the first day of October, 1957, and that Clause 5 of the Memorandum of Association of the Company be altered accordingly.

II. RESOLVED that the Directors be and they are hereby authorised wherever deemed necessary by them to exchange fresh certificates for such Shares of Rs. 25/- each in place of the existing Share Certificates in the names of those Shareholders whose names stand on the Register of the Company as on 1st October, 1957, and that such fresh Certificates be ready for delivery within six months from 1st October, 1957.

III. RESOLVED that the Registers, Books and Documents of the Company required to be maintained and kept open for inspection under the provisions of Companies Act, 1956, and particularly under Sections 49, 118, 136, 143, 144, 150, 151, 152, 163, 193, 196, 301 to 304, 307, 356 to 360, 362 and 372 and Schedule VIII to the Act, be kept open for such inspection by the persons entitled thereto under the aforesaid provisions to the extent in the manner and on payment of fees, if any, specified in the aforesaid provisions at the Registered Office of the Company between the hours of 10-30 A.M. to 1 P.M. on all working days, except when the Registers and Books are closed under the provisions of Companies Act, 1956, or the Articles of Association of the Company. Provided, however, that the Register required to be maintained under Section 307 of the Act, shall be open for inspection of the Members or holders of Debentures of the Company, if any, as aforesaid between the times abovementioned during the period prescribed by Sub-section 5(a) of Section 307.

IV. RESOLVED that the Resolutions passed at the 82nd Annual General Meeting of the Shareholders of the Company numbered 1, 2 and 3 regarding exchange of areas, surrender by the Company of land held under leases of which the Lessors were the Executors of the late Sir Ness Wadia and sale by the Company of land to National Peroxide Ltd., subject to alterations in areas and prices resulting from joint surveys and the demands of the Municipal Corporation be and they are hereby confirmed and the proposed transactions approved.

V. RESOLVED that the Directors be and they are hereby authorised to exercise the powers of exchange, sale, conveyance, lease, assignment and other powers specified in Sub-clause IX of Clause 3 of the Memorandum of Association and Article 118(VI) of the Articles of Association of the Company as the Directors may from time to time deem necessary or desirable in the interests of the Com-

pany on such terms and conditions as the Directors may fix.

SPECIAL RESOLUTIONS

VI. RESOLVED that in place and stead of the existing Clause 3 of the Articles of Association of the Company, the following Clause be and the same is hereby substituted as from the first day of October, 1957, as Clause 3 thereof:—

3. The Capital of the Company is Rs. 2,56,00,000 (Rupees two hundred and fifty-six Lacs) divided into 10,24,000 (Ten Lacs twenty four thousand) Shares of the face value of Rs. 25/- each, with power to divide the Shares in the Capital for the time being into Equity Share Capital and Preference Share Capital and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions.

VII. RESOLVED that in place and stead of the existing Clause 102 of the Articles of Association of the Company, the following Clause be and it is hereby substituted as Clause 102 thereof:—

102. Unless otherwise determined by a General Meeting the qualification of a Director shall be the holding of Shares in the Company of the total face value of Rs. 750/-.

VIII. RESOLVED that in place and stead of the existing Clause 133 of the Articles of Association of the Company, the following Clause be and the same is hereby substituted as Clause 133 thereof:—

133. Every Deed or other instrument to which the Seal is required to be affixed shall (except in the case of Certificates of title to Shares) be signed by two Directors, who shall sign their names at the foot of or elsewhere on the said Deed, instrument or document. Certificates of title to Shares may be so signed by one Director or by a person or persons duly authorised by the Directors in that behalf. The signature on such Certificates of the Director may be reproduced and affixed by mechanical means.

IX. RESOLVED that pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of a Contract being entered into between the Company and its Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., in terms of the draft placed before the meeting, and for the sake of identification, initially by the Chairman of the Company, to be operative as from the date of this Meeting till one month after the date of the Annual General Meeting of the Company in the year 1960, in respect of purchases, sales or supplies of goods in which the Managing Agents regularly trade or do business in such as Rings, Ring Travellers, Lubricating Oils, Hair and Leather Beltings, and other Leather Goods such as Pickers, Picking Bands and Buffers, Shuttles, Sprinklers and Sprinkler Equipment, Machine Cloths, Ginning, Pressing and Delinting Machinery, Floor Polishing Machines, Homogenizers, Machinery and Machinery spare parts and Mechanical Handling Equipment or in respect of which they may trade or do business in as well as in respect of sales to the Managing Agents by the Company of sundry stores, petrol, tubular banding, soap, cloth and such other ancillary items and in respect of the supply or rendering of any service by either to the other, other than that of Managing Agents, including receiving loans or deposits at interest not exceeding the State Bank of India's rate of interest from the Managing Agents, subject to the conditions that all payments to be made to the Company by the Managing Agents shall be made within one month from the date of such transactions, and that the prices charged to the Company shall be as approved or confirmed by the Board, and shall be such as are not less favourable to the Company than the market rates, or which are otherwise reasonable, and the terms and conditions of the said supplies shall be sanctioned by the Board of Directors.

X. RESOLVED that pursuant to the provisions of Section 360 of the Companies Act, 1956, the Company hereby approves of a Contract being entered into between the Company and Spin-Weave Textiles an Associate of the Managing Agents in terms of the draft placed before the Meeting, and for the sake of identification initially by the Chairman of the Company, to be operative as from the date of this Meeting till one month after the Annual General Meeting of the Company in the year 1960, in respect of purchases or supplies of Bobbins, Pins, Skewers, Wood, Wooden Cases, Wooden Articles such as Sleys, Hand Tops, Rollers, Picking Sticks, Leather Goods such as Beltings, Picking Bands, Pickers, Buffers, Loom Straps, Ram Rings, Castings and Machinery spare parts and other sundry mill stores, on the terms that the rates charged to the Company shall be approved or confirmed by the Board and shall be such as are not less favourable than the rates charged for similar items generally agreed to by other reputed firms in Bombay, or which are otherwise reasonable, and the terms and conditions of the said supplies shall be sanctioned by the Board of Directors.

XI. RESOLVED that the proposal to make available by way of Lease, License or otherwise in accordance with the law, for a period of ten years Block "Q" at the Company's Dye Works to a private limited company proposed to be floated

and registered under the name of or similar to Bombay Ring Travellers Company (Private) Ltd., in which Company the Managing Agents, Messrs. Nowrosjee Wadia & Sons (Private) Ltd., may hold more than one-third of the shares in the Capital of that Company, thus giving them not less than one-third of the total voting power in that Company and thereby making that Company Associates of Messrs. Nowrosjee Wadia & Sons (Private) Ltd., be and the same is hereby approved and the Directors be and they are hereby authorised to carry through such transaction on terms and conditions to be finally agreed upon between them and the proposed company when formed and to execute such documents and do all such acts as may be required for the purpose.

The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of items I to XI set out above is annexed to the Notice of the Annual General Meeting posted to all the Shareholders individually.

The drafts of the Contracts referred to in Special Resolutions Nos. IX and X are open for inspection by any Member at the Registered Office of the Company on working days except on Saturdays from 11 A.M. to 4 P.M.

By Order of the Board,
NOWROSJEE WADIA & SONS (PRIVATE) LTD.,
NEVILLE N. WADIA,
Director,

Managing Agents.

Bombay, 5th March, 1957.

NOTES:—

- A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.
- The Share Transfer Books of the Company will remain closed from Friday, the 22nd March, 1957 to Thursday, the 11th April, 1957, both days inclusive.
- The Dividend when declared will be made payable at the National Bank of India Ltd., Bombay, on or after the 29th April, 1957, to those Shareholders whose names stand on the Register of the Company on 11th April, 1957, and the Dividend Warrants will be duly posted to them.
- The Shareholders are requested to immediately notify any change of address to the Company.

To

THE MEMBERS OF

THE BOMBAY DYEING & MFG. CO. LTD.

THE NEW MONKHOOSHI TEA COMPANY LIMITED.

NOTICE is hereby given that a General Meeting of the members of the abovenamed Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta 1, on Tuesday, the Twenty-third day of April, 1957, at 11-00 A.M. to consider and if thought fit to pass, with or without modification, the following resolutions, namely:—

- (a) That it is desirable to capitalise a sum of Rs. 3,00,000 being part of the undivided profits of the Company standing to the credit of the Reserve Fund and accordingly that the said sum of Rs. 3,00,000 be capitalised and that this amount be used as a capital bonus which shall be applied on behalf of the persons who are, on the 23rd day of April, 1957, holders of the 80,000 issued Ordinary Shares of the Company of Rs. 7/8/- each, in payment in full for 40,000 new Ordinary Shares of Rs. 7/8/- each and that such 40,000 new Ordinary Shares, credited as fully paid, shall be accordingly allotted to such persons respectively in the proportion of one new Ordinary Share for every two issued Ordinary Shares held on the 23rd day of April, 1957, by such persons respectively and that the said new Ordinary Shares so distributed shall rank in all respects *pari passu* with the existing Ordinary Shares and will participate in any dividend declared in respect of the year ended 31st December, 1956, and shall also be treated for all purposes as an increase of the nominal amount of the capital of the Company held by each such Ordinary Shareholder and not as income.
- (b) That pursuant to the above resolution and in satisfaction of the said special capital bonus the Directors be and they are hereby directed to allot and distribute 40,000 new Ordinary Shares credited as fully paid up amongst the persons who are on the 23rd day of April, 1957, holders of the 80,000 issued Ordinary Shares of the Company in proportion to the issued Ordinary Shares held by them.
- (c) That the draft of the Agreement providing for the allotment of the said new Ordinary Shares in satisfaction of the said capital bonus submitted to this Meeting and signed in the margin by the Chairman thereof by way of identification be and the same is hereby approved and that the Directors be authorised to affix the Seal of the Company to duplicate engrossments of such Agreement as and when the

same shall have been signed on behalf of the members holding Ordinary Shares in the Company on the 23rd day of April, 1957, by some person to be appointed by the Directors in that behalf under Article 168 of the Articles of Association of the Company.

The Share Transfer Books of the Company will be closed from 8th to 23rd April, 1957, both days inclusive.

By Order of the Board,
MACNEILL & BARRY LTD.,
J. H. G. WHITFIELD,
Acting Secretary,
Managing Agents

2, Fairlie Place,

Calcutta, the 20th March, 1957.

NOTE:—A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on his behalf. A proxy need not be a member of the Company.

"Consent of the Central Government has been obtained to this issue by an order of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any scheme or for the correctness of any of the statements made or opinions expressed with regard to them."

2, Fairlie Place,
Calcutta, the 20th March, 1957.

THE NEW MONKHOOSHI TEA COMPANY LIMITED.

Circular Letter to Shareholders. EXPLANATORY STATEMENT

Dear Sir/Madam,

Your Directors consider that the present issued capital of the Company does not reflect the actual Capital position of the Company and that the Issued Capital should be increased. They recommend that a sum of Rs. 3,00,000/-, being a part of the amount standing to the credit of General Reserve, be capitalised and that this amount be utilised as Capital Bonus to be satisfied by an issue of 40,000 Ordinary Shares of Rs. 7/8/- each, credited as fully paid up, to the existing holders of Ordinary Shares on the 23rd day of April, 1957, in the proportion of one new Ordinary Share for every two issued Ordinary Shares held by them on the said 23rd day of April, 1957, the said new Ordinary Shares ranking in all respects *pari passu* with the existing Ordinary Shares, and participating in any dividend declared in respect of the year ended 31st December, 1956.

Your Directors recommend for your approval the resolutions which will be proposed in this connection and which are detailed in the Notice calling a General Meeting of Shareholders on the 23rd April, 1957.

The Directors and Managing Agents of the Company will be entitled to an allotment of New Shares in regard of their respective Shareholdings and to this extent they may be deemed to be interested in the above proposal.

The draft Agreement referred to in Resolution 1(c) of the annexed Notice convening the General Meeting may be inspected at the Registered Office of the Company on any working day during usual business hours, up to the date of the meeting.

Yours faithfully,

MACNEILL & BARRY LTD.,
J. H. G. WHITFIELD,
Acting Secretary,
Managing Agents.

HUKUMCHAND JUTE MILLS, LTD.

9, Brabourne Road, Calcutta-1.

NOTICE TO SHAREHOLDERS.

NOTICE is hereby given that the Directors in their meeting held on the 22nd March, 1957, decided to pay an Interim Dividend of Rs. 3-8-0 per share, free of income tax, on the Preference Shares, for the year ending 31st March, 1957. The dividends are payable after the 24th April, 1957, to the Shareholders whose names are registered in the Books of the Company on the 13th April, 1957.

The Share Transfer Books of the Company will remain closed from the 15th April to 24th April, 1957, both days inclusive.

By Order of the Board,
RAMDUTT RAMKISSENDASS,
Managing Agents.

Dated 23rd March, 1957.

FOR SALE.

MONOCABLE ROPEWAY designed and supplied by British Ropeway Engineering Co. Ltd., for transport of tea and general goods but not passengers, consisting of four separate complete sections, capable of transporting a total of 18 tons per hour and operating between sea level and 4000 ft. in hilly country maximum load per carrier 600 lbs., electrically operated and in good working order.

Anamallais Ropeway Co. Private Ltd.,
Attakatti P.O., via Pollachi, S. India.

THE PREMCHAND JUTE MILLS LTD.

NOTICE.

NOTICE is hereby given that the Forty-eighth General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at 81, Sovabazar Street, Calcutta, on Monday, the 22nd April, 1957, at 11-30 a.m. to receive the Directors' Report and to pass the following Resolutions:—

As an Ordinary Resolution:—

(1) To pass the Audited Balance Sheet and Profit & Loss Account of the Company for the Half-year ended 13th April, 1956.

As an Ordinary Resolution:—

(2) To re-elect Dr. N. N. Law, who retires by rotation, as a Director of the Company and also to appoint the remaining Directors.

As an Ordinary Resolution:—

(3) To re-elect Messrs. Lovelock & Lewes as Auditors of the Company on a remuneration to be fixed at the Meeting.

SPECIAL BUSINESS.

To consider and if thought fit to pass with or without modification the following Resolutions to be proposed as Special Resolutions:—

1. To resolve that the Age limit for Directors under Section 280 of the Companies Act, 1956, shall not apply to the Directors Dr. N. N. Law and Sri Priyanath Roy.

2. To resolve that from 14-4-56, the Accounts of the Company and the preparation of the Balance Sheet and Profit & Loss Account of the Company be made annually at the end of the Bengali month of Chaitra every year which corresponds to 13th or 14th April of every year.

Share Transfer Books of the Company will remain closed from 15th April to 22nd April, 1957, both days inclusive.

A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy to attend and vote in his stead. A Proxy need not be a member of the Company.

EXPLANATORY STATEMENT.

Sri Priyanath Roy, Director, nominated by the Managing Agents, has attained the age of 78 years and Dr. N. N. Law has attained the age of 69 years. In view of their long standing association with the Company and their intimate knowledge about the affairs of the Company, their services to the Company is considered extremely necessary. It is recommended, therefore, that a Resolution be passed to declare that the Age limit of Directors provided under Section 280 of the Companies Act shall not apply to the Directors Sri P. N. Roy and Dr. N. N. Law. Special Resolution No. 1 is intended to provide for it.

Article 124 of the Articles of Association of the Company provides for preparation of Audited Balance Sheets and Profit & Loss Accounts at least once a year. But the Company, in line with other Jute Companies, has been preparing Half Yearly Balance Sheets and Accounts ending 13th October and 13th or 14th April. The system of preparing Balance Sheets and Profit & Loss Accounts twice a year has given rise to difficulties under the provisions of the Companies Act, 1956. The Special Resolution No. 2 is intended to obviate the said difficulties and to empower the Company to prepare Annual Balance Sheets and Profit & Loss Account at the end of the Bengali month of Chaitra every year corresponding to 13th or 14th April of every year.

The letter of Messrs. Lovelock & Lewes dated 9th March, 1957, asking for higher remuneration, may be inspected at the Office of the Company during Office Hours.

By Order of the Directors,

THE PREMCHAND JUTE MILLS LTD.,
RAJA JANOKI NATH ROY & BROTHER
PRIVATE LTD.,
P. C. ROY,
Director,
Managing Agents.

81, Sovabazar Street,
Calcutta, the 15th March, 1957.

THE LAKSHMI COTTON MANUFACTURING COMPANY LIMITED.

NOTICE is hereby given that the Sixty-second Ordinary General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company, No. 9, Wallace Street, Fort, on Monday, 15th April 1957, at 4-30 p.m. for the purpose of transacting the following business:—

(1) To adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1956.

(2) To sanction the declaration of a dividend.

(3) To appoint Auditors for the current year and to fix their remuneration.

(4) To confirm the appointment of Mr. E. S. Vernon-Jones as Director.

(5) To elect a Director in place of Mr. D. M. Khatau, who retires by rotation but being eligible offers himself for re-election.

(6) To elect a Director in place of Sir Chunilal V. Mehta, K.C.S.I., who also retires by rotation, Sir Chunilal V. Mehta, although otherwise eligible for re-election, having attained the age of 76 years

is not eligible for reappointment, unless his appointment is made or approved by the Shareholders in general meeting in terms of Section 281 of the Companies Act 1956.

Special Notice is hereby given that it will be proposed as an Ordinary Resolution that Sir Chunilal V. Mehta, K.C.S.I., be and is hereby appointed a Director of the Company and that it is hereby specifically declared that the age limit of 65 shall not apply to him.

By Order of the Board of Directors,

E. S. VERNON-JONES,
Chairman.

Bombay, 15th March 1957.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT 1956:—

The Resolution in connection with the re-election of Sir Chunilal V. Mehta, K.C.S.I., which will be proposed as an Ordinary Resolution, under item (6) is as under:—

"RESOLVED that Sir Chunilal V. Mehta, K.C.S.I. who retires by rotation, be and is hereby appointed a Director of the Company, and it is hereby specifically declared that the age limit of 65 shall not apply to him."

Sir Chunilal V. Mehta has been a Director of the Company since January 1941, and his long and distinguished connection with the textile mill industry is well known. As a businessman of wide experience, he has rendered valuable services to the Company during his long association with it, and it is in the interests of the Company that it should continue to receive the benefit of his services.

NOTE: A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member of the Company.

THE VISHNU COTTON MILL LIMITED.

NOTICE is hereby given that the Fiftieth Ordinary General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company, No. 9, Wallace Street, Fort, on Tuesday, 16th April 1957, at 4-30 p.m. for the purpose of transacting the following business:—

(1) To adopt the Directors' Report and the Audited Accounts for the year ended 31st December 1956.

(2) To sanction the declaration of a dividend.

(3) To confirm the appointment of Mr. E. S. Vernon-Jones and Mr. A. A. S. Rae as Directors.

(4) To appoint Auditors for the current year and to fix their remuneration.

(5) To elect a Director in place of Mr. A. A. S. Rae, who retires by rotation but being eligible offers himself for re-election.

(6) To elect a Director in place of Sir Chunilal V. Mehta, K.C.S.I., who also retires by rotation, Sir Chunilal V. Mehta, although otherwise eligible for re-election, having attained the age of 76 years is not eligible for reappointment, unless his appointment is made or approved by the Shareholders in general meeting in terms of Section 281 of the Companies Act 1956.

Special Notice is hereby given that it will be proposed as an Ordinary Resolution that Sir Chunilal V. Mehta, K.C.S.I. be and is hereby appointed a Director of the Company and that it is hereby specifically declared that the age limit of 65 shall not apply to him.

By Order of the Board of Directors,

E. S. VERNON-JONES,
Chairman.

Bombay, 15th March 1957.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT 1956:—

The Resolution in connection with the re-election of Sir Chunilal V. Mehta, K.C.S.I., which will be proposed as an Ordinary Resolution, under item (6) is as under:—

"RESOLVED that Sir Chunilal V. Mehta, K.C.S.I., who retires by rotation, be and is hereby appointed a Director of the Company, and it is hereby specifically declared that the age limit of 65 shall not apply to him."

Sir Chunilal V. Mehta has been a Director of the Company since January 1941, and his long and distinguished connection with the textile mill industry is well known. As a businessman of wide experience, he has rendered valuable services to the Company during his long association with it, and it is in the interests of the Company that it should continue to receive the benefit of his services.

NOTE: A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself, and a proxy need not be a member of the Company.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Bareilly Electricity Supply Co. Ltd.	28-3-57	11 a.m.
Saugor Electricity Supply Co. Ltd.	28-3-57	11-5 a.m.
Alkali & Chemical Corp. of India Ltd.	28-3-57	3-30 p.m.
Central Bank of India Ltd.	28-3-57	4 p.m.
Hooghly Flour Mills Co. Ltd.	28-3-57	4-15 p.m.
Bharat Sugar Mills, Ltd. (E)	29-3-57	11 a.m.
Bharat Sugar Mills Ltd.	29-3-57	11-20 a.m.
Martin Burn Ltd.	29-3-57	Noon
New India Sugar Mills, Ltd. (E)	29-3-57	Noon
New India Sugar Mills Ltd.	29-3-57	12-20 p.m.
Upper Ganges Sugar Mills, Ltd. (E)	29-3-57	2-30 p.m.
Upper Ganges Sugar Mills Ltd.	29-3-57	3 p.m.
Eastern Investments Ltd.	29-3-57	3-30 p.m.
Muttra Electric Supply Co. Ltd.	29-3-57	4-30 p.m.
Upper Ganges Valley Elec. Supply Co. Ltd.	30-3-57	11 a.m.
Kanknarran Co. Ltd. (Jute)	30-3-57	11-5 a.m.
Kamrhatti Co. Ltd. (Jute)	30-3-57	11-15 a.m.
Gokak Mills Ltd.	10-4-57	3 p.m.
Shahdara (Delhi)-Saharanpur Lt. Rly. Co. Ltd.	12-4-57	11 a.m.
Arrah-Sasaram Lt. Rly. Co. Ltd.	12-4-57	11-5 a.m.
Futwah-Islampur Lt. Rly. Co. Ltd.	12-4-57	11-10 a.m.
Chaparmukh-Silghat Rly. Co. Ltd.	12-4-57	11-15 a.m.
Howrah-Amta Lt. Rly. Co. Ltd.	12-4-57	11-20 a.m.
Howrah-Sheakhalla Lt. Rly. Co. Ltd.	12-4-57	11-25 a.m.
Kelvin Jute Co. Ltd.	15-4-57	3 p.m.
Chitavalan Jute Mills Co. Ltd.	15-4-57	3-30 p.m.
Empire Jute Co. Ltd.	15-4-57	4 p.m.
Lakshmi Cotton Mills, Ltd.	15-4-57	4-15 p.m.
Vishnu Cotton Mfg. Co. Ltd.	15-4-57	4-30 p.m.
United Commercial Bank, Ltd.	16-4-57	4-30 p.m.
Bombay Dyeing & Mfg. Co. Ltd.	18-4-57	4-30 p.m.
Premchand Jute Mills, Ltd.	22-4-57	11-30 a.m.
New Monkhooshi Tea Co. Ltd.	23-4-57	11-00 a.m.
Modern Mills Ltd. (Cotton).	24-4-57	4 p.m.

(E) Extraordinary General Meeting.

DIVIDENDS DECLARED OR PROPOSED.—Elgin Mills Co. Ltd.—Rs. 1-4 per share (or); United Bank of India Ltd.—3 p.c.; Arrah-Sasaram Light Railway Co. Ltd.—6 p.c.; additional dividend t. Chaparmukh-Silghat Railway Co. Ltd.—Re 1 per share additional dividend. Futwah-Islampur Light Railway Co. Ltd.—Re. 1 per share additional dividend. Howrah-Amta Light Rail Co. Ltd.—6 p.c. additional dividend t. Howrah-Sheakhalla Light Railway Co. Ltd.—6 p.c. additional dividend t. Shahdara (Delhi)-Saharanpur Light Railway Co. Ltd.—12 p.c. additional dividend t.

O.—Ordinary Dividend. Int.—Interim Dividend.
P.—Preference Dividend. †—Less Income Tax.
P.O.—Preference Ordinary Dividend. ‡—Final Dividend.
D.—Deferred Dividend. Cm.—Cumulative.
† Less Tax at 8s 6d in the \$

ANALYTICAL

Consulting and Technical Chemists
Soil, Water (including Bacteriological), Minerals,
Oils, Fertilizers, Shellac, Foods and Drugs—Gold
and Silver assays.
Sampling by arrangement

R. V. BRIGGS & CO. PRIVATE LTD.
16, Old Court House Street,
(West End Watch Co. Top Floor).

CALCUTTA DINNER

THE 42nd Calcutta Dinner will be held at the Connaught Rooms, London, W.C.2 on Thursday, May 23, 1957. Mr. O. T. Jenkins will preside and the guest of the evening will be The Rt. Hon. The Earl of Home, P.C. For tickets, price £210.0d each (including wines as per menu), apply to H. C. Gotts, Honorary Secretary, Manor Cottage, Brighton Road, Horley, Surrey.

SUGAR PRODUCTION AND STOCKS

According to the Indian Sugar Mills Association, production of sugar during February 1957 was 352,629 tons, bringing the total production during the first four months of the 1956-57 season to 1,169,028 tons. The corresponding figures during the last season were 355,000 tons and 1,067,000 tons respectively. The offtake of sugar from factories during February 1957 was 177,000 tons, against 233,000 tons during the corresponding period of last season. The total offtake of indigenous sugar during the first four months of the current season comes to 635,000 tons, against the 598,000 tons during the same period of last season. The closing stock of indigenous sugar on 28th February, 1957, was 1,065,000 tons, against 880,000 tons on the same date of last season.

OUTSTANDING PROGRESS

31st December, 1956

Deposits Exceeded . . . Rs. 106 Crores

Working Funds Exceeded . . . Rs. 140 Crores

The P. N. B. secured 20% of the additional deposits of all scheduled banks in the country during 1956.

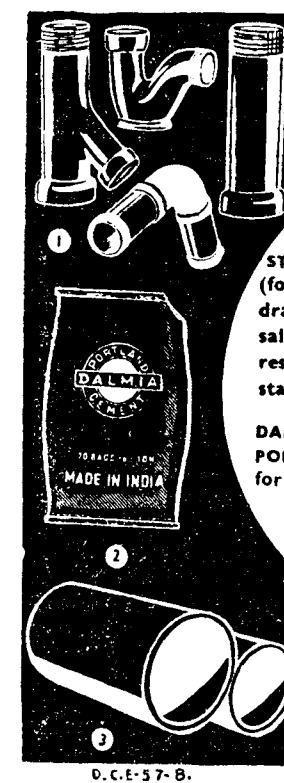
Chairman
Shri S. P. Jain

THE PUNJAB NATIONAL BANK LTD.

Head Office : Delhi

SIXTYONE YEARS STRONG IN SERVICE

A. M. WALKER—General Manager



Dalmia Products
for modern homes and offices

QUALITY STONEWARE AND PORCELAIN PRODUCTS

STONEWARE PIPES (for underground drainage) salt glazed, acid-resistant and tested to standard specifications.

R.C.C. SPUN PIPES for irrigation, culverts, water supply and drainage, available in all classes and sizes.

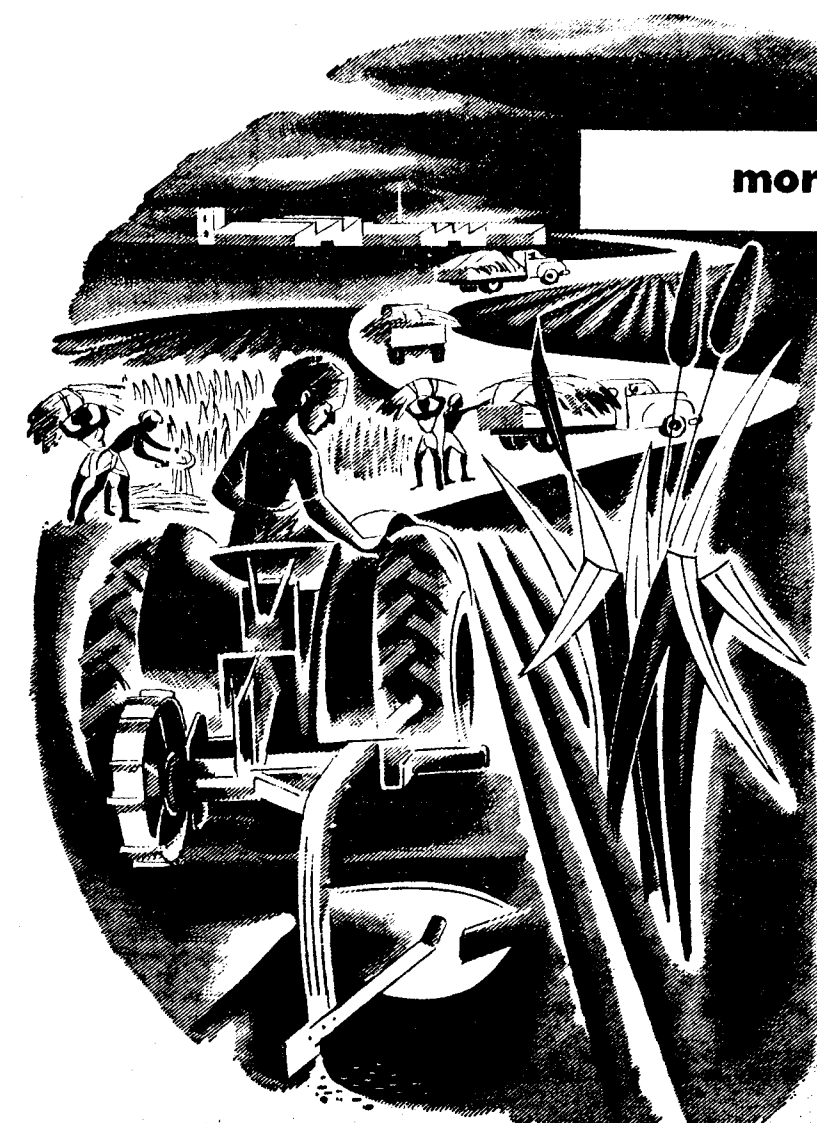
INSULATORS AND ACID-RESISTANT TILES etc.

REFRACTORIES for all industrial purposes; firebricks, mortars, insulating bricks in all heat ranges and shapes.

PORCELAIN SANITARY WARES Indian and European closets, wash-basins, urinals etc.

DALMIA CEMENT (BHARAT) LTD.
DALMIAPURAM (TIRUCHIRAPPALLI)

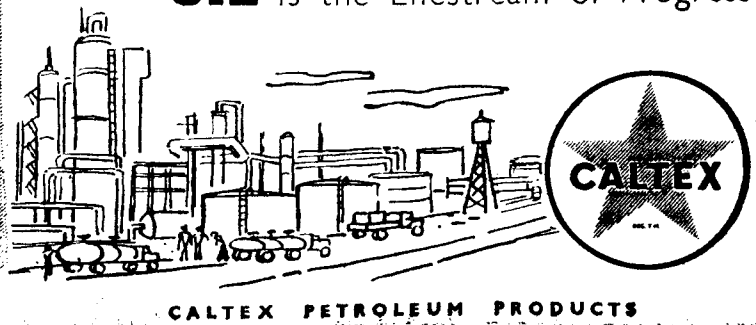
D.C.E-57-B.



more food for more people

As mechanized farming brings more land under crops . . . as powerful bulldozers and other equipment labour day and night to build dams to water the thirsting earth . . . as roads and rails reach farther to bring food to the market place . . . so the need for oil—fuels and lubricants—grows. Caltex is irrevocably linked with the plans contributing to the well-being of India's millions. At Visakhapatnam the new Caltex Refinery is nearing completion—a tribute to free enterprise. Soon, from here, will flow Caltex quality petroleum products to accelerate India's progress.

OIL is the Lifestream of Progress



CALTEX PETROLEUM PRODUCTS

*These Debentures are registered and are transferable by transfer deeds.

(v) may be redeemed at par on 30-6-90 or any subsequent interest date on one month's notice.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 27-3-57 Rs.	A year ago Rs.	Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations 27-3-57 Rs.	A year ago Rs.
1901	BANK.						1920	Birds' Investments (Dec.)	24.00	5 1/2	100	70	77
	Allahabad Bank (May Nov.)	15.00	6	100	114	131	1918	Bombay Steam Navigation (July)	15.00	6 1/2	250	151	151
	COAL.						1920	British India Corporation (Feb. Aug.)	15	8	10	14	10
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85	113	1895-99	British Ceylon Corporation (Apr. Mar.)	7.50	6	5	13	13 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	102	112	1903-50	Burn Eng. (1st & 2nd) (Feb. Aug.)	81.00	8	100	128	139
1901-20	Burrakur (June Dec.)	22.98	7	100	103	122	1909-11	Burn Engineering (Feb. Aug.)	13.00	7	100	110	123
1946	Burrakur (June Dec.)	4.50	6 1/2	10	7 1/2	8 1/2	1937	Calcutta Electric Supply (Mar. Sept.)	15.00	5	100	81	11 1/2
1895	Equitable (May Nov.)	4.00	6	100	100	116 1/2	1906	Calcutta Silk Manufacturing (July Jan.)	£1,900	6	100	55	81
1931	Khas Kajora (Mar. Sept.)	1.32	5	100	11	5	1938	Calcutta Tramways (Jan. July)	£250	5 1/2	100	74	105
1920	New Beerboom (Jan. July)	2.00	7	10	11	13 1/2	1905-24	Carew & Co. (January)	8.00	6 1/2	100	99	144
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	104	113	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	119	66
	COTTON MILLS.						1940	Chettiar Mica Industries Ltd.	30.00	5 1/2	100	53	66
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	108 1/2	110	1937	Dacca Electric Supply (July)	6.00	6	100	94 1/2	97
1884	Bangalore (Jan. July)	6.00	6	100	120	128 1/2	1937	Dalmia Cement (Bharat)	3.50	6	40	34	133
1938	Basanti (Oct.)	5.00	6 1/2	10	7 1/2	8	1945	Dalmia Cement (Bharat)	2,372	6	100	101	104
1890	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	92	110	1916	Delhi Flour Mills (Oct.)	90	7 1/2	100	101	104
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	125 1/2	135	1935	Deshgarh Power Supply "A" (Jan.)	16.00	5	100	91	93
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	125 1/2	135	1940	Deshgarh Power Supply "B" (Jan.)	12.00	4 1/2	100	84	87
1918	Bradbury "B" (Jan. Dec.)	6.00	7	100	63 1/2	72	1940	Dunlop Rubber "First" (Jan. July)	45.00	4	100	119	128 1/2
1920	Buckingham & Carnatic (Jan. July)	14.75	7	250	324 1/2	324 1/2	1926	Dunlop Rubber "Second" (Apr.)	30.00	6	100	92 1/2	101
1928	Cambodia (July)	21.30	7 1/2	100	142 1/2	133 1/2		East India Distilleries (Jan. July)	£200	7	100	17	17 1/2
1912	Central India (Apr. Oct.)	50.00	5	500	531 1/2	531 1/2	1928-29	Eastern Investments Ltd. (Apr.)	2,500	5 1/2	100	17	17
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20	20	1897	General Investment & Trust (Feb. Aug.)	1.00	5	100	70	76
1912	Elgin (May Nov.)	11.00	8	100	124 1/2	135	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	61	66
1943	Elphinstone (May Nov.)	4.20	5	10	9	9 1/2	1947	Gilanders Arbuthnot (Apr. Oct.)	2,500	5 1/2	100	60 1/2	66
1919	Kesora (June Dec.)	29.00	7 1/2	100	116	134	1948	Gladstone Lyall & Co. Ltd.	15.00	100	100	62	68
1925	Khatav Mankani (Nov.)	10.00	6	100	79	88	1946	Godfrey Phillips India Ltd.	30.00	5 1/2	100	67	68
1937	Kothari (Nov.)	12.00	6	10	10 1/2	10 1/2	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	67	68
1900	Muir (Feb. Aug.)	30.00	6	100	104	104	1940	Gwalior Sugar (Dec.)	5.00	7	100	67	68
1912	New Great Eastern (Mar.)	3.00	5 1/2	200	180	185	1940	Humayun Properties Ltd. (Nov.)	12.00	6	100	9 1/2	10 1/2
1920	New Victoria (Apr. Oct.)	26.05	6	5	42	3 1/2	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	69 1/2	76
1923	Palani Andavar (Mar.)	2.00	7	50	58 1/2	58 1/2	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	99 1/2	101
1923	Swadeshi (Bombay) (May)	15.00	5	100	105	115	1927	Indian General Navy & Railways	£244	6	10	30	31
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90	90	1899	Indian Cable Co. (Nov.)	12.88	6	10	30	31
1931	Vasanti (Apr. Oct.)	3.00	6 1/2	100	111 1/2	120	1923	Indian Standard Wagon (Aug. or Sept.)	1,966	7	100	127	141 1/2
1903	Vishnu (Apr.)	16.00	7	500	557 1/2	557 1/2	1936	Indian Iron & Steel	2,699.95	5	100	99 1/2	100
	JUTE MILLS.						1935	Investment and Finance (Feb. Aug.)	2.00	5	100	70	66
1927	Agarpara (Jan. July)	10.00	7	100	99	118	1945	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	61	70
1905	Alexandra (Feb. Aug.)	9.00	7	100	98	98	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	95	106
1896	Alliance (Mar. Sept.)	15.00	6	100	90	99	1946	Jessop & Co.	10.00	5	100	95	106
1917	Anglo-India (May Nov.)	40.00	7	100	102	118 1/2	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	10	10
1908	Auckland (July Jan.)	10.00	5 1/2	100	95 1/2	101	1916	Kumardandi Engineering (June)	12.00	5	100	100	108 1/2
1918	Bally (Jan. July)	15.00	4 1/2	100	61	71 1/2	1915	Do Freclav & Silica (June)	2.00	7	100	115	109 1/2
1896	Barnagore (Oct. Dec.)	20.00	7	100	103	116	1915	Do Freclav & Silica (June)	2.00	7	100	115	109 1/2
1906	Belvedere (Jan. July)	£200	5 1/2	100	38	48	1915	Do Freclav & Silica (June)	2.00	7	100	115	109 1/2
1944	Bengal (June Dec.)	7.00	7	100	101	119	1946	McLeod & Co.	30.00	5	100	56	69
1919	Birla (June Dec.)	23.64	7 1/2	100	77	96	1930	McLeod & Co.	10.00	5 1/2	100	68 1/2	74
1896	Budac Budac (May Nov.)	7.00	7	100	96	103	1936	Mettur Chemical & Industrial (Sept.)	40.00	5	100	97	98
1934	Calcutta (Jan. July)	6.00	6 1/2	100	102	119	1949	Mettur Chemical & Industrial (Sept.)	20.00	5	100	92	92
1919	Caledonian (June Dec.)	10.00	7	100	100	119	1938	Metal Box Co. of India Ltd.	30.00	6 1/2	100	92	92
1919	Cheviot (Jan. Dec.)	10.00	7	100	100	101	1938	Metals Zymindary (Feb.)	8.76	5	100	92	92
1928	Chitavalah (Mar. Dec.)	5.00	7	100	101	115	1930	Mysore Chemical Mfg. (Sept.)	2.00	5	10	9 1/2	9 1/2
1900	Clive (First) (May Dec.)	8.00	6	100	71	91	1942	National Insulated Cable	10.00	5 1/2	100	69	70
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	81	115	1944	National Tobacco (June Dec.)	25.00	5	100	63	64
1903-12	Dalhousie (July Jan.)	15.00	7	100	101	95	1946	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	40	40
1897	Delta (June Dec.)	5.00	5	100	82 1/2	115	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	111 1/2	104
1912	Empire (Jan. July)	10.00	7	100	102	120 1/2	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	94	99 1/2
1890-98	Fort Gloster (Jan. July)	14.00	7	100	103 1/2	85 1/2	1922	Purtalpoore (Sugar) (Oct.)	15.00	6 1/2	100	89 1/2	106
1948	Fort Gloster (2nd)	7.00	5	100	103 1/2	120	1936	Rammugger Cane & Sugar (Aug.)	6.00	10	10	100	106
1911	Fort William (May Nov.)	10.00	7	100	102	130	1933-36	Rohtas Industries (April)	4.00	6	100	122	133
1916	Ganges (June Dec.)	6.00	8	100	102	105	1936	Rohtas Industries "B" (Apr.)	20.00	7	100	63 1/2	64 1/2
1895-94	Goudapore (June Dec.)	26.50	6	100	103	105	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	67 1/2	74
1913	Hastings (Aug. Feb.)	25.00	6	100	85	107 1/2	1937	Shree Gopal Paper	7.50	6	100	116	95
1890	Howrah (Jan. July)	11.00	10	10	95	14 1/2	1936-38	Shree Krishna Gyanoday Sugar "A" (Oct.)	6.00	6	100	87	87
1905-06	Howrah "A" (Jan. July)	8.75	7	100	102	121	1936	Shree Krishna Gyanoday Sugar "B" (Nov.)	12.00	5	100	74	75
1919	Hukumchand (June Dec.)	40.00	7	100	102	116 1/2	1906	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	62	161 1/2
1898-04	Kamarhatti (Apr. Oct.)	16.00	6	100	103 1/2	103	1936	South Behar Sugar (Oct.)	5.00	7	100	36	40 1/2
1900	Kankannarh (Apr. Oct.)	10.00	6	100	84	106	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	108	108
1905	Kedarnath (Jan. July)	2.00	7	100	84	106	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8 1/2	100	108	108
1907	Kelvin (Mar. Sept.)	10.00	7	100	103	115	1937	Star Paper (Apr. Oct.)	10.00	5	100	115	131
1905-09	Kharad (May Nov.)	10.00	7	100	102	104	1937	Surat Electricity (Apr.)	5.00	6 1/2	100	115	131
1900-13	Kinnison (July Jan.)	15.00	7	100	102	116	1925	Tata Chemicals (Nov.)	60.00	5	100	98 1/2	117 1/2
1910	Lansdowne (July Jan.)	15.00	7	100	102	114	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	110	121 1/2
1912	Lawrence "A" (July Jan.)	15.00	7	100	102	114	1939	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	117 1/2	128 1/2
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	76	95	1910	Tata Iron & Steel (Second) (May)	6,932.82	7 1/2	1,000	1,140	1,275
1905	Naihati (July Jan.)	7.50	7	100	106	123	1906	Tatpore-Balipara Tram (1) (June Dec.)	86.97	7 1/2	1,000	1,140	1,275
1945	Naihati (July Jan.)	10.00	4 1/2	100	50	81	1918	Titagur Paper Mills (Mar. Sept.)	2.25	6	100	139	151
1917	National (May Nov.)	5.00	7	100	101	102	1937	Titagur Paper Mills (Mar. Sept.)	11.50	8	100	139	151
1939	Nellmaria (Apr. Oct.)	5.00	7	100	101	102	1936	Titagur Paper Mills (Mar. Sept.)	11.50	8	100	139	151
1915	New Central (Jan. July)	33.00	7	100	103	113 1/2	1937	Vellore Electric (Sept. Mar.)	15.00	4 1/2	100	90	81
1908-09	Northbrook (July Jan.)	15.00	5 1/2	100	76	97	1937	Vizagapatam Electric Supply (July)	1.00	6 1/2	100	82 1/2	82 1/2
1935	Rameshwara (Jan. July)	7.00	6	100	101	112	1934						
1906-12	Reliance (Jan. July)	20.00	7	100	90	101	1936						
1901	Sarnagur (Feb. Aug.)	£150	8	100	101	112	1934						
1928	Shree Ambica (Mar. Sept.)	11.70	7 1/2	100	76	103	1936						
1901	Sorah (Feb. Aug.)	10.00	7	100	100	100	1936						
1895-01	Standard (July Jan.)	9.00	6	100	85	102	1936						
1897	Titagur (Feb. Aug.)	£150	6	100	101	112	1936						
1901-02	Union (July Jan.)	6.00	6	100	102	118	1936						
1898	Victoria (Feb. Aug.)	£150	6	100	102	118	1936						
1918	Waverley (Mar. Sept.)	750	5	50	45	53	1947						
	MISCELLANEOUS.						1901						
1938	Alkali & Chemical (Mar. Sept.)	31.00	5	100	101	108 1/2	1894						
1938	Aluminium Corp. (Oct.)	20.00	6	100	9								

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1954	1955	1956		27-3-57	20-3-57	A year ago
Ra.	Ra.	Ra.	Ra.				Ra.	Ra.				Ra.	Ra.	Ra.	
25,50,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,390	28,610	31-5	61-71	5-...	10	171	171	23
1,00,00,000	1,06,15,288	1,40,49,222	18,85,859	Bengal P	4-10	2	26,18,986	7,31,563	71-71	81-81	...	200	445	450	555
4,49,550	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	...	...	10	61	61	7
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	NII-NII	NII-NII	...	10	16	16	16
15,97,000	14,16,665	6,91,475	13,52,076	Bhalgorab	6-12	9	5,13,899	39,978	...	...	...	10	51	61	51
40,00,000	68,01,474	20,23,235	32,65,321	Bharat Collieries P	6-12	152	2,32,221	27,433	...	...	...	10	61	61	13
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	...	1,87,446	NII-NII	NII-NII	...	10	143	143	143
16,00,000	38,87,275	18,18,637	7,186	Bokare & Ramgur	6-12	315	1,21,936	78,196	...	...	...	10	121	121	121
1,50,000	18,56,889	24,29,021	11,90,066	Borrea P	6-12	106	2,14,682	84,207	10-10	10-10	...	10	203	203	203
90,92,480	2,39,17,614	1,75,02,136	28,93,839	Burrakur P	6-12	21	7,43,659	36,168	21-31	31-31	31-...	10	211	211	144
49,97,000	34,53,430	751	3,65,990	Central India	3	166	2,45,758	9,927	21	21	5	10	61	61	71
8,00,000	16,87,573	13,30,519	15,752	Central Kurkud P	6-12	323	34,743	82,768	...	...	...	10	121	121	11
6,00,000	...	1,43,871	7,32,536	Churulia	6-12	106	...	...	...	...	...	10	111	111	31
16,00,000	24,00,428	NII	50,309	Dharm Main	6-12	106	...	2,129	11-11	11-11	...	4	51	51	31
2,940,000	2,239,116	2,313,125	5140,348	East Indian	6-12	19	...	...	NII-NII	NII-NII	...	10	51	51	31
30,00,000	1,15,25,712	83,55,049	24,17,696	Equitable P	6-12	19	2,96,155	2,58,922	181	221	...	10	261	261	321
10,00,000	4,74,708	2,01,488	3,32,977	Gunzdar Kajora	6-12	19	8,87,453	82,379	71-71	71-71	71-71	10	231	231	171
6,50,000	5,06,856	3,31,555	4,95,544	Husick & Muslia	3	307	12,979	24,844	...	...	...	10	15	15	41
8,00,000	3,17,789	7,25,000	7,92,425	Juzdar Kajora	6-12	20	24,156	2,401	...	...	...	10	11	11	11
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	6-12	19	2,70,524	45,985	71-10	121-121	...	10	231	231	201
					2-8	2	1,38,130	-2,21,237	NII-NII	NII	NII	10	221	221	201
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	NII-NII	NII-10	...	100	121	131	331
9,00,000									NII-NII	NII-NII	...	10F			
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	NII	21	5	100	97	97	145
5,00,000	10,29,548	16,80,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28	25-30	35	100	541	621	601
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	6-12	326	49,776	1,918	...	...	...	10	91	91	31
5,65,750	10,84,977	85,000	9,950	Mundulpur	6-12	326	...	...	...	...	...	10	21	21	1
7,49,240	3,46,839	2,00,000	10,14,803	Nazira	6-12	347	...	79,868	NII-	...	...	10	61	61	101
7,00,000	5,13,412	28,617	51,941	New Bandepur	3-12	3	92,517	31,201	5	5	...	10	10	10	21
17,78,230	31,15,787	20,17,765	3,78,539	New Beerboom P	3-12	9	50,011	6,071	31-31	31-31	...	10	151	151	111
46,78,000	11,11,646	70,000	46,881	New Manbhoom	4-10	2	2,64,714	94,383	71-71	71-71	...	10	101	101	21
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	3	302	46,201	70,222	NII-NII	NII-NII	NII	10	101	101	21
1,15,000	4,42,488	2,85,193	1,53,240	North West	1-7	306	7,954	...	...	...	...	10	11	11	11
7,50,000									...	...	...	10	171	171	191
1,57,500					3-9	2	51,420	15,950	NII-NII	61	71-...	10	171	171	171
7,50,000	1,20,000	12,19,987	23,26,751	Ondal P	6-12	106	22,197	56,646	5-5	5-5	...	10	151	151	151
8,34,000	9,21,342	10,862	1,36,011	Parasara P	6-12	207	1,08,075	8,018	31-31	31-31	...	10	141	141	221
13,75,000	13,39,443	16,50,000	13,39,443	Pencol Valley	3-5	236	1,48,201	33,734	81-71	71-71	7-...	10	161	161	61
2,50,000	2,62,407	7,501	11,531	Pure Sitalpur	6-12	5	2,008	...	...	...	...	10	6	6	11
23,94,500	36,99,424	20,17,105	67,898	Raneegunge	3-9	79	3,67,448	23,188	21-21	21-21	31-...	10	111	111	221
8,88,001	10,45,115	15,51,301	14,29,643	Rewa	6-12	236	1,44,394	15,614	71-61	81-121	71-...	10	191	191	231
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	71	...	...	10	121	121	151
2,50,000	1,56,194	1,34,374	11,356	Searsole	1	353	88,009	11,078	25	30	15	21	291	291	111
2,80,000	10,92,193	8,39,598	7,87,724	Seepore P.	6-12	2	2,42,112	49,299	NII-11	11-11	...	10	9	9	91
6,00,000	23,624	5,29,306	6,32,157	Sendra	6-12	106	...	...	142/14-14/17	30/10/6/	...	10	9	9	91
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	...	NII-11	11-11	...	10	9	9	241
8,00,000	1,42,050	14,01,053	23,80,817	Standard	12	106	70,093	17,411	71-71	71-71	5-5	10	201	201	31
10,00,000	15,58,085	15,075	1,910	Talcher	9	277	22,689	...	NII	...	...	21	21	21	161
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	279	...	...	5-21	21-NII	...	10	131	131	161
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	9	186	...	...	31	...	...	10	51	51	51
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	4,09,468	7,262	...	...	...	10	81	81	13

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotation as available until		
	Spindles	Looms									Ra.	Ra.	Ra.		1954	1955	1956
Ra.			Ra.	Ra.	Ra.				Ra.	Ra.				Ra.	Ra.	Ra.	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	..	..	..	10	51	51	61
32,72,340	22,197	305	27,69,876	23,18,909	24,551	Benares P	3-9	126	1,27,187	47,947	..	..	..	10	4	4	1
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	4	27	1,06,176	47,818	..	..	..	10	40	40	38
27,00,000	31,476	824	23,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	Nil	..	..	10	40	40	38
15,00,000	38,764	992	28,31,200	88,48,588	31,22,417	Birla Cotton	4	22	16,69,225	2,76,936	..	30	15	10	71	301	165
6,00,000	42,872	641	37,54,142	22,72,986	1,44,348	Bowren P	6-12	138	94,028	23,47,377	Nil	Nil	..	100	120	120	91
30,00,000	22,000	510	8,43,453	29,51,420	1,90,393	Cawnpore Textiles	3	25	6,73,253	36,767	Nil	Nil	..	10	6	7	38
3,27,32,900	1,01,862	2,762	9,94,61,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9	9	..	25	354	36	3
1,90,000	42,944	518	34,12,181	25,71,925	1,53,884	Dunbar	6-12	138	9,92,371	1,37,951	Nil	Nil	..	24	191	191	301
63,00,000	54,000	1,290	18,99,926	93,47,056	71,13,555	Elgin P	9	25	45,81,068	78,754	10	10	12 1/2	10	25	25	181
1,20,00,000	39,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	8	22	37,41,719	2,45,435	8 1/2	8 1/2	..	20	141	15	181
6,00,000	35,864	864	17,48,143	9,75,679	14,08,655	Mohini P	12	45	9,53,311	5,198	..	..	..	25	..	..	107
33,96,288	38,000	1,825	47,44,546	52,19,601	72,65,055	Muir P	12	208	18,77,941	7,77,296	..	..	..	16	75	75	2
30,00,000	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	..	..	..	24 1/2	11	14 1/2	14 1/2
22,89,382	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	1 1/2	1 1/2	..	10	161	161	101
19,47,750	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	7 1/2	7 1/2	..	100	12 1/2	12 1/2	10 1/2
17,50,000	..	..	..	..	..	..	..	..	..	..	..	..	..	10	3	3	10 1/2
1,57,50,000	..	..	..	..	..	..	..	..	..	..	..	..	..	100	12 1/2	12 1/2	10 1/2
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,979	Bangalore W C Silk P	12	26	56,34,938	2,38,649	30	30	..	100	580	585	555
1,78,47,800	1,20,012	2,770	3,20,71,606	1,87,39,278	23,80,514	Buckingham Carnatic P	12	46	1,01,06,075	2,38,445	10	10	..	100	171	181	131
20,00,000	28,000	..	18,03,003	20,32,074	1,26,235	Cambodia P	12	211	1,96,274	27,593	Nil	5	..	100	141	141	138
12,00,000	23,864	..	3,41,058	9,90,000	18,53,502	Coimbatore Cotton	12	186	5,53,701	61,404	..	..	..	100	355	355	301
20,76,800	72,832	407	47,91,212	22,227	1,94,963	Coimbatore Spg & Wvg	6	48	7,52,342	10,23,340	..	..	..	100	x d	90	90
6,50,000	50,640	295	12,25,505	17,99,381	8,77,434	Kaleeswarar	..	139	2,05,786	1,677	..	..	..	100	335	335	191
24,00,000	30,512	200	60,83,320	19,25,000	4,09,960	Kothari Textile P	6	141	6,24,560	42,942	5	10	10	100	151	151	131
23,64,000	48,756	..	15,01,051	21,70,200	78,350	Lakshmi	12	186	11,41,248	2,209	..	..	..	50	132	138	106
1,75,02,480	4,65,374	..	2,06,03,942	4,13,81,873	1,14,98,962	Madura	12	108	95,70,251	32,44,130	20	20	17 1/2	15	451	48	111
12,00,000	11,854	..	4,41,893	9,90,000	1,94,963	Malabar Spg & Wvg	12	246	85,193	84,038	..	..	..	200	109	109	481
60,00,000	24,252	603	20,43,893	3,90,000	1,94,963	Mettur Industries	..	36	48,44,883	45,835	35	35	42 1/2	100	481	481	481
13,61,780	5,000	..	14,15,992	3,90,000	1,94,963	Mysore Spun Silk	..	147	1,753	3,986	..	..	..	100	430	430	281
4,00,000	20,137	Nil	3,56,890	1,00,000	24,24,418	Palani Andapur P	12	30	7,39,437	2,887	..	..	..	10	87	147	147
7,78,700	15,540	416	4,42,118	2,43,421	2,65,311	Sitaram Spg & Wvg	..	169	87,724	3,088	..	..	..	50	147	147	147
7,00,000	28,104	270	12,98,563	18,23,301	11,71,224	Vasanta P	12	47	16,37,450	..	..	..	..	80	..	310	..

MISCELLANEOUS COMPANIES

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

Index to the Key (last page) under the numbers indicated.																
Paid-up Capital Ordinary.	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts Capital	Shareholding Agents	Net Profit including taxation	Carry forward	Dividends per cent			Share	Latest Market Quotations as available (in Rs.)			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	A year ago.	
MININGS.																
£2,369,796		£17,74,459	£2,534,236	Burma Mines Ltd.	12	153	£808	£304	..	..	..	31s	2 1/2	2 1/2	2 1/2	
30,00,000	..	27,58,383	34,23,759	Chrestien Mica Industries Ltd P	12	312	11,97,133	10,853	7 1/2	..	..	100	14 1/2	14 1/2	14 1/2	
15,00,000	43,47,289	22,81,464		Consolidated Tin Mines	3	67	£10,532	£22,218	10	..	..	5Dd	8 1/2	8 1/2	8 1/2	
£318,088	£238,420	£112,683		Indian Copper Corporation	12	88	£1,299,804	£117,083	7 1/2	7 1/2	..	..	..	..	..	
£914,200	£276,054	£1,853,056	£1,376,169	Metal Corp P.	3	343	—2,39,776	—4,51,131	25	45	..	..	..	..	..	
29,194,300	61,36,847	2,01,886	13,723	Orissa Minerals Development	6-12	21	3,32,669	1,00,867	Nil	..	..	100	8 1/2	8 1/2	12 1/2	
£63,673Dd	23,45,841	35,94,529	34,50,189	Tavey Tin Dredging	12	14	£9,059	—219,118	Nil	10-10	10-10	10-10	10	21	21 1/2	24 1/2
20,00,000	£245,323	£317,463	£234,026						..	..	..	10	2s	..	..	
£375,000																
CEMENT LIME SLATE, ETC.																
43,14,600	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	..	100	6 1/2	6 1/2	6 1/2	
70,76Dd		14,32,396	1,06,702	Bengal Potteries	12	155	8,02,009	12,631	10	10	..	10	1 1/2	1 1/2	1 1/2	
31,70,655	33,23,186	27,63,242	4,20,854	Bisra Stone Lime	3-9	21	5,47,558	20,179	5-8 1/2	3 1/2-8 1/2	8 1/2-10	10	2 1/2	3 1/2	4 1/2	
17,00,000	25,95,369			Dalmia Cement (Bharat) P.	12	123	56,57,138	2,87,995	10	12 1/2	..	100	11 1/2	12 1/2	14 1/2	
60,00,000	62,31,811	98,26,915	2,11,38,275	Kumardhubi Fireclay & Silica P	12	21	6,05,311	49,404	15	15	..	10	17	17	17	
20,00,000	77,49,749	72,13,923	2,13,327	Reliance Firebrick & Pottery	2-8	..	1,10,349	18,301	Nil-Nil	10-10	..	10	20	20	20	
60,00,000	10,00,502	8,62,369	6,74,212	Scene Valley Portland Cement	12	..	7,88,487	41,941	..	..	..	10	7	7 1/2	7 1/2	
25,00,000	58,94,174	22,45,000		Sutna Stone & Lime	6-12	3	69,598	652	5 1/2-5 1/2	5 1/2-6 1/2	..	10	18	18	16 1/2	
5,00,000																
15,00,000																
6,00,000																
75,00,000																
3,22,560																
CHEMICAL INDUSTRIES.																
62,00,000	1,57,65,178	84,81,273	1,55,677	Alkali & Chemical Corp of India	9	121	29,84,232	82,495	6	8	8	10	11 1/2	15	22 1/2	
40,00,000	99,765	60,900	37,853	Bathgate & Co. Ltd P.	12	324	2,18,875	—20,65,382	Nil	Nil	..	10	1 1/2	1 1/2	1 1/2	
11,45,800																
11,08,900A	56,08,902	43,35,000	1,49,08,740	Bengal Chemical & Pharm P.	4	245	14,18,430	11,70,500	6	6	..	100	101	101	140 1/2	
4,25,000	82,695	69,070	15,903	Frank Ross P.	2	129	48,893	858	Nil	Nil	..	6	2 1/2	2 1/2	2 1/2	
5,00,000	4,60,152	11,00,929	3,05,876	Smith Stanistreet P.	6	191	7,14,527	1,18,395	10	20	20	5	11 1/2	11 1/2	16 1/2	
ELECTRIC LIGHTING POWERS.																
19,99,600	47,69,341	26,19,793	22,94,559	Agra Electric Supply	3-9	32	3,05,594	46,084	5-5	5-5	..	100	145	145	159	
8,00,000	26,70,922	6,55,886	4,84,399	Bareilly Electric Supply	6-12	32	83,783	20,597	5-5	5-5	..	10	15 1/2	15 1/2	14	
17,00,000	80,72,095	22,47,869	11,75,299	Benares Electric Light Power	6-12	32	5,94,018	38,507	6 1/2-6 1/2	6 1/2-6 1/2	..	10	17 1/2	17 1/2	19	
£4,262,646	10,96,663	5,90,855	85,318	Bhagalpur Electric Supply	12	90	1,44,138	41,818	6 1/2	..	..	8	48	48	83	
6,00,000	£18,897,213	£7,242,380	£595,368	Cuttack Electric Supply P.	12	202	£1,526,226	26,455	6	6	..	6 1/2	122 1/2	122 1/2	134 1/2	
17,51,050	17,68,438	5,34,904	93,184	Cuttack Electric Supply	12	202	1,24,836	26,455	3	..	..	10	82	83	83	
	38,10,419	10,41,599	3,39,348	Dacca Electric Supply P.	12	202	3,39,244	12,706	..	..	..	10	4 1/2	4 1/2	4 1/2	
5,21,640	8,42,506	1,65,009	3,037	Jhansi Electric Supply	12	168	71,399	27,527	..	..	..	10	9 1/2	9 1/2	9 1/2	
22,49,650	42,84,132	14,91,996	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,454	27,739	5 1/2-4	5 1/2-4	..	10	13 1/2	13 1/2	15 1/2	
4,05,000	5,44,854	2,51,058	1,13,328	Mirzapur Electric Supply	12	202	58,676	27,739	..	..	..	10	10	10	9	
5,82,390	17,12,129	1,78,813	83,860	Muzafferpore Electric Supply	12	329	73,159	—7,073	Nil	..	..	10	7 1/2	7 1/2	7 1/2	
6,99,700	5,43,357	77,521	3,48,185	Muttra Electric Supply	6-9	32	30,021	2,295	5	..	..	10	9 1/2	9 1/2	7 1/2	
85,07,380	85,46,049	37,10,223	11,51,661	Patna Electric Supply	12	202	7,40,283	68,003	7 1/2	..	..	10	11 1/2	11 1/2	7 1/2	
3,00,000	2,87,192	92,919	2,34,719	Saugor Electric Supply	6-12	32	26,549	2,248	2 1/2-2 1/2	2 1/2-2 1/2	..	10	..	..	..	
9,10,000	7,57,951	2,72,396	1,20,399	Shajahanpur Electric P.	9	202	65,624	14,394	5	..	..	10	7 1/2	7 1/2	9 1/2	
16,80,000	27,99,505	5,36,596	3,38,039	Sijua (Jherria) Electric	12	21	3,29,874	44,269	7 1/2	..	..	10	10 1/2	11 1/2	12	
56,00,000	1,62,42,470	35,82,369	13,28,418	United Provinces Electric	3-9	32	5,39,389	80,998	5-5	5-5	..	100	146	146	160	
5,98,500	10,14,094	2,71,543	6,41,807	Upper Ganges Valley Elec.	8-12	32	56,850	7,022	12-4 1/2	12-4 1/2	5-..	10	13 1/2	13 1/2	14 1/2	
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289	6 1/2-6 1/2	6 1/2-6 1/2	..	10	12	18	18 1/2	
ENGINEERING & METAL																
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Mozafferpore) P	10	300	1,52,744	1,01,965	..	..	..	10	..	..	7 1/2	
50,00,000	51,82,373	16,39,587	37,1,153	Bharatia Electric Steel	12	31	11,67,212	3,95,940	10	12	..	10	15 1/2	16 1/2	15 1/2	
56,59,790	51,44,514	63,54,991	23,66,086	Braithwaite India	12	289	30,48,096	1,99,299	16 1/4-14	25	20	10	25 1/2	25 1/2	28 1/2	
12,00,000	11,00,577	20,99,832	2,31,294	Bridge & Root	6-12	24	61,627	1,51,297	7 1/2-7 1/2	7 1/2-7 1/2	..	10	36	36	35	
19,78,570	31,90,232	5,14,361	3,64,992	Britannia Building & Iron P.	3	109	1,00,001	51,637	5	10	5	10	6 1/2	6 1/2	9 1/2	
39,37,520	30,18,167	36,42,365	1,28,898	Britannia Engineering	12	165	11,47,552	1,36,319	15	15	..	10	13	13 1/2	19 1/2	
5,00,000	5,44,177	1,00,000	6,599	British India Electric Cons.	6-12	24	91,780	—5,26,928	Nil-Nil	Nil-Nil	..	10	12 1/2	12 1/2	7 1/2	
84,00,000	1,54,64,115	1,30,96,539	15,49,676	Burn P. (Engineering)	4	32	95,08,823	1,12,718	10	15	20	100	325	325	364	
12,50,000	20,64,770	22,00,000	45,733	Hooghly Docking	12	32	1,72,120	2,037	12 1/2	12 1/2	..	50	132	130	138	
36,94,500	23,07,100	6,65,000	55,315	Indian Galvanizing	12	24	5,46,700	41,267	4	10	..	10	19 1/2	19 1/2	26 1/2	
18,18,37,000	18,00,34,354	11,70,76,011	6,37,45,031	Indian Iron & Steel P.	3	32	8,54,28,168	4,49,314	10	10	10	10	19 1/2	20 1/2	35 1/2	
3,85,000	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	27	—26,954	—82,872	..	..	..	5C	7 1/2	7 1/2	9	
1,54,000Dd	30,46,716	47,33,987	13,61,471	Indian Standard Wagon P.	3	32	41,06,372	24,072	19	25	30	10	176	176	177	
28,580	41,51,487	2,74,14,189	2,14,40,051	Indian Steel & Wire Products	3	122	75,05,632	9,71,508	30	30	30	10	63 1/2	69	47 1/2	
51,00,000	45,57,847	57,91,388	15,35,611	Jessop & Co. P.	10	290	47,27,193	14,130	15	30	..	10	24 1/2	24 1/2	34 1/2	
51,00,000	44,15,822	43,12,118	1,56,283	Kumardhubi Engineering P.	11	21	6,23,372	21,425	16 1/2	16 2/3	..	10	9 1/2	9 1/2	11	
10,50,000	4,44,410	29,21,646	7,20,534	Marshall Sons (India)	6	170	99,627	93,713	12 1/2	..	..	2	4 1/2	4 1/2	6 1/2	
49,96,000	37,52,077	4,90,631	5,22,904	National Iron and Steel	3	192	11,68,033	5,28,690	Nil	2 1/2	6 1/2	10	7 1/2	7 1/2	7 1/2	
9,00,000	9,22,727	6,10,321	1,36,103	Saran Engineering	3	25	1,68,352	9,264	12 1/2	6 1/2	..	10	6 1/2	6 1/2	7 1/2	
60,00,000	1,55,63,547	3,51,516	12,57,713	Textile Machinery	12	22	9,44,777	1,47,573	10	..	..	10	19 1/2	19 1/2	23 1/2	
SUGAR BREWERIES, ETC.																
14,00,000	12,16,880	12,32,202	1,10,458	Balrampur Sugar	6	25	—37,960	48,371	15	13	Nil	5	8	8 1/2	10 1/2	
19,09,025	9,79,539	5,00,000	1,42,485	Belsund Sugar	9	234	1,38,925	49,906	10	..	..	7 1/2	10 1/2	10 1/2	11 1/2	
15,00,000	5,64,327	13,51,513	18,14,343	Bharat Sugar P.	6	316	1,94,561	2,330	15	15	15	10	17	17	17 1/2	
33,57,580	22,31,255	36,89,816	24,41,439	Buland	10	92	1,431,927	8,477	7 1/2	25	..	10	7 1/2	7 1/2	9 1/2	
30,00,000	46,63,474	27,37,030	4,58,062	Carew (Sugar) P.	6	158	2,63,567	12,445	10	15	..	10	20 1/2	20 1/2	21 1/2	
30,00,000	14,38,021	57,93,651	16,45,647	Swampore Sugar P.	6	25	1,25,484	82,023	7 1/2	15	10	10	20 1/2	21	21 1/2	
28,00,000	20,46,821	37,91,883	2,42,443	Hampanan Sugar	6	25	7,25,484	28,507	10	15	10	10	22 1/2	21	21	
16,20,630	20,28,769	33,36,766	9,53,327	Darbhanga	8	171	9,61,957	11,387	15	..	..	10	6 1/2	6 1/2	6 1/2	
12,59,649	16,38,916	41,32,151	11,32,151	Dyer Meakin (Breweries)	3	110	7,70,601	3,143	10	11 1/2	..	100	7 1/2	7 1/2	4 1/2	
23,89,532	2,24,658		3,84,912	Gwalior Sugar P.	9	237	—57,978	8,819	..	..	..	100	7 1/2	7 1/2	4 1/2	

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	27-3-57 20-3-57 A year ago
SUGAR BREWERIES ETC.											
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	3	140	95,437	52,205	.. ..	10	51 51 64 1/2
9,00,000	1,28,559	17,64,369	38,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	7 1/2 7 1/2	10	17 1/2 17 1/2 24 1/2
16,59,820	26,52,127	35,00,000	4,84,351	Ramnugger Cane & Sugar P.	3	1	18,11,504	20,350	15 20	10	23 1/2 25 1/2
19,99,606	25,62,563	39,88,218	13,92,915	Raza Sugar P.	10	92	10,78,193	3,144	.. ..	10	23 1/2 25 1/2
5,00,000	6,07,233	7,72,778	3,77,846	Ryam Sugar P.	5	25	4,21,492	13,264	5 Nil 1 1/2	10	22 22 20 1/2
11,99,000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	5	25	33,558	3,554	5 Nil Nil	10	15 1/2 11 1/2 12 1/2
20,00,000	72,62,286	36,68,706	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	325	12,99,571	34,046	15 17 1/2	10	10 1/2 10 1/2 12 1/2
7,94,500	13,54,858	11,65,177	11,16,368	Shree Sitaram Sugar	3	140	1,90,057	7,991	.. ..	10	13 1/2 13 1/2 14 1/2
9,99,850	14,34,724	1,54,304	1,42,696	Sitalpore Sugar	5	94	-1,39,515	-1,39,515	Nil Nil	10	4 1/2 4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	1	341	4,23,890	39,061	12 1/2	10	14 1/2 14 1/2 23 1/2
8,00,000	47,67,060	29,24,348	3,58,383	Upper Ganges Sugar P.	1	316	12,95,211	32,829	25 25 30	10	70 70 127 1/2
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	1	302	16,80,986	86,393	15 20	100AC 12 1/2 BC	280 280 15 1/2
MISCELLANEOUS											
8,00,000	2,20,232	1,56,200	9,53,5261	A Firpo (Restaurateurs)	10	85	84,518	4,475	.. ..	10	4 1/2 4 1/2 4 1/2
1,50,00,000	1,40,80,394	6,21,715	51,361	Air India Ltd.	12	269	-6,02,785	-14,30,401	.. ..	100	.. ..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	.. ..	100	.. ..
47,50,000	3,08,51,605	17,00,000	16,26,711	Aluminium Corp. P.	1	132	25,21,116	1,16,199	Nil Nil 5	100 2 1/2 Dd	10 1/2 10 1/2 10 1/2
20,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright Ltd. P.	12	1	-89,042	18,284	7 1/2 Nil	10	11 1/2 11 1/2 21 1/2
80,00,000	11,39,552	39,18,823	14,94,091	Angelo Bros.	1	268	15,15,193	3,35,874	12 1/2 20	20	10 19 1/2 19 1/2 19 1/2
80,00,000	17,54,434	27,66,265	5,49,534	Assam Match	12	274	8,55,502	1,18,395	12 1/2	10	20 1/2 20 1/2 19 1/2
13,99,998	21,25,615	23,00,285	64,182	Assam Saw Mills & Timber	1	21	-97,045	-514,537	Nil Nil	3	3 1/2 3 1/2 6 1/2
80,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	1	204	8,82,992	32,683	2 4	10	10 1/2 10 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13 12 1/2	100	155 165 175 194 194
12,00,000	2,55,504	8,49,890	4,32,019	Bararee Coke	3-9	128	2,19,706	45,399	7 1/2 7 1/2 6-..	100	166 166 166 44 1/2 44 1/2
6,00,000	76,414	Nil	10,72,417	Bengal Timber Trading P.	1	128	-64,314	-1,19,103	.. ..	100	41 41 41 4 1/2 4 1/2
50,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	1	22	-3,19,589	-3,19,229	.. ..	10	5 1/2 5 1/2 16 1/2
80,00,000	17,25,434	27,66,265	66,68,956	Birds Investments P.	1	160	4,59,013	37,512	12 1/2	10	14 1/2 14 1/2 14 1/2
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	1	50	8,14,261	1,79,277	10 10	10	13 1/2 13 1/2 11 1/2
82,50,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	8	27,75,295	1,85,955	.. ..	7 1/2	9 1/2 9 1/2 10 1/2
8,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	-30,23,938	-27,36,584	1 1/2 Nil	5	7 1/2 7 1/2 10 1/2
82,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	3	235	60,996	1,550	5 6	10A 10B	6 1/2 6 1/2 4 1/2
2,50,000	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	.. Nil	10	.. ..
0	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12 11	100	104 104 119 3 1/2 3 1/2
0	2,94,89,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15 15	10	25 25 153 153 153
0	13,70,357	54,01,811	1,72,19,436	Eastern Investments Ltd. P.	12	21	11,20,034	3,27,916	9 9	10	12 1/2 12 1/2 12 1/2
0	12,88,300	43,82,626	1,02,21,271	F & C Osler (India) Ltd. P.	3	84	-4,26,249	-8,26,954	.. ..	10	6 1/2 7 1/2 20 1/2
4,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	12 1/2 12 1/2	20	21 1/2 21 1/2
8,25,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	69,571	27,194	7 1/2-7 1/2 7 1/2-7 1/2	100	186 186 43 43 14 1/2
8,25,000	33,54,049	53,17,330	5,34,882	General Investments Trust P.	3	357	18,383	12,435	2 1/2-3 1/2 3 1/2-2 1/2	75	43 43 10 1/2 11 1/2
80,00,000	27,68,049	5,00,324	1,08,48,711	Gillanders Arbuthnot & Co. Ltd. P.	1	105	30,03,640	89,541	7 1/2 14	16	10 10 10 1/2 11 1/2
40,00,000	31,71,333	7,81,000	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	.. ..	10	10 1/2 10 1/2 20 1/2
80,00,000	32,90,010	17,22,203	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10 20	10	21 1/2 21 1/2 240
80,00,000	17,38,764	1,61,173	6,22,424	Great Eastern Hotel	3	225	5,30,879	16,373	.. ..	250	226 226
80,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	..	43,377	24,274	.. ..	5	1 1/2 1 1/2 7 1/2
85,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil Nil	10	13 1/2 14 1/2 22 1/2
15,18,00,000	7,42,66,399	1,88,86,788	5,50,32,187	Imperial Tobacco	1	325	3,66,59,515	24,94,274	6 8	10	13 1/2 14 1/2 22 1/2
1,82,99,220	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co., Ltd. P.	12	289	26,79,662	14,18,074	Nil 9	10	13 1/2 14 1/2 22 1/2
5,00,000	1,27,87,878	1,37,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10 12 1/2	15	10 27 1/2 27 1/2 5 1/2
83,75,000D	22,07,260	2,21,280	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	.. ..	100 10D	6 1/2 6 1/2 8 1/2
1,25,00,000	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	5 5	10	25 1/2 25 1/2 39
8,27,970	4,64,735	18,15,487	10,03,705	Indian Wood Products	9	88	17,28,032	2,76,619	27 1/2 30	10	40 42 65 65 15
5,00,000	2,55,728	2,55,728	12,78,254	Investments and Finance P.	2-8	21	27,880	51,001	3 1/2-2 1/2 3 1/2-2 1/2	100	65 65 15 15
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	.. ..	2	3 3 1/2 3 1/2
5,87,500D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5 5	50	4 1/2 4 1/2 4 1/2
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	7 1/2 7 1/2	7 1/2	75 3 1/2 3 1/2 3 1/2
2,00,00,000	3,17,363	6,02,968	3,21,617	Macfarlane & Co.	1	133	-14,078	-4,849	.. ..	50 1Dd	5 1/2 5 1/2 5 1/2
86,00,000	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2 7 1/2	11	100 22 1/2 23 1/2
1,43,95,500	35,89,193	69,92,796	2,07,03,941	Martin Burn Ltd. P.	9	309	93,42,590	2,70,207	13 1/2 18 1/2	21 1/2	10 22 1/2 23 1/2
40,00,000	37,46,252	80,86,909	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17 22 1/2	1000	240 240 21 1/2
1,13,00,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	1	167	62,82,608	16,24,499	12 17 1/2	10Dd	10 26 1/2 26 1/2
40,00,000	22,27,952	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,72,160	1,44,443	10 15	20	10 20 1/2 20 1/2 20 1/2
40,00,000	72,01,992	15,00,000	7,78,529	National Rolling & Steel Stores	6	7	3,79,123	75,726	5 1/2 5 1/2	10	10 10 10 10 10
79,97,000	61,97,295	78,53,576	23,37,205	National Tobacco P.	12	79	12,06,160	9,03,430	5 5 1/2	10	10 10 10 10 10
23,32,100	2,322	5,11,187	23,35,297	New India Investment Corp.	12	35	1,38,595	1,72,173	.. ..	75	53 53 53 53 53
50,00,000	1,51,805	47,22,151	1,01,47,685	Octavius Steel & Co. Ltd.	12	321	29,59,170	1,25,910	7 1/2 10	100	.. 12 1/2 12 1/2 38 1/2
1,86,300	23,658	2,10,439	2,89,435	Publicity Society of India	1	145	1,47,248	27,315	25 25	4	12 1/2 12 1/2 38 1/2
2,25,00,000	1,01,55,141	8,71,248	36,83,503	Rallis India Ltd. P.	10	332	13,10,241	-44,12,398	Nil Nil	100	36 36 21 1/2 21 1/2
1,72,24,400	4,08,32,719	1,57,70,208	22,22,141	Rohtas Industries P.	10	325	33,77,395	4,91,624	15 15	10	17 1/2 18 1/2 18 1/2
80,00,000	51,59,869	54,00,000	1,58								

BOMBAY MISCELLANEOUS COMPANIES

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

Paid up Capital Ordinary	Net Stock Account	Reserve & Profit "Premiums & "Deferred" Shares if any	Cash & Securities	NAMES	Accounts "closed"	Marquiss "Agent"	Net Profit including Taxation	Carry forward	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	20-3-57	19-3-57	1 year ago
													Rs.	Rs.	Rs.
CEMENT															
12,11,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	6 1/2	10	10	100	162 1/2	169 1/2	214 1/2
ELECTRIC LIG POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6 1/2	5	6 1/2	100	95 1/2 x.d.	100 1/2	101 1/2
2,92,83,500	4,18,62,358	52,34,501	65,30,999	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,208 1/2	1,208 1/2	1,216 1/2
1,74,99,700	2,14,85,12	39,32,48	3,79,815	Bombay Suburban Elec Sup	3	146	19,21,73	45	7	7	..	100	109 1/2	110 1/2	116 1/2
38,08,200	17,49,052	4,75,323	14,87,55	Coona Electric Supply F	12	229	3,86,015	..	..	..	..	100	125	125	145
5,34,45,22 1/2	5,37,65,356	53,82,045	58,39,87	Eda Hydro Elec Power sup F	6	267	37,75,587	21,173	7 1/2	7 1/2	..	100	121	122	132 1/2
5,02,78,754	5,98,37,405	1,41,56,578	1,29,22,549	Eda Power P	6	287	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,202 1/2	1,225	1,370
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311 1/2	Alcock Asdnown	12	268	8,79,560	1,35,820	12 1/2	..	..	100	266 1/2	281 1/2	376 1/2
5,00,000	29,341	4,43,904	59,438	Costs Engineering	3	115	62,291	1,598	15	5	5	50	60	66	96
40,00,000	11,26,513	16,00,000	9,74,664	Larsen & Toubro P.	3	351	14,80,736	28,140	10	10	10	10	161	161	181
40,95,100	81,25,153	2,02,500	49,333	Machinery Mfgs Corpn Ltd F	3	330	2,02,094	64,676	ND	ND	..	100A	..	..	..
11,00,000	15,00,978	16,68,194	1,06,284	McKenzie	7	283	1,49,085	64,838	..	..	..	100	76	76	96 1/2
2,50,000	5,834	1,00,53,052	1,79,32,147	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	169 1/2	179	189
1,31,250F	5,90,52,365	1,17,73,382	23,24,732	Rata Locomotive & Eng P.	3	269	1,09,79,942	1,29,979	ND	ND	6	100	141	149	152
4,20,00,000	32,44,07,755	16,63,05,536	12,34,83,516	Rata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	170	180	247 1/2
6,63,75,000															
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,333	British India General	12	297	4,24,629	1,18,600	..	..	..	10	13 1/2	13 1/2	13 1/2
5,15,000	..	11,04,34,887	4,35,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350	350	675
8,46,120	..	48,33,996	..	Indian Mercantile	12	75	..	1,13,108	..	..	..	20	45 1/2	45 1/2	45 1/2
18,74,940	25,01,134	2,88,61,151	4,81,49,144	Imperial General P.	12	55	..	1,65,316	ND	..	..	15	61	61	94 1/2
1,06,81,590	..	1,88,81,793	17,25,18,402	New India	12	179	13,38,653	11,250	18 2/3	..	..	15	401	401	400
8,00,000	..	37,83,74,430	53,46,53,12	Oriental Life	12	298	..	..	..	..	..	200	3,775	3,775	3,900
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	8,05,803	2,81,242	10	..	..	10	15 1/2	15 1/2	15 1/2
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,406	37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,39,334	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	50	229	232	235
60,00,000	2,20,64,300	4,12,86,155	2,67,27,636	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	603 1/2	641 1/2	632 1/2
42,00,000	1,21,04,052	31,74,431	31,14,306	Bombay Steam Navigation P.	6	256	4,34,215	30,135	..	..	..	50	223 1/2	236 1/2	222 1/2
45,00,000	3,08F	19,47,488	1,28,40,992	Industrial Investment Trust	12	499	68,232	16,942	..	..	..	25	..	..	72
99,99,250	13,82,957	1,34,142	14,35,225	Sant Chemists	3	37	5,81,909	2,83,136	6 1/2	6 1/2	..	100	76	76	215
11,99,900	5,74,35,779	1,81,13,445	7,89,08,135	Vadonia Rayor Corpn.	12	352	33,19,604	3,79,076	6	..	..	200	197 1/2	197 1/2	197 1/2
1,87,71,400	17,79,33,192	9,13,12,101	11,27,390	Shivraj Stearn Navigation	6	198	38,40,882	5,62,020	10	..	..	100	236 1/2	236 1/2	236 1/2
9,39,98,060	27,45,055	37,30,000	4,37,991	Shivraj Stearn Navigation	11	146	16,84,488	21,861	30	80	5	20	202	941	113
1,39,95,990	2,25,39,547	12,22,272	4,37,991	Sata Chemicals P	6	269	16,84,488	34,425	ND	ND	7 1/2	10	91	171	194 1/2
70,07,475	75,25,791	34,38,586	22,83,815	Sata Chemicals P	3	369	1,00,461	11,453	9	8	12	25	43	46	46
2,75,00,000	1,46,49,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,35,281	4,61,384	11	11	..	100	172 1/2	173 1/2	206 1/2
*1956 Liquid Assets															

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinaries	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs	Rs	Rs				Rs	Rs	1951	1952	1953	Rs	27-3-57	20-3-57	A year ago
												Rs	Rs	Rs
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	2 1/2	100	60	60	61 1/2
21,69,300	33,10,889	6,00,102	Arran Sasarua D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67 1/2	67 1/2	76
34,00,000	41,30,202	1,01,048	Bankura Damodar River S.S.G.	3	165	46,807	..	2 1/2	2 1/2	2 1/2	100	58 1/2	58 1/2	60 1/2
19,00,000	24,09,643	4,91,171	Daraseel Bastirha D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10	10	11
17,80,000	21,78,786	2,20,877	Burdwan Jutwa S.S.G.	3	165	78,839	..	4	2 1/2	2 1/2	100	59	59	59
31,00,000	35,46,011		Chaparmukh Silghai S.S.G.	3-9	32	62,834	10,849	129-129	13-13	13-13	100	52 1/2	52 1/2	56 1/2
4,75,000	3,20,049	4,75,306	Cherra Chnatak Ropeway	3	38	7,071	9,917	12 1/2	3-3	N/D	100	7 1/2	7 1/2	7 1/2
2,47,850	2,75,015	53,026	Darjeeling Ropeway	3	101	18,097	4,549	11	2 1/2	2 1/2	100	7 1/2	7 1/2	7 1/2
22,50,000	62,20,813	13,52,600	Dehri Rontas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	10	12 1/2	12 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Fitwar Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	[..]	100	63 1/2	63 1/2	68 1/2
18,00,000	50,82,188	17,81,954	Gowrah Amta D.M.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	51	51	72 1/2
6,00,000	13,87,138	4,43,410	Gowrah Sheakhali D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	85	85	85 1/2
19,50,000	27,95,689	3,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	60 1/2	60 1/2	61 1/2
8,91,100	13,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	..	..	..	100	72	72	69 1/2
18,00,000	62,56,929	28,77,041	Shandara Dehri Saharanpur	3-9	32	6,28,073	17,25,540	6-6	6-6	6-6	100	129 1/2	129 1/2	146 1/2
4,75,000	3,41,779	2,04,841	Tezpore Balipara Tramway &	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

Managing Agents		Managing Directors and Secretaries		with their respective address—(Contd.)	
320	F. W. J. Penn—United Breweries Ltd. Bangalore-1	329	Sri U. D. Bhagat-15 Shil Phakar Lane Calcutta	339	M. J. Investment Corpn. Ltd.-127, Mahatma Gandhi Road Fort Bombay
321	V. Williams-14 Old Court House St. Calcutta	330	Wandur & Manindra Ltd.-Gateway Building Apollo Bunder Bombay	340	C. J. Merivyan-Travancore
322	Messrs late sons Ltd.-New India Assurance Buildings Mahatma Gandhi Rd. Fort Bombay-1	331	V. Roy & Sons-Canning St. Calcutta	341	James Finlay & Co. Ltd.-2 Netaji Subhas Road Calcutta
323	Messrs Wright & Co.-1 Wellesley Place Calcutta	332	M. Dasgupta-12 Davelin Street Fort Bombay	342	M. Chatterjee-2 Royal Exchange Place Calcutta
324	Ind Corporation Private Ltd.-5, Swinnoe St. Calcutta-19	333	Asaphia Bros. Ltd.-33 Netaji Subhas Road Calcutta	343	Eastern, Smelting & Refining Co. Ltd.-10 Live Road Calcutta
325	Ind. Autherford Blakie-Virginia House 7 Howrahgate Calcutta	334	S. Satmer-2, 2/11a Place Calcutta	344	P. Pillai-Victoria Subhas Road Calcutta
326	Setwale Bros.-63 Netaji Subhas Rd. Calcutta	335	Jahu and Jai. Dalmianagar, Goughs Chancand Scindia House Calcutta	345	The Nations Life Corporation-130, Jorjor Street Calcutta
327		336		346	Swamyay Brothers (Travancore), Ind. Elcor Factory Always
328	Marwa Textiles (Agency), Ltd.-Wadody Road Fort Bombay-1	337	Bartwal, 13 Netaji Subhas Road Calcutta	347	Associated Commercial Co. Ltd.-181 Harrison Road Calcutta
329	Ind. Taylor & Sons India Ltd.-Mysore Jorjoram South India	338	S. Sons Ltd.-Hornby Road Fort Bombay	348	Sahu Ind. Ltd.-11, Live Road Calcutta
330				349	Chandmull Batta-7, Canning Street, Calcutta
331				350	K. & Agarwal- Empire House Hornby Road Fort Bombay
332				351	L. & K. (Management) Private Ltd.-by Road of Gough Road Baidya
333				352	J. K. Building Gough Road Baidya
334				353	Estate Bombay
335				354	M. Mani-Ewari House Baidya Street Fort Bombay
336				355	N. & Maharia-14 Netaji Subhas Road Calcutta
337				356	L. Kanol-P-B Mission Row Calcutta
338				357	Indonation Calcutta
339				358	Robertson-10 Strand Road Calcutta
340				359	B. Bajoria-10 Live Road Calcutta
341				360	Ind. Elcor Factory Always

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Calcutta Bombay Madras

THE IMPLICATIONS OF BIGGER ARMAMENT PROGRAMMES

LESS CAPITAL FOR THE UNDER-DEVELOPED COUNTRIES

THERE was a time, after the thaw began in Russia, when it seemed likely that the great powers would be able to undertake a partial but still substantial measure of disarmament. This was the era of ostentatious demobilisation and reduced arms budgets. It was also the era—and this is the importance of this subject for India—of grandiose schemes for investment in under-developed economies. Russia was promising the earth to China, India and Egypt; the United States was moving to take up the challenge of peaceful economic competition for the soul of Asia; Herr Krupp was canvassing his Point Four-and-a-half; and M Pineau, who has precious little money of his own to invest, was devising grand plans to invest the money everybody else was going to save by disarming. The total stalemate reached after ten years of military effort had brought all the great powers face to face with the absurd prospect of suicidal hydrogen-bomb war; so war was unthinkable and at last everyone admitted it; so armies could be drastically reduced and only two super-great powers need even worry about stocking atomic weapons; so immense savings would be available for capital investment in Asia and Africa. This chain of reasoning was perhaps always too optimistic, and economists in particular would question whether money saved from the arms budget automatically becomes available for overseas investment. But there was more than a grain of truth in it. The world did seem to be moving to a situation where economies distended by a long armaments effort could begin to relax and give more attention to really ambitious projects for investment in backward countries.

the Russian message have never been confirmed and, although quite probable, they are no comfort, for bombers are no answer to missiles. Secondly, M Bulganin has made two other references to such missiles in the past few months, and the Russians have never been known to boast of having weapons they did not possess. The German Press has lately reported the supposed location of four bases in Bohemia (the western-most part of the Soviet glacis) whence missiles are ready to be despatched to London (750 miles away) and Paris (500 miles). And thirdly, three times in recent weeks the Americans have admitted that they have lost control of guided (sic) missiles over the southern Atlantic, suggesting that they have a rather insecure grip over the weapon that M Bulganin brandishes with such assurance.

M Bulganin's note did not create the new perspective, but revealed it; it is idle to say it should have been recognised before—it just was not, and if it had been, the Suez expedition would never have been undertaken. Up to November last year, the Western alliance rested on a coherent division of labour: the European countries supplied the classical arms (infantry, artillery, light aviation, etcetera), while the United States supplied modern protection (atomic and thermo-nuclear weapons). This was already a crushing burden for Europe, but at least it permitted a substantial volume of investment to continue in Asia and Africa. The Russian threat to use missiles for a minor purpose (the protection of a non-Communist colonel) opened a new question for Europe: how readily would the United States accept to commit suicide in order to come to the aid of an ally presented with a genuine Russian ultimatum? American reliability is not in question, as a Briton can see by asking himself whether Mr. Chamberlain's 1939 gesture in support of Poland would be repeated now in the new circumstances.

The answer to this question is simple and brutal. The only way for any country today to reply "No" to a missile-backed ultimatum is to be itself in the position to press the button of a missile-cannon without waiting for the necessarily doubtful concurrence of its greatest friend. Mr. Macmillan has drawn this inevitable conclusion and has accordingly decided, firstly, to begin a massive programme of missile manufacture (with hired American missiles to stop the gap until Britain's are ready) and, secondly, to cut British expenditure on conventional weapons, especially the Rhine Army. The first half of this reaction is correct, the second wrong. Britain's Atlantic allies, from the Americans down to the Dutch, have been insisting on how wrong the second decision is, and British action on this has had to be postponed. For it is clear that no European nation, however well provided with atomic missiles, can dispense with its classic weapons, because if the adversary undertakes a limited operation (suppose it is Yugoslavia next time and not Hungary) then one cannot reply with thermo-nuclear missiles.

The soldiers' conclusion is: missiles are essential and so are classical armies. The economists' conclusion is: this is impossible. The development and manufacture of thermo-nuclear weapons, just by themselves, costs more than the division now being maintained. To attempt to have both means to double the already crushing burden of arms, and this must entail economic suicide, stagnation, poverty and certainly an immediate cessation of investment in Asia and Africa. Faced with a necessity and an impossibility, how to choose? Capitulate right away? The possibility has been envisaged: Senator Jackson said in the U.S. Congress lately, "Suppose the Russians demonstrate before the Western military attaches a guided mis-

sile with a range of 1,500 miles. A few days later, M Bulganin could invite the foreign ministers of western Europe to a meeting and advise them to adopt a neutralist policy. It is highly probable that our allies would be obliged to obey". If we remember the fall of a certain British statesman now recuperating in New Zealand, we can see that Senator Jackson is merely talking sense. But we have not got to that yet.

If this is how the situation presents itself to Britain and the Continental powers, America's case is scarcely more reassuring. After much loose talk about the "ultimate, absolute weapon", the Americans now realise that this is a plain fact—and that it is the Russians who have it, not the United States. The Symington report and the Killian report are quite positive on Russian superiority in present achievement, while Professor Teller, who is the United States' chief H-bomb theorist, declares that Russian superiority in general scientific resources is irreversible for the next ten years, whatever the Americans begin to do now. The problem that faces the United States is not one of defence, for there is at present no hope of defence against missiles such as Mr. Duncan Sandys referred to lately, which attain speeds of 5,000 miles an hour and altitudes of 100 miles. The problem is to match Russian achievement by having such weapons in the United States.

Hence the Eisenhower "crash programme" just begun for missile construction. This is the most gigantic technical enterprise of American history, about three times the size of the Manhattan project that led to the building of the first atom bombs. It will conjure up several new townships as big and as secret as Los Alamos during the war, and will set in train technological revolutions in various industrial domains, from machine tools to refractories. General Electric, Remington, Bosch, Bell, Martin, Douglas, Convair and every other leading engineering firm must expand to shoulder its share of an immense task. Not all the resources of the United States suffice, and there is a crucial shortage of trained engineers and scientists (it takes 30 years to "build" a physicist) which can only be made good by co-operation with western Europe. A nation which for security reasons has been very unwilling to co-operate with the Europeans must now in its need consent to, indeed demand, every help Europe can give it to make good a gross shortage of skill compared with Russia. Indeed, the Americans have an excellent *quid pro quo*: the medium-range missiles, which are only of tactical value to the United States because they cannot reach Russia but which are of strategic value to Britain and France, from whose soil they can reach Russia.

So, barely a year after the optimistic discussions of 1956 about vast new aid projects to Asia, to be financed from the savings of disarmament, the Western world is engaged on a newer and more costly arms programme. That this must necessarily have important effects on all other forms of economic activity we can see from the Russian case. There is a close connection between the fact of present Russian superiority in new weapons and the fact that M Malenkov's "consumer" policies could not be implemented four years ago. To attain this superiority, Russia had also to limit investments in the satellite countries and demand sacrifices from them, and this led to the intolerable conditions that produced revolution in Hungary and Poland. Russia too has known the dilemma of choosing between a necessity and an impossibility. The Western democracies are in a position to demand sacrifices only from themselves; they have no satellites to bleed white. But they will find it as difficult as the Russians did to supply investment capital to their under-developed allies.

Any hopes formed last year in Asia about a vast flow of new capital from Russia and the West can now be abandoned. The much-advertised economic competition between the two blocs will no doubt continue, but on a much more modest scale than was once hoped. Asian countries, and especially India, must continue to plan their development on the firm assumption that outside capital will never become plentiful in the way envisaged by the architects of world development pools. There is less excuse today than ever for development programmes that leave vast uncovered

balances to be taken care of by generous foreign assistance, not because the will is lacking abroad but because the means are inadequate, even in the United States. The one comfort to be drawn from the case, and it is a considerable one, is that all fears of an economic recession beginning in the United States and spreading to the rest of the world can similarly be abandoned. Nations engaged on the greatest race of history are not going to fall into depression, and this means that although aid will be limited, trade will not suffer.

PROBLEMS IN BANKING EXPANSION

LAGGING DEPOSITS AND UNFAIR COMPETITION

THE working of the banks has shown a substantial improvement during the past year, reflecting the increase in economic activity. But the period has, nevertheless, not been without major embarrassments, in that their resources have not kept pace with the increased demands placed on them. Speaking from the chair at the recent annual general meeting of the Indian Banks Association in Bombay, Mr. C. H. Bhabha underlined the fact that the increase in deposits is not keeping pace with the increase in note circulation. During 1956, for instance, the note circulation rose by Rs. 104 crores, but the deposits of scheduled banks were only Rs. 79 crores higher. At the end of the year, the former totalled Rs. 1,466 crores, while the latter were only Rs. 1,102 crores. Some of the major difficulties banks have had to face spring from these facts. As economic development has proceeded, there has been a growing demand for funds from industry and agriculture, especially the former. Some of this demand has been met by borrowing more from the Reserve Bank under the bill market scheme, by running down investment portfolios, and by reducing cash balances. Some of it has been met by the acceptance of higher advance-deposit ratios; but these have reached a stage where they cannot be extended much further if stability is to be maintained. It is widely believed that the credit stringency is not likely to ease much when the traditional "slack season" sets in. Because the year-round demands of industry have been rapidly increasing, the seasonal demands of agriculture, on which the distinction between the busy season and the slack season was based, are having a much smaller impact. Therefore, towards the end of this year, by the time agricultural demands once again come to be superimposed on industrial demands, it is feared that an even more difficult situation than has been experienced in the past few months is likely to result.

If the banks are to continue to finance trade and industry adequately, more permanent measures than have been taken so far to increase their resources will be necessary. It is essential for their continued health and stability that the increase in their lending capacity should be based on a lasting increase in their basic resources. It is partly the responsibility of the banks to take steps in this direction; but, to an even greater extent, the diversion of resources into the banking system depends on factors which are outside its control. These factors are connected with the Government's general economic policies. If Mr. Bhabha chose to emphasise their effect strongly, in a highly critical speech, his observations are not any the less valid for that. Exhortations to fellow-bankers might also have served a purpose, for instance, if he were to tell them to reward their depositors more liberally when they could afford it. But in attacking the basic causes of the inadequacy of savings and deposits, his attitude can hardly be considered misplaced.

Among the most important points Mr. Bhabha made was the need to safeguard the value of the currency. He recalled that before the Reserve Bank Amendment Act was passed, in order to allow a reduction in the backing for the paper currency, the Government was warned about the harmful effects it might have. The warnings were ignored. But soon after the legislation was enacted, "the value of our rupee in the free markets of the world, measured in terms of free and sound currencies like the Swiss franc and the American dollar, depreciated appreciably". The depreciation has been accentuated by large deficits in external trade and by inflation at home. But firm measures will have to be taken to check it, especially if inevitable resources are to be attracted for industrial expansion. It has been widely reported, for instance, that one of the major doubts among those abroad who are thinking of giving India medium and long-term credits is how they can insure themselves against possible losses arising from variations in the exchange value of the Indian currency. At home, much the same anxiety often exists: people who fear inflation are less inclined to save the money which would go partially to swell bank deposits.

Doubts about the value of the currency being maintained are not the only handicap. Mr. Bhabha

mentioned that "with a maze of legislation, banking awards, unhealthy competition from official sources and frequent changes of policies and pronouncements bearing on trade, commerce and industry of our country, it is very difficult to spread banking with a rapidity which the country demands now". He gave specific and disturbing examples of official interference. "In the over-enthusiasm to show large figures for national savings and post office deposits", he declared, "a vigorous campaign appears to be afoot to snatch away deposits of commercial banks by pressing all those who have any connection with any of the local bodies or Governmental organisations to convert some of their fixed deposits or savings deposits with banks into post office savings deposits or national savings certificates". Mr. Bhabha referred also to the pressure which has been used to make banks subscribe to Government loans. A portion of these subscriptions would not have been justified on strictly economic grounds, as indicated by the rapid fall in the price of the new gilt-edged issues as well as of the old ones. Mr. Bhabha comments: "Such a situation was not witnessed for some years in the Indian gilt-edged market and does not redound to the credit of those concerned".

Another source of unhealthy competition with commercial banks is the State Bank. Mr. Bhabha's comments on this subject contrast strongly with the claims made by Mr. H. V. R. Iengar as chairman of the State Bank recently. Mr. Iengar devoted a major portion of his speech at the annual general meeting to explaining that the State Bank was not competing unfairly with other banks. But Mr. Bhabha points out that only eight of the 66 branches the State Bank opened between its inception on 1st July, 1955, and the end of 1956 were in places where no branch of a commercial or co-operative bank existed before. This does not say

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much for the pioneering spirit behind the State Bank's branch extension scheme, and Mr. Bhabha says: "Direct and indirect official intervention is taking place with organisations and individuals to make them lend their support to, and to bank exclusively with, the State Bank of India even at a certain disadvantage to themselves". As for Mr. Iengar's claim that the State Bank's deposits have risen appreciably despite its having kept the interest rates on them lower than commercial banks have done, Mr. Bhabha made a significant remark: "This improvement in the deposits of the State Bank has been partly due to the forces to which I have already referred. . . . had it not been for these forces the deposits of the State Bank of India would not have improved to the extent that they have done and the deposits of commercial banks would have increased more than they have done". Mr. Iengar's speech showed that the State Bank is in so advantageous a position that it can, if it chooses, exploit those advantages and compete unfairly. The line of distinction between fair and unfair competition is thin enough for it to make frequent errors of judgment on how much scope it should leave for commercial banks. That, in itself, is a sign of the dangers its new powers hold for private banking in general. Mr. Bhabha's speech indicates that the dangers are not purely theoretical.

CONVERSION PROBLEMS WITH THE DECIMAL COINAGE

THE introduction of the decimal coinage in India began on Monday this week. The Government is trying to make the process of change-over from the old currency to the new as easy as possible. But in the remote areas of the countryside, peasants who are unaccustomed to handling decimal coins are liable to get into petty wrangles over small transactions. The small trader in the urban areas, too, will try to take advantage during the period of transition. So there will be no reason for surprise if the change-over does not turn out to be as smooth as has recently been pretended. The old currency will remain legal tender for three years; it will be convertible into decimal coins

on the basis suggested by the official ready reckoners.

India has for a considerable time been thinking of adopting the decimal system of currency. The change-over cannot be regarded as sudden, although many, even Government departments, have been too busy with their other affairs to prepare for it. The decision was finalised when the Indian Coinage (Amendment) Act, 1955, was passed by Parliament. The decimal currency and the metric system of weights and measures will, it is hoped, make calculation and accounting easier ultimately. The attractive simplicity of the new system might expand the market for calculating machines. But as with most changes, the new currency could prove unpopular in the initial phases with the common man. He might suffer at the hands of traders who choose their own conversion ratios or mark up prices to safeguard themselves against loss. Speculators hope to reap a windfall in exchanging the new currency and the old. Clerks at postal and railway booking counters, who are already not remarkable for their attentiveness or speed, will be found consulting ready reckoners while lengthening queues of impatient clients await their discoveries. After some early inconvenience, it is expected that the public will in course of time get used to handling the new currency. The confusion would have been less if public utility undertakings, such as the telephone services, had prepared a schedule of charges under the decimal system much earlier. Among Government departments, the post office should be well pleased with the windfall profit it is likely to get. Those who usually travel second class in trains may try to pay their fares in the old coins, being under the impression that they will travel cheaply if they pay three old pice, rather than five naye Paisa.

The Government, in issuing its ready reckoners, has coolly assured people that "there is no cause for worry". It has also produced the astonishing argument that everybody should be satisfied because "whatever be the loss, it will be lost to one person and consequent gain to the other". The prospect of disputes over small transactions seems to have caused it little worry; presumably, it is thought that everything will settle down to normalcy as the years pass. In order to reduce the scope for haggling and dislocation, it might, however, be necessary to withdraw the old coins more rapidly. There is a craze for novelty in India today which has its good as well as its bad aspects. New States, new currency and a new national calendar are among the far-reaching changes whose impact will show only gradually. Not all the changes have been popular immediately, nor can they be, since the people are traditionally conservative. The new currency will, therefore, have to prove its superiority in actual practice—by being seen to simplify calculations and by being easier to handle. Comfort is to be derived from the fact that India has fallen in line with three-fourths of the world by adopting a decimal currency. But the system will have to seek final justification on its own merits—as seen in daily life.

CURRENT COIN

Raising Coal Output.—Mr. Narendra Singh Singh's address from the chair at last week's annual general meeting of the Indian Mining Federation contained a well-argued plea for giving private collieries greater importance in the second plan. The public sector has been existing for quite a long time, but its output, Mr. Singh pointed out, has always been very small compared with that of the private sector. In 1956, State collieries produced only 3 million tons, against the 35 million tons mined by private collieries. Under the current plan, the output target for the latter is 15 million tons, against 45 million tons for the former. Explaining why the private sector should have greater scope "than what the planning authorities are inclined to allow it", Mr. Singh pointed to the difficulties of finding capital and technical and managerial personnel. The private sector has the experience and the resources to undertake expansion more efficiently than the public sector. Yet it is the Government's policy that the former should not start mines in new areas. Private collieries already hold leases over large tracts where the existence of coal deposits has been proved but which have not been worked due to the shortage of transport. The Government's policy seems to indicate that it wants to take over these areas so as gradually to open its own mines. Whatever the merits of the arguments on this question, Mr. Singh said, to practice the shortage of coal which might result would lead to serious inflation and would "damage the national economy". Ideological rather than economic considerations guide the Government's industrial policy, but they are ill suited to the requirements of a developing economy. Discussing coal prices, Mr. Singh said that although the Government apparently preaches the coal industry of auto-financing, it deprives the coal industry of the opportunity to create its own resources for expansion. The Industrial Policy Statement says

that in an industry in which private units exist side by side with State concerns, there will be no discrimination. But the experience of the coal industry has been to the contrary; where the allocation of raw materials and transport is concerned, State units are invariably given preference.

Reappraising the Plan.—Discussing the prospects for the second five year plan, Sir Homi Modi, chairman of the Central Bank of India Ltd said at last week's annual general meeting that a reappraisal of its workability is urgently needed (a fuller version of the speech appears on a later page). It has become clear that resources—internal and external—will not be adequate. The foreign exchange reserves have been run down by as much as Rs. 227 crores during the 11 months ended February 1957. This is because imports have far exceeded estimates. As the Reserve Bank Bulletin has stated, imports during 1956 ran at an annual rate of Rs. 953 crores against the plan budget of Rs. 783 crores. "The extent to which inflationary finance can be stepped up and foreign exchange can be secured," said Sir Homi, "is pretty well known." Government spokesmen have been promising that "there would be a process of adjustment from time to time" in response to changes in the situation. In this manner, they say, the hardship which the plan might impose on the community can be mitigated. But this may not be enough. Already it is becoming clear that the resources for the plan are not enough. It has run into many difficulties during the first year and these show the way things might go if the Government persists in working the plan in its original form. Unfortunately, the Government has given no indication of pruning the development programme, as the 1957-58 Budget figures of the Central Bank, Sir Homi said that 1956 has been another year of growth in resources and earnings. "Our gross earnings, which had received a setback in 1953, have since been progressively increasing, and there was a particularly marked improvement during the past year, which recorded a rise of as much as Rs. 86 lakhs." The bank's deposits rose by Rs. 10 crores to Rs. 138 crores, which he considers satisfactory in view of the 1956-57 plan. Advances rose by Rs. 18.56 crores to Rs. 90.76 crores, and the ratio of advances to deposits stood at 66 percent against the general average of 71 percent. The investment portfolio has had to be reduced due to the credit squeeze, and the ratio of investments to deposits has come down to 38 percent from 44 percent. The net profit figure crossed "the rupee one crore mark" after a lapse of three years, the ratio to gross income rising to 15.87 percent from 13.53 percent in the previous year.

Crisis in Textiles.—The textile crisis of 1953 seems to be repeating itself. Cloth stocks with bay correspondent reports on a later page, a number of units in Ahmedabad have given notice of shutters. Mills have been unable to dispose of stocks due to insufficient demand in the market. In his address from the chair to the Millowners Association of Bombay last week, Sir John Burns said that the reason for the crisis is primarily the loss of trade confidence due to the measures, including the heavy increase in excise duty, taken by the Government last September. Merchants and traders are not buying cloth because of consumer resistance to high prices, to which the levy has contributed substantially. "Today," continued Sir John, "excise calculated on the mill prices of a variety of representative qualities of cloth varies according to classification from 11.5 percent to 31.9 percent and averages 24.8 percent—an average increase of 11.2 percent over August 1956." In fact, in certain categories of superfine cloth it is as high as 38 to 39 percent. His calculations, however, are confined to representative qualities. Revenue from the excise duty on cloth comes to Rs. 75 crores a year, and Sir John urged that the heavy burden be properly appreciated. Quoting the White Paper on the Budget for 1957-58, he said that the index for cotton manufactures in 1956 had increased by only 4.3 percent. "This index would hardly seem to justify an increase in excise by an average of 11.2 percent over August 1956 and 14.8 percent over December 1955." What ever the mills' working results might have been up to August 1956, it is a fact that the prices of their cloth have declined considerably since then, while cotton prices have gone up, in many cases above the prescribed ceilings.

Central Sales Tax.—A Press Note issued by the Central Government announces that the Central Sales Tax Act, 1956, will come into force from 1st July, instead of 1st May, as previously notified. Section 15 of the Act has special relevance to inter-State trade or commerce. It lays down that no State is authorised to levy sales tax on inter-State sales or purchases at a rate exceeding 2 percent or more than one point in the series of successive sales. The goods which fall under this category are coal, including coke and all its forms, cotton, hides and skins, iron and steel, jute and

oilseeds. It has now been stipulated that every dealer will be liable to pay tax under the Central Sales Tax Act on sales made in the course of inter-State trade or commerce. There has recently been much confusion about the powers of State Governments to levy sales tax on inter-State transactions. Traders hoped that the question had been finally settled when the Supreme Court declared the levy of sales tax by States on inter-State transactions to be illegal. But State Governments were worried about the prospect of losing part of their revenues. This could be the reason why the Sales Tax Laws Validation Ordinance was introduced later. This ordinance, in effect, sought to legalise the levy of the tax on inter-State transactions. The National Development Council some time ago recommended the replacement of State sales taxes on mill-made textiles, sugar and tobacco by a surcharge on the Central excise duties. As earlier efforts to simplify sales tax legislation have proved fruitless, there is a clear need for an easily administered tax at low and uniform rates which may be levied by the Centre on all taxable commodities. The Central Sales Tax Act aims at removing the difficulties faced by traders in inter-State transactions, but is likely to prove inadequate in view of the limitations it contains.

Prospects for the Screw Industry.—The presidential speech of Mr. D. V. Virmani at the annual general meeting of the Screw Manufacturers Association refers to the manifold problems confronting producers. The output of wood screws has increased to 61 million gross and Mr. Virmani says that this is quite adequate to meet the entire demand of the country. With the rapid development of the engineering industries, there will necessarily be greater demand for screws. Mr. Virmani, however, says that the estimated demand of 12 million to 20 million gross a year appears to be "highly exaggerated." What is more, the installed capacity of the industry is almost double the estimated demand. The licensing of new units will, therefore, make the operations of the existing units uneconomical and it appears that the solution is to allow the existing units to utilise their installed capacity. Mr. Virmani compliments the Government on its decision to restrict the import of wood screws for the period January-June, 1957. "We welcome this action and would request the Government to continue a complete ban on the imports of wood screws in the future." The industry is facing a serious problem because of the inadequate supply of steel wire, which is the principal raw material. It also does not get wire of the exact specifications, and what is supplied is usually hard. Mr. Virmani, therefore, suggests that the Government should ask indigenous producers to make wire of the required specifications. Referring to the terms offered for the purchase of screws by the Government, Mr. Virmani says that contractors still experience considerable difficulty on account of the varying conditions offered by the purchase organisations of the State Governments and semi-Government departments. Mr. Virmani, therefore, recommends getting all stores in the country through a central purchasing organisation.

LABOUR FOR TEA GARDENS

WE observe that a well attended meeting of tea agency houses was held on Monday last to consider a scheme for the formation of the Central Tea Agency, when the following resolution was passed: (1) That this meeting approves of the scheme for the formation of a Central Agency for tea gardens and other concerns in the districts of Assam, Cachar and Sylhet, such agency to control both sirdari and arkattee recruiting. And with the object of furthering the interests of the sirdari system, the meeting also approves of the proposal to have a close time for arkattee recruiting which is suggested should be from 1st November to 28th or 30th February (both days inclusive). (2) That an agreement shall be drawn up and circulated by which all agency firms and all persons and all privately controlled concerns shall bind themselves to work exclusively through the Central Agency from such date as shall hereafter be announced by the Committee of Control as the date upon which the Agency is ready to commence operations. (3) That the foregoing resolutions of this meeting be communicated to Calcutta and London tea agency houses, managing directors of companies and all privately controlled estates, with a request that within two months from this date they will notify to the honorary secretary whether they approve of the scheme, and whether they are willing to abide by the terms and conditions by which it is proposed that it shall be worked. We trust that this meeting will lead to an improvement in the system of recruiting coolies for tea gardens; but everything depends upon the cordial co-operation of the tea gardens themselves, and from certain articles which have appeared in this paper there does not appear to be altogether that harmonious working which is so necessary and desirable. It is clear that if this scheme is to be a success there must be an end to coolie crimping.

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CHAIRMAN SIR HOMI MODY'S REVIEW

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Current Assets	100.00	Reserves	100.00
Other Assets	100.00	Other Liabilities	100.00
Total	300.00	Total	300.00



Engineering and Transport

PRODUCING THE SUPERSONIC AIRLINER

JOINT EFFORT OF INDUSTRY AND GOVERNMENT IN U.K.

THE British aircraft industry is to design and produce a supersonic airliner on a co-operative basis. In announcing this, the Ministry of Supply said: "The Ministry, in conjunction with the aircraft industry and the national airline corporations, have embarked on a research project with a view to the possible development of a supersonic airliner. Details of the project are not at present being disclosed." It was added that the following seven companies are concerned: Avro, the Bristol Aeroplane Company, de Havilland, Handley Page, Rolls-Royce, Short and Harland and Vickers-Armstrongs.

On 25th June last year, Mr. Reginald Maundling, then Minister of Supply, referred in the House of Commons to design studies that had been submitted by the industry for an airliner, although no reference was made to its intended supersonic capabilities. The Ministry says that once a design has been settled on, it will be handled by the design and production resources of one of the companies under a Ministry contract and not by any new co-operative body. Other companies will probably be utilised as sub-contractors and the Royal Aircraft Establishment in Farnborough will help in the preliminary research work. A project of this nature will probably take at least ten years to produce since a considerable number of problems will have to be overcome. In any case, this venture has yet to proceed beyond the "research project" stage, although every effort is being made to hasten its evolution. Speculation at this juncture is, therefore, profitless.

Great Difficulties

The difficulties inherent in the design and successful operation of a supersonic passenger-carrying airliner are great. Much depends on just how supersonic the first aircraft of this type is to be. If a speed of Mach 1.8 (some 1,100 m.p.h. at above 36,000 feet, or 1,770 km.p.h. at above 10,972 m.) is planned, special metals such as titanium or even stainless steel might have to be used to resist the heat (about 85°C at that speed and height) caused by air friction. On the other hand, an airliner designed for a speed of Mach 1.2 or less (about 800 m.p.h. or 1,287 km.p.h. at height) would not suffer from this disability. The wings themselves need not be designed for supersonic flight either. This apparently inexplicable fact is explained by the utilisation of acute sweepback. The airflow parallel with the fuselage over the wings would be supersonic, but at an angle of 90° to the leading edge—and this is what counts aerodynamically—the air would be achieving perhaps Mach.98. The advantages of subsonic wings in, at least, the first supersonic airliner would,

therefore, be reflected in range, economy and handling. There is much to be said for such an aircraft.

On the other hand, a wing designed for supersonic flight must be thin and knife-edged—quite a different configuration demanded for take-off, landing and subsonic flight generally. This is because air, when compressed, behaves rather like a crowd of people through which a car is attempting to pass. If it goes slowly, the people have time to get out of the way; but if it charges them, people do not have time to move. It meets a solid mass and great power is needed to make further progress. Thus, air molecules can get out of the way of a moving body provided it is advancing slower than the speed at which the pressure disturbance can "warn" the molecules ahead. At the speed of sound, this warning does not have time to operate and "compressibility" makes extra demands on engine power and, consequently, fuel consumption.

Preliminary Problems

The Mach 1.8 airliner, with a London-New York flying time of about three hours, will be able to undertake two double crossings of the Atlantic in 24 hours, a rate of utilisation which even the latest trans-Atlantic jet airliners cannot hope to attain. Indeed, there is speculation as to whether these aircraft will be able to complete one return trip in 24 hours, allowing for sufficient time for refuelling, maintenance, etcetera. If the supersonic airliner of the future could double this rate of utilisation, its great earning power would offset its very high running costs. Also the shorter elapsed time on the Atlantic route will enable much more practical schedules to be operated for the convenience of passengers. Yet the problems of supersonic commercial flight are great—electronics, powered controls, materials, air traffic control and passenger handling, to name but a few—and fulfilment of the British venture cannot be expected until the late 1960's.

MANAGEMENT OF STATE STEEL PROJECTS BY ONE COMPANY

THE Bhilai and Durgapur steel projects have hitherto been functioning directly under the control of the Ministry of Iron and Steel. Both these projects caused considerable negotiations with foreign governments. The planning of these projects and the essential preliminary work are now complete. Orders have been placed for the main plant and equipment and arrangements have been made for civil engineering works. Construction at the site is gathering momentum, and some plant and equipment have arrived. By a resolution of the Government of India dated 30th March, 1957, the management of these projects has been transferred to the Hindustan Steel (Private) Ltd. This company was formed two years ago to carry out the construction work of the Rourkela steel project. It is now wholly owned by the Central Government. Instead of creating new companies to manage the Bhilai and the Durgapur steel pro-

jects, the Government of India has preferred to provide for the management of all the three steel projects by one company. It is expected that the Board of Directors will be appropriately reconstituted in order to carry out this task. While larger questions will be dealt with by the Board of Directors, the day-to-day management is expected to be left with the local boards. All correspondence, therefore, should be addressed to the three projects as at present. By these arrangements, the Ministry of Iron and Steel hopes to be able to devote greater attention to the problems of further development of the steel industry.

BRITISH AERO-ENGINE DEVELOPMENT

OF the British aircraft industry's record export total of £104.5 million in 1956, 27 percent was accounted for by the sale of aero-engines. Moreover, nine overseas countries held manufacturing licences for 14 types of British engine—nine turbojet, three turboprop and two piston. Reports indicate that the development of new and existing engines is being pursued actively in the U.K. and that 1957 will see some notable advances in power and technique. Already, Bristol have announced the result of a recent Olympus type test. At 16,000 lbs. (7,257 kilogrammes), the Mk. 6 version of this proven turbojet, which powers the R.A.F.'s Vulcan delta bombers, is the most powerful type-tested engine in the world to be announced. During this test, a thrust of 17,300 lbs. (7,847 kilogrammes) was recorded. As a pointer to the future, it is significant that this remarkable performance was achieved in a new engine test building designed for engines of up to 40,000 lbs. thrust (18,144 kilogrammes). Other Bristol engine news concerns the new, big Orion turboprop which had, by the end of January, totalled 1,200 hours of running, and the latest mark of Orpheus, the 3, which is now leaving the factory. The power rating of the Orpheus 3 has not yet been published. The Proteus, powerplant of the Britannia, is now in regular service on the South Africa route and completes the round trip without the engine cowling even being opened. Already this engine has logged almost 56,000 hours, more than 34,000 of which are flying hours.

U.S.A. Building Saphires

Armstrong Siddeley say that well over 8,000 Sapphire engines have now been built under licence in the United States where it is fitted to eight types of bombers and fighters. In addition, rather more than 2,000 have been built in the U.K. It was announced in the House of Commons recently that the Jet Provost is being ordered for the R.A.F. Armstrong Siddeley have got this aircraft's Viper engine in full production. Now a "private venture" version, the Mk. 11, has been announced. It produces 2,450 lbs. (1,011 kilogrammes) of thrust for the same weight as the Mk. 10, which develops 2,000 lbs. (907 kilogrammes) for a weight of 570 lbs. (258 kilogrammes).

de Havilland are building the Super Sprite assisted-take-off rocket motor in quantity for Valiant bombers. Its spectacular effect on this large aircraft's take-off performance was demonstrated at the Society's flying display last year. Development of the large Gyron and the Gyron Junior turbojets and Spectre rocket motor is proceeding, and it is certain that these advanced powerplants will be subjects of progress reports during 1957.

Comet III

The "new" Comet III—nicknamed "1111"—is due to emerge soon fitted with detachable wing-tips (to simulate the Comet IVA) and new engines, Rolls-Royce Avon RA. 29's each of 10,500 lbs. thrust (4,763 kilogrammes). The second prototype Friendship has now been flown in Holland. This aeroplane is fitted with Dart 511 engines—the same as the Viscount's but with a different reduction gear.

The second week in March will be a notable one for Rolls-Royce. At that time, Darts will have accumulated no less than two million running hours in airline service. Until the beginning of February, when they were joined by Proteus, Darts were the only gas-turbine aero-engines in airline service. Napier say that negotiations are proceeding in the Americas on re-engining piston aircraft with Eland turboprops. It is possible that an announcement will shortly be made. Alvis, the only British aero-engine manufacturer producing only piston-engines only, recently opened a new test house for their engines. This company has carved a niche for itself in the markets of the world and, today, Alvis engines are in service in no fewer than 24 countries.

PRODUCTION AND IMPORTS OF STEEL DURING SECOND PLAN

Replying to a question in the Rajya Sabha, the Minister for Heavy Industries, Mr. Manubhai Shah, said that the production of finished steel in India in 1957-58 would be 1,385,000 tons and that 1,200,000 tons of steel would be imported during the year. This compared with the production of 1,335,000 tons of steel in 1956-57 and imports amounting to 1,850,000 tons. In 1958-59, the production of indigenous steel would go up to 1,510,000 tons and imports would be 600,000 tons. The production in 1959-60 will go up to 2,085,000 tons while imports will be 600,000 tons. In the last year of the plan, the production will increase to 4,080,000 tons while imports will be reduced to 200,000 tons.

Stocks and Shares

DULL CONDITIONS CONTINUE IN STOCK MARKET

TAXATION FEARS SUBDUED OPERATORS

Wednesday Evening. CONDITIONS in the stock market remain very dull, and the general tendency is for prices to sag. Operators seem unlikely to commit themselves extensively before the Budget is presented next month; even if the inclination were there, the tightness of money would prevent it from being fulfilled. Today's settlement has been conducted with Indian Iron at Rs. 19.8. From tomorrow, the Calcutta Stock Exchange will trade on the basis of the decimal coinage.

Jutes and coals are shaded. In engineering, about the only feature have been Guest, Keen, Williams. Little trading has taken place in teas. Details of the week's trading follow.

Government securities ruled steady and the enquiry for short-dated and medium-dated loans was maintained. The 3% Conversion Loan, 1986, however, ruled easier and the price was marked back to Rs. 74.4, while 3% Non-terminable Paper loans, 3% 1957 was traded at around Rs. 99-12 and 3% 1958 continued in demand at Rs. 99-10; 2½% 1961 turned sellers at Rs. 93-8 and 2½% 1960 hardened to Rs. 96-8. The 3% 1959-61 was marked at Rs. 97-12 and 3% 1961 had buyers at Rs. 99-7. In medium-dated loans, 2½% 1962 was on offer at Rs. 93-15 as was 3% 1963-65 at Rs. 94-3, but 3% 1964 was steady at Rs. 94-7; 3½% 1964 changed hands at Rs. 98-7 and 3½% 1965 was better at Rs. 98-5. Among long-dated loans, 3% 1966-68 was marked at Rs. 92-4 cum-voucher and later at Rs. 92-2 ex-selling pressure at Rs. 87-5. Very little business was reported in State loans and turnover was of a retail nature. The 4% U.P. 1968 was asked for at Rs. 97-15 and 4% West Bengal 1968 had buyers at Rs. 99. But 4% West Bengal 1967 was on offer at Rs. 99-6 without attracting buyers.

Business in preference shares was of a nominal nature and interest on the whole was lacking. In Jute, only three shares were mentioned, namely, Gouropore at Rs. 78, Lawrence 5½% at Rs. 69 and Standard at Rs. 70. Among miscellaneous issues, Calcutta Paper 7% changed hands at Rs. 128-8 and Calcutta Electric were depressed at Rs. 8-13. Calcutta Tramways were neglected at Rs. 7-12 and Navigation came to hand at Rs. 69 and Indian Aluminium at Rs. 68. India Steamship met with small enquiry at around Rs. 85 and Indian Iron and Steel changed hands freely at around Rs. 99. There were sellers of Indo-Burma Petroleum at Rs. 99. A small lot of Martin Burn was reported at Rs. 99 and Orient Paper were done at Rs. 96. Shaw Wallace were marked at Rs. 67-8.

In the banking section, Punjab National were unchanged at Rs. 50-8 and Hind Bank were quoted on an ex-dividend basis at Rs. 33-4, as were United Bank of India "D" at Rs. 4-7.

Among railways, small lots of Howrah-Amta and Howrah-Sheakhala were crossed at Rs. 49 and Rs. 37, respectively.

Cotton shares were extremely dull, particularly Cawnpore Textiles, which were marked back from Rs. 7-12 to Rs. 7-2. Kesoram fell from Rs. 14 to Rs. 13-12. Dunbar and Bowreah were unchanged at Rs. 175 and Rs. 118, respectively. New Victoria had sellers at Rs. 1-13.

Little interest was shown in coal shares, though there were a few price changes. Here is a chart showing price movements of a representative list of shares:

	Opening 28-3-58	Closing 3-4-57
Amalgamated	Rs.	Rs.
Bengal	17 8	17 4
Burrakur	440	438
Equitable	31 2	21 4
Seebore	22 8	22
Union	27 8	27
	15 4	14 4

Jute shares continued their downward trend with buyers conspicuous by their absence. The following table illustrates the more important price movements:

	Opening 28-3-58	Closing 3-4-57
Alliance	Rs.	Rs.
Auckland	80	77
Caledonian	88	86
Kankannarah	105	102
	58	56

Contrary to the general trend, Kinnison met with small enquiry at Rs. 123 as did Union at Rs. 19-10. National fluctuated narrowly around Rs. 19-10 to close today at Rs. 20.

Electric supply shares were featureless and the only one which was dealt in was Calcutta Electric at the lower rate of Rs. 12-6.

With the exception of Durbhanga Sugar, Dyer Meakin Breweries and Ramnugger Cane which were fairly steady at around Rs. 22-4, Rs. 6-2 and

Rs. 24-8, respectively, little interest was shown in sugar shares during the week. Cawnpore were easier at Rs. 17, while Carew were unchanged at Rs. 7-8 and Balrampur at Rs. 7-12.

Engineering issues were generally quiet. Indian Iron fluctuated narrowly around Rs. 19-8 and at one time reacted to Rs. 19-2; tonight's closing quotation is Rs. 19-8. The "rights" fluctuated during the week between Rs. 4-12 and Rs. 4-4; tonight's closing quotation is Rs. 4-8. Braithwaite were steady around Rs. 25 as were Burn at Rs. 314. Indian Galvanizing, however, were shaded at Rs. 19-4, as were Indian Standard Wagon at Rs. 166. Marshalls were depressed at Rs. 4-4. Both Jessop and Richardson and Cruddas continued to meet with selling pressure, the price at one time being marked down further to Rs. 23-6 and Rs. 16-8 respectively. Today, replacement buying brought a recovery in Jessop to Rs. 24-8 and Richardson and Cruddas to Rs. 16-12. Guest, Keen, Williams, on the announcement of a final distribution of Rs. 1-8 a share met with good enquiry and improved to Rs. 26. Textile Machinery idled around Rs. 19.

Paper shares were practically unchanged, but enquiry was limited. India Paper Pulp were quoted at Rs. 22 and Orient around Rs. 30-8. Titagur were marked at Rs. 35-4 cum-dividend.

In cement, a small odd lot of Dalmia Ordinary changed hands at Rs. 11-3 and the Deferred were done at Rs. 1-12. Jaipur Udyog were slightly better at Rs. 12-2 and Orissa were fairly steady at around Rs. 13-2. Sone Valley were crossed at Rs. 6-13.

In insurance, Hercules changed hands at Rs. 21-12 and Standard General were crossed at Rs. 3-12.

In shipping, India General Navigation were

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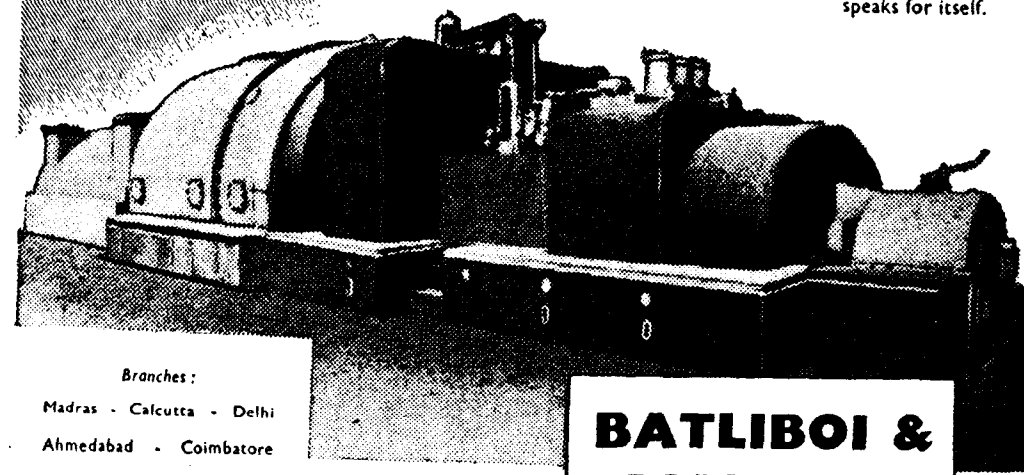
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UNCERTAIN CONDITIONS IN STOCK MARKETS

GILT-EDGED AND INDUSTRIALS LOWER

London, 3rd April.

THE labour strike and its possible effects on the stability of sterling have continued to dominate the London stock markets during the past week, and generally uncertain conditions have prevailed. The new account made a promising start on Wednesday of last week as widespread gains were recorded, except in South African gold shares. But thereafter, prices moved within narrow limits. Compared with the previous week's levels, they are a shade easier, although South African gold shares are quoted well above the lowest, following the recovery which developed after the week-end. The overall volume of business has been small. While the strike was the dominating factor, the approaching Budget, now less than a week away, also made operators cautious. Government securities responded strongly at one time to talk of cheaper money, but prices drifted lower subsequently under the influence of a decline in sterling and fears that the labour strike would have some more serious effects on sterling. In foreign bonds, the Baltic issues advanced on speculative buying while Greek issues responded to hopes of a settlement in Cyprus in spite of the fact that earlier gains were reduced on profit-taking. The industrial market opened its account with a sharp improvement in values, but this could not be maintained as uncertainty developed due to the belief in many quarters that settlements which might have been reached in the present wage disputes will have inflationary repercussions. South African gold shares lost ground prior to the week-end, but recovered sharply afterwards on nervousness

over sterling's future, and later in response to some satisfactory monthly mining statements. Base metals were generally maintained. Oil shares advanced to new levels, with western hemisphere, particularly Trinidad, stocks prominent. The market for rubber shares developed a firm trend on bids or prospective bids. Yield considerations also contributed to the general improvement. Tea shares remained dull.

The Money Market

Credit conditions in the money market last week, on the whole, were comfortable. The easier position was most evident during the first part of the week when the market was paying less for its bills and funds were in excess of requirements. The last of the heavy tax payments for the past financial year made conditions difficult, but after that was over the supply position returned to a more comfortable level, in spite of a heavy bill take-up last Friday. The market, on the whole, was able to obtain its week's requirements at an average rate of around $3\frac{1}{2}$ percent, with a high of 4 percent paid on last Thursday and a low of 3 percent when money was plentiful earlier on.

Featureless Trading in Oils

Most oils lacked features and prices showed no material alteration. Indian castor oil remained fully steady on firm advices from that country although buyers in London were still reticent. Buyers and sellers of linseed oil remained £1 to £2 a ton apart during most of the day with general selling levels mostly repeated at Friday's rates. Groundnut oil maintained the steadier undertone established at the close last week though greater buying support was not evident. The position for coconut oil was virtually unchanged, although following £1 a ton reduction in copra, offers of oil from Colombo came to hand at cheaper but still unattractive prices. Moderate trading was claimed in Malaysian palm oil for May-June shipment in the region of £97 c.i.f. north European ports, but cotton and soyabean oils were rarely mentioned from a trading stand-point. Nigerian groundnuts

were reportedly sold to the Continent for May-June shipment at £73½ c.i.f. It is understood that Chinese groundnuts were sold to Rotterdam over the week-end at £76 to £76½ c.i.f. for March-April shipment. American soyabeans were more active, with 2,000 tons of new crop sold to Liverpool for October-November shipment at £34½ c.i.f.

Bullish Undertone in Hongkong Gold

In the Hongkong gold market buying interest revived with a bullish undertone due to the British labour strike. Bullion merchants said that they expected gold prices to be maintained, though the improvement in Britain's industrial situation could bring a bear market. The price opened at \$(H)269½, rose to \$(H)269½ and reacted on profit-taking to \$(H)268½. It steadied and closed at \$(H)269½ after touching \$(H)269½. Carry-over charges totalled 160 cents a ten taels in favour of sellers. The official offtake was 158 taels and unofficial 15,400 taels. Arrivals totalled 42,000 ounces, and forward contracts were done at \$(U.S.) 37.83 c.i.f. Macao.

West German Gold Imports

The West German Economic Ministry has announced the liberalisation of gold imports from O.E.E.C. countries. It says that in future also certain firms will be given import licences for gold against dollar payments. The restrictions on the use of gold imported under these licences will be maintained while gold imported from the O.E.E.C. area can be used freely.

Official Rate for Roubles

Premiums ranging up to 150 percent will be paid from 1st April on conversions of foreign currency into roubles, of a non-commercial character, it was announced from Moscow. This will chiefly affect the costs of foreign Embassies, foreign correspondents and visitors and tourists. The new transfer system will not affect the official rate as far as trade and other exchanges are concerned. The official announcement said that the premiums would make sterling worth 27.6 roubles instead of 11.2 roubles and the U.S. dollar worth 10 roubles instead of 4 roubles.

Rubber Steady

Although thin, the rubber market was fairly steady during the early part of the past week, with values quickly responding to a temporary upturn in Singapore. The industrial unrest, however, was the cause of continued uncertainty and dealers were not, therefore, disposed to add to their commitments. The Study Group figures of consumption and production were about as expected, and together with the U.S. consumption estimates for March, were largely disregarded as influencing factors. Prices were marked down sharply on the receipt of lower Singapore advices. The decline was extended under selling pressure, especially from the Continent, when shorts came into cover in shipment as well as landed positions at the lower levels. The declining trend was checked and reversed, but factory interest was small and patchy with overall business insufficient to hold any recovery. Values fluctuated a little in thin trading near the close and there was a net decline of about 1½d a lb on balance. Demand for sole crepe was only moderate but enough to absorb small supplies of top grade coming forward. Prices were steady on the basis of 42½d a lb for 4th inch smooth No. 1 on the spot.

U.S. Rubber Consumption

Consumption of natural rubber, excluding latex, in the United States during February totalled 39,991 long tons, compared with 45,637 long tons (revised) in January, according to the U.S. Department of Commerce. Consumption of latex totalled 6,756 tons against 6,994 tons (revised). Stocks of natural rubber, excluding latex, on 28th February totalled 90,309 long tons against 89,902 long tons at the end of January, while stocks of latex amounted to 9,924 tons against 11,512 tons. The U.S.A. used 22,853 tons of reclaimed rubber in February compared with 24,053 tons (revised) in January. U.S. consumption of synthetic rubber was shown at 77,943 long tons against 85,490 long tons (revised) in January, while production was put at 85,234 tons in February against 94,284 tons in January.

P. and O. Balance Sheet

The consolidated balance sheet as at 30th September, 1956 of the Peninsular and Oriental Steam Navigation Company shows total assets at £228,025,859, compared with £207,867,112 in 1955. Current liabilities total £36,182,560 (£31,591,312). There were capital reserves of £57,628,907 (£55,029,152) and revenue reserves of £38,873,962 (£36,720,931). Further expenditure to complete ships under construction is shown at £10,658,481 (£11,589,700) and for net tonnage ordered but not laid down £27,900,107 (£9,887,500).

Loan Stocks of Distillery Companies

Holders of preference and ordinary stocks in subsidiaries of the Distillers Company are invited to exchange their holdings into 5½ percent consolidated unsecured loan stock of the parent company. The amount of the loan stock involved is £9,910,870. The subsidiaries concerned are Booth's Distilleries, Buchanan Dewar James Buchanan and Company, John Dewar and Sons, John Haig and Company, Manchester Chemical Company, United Yeast Company, John Walker and Sons and White Horse Distillers.

Polish Cement for India

Poland will deliver 100,000 tons of cement to India by May this year under a contract signed with the Indian State Trading Corporation, Warsaw radio has reported.

April 4, 1957.

New Delhi

ECONOMIC CO-OPERATION BETWEEN INDIA AND W. GERMANY

GOVERNMENT CLARIFIES CAPITAL GOODS IMPORT POLICY

(FROM OUR NEW DELHI CORRESPONDENT)

THE growing economic and technical co-operation between India and Western Germany was emphasised by the presence in the capital during the past fortnight of Dr. von Brentano, West German Foreign Minister. Herr Berthold Beitz, chairman of the executive board of Krupp and one of the foremost German industrialists, and the official trade delegation led by Dr. von Bergen. In addition to the hundreds of scholarships and technical apprenticeships, the supply of equipment as well as senior staff for a higher technological institute from Western Germany, the Foreign Minister offered on behalf of his Government to assist in the setting up of a prototype training workshop for the technical staff needed for the development of small and medium scale industries in India.

The occasion of Dr. von Brentano's visit, it had been expected, would be utilised for announcing the location of the third higher technological institute, as well as the details of German assistance in equipping and staffing it. But the announcement was not made. Of the four regional institutes it is proposed to set up during the second plan, the eastern one is already functioning in Kharagpur. The western one is being established in Bombay with Russian assistance, which is being channelled through the United Nations. There has been no offer of foreign aid for the fourth institute yet. Progress on the third one has been delayed by a squabble over the location. Madras and Kanpur were recommended by the All-India Council of Technical Education some time ago as possible sites for the southern and northern institutes. It is now practically certain that the third institute will be set up in the north; Delhi and Allahabad are now mentioned as the possible site for it. The decision will be taken shortly.

During his visit, Herr Beitz met the Prime Minister and the Finance Minister. He also met senior officers of the Economic Affairs Ministry. The talks were significant in view of the many projects in which West German collaboration has been offered and is possible. It is understood that Herr Beitz expressed the view that the British Heavy Engineering Mission's recommendations are more economical and practical than those of the Russian experts.

Indo-German Trade

Some hard problems are involved in Indo-German trade. Its striking increase in recent years provides an apparently satisfactory background to the trade talks which last week began at an official level. The Government appreciates the fact that in spite of pressing home demands, Western Germany has increased supplies of steel to India from 10,170 tons in 1954 to 29,067 tons in 1955 and 141,450 tons last year. The anticipated supply during the current year is 150,000 tons. As against this increase in West German exports, its imports from India has not kept pace. In 1952-55, India's imports from Western Germany amounted to Rs. 22.5 crores while exports were worth Rs. 10.6 crores only. She thus had an adverse balance of Rs. 11.9 crores. Im-

ports from Western Germany rose to Rs. 60.3 crores in 1956-57, while the Indian exports improved to Rs. 14.9 crores. During the period April to November, 1956, India had a big adverse balance with Western Germany, exports amounting to Rs. 9.5 crores and imports to Rs. 58.3 crores. The trade delegation, it is expected, will consider the problem of narrowing this gap by increasing West German imports from this country. The second problem concerns West German manufacturers of machinery who find themselves burdened with products valued at Rs. 15 crores, which they produced for the Indian market without there being any firm commitment from India. They, it is reported, have urged the Indian Government to allow this machinery to be imported. But New Delhi seems to be firmly against the relaxation of import control, since it will encourage similar pleas from other quarters.

Visit of Japanese Banker

The prospects of India securing capital goods on long-term credit from Japan will be discussed at the talks which Mr. H. H. Kano, vice-president of the Japanese Export-Import Bank, will hold with officials and representatives of Indian industry during his forthcoming visit to India. Established after the second world war, the Japanese Export-Import Bank is a statutory body which has two functions: to advance credit to cover deferred payments over a maximum period of five years; and to advance working funds to Japanese industry to aid the production of exportable goods. The Bank has already assisted the supply of Japanese capital goods to India through the second method. The exploration of the scope for adopting the first method is obviously indicated by India's pressing need to conserve foreign exchange resources. A few years ago, Pakistan availed of a credit offer from the Japanese Export-Import Bank.

The itinerary of Mr. Kano—who was to have visited India last September with the Japanese industrial mission led by Mr. Takasugi but was prevented by an accident—is an indication of Japan's concerted effort to develop the Asian market. From Bangkok, where he acted as an adviser to the Japanese delegation to the recent E.C.A.F.E. trade conference, Mr. Kano visited Burma and will proceed, after his Indian tour, to Karachi. Indonesia is already the best Asian customer of Japan. Earlier this year, the Japanese trade mission visited Malaya. A personal representative of the Japanese Prime Minister recently went to Singapore to discuss trade promotion with the authorities there.

Overseas Capital Investment

A report from the Indian Commercial Secretary in Tokyo says: "In 1957, Japan's machinery industry will explore the possibilities of investment in the under-developed nations of south-east Asia and the Near and the Middle East to promote the export of industrial equipment to these nations. The contemplated investments are reportedly aimed at keeping Japan abreast of Western Germany, the

United Kingdom, the U.S.S.R. and other nations in the investment of capital in economically backward areas, to encourage the latter to import plant and machinery. Since the war, Japan's exports of heavy equipment have been generally limited to ships. The Japan Export Plant Technical Association, an organisation of machinery manufacturers, has planned a basic survey for the fiscal year 1957 overseas investment possibilities. The Ministry of International Trade and Industry has received a 20 million yen subsidy request from the Association to finance the survey. The report also says that the Japanese Ministry of International Trade estimates the value of Japanese plant and equipment exports during the 1957 financial year at \$ (U.S.) 53,526,000 marking a decrease of \$ (U.S.) 51,950,000 from the 1956 estimate. "The decrease," the report goes on to say, "is mainly accounted for by a possible drop in the export capacity of the shipbuilding industry during the period. Exports of machinery as a whole are not expected to show any considerable rise because of the active demand from domestic industries. But exports of other products belonging to the category of machinery will double the figure for the current (1956) fiscal year as a result of a possible increase in shipments to India and Brazil."

Capital Goods Imports

The Government's clarification of its capital goods imports policy, as contained in the announcement of the Import Trade Control last Sunday, is calculated to allay the misgivings of industry (expressed recently at the F.I.C.C.I. annual session), about the possible effects of the stipulations on deferred payment, which were outlined in Mr. L. K. Jha's circular. The announcement mentions cases in which it will not be necessary for importers to arrange for deferred payments. These include: (a) where the total value of imported plant and equipment to complete a project is less than Rs. 5 lakhs; (b) where the equipment is 10 percent or less in value of the machinery already installed or covered by an import licence or available from indigenous sources, and is essential for the completion of such plant; (c) where the equipment is required for replacement or maintenance; (d) where the total value of the equipment to be imported is less than the amount of fresh foreign capital coming in for the project; and (e) where the equipment is needed for constructional purposes like earth-moving equipment and excavators. Applications under these heads will be considered on their merits and in accordance with the import policy in force, as well as the priority to be attached to the projects. In cases where importers must arrange for deferred payment, applications will be considered under one of the following alternative sets of terms: (1) total payment prior to shipment is not to exceed 20 percent of f.o.b. value of the plant and equipment, and the remaining 80 percent to be paid in seven more or less equal annual instalments thereafter; (2) the initial payment is to be limited to 10 percent and the balance to be paid after production has started, and in instalments which should not exceed the net saving in, or the earning of, foreign exchange which the project will achieve thereafter. For purposes of consideration under the second alternative, the item to be produced must be one which is of sufficient importance to justify its continued import in spite of a tight exchange position, or it must be readily capable of earning foreign exchange by being exported. To calculate the saving in exchange, credit will be given for the production of items which save or earn foreign exchange, but a deduction will be made on account of the raw materials and semi-finished items which the project will need to buy, unless they can be produced without additional strain on the foreign exchange resources of the country.

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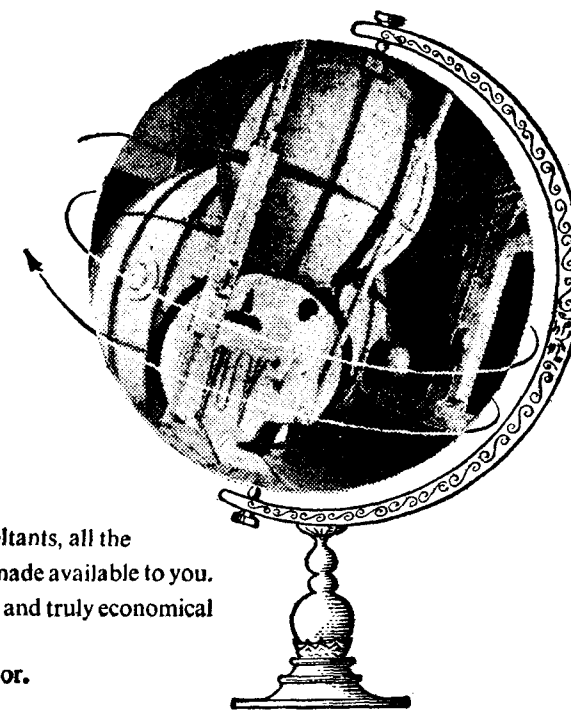


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London

U.K. INDUSTRIAL STRIKES
CALLED OFFADJUDICATION COURTS TO
ENQUIRE INTO DISPUTES
(FROM OUR LONDON CORRESPONDENT)

THE strikes in the shipbuilding and engineering industries have been called off. Some 200,000 men in the former and about one million in the latter were idle for a fortnight and a week, respectively. A further half million men in the engineering works in and around Greater London stopped work last Saturday. The strikes were called off by the workers on the appointment of courts of enquiries by the U.K. Ministry of Labour. In view of the nature of the disputes, it will be interesting to learn what the enquiry courts have to say on the economics of the matter. The strikes would have already had an adverse effect on industrial output—which is particularly unfortunate for the statistics so far made available justified the hope that the levelling off which took place last year might be altered in 1957, and an upward trend reintroduced. The index number of industrial production (1948=100), prepared by the Central Statistical Office, is estimated provisionally at 137 for January, compared with a revised figure of 133 for December. The figure was 139 for January 1956, and 138 for December 1955. For February, a provisional figure of 142-143 is given, against 142 a year earlier. The overall figure for both these months were affected by the motor industry slump and a fall in electricity generation occasioned by the mildness of the winter. Car production showed drops of 37 percent and 31 percent and commercial vehicles of 32 percent and 24 percent in January and February, respectively, compared with 1956. In most other industries the February figures show increases, such as coal five percent, bricks four percent and cotton spinning three percent. With the recent revival in the motor industry, and many new and improved factories completed during the past year making a fuller contribution to production this year, the period of stagnation may well be at an end.

On the other hand, the outlook for profits is less rosy. The state of company reports announcing larger turnover but smaller profits is by no means confined to the depressed consumer goods industries. Within the past few days, it has been

the same story from the Brush Group, British Oxygen, David Brown, and Reyrolle, apart from Ford and British Motor Corporation. It may well remain difficult for many companies to pass on higher costs, even in the home market, let alone abroad. It is in labour's refusal to accept the fact that not all the units in industry are doing well enough to meet inflated wage claims of a comprehensive nature that the real danger lies.

Revenue, Expenditure and Savings

In contrast to normal experience, the Exchequer returns have continued to show improvement. The penultimate week produced a revenue surplus of £25 million, of £19 million more than in the same week a year earlier, to raise Mr. Thorneycroft's potential Budget surplus to £344 million. This falls short of the 1956 surplus of £418 million, as well as of the estimated figure of £460 million, but it seems unlikely that the final week of the 1956-57 financial year will call for quite as much adjustment on the expenditure side as was necessary in the previous year. The surplus then was cut back to £393 million. The overall position will be governed by the "below-the-line" deficit, which is still well below the £803 million anticipated a year ago at £656 million, in spite of a first advance under the Transport (Railway Finance) Act, 1957, of £52 million. Here also there could be substantial "last week" adjustments, but with the overall cumulative deficit running at £312 million, against an original estimate for the year of £243 million, the Treasury can be reasonably satisfied. The progress of the National Savings movement has been satisfactory. The accumulated savings figures showed a surplus of £117 million over withdrawals two weeks before the financial year closed. This compared with a deficit of £29 million at the same date in 1955-56. Of the total swing round of £146 million on the year, only £63 million is due to sales of the new premium bonds, so higher interest rates have clearly played the biggest part in this improvement.

Bank Loans Surprise

Outstanding in the latest monthly statements of the London clearing banks made up to 20th March is a further sharp rise of £52.9 million in advances, which raises the loan total to £1,976.4 million. This rise has taken place in spite of a reduction in the borrowings of the nationalised industries from the clearing banks. Between 20th February and 20th March, these borrowings dropped by £17.7 million to £39.8 million. This implies that bank lending to the private sector of the economy rose by as much as £70.6 million. It is doubtful, however, whether this reflects any easing of the credit squeeze to private borrowers. The main increase in bank loans must doubtless

be attributed to the expanding requirements of essential industry.

P. and O. Fights Rising Costs

No longer can the P. and O. Steam Navigation Company be criticised for failing to give sufficient information to shareholders. The latest accounts, to 30th September, 1956, and therefore excluding any consequences of the closure of the Suez Canal, are comprehensive. With group reserves at over £96 million, of which £57.6 represents capital reserves and the balance the revenue reserve, the great financial strength of the group is evident. Current assets have risen almost £13 million to £83.6 million, including £40.4 million mainly in dated gilt-edged stocks and almost £19 million divided equally between cash and Treasury bills, so that liquid resources exceed current liabilities by £47.4 million, and seem adequate to cover a substantial capital investment programme of £38.5 million for new ships, excluding tanker tonnage needed for the proposed expansion of the company's activities in that sphere. The overall capital programme is expected to be around £90 million, but will, of course, be spread over a number of years. Immediate needs are certainly well covered. The operating profits for the year rose by £1.3 million to a total of £24.2 million, and the group's net profit, after tax, from £5.6 million to £6.2 million. In relation to the real resources employed these profit margins may be deemed low, but a striking table of costs featured in the report shows that in point of fact, they represent a tribute to good management.

The table shows how unrelenting must be the battle against inflation and rising costs. On the basis of an index number of 100 for the year 1938, shipbuilding costs increased to 319 in 1956 and ordinary ship running expenses increased to 254 in 1956 and 308 last year. For upkeep and repairs, the index rose to 435 in 1956 and 1,715 in 1956. As to the current year's outlook, the report sounds a note of warning in that the dislocation and increased costs of fuel and diesel oil resulting from the closure of the Suez Canal are having "a most serious effect on operating results of a number of group companies." For a fuller assessment of the current year's probable earnings, stockholders must await Sir William Currie's review at the annual meeting on 17th April. Not all of the group's shipping is affected by Suez and satisfactory tramp earnings will again help offset reduced profits in other sections.

Accountancy Merger

Members of the Institute of Chartered Accountants of England and Wales have voted by the necessary two-thirds to accept integration into the Institute of members of the Society of Incorporated Accountants. The result of the Institute's postal ballot was: for amalgamation 10,242; against 4,340. About 4,500 members did not vote. There will be a confirmatory meeting of the Institute on 17th April. Then application will be made to the Privy Council to amend the supplemental Royal Charter. The scheme is also subject to vote of the members of the Institutes of Chartered Accountants of Scotland and Ireland. The results of their ballots on amalgamation are expected about Easter. If they and the Society approve the scheme, Society members will be admitted to one of the three Institutes, according to where they were trained or now practise. The amalgamation would give the three Institutes a total membership approaching 38,000.

International Tin Scheme

An increase in the floor price of tin under the International Tin Agreement was more or less inevitable. It was announced on 23rd March, and the only surprise occasioned was that it should be as much as £90 to raise the level to £730 a ton. Buffer stock purchases will now be possible within the limits of £730 to £780 a ton, whereas formerly the pool could only operate within a price range of £640 to £720 a ton. This raising of the buying limits is aimed at enabling the pool to acquire supplies to sell when the price reaches the upper limits, which have been amended to £830-£880, against £800-£880 previously. With the market price of tin around £770, or within the striking distance of the upper limit of the new buying range at that time, market people expected a rise—whether the buffer stock bought or not. The price did rise above £780, so the stock did not buy. Neither could it sell between £780 and £830. Further adjustment may prove necessary. The Council's decision must be viewed in the light of a changing statistical position. A world surplus of production is expected this year. The higher floor price will also encourage production, especially in Bolivia and Indonesia, where output has been falling in the last few years.

Brevities

The Board of Trade is further to reduce the wool stockpile in the year beginning 1st April. It is expected that between 80,000 and 100,000 bales will be sold, as before, by the British Wool Federation in varying quantities at each series of the London wool sales.

The first draw for Premium Savings Bonds is to take place in Lytham St. Anne on 1st June and will include Bonds sold in November and still in the hands of holders amounting to £48,500,000. Subject to further cashings, there should be about 23,000 prizes for the draw.

The Queen has approved the grant of a Royal Charter to the Institution of Chemical Engineers, which was founded in 1922 by industrialists, chemists and engineers "who had found that the design and operation of chemical plant needed its own engineering discipline", and which now has 3,500 members.

Bombay

CRISIS IN AHMEDABAD
TEXTILE MILLSHEAVY ACCUMULATION OF
STOCKS

(FROM OUR BOMBAY CORRESPONDENT)

THE textile crisis came to a head in Ahmedabad last week. It is reported that approximately 4 million bales of cloth valued at Rs. 40 crores have accumulated with the mills. The offtake is poor and there are no signs that these stocks will be taken up in the near future. The second threat to the Ahmedabad industry comes from a shortage of coal. More than a dozen mills have put up notices of closure while a mill in Broach has already suspended operations. Industrial circles allege that this situation has come about because of a scarcity of wagons. Normally, Ahmedabad mills use about 75 wagons a day for transporting coal and Mr. Jaykrishna, president of the Ahmedabad Millowners Association, stressed the gravity of the situation by declaring that the industry had coal supplies sufficient for no more than three days. The coal shortage need cause no undue alarm because it is likely to be of a temporary nature. There is no reason to believe that supplies will not be resumed before any serious damage is done. The really disturbing factor is that stocks of piecegoods should have rocketed to such a high level. These unsatisfactory conditions are not confined to Ahmedabad alone. The textile trade has been slack on an all-India basis for quite some time. In Bombay, too, mills and dealers have been complaining of mounting stocks. Trading has followed a familiar pattern with upcountry centres showing no more than a token interest. Last week, for instance, enquiries were received from Delhi and Calcutta and some south Indian centres for superfine qualities such as cambrics, poplins, mulls, longcloth and voiles. But these remained little more than enquiries and the actual business transacted was disappointing. Medium and coarse counts remained neglected.

Export Trade in Textiles

Of late, the export business has also been dull. Shippers report a fall in the export quotations of some varieties. Sassoon drill, for instance, is now being quoted at 12 annas 9 pies a yard against 12 annas 10 pies a yard recently. Although the drop is somewhat nominal, it is symptomatic of a trend. Although south-east Asia is an expanding market, competition has been on the increase. The Textile Export Promotion Council states that last year was marked by a substantial increase in imports into Malaya and Singapore from Japan, communist China, Czechoslovakia, Poland, the U.S.A. and West Germany. Two new exporting countries, Russia and Pakistan entered these markets for the first time. Russian prices are said to be attractive and it seems that this country has emerged as a permanent competitor. Russian exports are confined to printed goods in the cheaper price range and that country's sales of these varieties are supplemented by exports from the other communist countries. Quality goods seem to be the speciality of West Germany. Japan, the U.S.A., Switzerland and the U.K. India maintained her position as a supplier of grey cloth to the latter two markets, but her overall exports of all varieties were less. Much the same competition is being met in the African and West Asian markets. It is clear that both the Government and the industry will have to do some hard thinking to check the rot. It is fair to say that the slump coincided with the enhancing of the excise duty on cloth; but it would perhaps be unfair to hold that this alone accounts for the present stagnation. Note must also be taken of the somewhat erratic behaviour of the cotton market in recent months. Futures contracts have continued to touch new high levels each week while the spot market has remained firm with mills confining their purchases to current needs. It was only last week that the Vijay April and June contracts declined by Rs. 25 a candy following nervous selling based on the Government's intention of stepping in to safeguard the interests of the mill industry. The permission given to the Textile Commission by the Government of India to requisition cotton by directing stockists to make sales as specified by him resulted in the spot market losing about Rs. 20 a candy. But the situation remains somewhat confused as it is not known what changes may be made in futures and spot dealings. An added complication is that the new crop will be barely sufficient for domestic needs and a modest export quota.

Overproduction of Yarn

The yarn situation is equally unsatisfactory. Mr. K. G. Milne, chairman of the Kohinoor Mills Company Ltd., said at the annual general meeting that there was overproduction in yarn. He felt this was because the handloom industry had not been able to increase its production sufficiently to absorb the extra quantities of yarn turned out by spinners. Mr. Milne felt that the time had arrived for the Government to review its policy on the export of yarn and sewing thread. The yarn market continued depressed last week. Prices declined further and trading came almost to a standstill. Earlier expectations of a reduced supply following a reported 25 percent cut in electric supply in Salem did not materialise and prices of 40s and 30s fell by about two annas a bundle.

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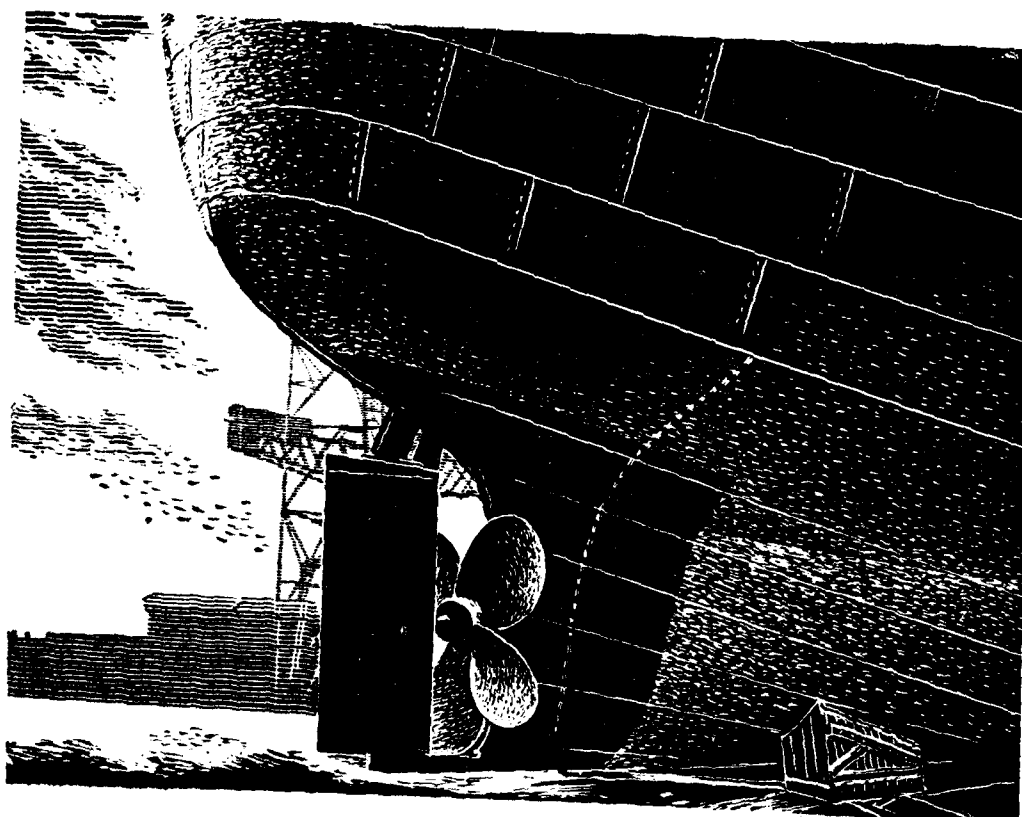
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Plantation Topics

PLANS TO DEVELOP KERALA PLANTATIONS

MAJOR PROJECT FOR EXPANDING CASHEW CULTIVATION

(FROM A SOUTH INDIAN CORRESPONDENT)

KERALA'S second five year plan contains a number of development schemes for its minor plantation crops such as pepper, ginger, cardamom, cashew, coconuts and arecanuts. Many of the schemes were started during the first year of the plan. The State Government appointed a plantation crop specialist in February to supervise the research work on these crops. The appointment of a cashew development officer and his staff has been sanctioned. It is proposed to open new research stations for pepper, ginger, cardamom and tree spices such as nutmeg and clove. Administrative sanction for the research schemes on the first three has been granted and preliminary steps towards their implementation have been taken. One research station for pepper and another for ginger have been functioning in the Malabar area for over the past five years.

In the pepper research station, work on testing of varieties, propagation, manurial and cultural practices, breeding and control of pests and diseases is being conducted. Similar research on ginger is being carried out in the ginger research

station in Wynaad, Malabar. The venue of the new research stations for pepper and ginger is Thodupuzha in Travancore, and the cardamom research station will be established in the cardamom hills of Travancore. A development scheme for pepper, drawn up by the Government, is now under the consideration of the Indian Council of Agricultural Research. For the supply of quality seedlings of coconuts and arecanuts more nurseries will be opened in the State during the second plan period.

Cashew Cultivation

A major scheme for expanding cashew cultivation with a view to reducing the country's dependence on the import of raw nuts has been started in the State. The Forest Department has undertaken the implementation of a cashew afforestation scheme which envisages the planting of cashew trees on 20,000 acres of forest lands at an estimated cost of Rs. 32.5 lakhs during the second plan. Prospective cashew growers will be given financial aid for capital outlay in the form of loans up to Rs. 150 an acre. The Government thinks that about 5,000 acres of private lands can be brought under cashew cultivation. Government lands will be made available to prospective cultivators on lease for 20 years. The Cashew Research Station in Kottarakara is doing research work on the different aspects of cashew cultivation and propagation.

Pilot Scheme for Pepper

Besides these schemes of the State Government, the Central Government is financing a pilot scheme for pepper. This scheme was started in

1955 with headquarters in Cannanore, Malabar. The object of this project is manifold. It is to promote intensive cultivation in the existing pepper plantations and replace inferior vines with selected superior varieties in homestead gardens and other suitable areas. It will also establish a network of nurseries in pepper growing regions for the distribution of cuttings of superior vines, and collect and distribute seeds of standard trees as well as those of cover crops for pepper gardens. The scope and jurisdiction of the Cannanore project are now being extended to cover the entire Kerala State. Kerala produces 85 percent of India's output of pepper. 75 percent of cardamom, 60 percent of cashew and almost the entire quantity of exportable dry ginger.

Tea Output and Shipments

South India's tea crop for February is estimated by trade sources in Cochin at 7.5 million lbs compared with 6.6 million lbs in February, 1956. Production in January amounted to 7.4 million lbs or 0.3 million lbs higher than that of the same month last year. There have been a few showers in February and March, and if the region continues to get adequate rain, the year's output may be higher than that of 1956, which amounted to 126.9 million lbs. Severe drought in the early months of last year was responsible for the lower production. Tea shipments from Cochin amounted to 7.2 million lbs in February compared with 5.8 million lbs in the same period of last year. The total for the first two months of the year now stands at 12.4 million lbs, against 12.5 million lbs. in January-February, 1956. Exports to the United Kingdom amounted to 6.5 million lbs, to the United States 1.8 million lbs. Exports to Canada amounted to 1.4 million lbs, to Australia 700,000 lbs and to other countries 600,000 lbs. There was a slight improvement in tea shipments to other Indian ports at 1,100,000 lbs.

Rubber Production Falls

On account of the seasonal break in tapping on many estates, rubber production in south India has fallen from 2,190 tons in January to 1,165 tons in February, 1957. However it was 189 tons higher than the production in the corresponding month of last year. Manufacturers' offtake was also lower; it amounted to 2,493 tons, compared with 2,679 tons in January, 1957. Total stock, including synthetic rubber, amounted to 8,312 tons towards the end of February, against 8,982 tons on the last day of the previous month.

NO CHANGE IN TEA EXPORT DUTY

The Government of India has issued a notification fixing the price of tea, for the purpose of determining the export duty at Rs. 2.27 a lb. against Rs. 3.38 a lb. in force from 1st March, 1957. There is no change in the existing rate of duty of 37.50 Naye Paise a lb.

COCHIN TEA SALES

At Sale No. 7, 1,500,000 lbs of tea were on offer. There was a fair general demand at much lower rates. Low Mediums and Mediums were irregularly 20 to 30 nP lower. Best grades were considerably easier. Fannings met with more enquiry at the close. Whole Leaf types were quieter.

U.K. TEA STOCKS

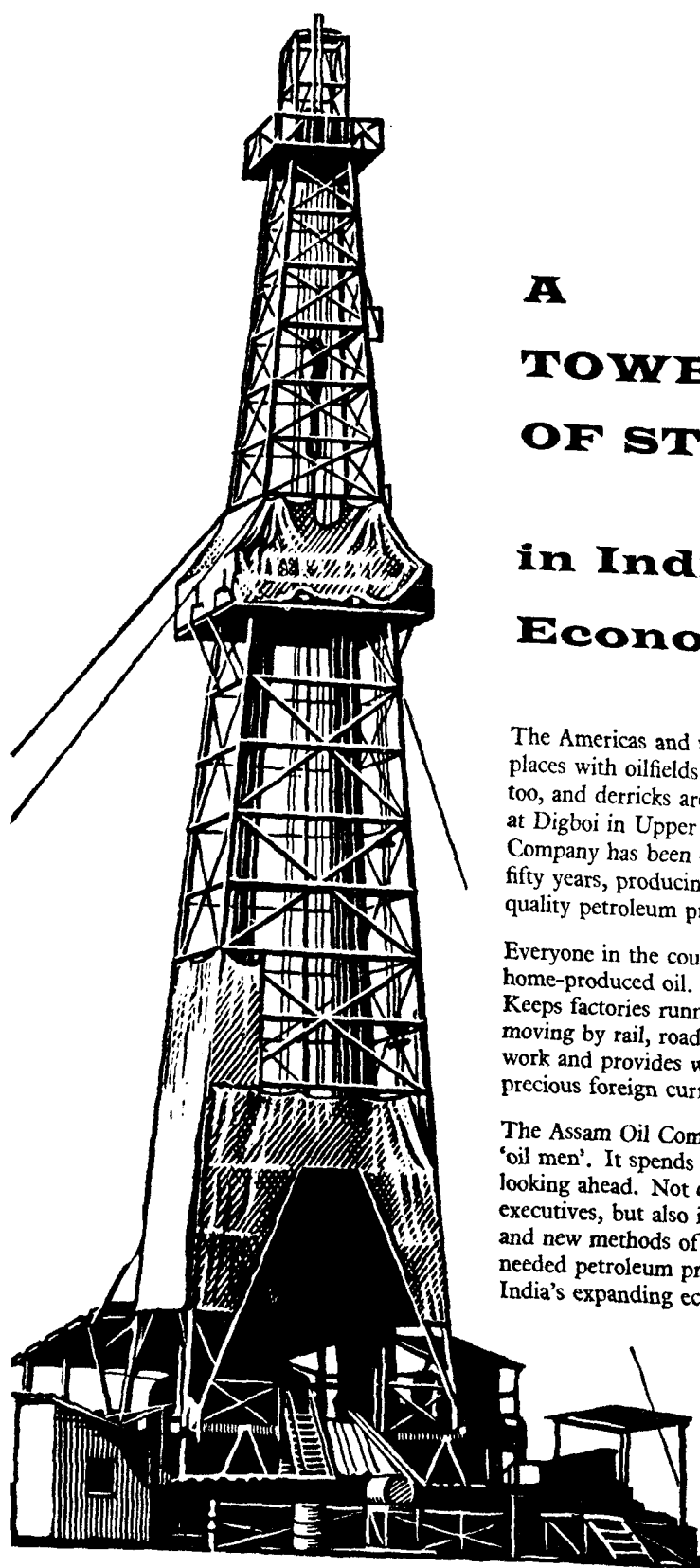
U.K. tea stocks in London and provincial warehouses on 22nd March totalled 127,659,840 lbs against 123,624,820 lbs in the previous week. The total amount to be landed on 22nd March was 26,985,770 lbs. Deliveries during the week totalled 10,231,980 lbs and landings were 14,267,000 lbs. Total allotment was 63,493,480 lbs, including from Calcutta 44,974,100 lbs, from Chittagong 997,590 lbs, from Cochin 1,800,290 lbs, from Colombo and other ports 2,887,000 lbs. The average price realised at auctions during the week was 45.60d against the previous week's 47.56d and 56.63d during the corresponding week of last year.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 22-3-57 (Rupees a lb.)	Average for the week (Rupees a lb.)
Sheet:		
No. 1	1.26	1.26
No. 2	1.23	1.23
No. 3	1.20	1.20
No. 4	.96	.95
No. 5	.91	.91
	Sheet Cuttings 1	.95
	Sheet Cuttings 2	.90
Crape:		
Water White	—	—
R.M.A. No. 1X	1.10/12	1.11
R.M.A. No. 1X	1.07/09	1.07½
	Crape No. 2	1.01½
	Crape No. 3	0.97½
Scrap Crape:		
Sc. Crape No. 1	.90/92	.90½
Sc. Crape No. 2	.87/90	.87½
Sc. Crape No. 3	.75/85	.79
Flat Bark	.70/72	.73
	Sc. Crape 3X	.83

To arrive at f.o.b. Colombo prices, add 53.53 cents a lb for crape other than scrap crape and 31.53 cents for scrap crape to the above market prices.



A TOWER OF STRENGTH in India's Economy

The Americas and the Middle East are not the only places with oilfields! Oil is produced here in India, too, and derricks are a familiar part of the landscape at Digboi in Upper Assam. The Assam Oil Company has been operating this oilfield for over fifty years, producing some 300,000 gallons of high quality petroleum products daily.

Everyone in the country benefits from this flow of home-produced oil. It speeds food production. Keeps factories running smoothly. Keeps goods moving by rail, road, sea and air. Takes people to work and provides work for them—as well as saving precious foreign currency.

The Assam Oil Company itself employs over 8,000 'oil men'. It spends much time and money in looking ahead. Not only in training technicians and executives, but also in finding new sources of oil and new methods of processing it into the much-needed petroleum products which are so vital to India's expanding economy.



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Jute

THE PROSPECTS FOR JUTE GOODS

POSSIBLE TRENDS IN DOMESTIC AND OVERSEAS DEMAND

SOMEWHAT steadier conditions seem to have returned to the jute goods markets recently, but it is still too early to say whether they indicate a proper trend or whether they arise mainly from temporary fatka activities. The main bear factor, many think, may be a decline in raw jute prices; the time of year is approaching when the economists in Clive Row will be pushing fibre rates up or down according to the density and direction of the clouds passing over Calcutta. Signs of rain will tend to make prices cheaper; absence of them will make prices dearer. As far as the demand for gunnies is concerned, the market is looking forward a little more cheerfully than it did, say, a couple of months ago. According to one source, what the Argentine purchased from India last year was disappointing, but this year it seems quite possible that her offtake will return to the more normal level of 60,000 or 70,000 tons. Despite the poor figures for U.S. burlap consumption during February, the upward trend of demand in that country may be maintained, especially as there is no sign of recession in the American economy. Australia is an important buyer of Indian jute goods; she took much less last year than she has been taking, but her requirements are considered likely to rise. The growth of the internal market for jute goods has become a matter of first significance; according to a recent assessment, "India itself was the industry's second best customer" during the past year. As agricultural production and imports increase, the domestic demand for sacks should improve.

The broad outlook for the industry as a whole is not entirely rosy, however. Jute investors at least do not seem to think so, considering what they have been doing with their mill shares. Pakistani production is expanding, and growing competition may be expected from that quarter. A Pakistani Government hand-out states, for instance, that the jute manufacturing industry there has made further progress during the past year. So far, 11 jute mills with 6,500 looms have been installed and 1,250 more looms are being amounts to Rs. 18.50 crores, of which the P.I.D.C. has contributed Rs. 5.96 crores and the balance has been contributed by private investors. During the year, the production of jute goods has gone up by more than one-third. The total value of the output is over Rs. 18 crores, of which goods worth about Rs. 10 crores have been exported. An order has been placed for 250 looms for another jute mill. The Pakistan Government has also decided to participate in the installation of jute mills in foreign countries. This step has been taken not merely to promote economic co-operation with these countries, but also to create additional demand for Pakistan's jute. During the year 1956, a sum of Rs. 1.14 crores has been invested by the Government through the P.I.D.C. in jute mills in Egypt, Iraq and Turkey.

THE JUTE MARKETS

THE holidays on Saturday and Monday for the introduction of the decimal coinage caused a big gap in the middle of the past week. But business continued on a moderate scale throughout.

Manufactured Goods: It is reported that the fair quantities of hessian and that export business confirm these reports, but there seem to be some foundation for them and mills, it is said, have been able to sell fair quantities. The fatka market has not shown any great fluctuations and has tended higher. This is reported to be the result of operations by a prominent speculator but it may also be connected with the rumours of orders from overseas markets. On Tuesday afternoon, the fatka market eased because of clouds in the north-west—a reminder that we have now reached the season when the gunny market reacts probably more to rain or drought than to anything else.

Quotations on Wednesday morning were as follows:

	Ready Rs.	April Rs.	May-June Rs.	July-Sept. Rs.
40in. 8oz.	33.75	33.75	33.62	33.62
40in. 10oz.	40.94	41.31	41.50	41.50
B Twills	111.75	112.50	112.75	113
Heavy Cees (Plain)	111.75	112.50	112.75	113
A Twills	132	134	134.50	134.50
Liverpools	127.25	127.75	127.50	127
Cornacks	113.50	114.00	114.25	114.50

Raw Jute: Mills have been fairly active in spite of the official holidays. Early in the past week, a fair amount of business was done in Upper Assam white jute on the basis of Rs. 28 for Bottoms. Rs. 27.50 for Assam Mesta Middle alone were done at in mesta to Rs. 28, while business was done daily in mesta in assortment at Rs. 24.50 to Rs. 25 for Daisee Mesta, Rs. 25 to Rs. 25.25 for Desal and Rs. 25.50 for Northern. Murshidabad Tossa was sold at Rs. 32 basis Bottoms. Assam white jute at Rs. 28.50 to Rs. 29 basis Bottoms and Daisee jute at Rs. 31.50 basis Bottoms. On account of continued interest by mills and higher quotations in the manufactured goods market, sellers became

more reserved in their offerings and raised their quotations. But on Tuesday afternoon, there was a slight easing because mills refused to follow any rise and the gunny market fell. Business was, however, done in Daisee jute at Rs. 31.50 basis Bottoms, Daisee Mesta at Rs. 25 basis Bottoms and Forbesganj desal at Rs. 25.50 basis Bottoms.

Quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. Basis Bottoms.	Shipment.
Northern	28.50	April-May
Assam	28.50	"
Jungli	23	"
Assam Tossa	31	"
Murshidabad Tossa	31	"
Daisee	31.50	One-month
Daisee Mesta	25	"
Northern Mesta	26	April-May
Desal Mesta	25.50	One-month
Northern Jute (ex Calcutta)	28	"
Local Packing	27	"
Bimbi F.A.Q.	23	April-May
Pakistani N.C.'s	105 a bale	"

Arrivals in Cossipore were 458 wagons, against 316 the previous week. Quiet but steady conditions prevailed with mill buyers taking some interest, chiefly in mesta.

Mofussil: Except for Purnea and Western districts, where there were fair imports of mesta, arrivals were not much. There were small imports of white jute and Tossa in Assam and Tossa in Murshidabad, but in north Bengal they had practically ceased.

Scattered light showers have been reported but more rain is needed to enable progress to be made with sowing.

GUNNY SHIPMENT STATISTICS

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

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 25th March, 1957	1,843.1	20,111.2	21,954.3
1st to 25th February, 1957	1,422.0	18,925.5	20,347.5
1st to 20th January, 1957	4,057.0	23,048.7	27,105.7
	Sacking		
1st to 25th March, 1957	27,674.9	4,377.2	32,052.1
1st to 25th February, 1957	16,686.7	2,833.4	19,520.1
1st to 25th January, 1957	21,140.8	1,648.3	22,789.1

THE PAKISTANI JUTE MARKETS

OVERSEAS PURCHASES OF FIBRE RESTRICTED

(FROM A CORRESPONDENT)

DISCUSSIONS on the prospects for this season have centred on the size of the current crop and the possible size of the next crop. It has been taken for granted that total overseas purchases will be 200,000 or possibly 300,000 bales less than those of last season. This has now been accepted by all, both the bears and bulls, although they have juggled with crop figures to prove their own points of view. In actual fact, overseas buyers may not even consume as much as 4,200,000 bales. The trade seems to have overlooked the fact that not so long ago, 3 million to 3.7 million bales were the normal consumption for a year. If 3.8 million bales are shipped overseas, one million bales are consumed locally, and India, both through E.P.C.s and smuggling, takes 1.2 million bales, then even 6 million bales will be sufficient. Furthermore, there is every likelihood that stockists will continue to wait for buyers to come into the market, and before they have realised it, they will find the new season upon them and the new crop beginning to arrive. On this basis, one is inclined to think that whether or not the Suez Canal opens soon, overseas purchases will continue at the present low levels. With this policy of restricted buying, buyers can check any rising tendencies in the market, and at the same time, keep themselves supplied until the arrival of the new crop.

Both in Narayananganj and the mofussil, prices remain more or less unchanged with slight daily fluctuations. Loose jute is scarce and moist, but more and more kutcha bales from upcountry are available. The undertone in the loose and kutcha bales market is, therefore, weak. Although not much inter-baler business is reported in pucca bales, prices are about Rs. 5 cheaper and there are many more sellers. Sowings for the new crop are going well. Although a certain amount of rain is required, it is always better at this time to have

too little than too much of it. At present, therefore, there is no cause for worry about the new crop.

Overseas markets remain dull by a strict hand-to-mouth policy, foreign buyers have been able to cover their small requirements at unchanged prices varying between £101 and £103 for Export Firsts, with exceptional sales at £104. E.P.C. registrations during the first half of March amounted to 123,000 bales, India took 30,000 bales; the only other buyers over 10,000 bales were the U.K., France and the U.S.A. In spite of the small tonnage during March, it seemed as if vessels were going away from East Pakistani ports without the full tonnage, and the 350,000 bales of shipping space available for April may not be utilised in full.

The local gunny market has shown a considerable increase. B Twills are currently quoted at Rs. 129 including excise duty, but excluding sales tax, and Rs. 56 for 45in. 10oz. This is due to rumours that the Pakistani mills will work only one shift in future, partly due to the reduction of stocks held in Karachi, and partly due to delays in loading in East Pakistani ports and also at the mills. It is noteworthy that the delay in loading at the mills has been mainly because of obstruction by excise officers. The mills' threat to work only one shift may be an attempt on their part to get the Government to take some action in supplying rice to the workers.

THE FOREIGN JUTE MARKETS

FIBRE PRICES WELL MAINTAINED

(FROM OUR DUNDEE CORRESPONDENT)

AGAINST all expectations sellers of raw jute have been maintaining their prices well. Consumers of jute yarns and cloth in Dundee are purchasing merely their bare requirements. They have been lucky enough to be able to secure early despatch, especially in cloth and bags. Indeed, in the bag making trade, workers are being paid off and there is some short time. The large annual order for sugar bags has so far not been placed this year, and some manufacturers are short of orders for wide goods. Spinners keep on buying jute steadily in small lots affect and ex-warehouse, but very little for shipment. It is stated that those shippers in Pakistan, who had their licences cancelled, have only up to the end of March to despatch outstanding contracts, but if they are not allowed to export, the spinners in the U.K. and on the Continent will be badly let down. Shippers are very reluctant to make offers of new crop jute to this market, since a number of shippers had their licences cancelled.

Mill Firsts are offered at from £111 and Mill Lightnings from £101, Mill Hearts at £96 and grade Hearts at £92, good Daisee-2/3 at £104 and grade at £101, Grade Tossa-2/3 from £110 and grade Tossa-4 at £104, all c.i.f., U.K., April-May shipment, or May-June in one or two cases.

Calcutta goods have ruled very steady and no weakness has been shown. Sellers are asking 61s 6d to 62s for 40in 10oz. hessians and 47s for 7½oz. April to June, and B Twills are irregular at from 166s to 168s for same shipment, all f.o.b. Calcutta. Prices for yarns and cloth in Dundee are very firmly maintained.

An agitation is going on in the jute industry, and a deputation of trade union officials spent some time with the Minister of State in London on 27th March, discussing the possible effects of the European free trade plan on the industry. The trade, as a whole, is definitely not in favour of the project, and the Minister said that the Government recognised the special position of the jute industry.



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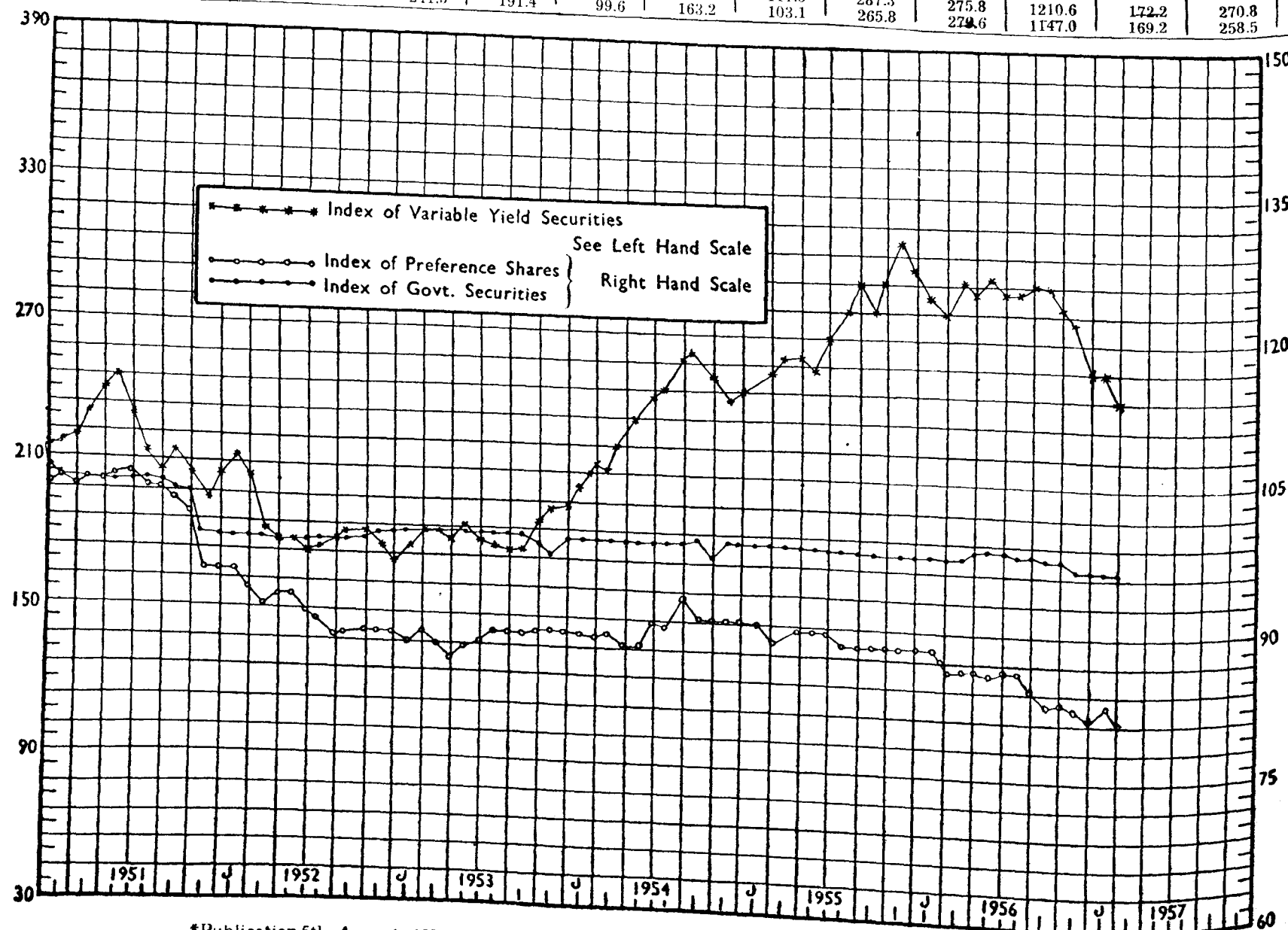
"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to February, 1957. Compared with January, the February index for Government securities shows a rise of 0.3 point, while that for preference shares indicates a drop of 2.0 points.

There were decreases in banks 18.1 points, cottons 11.9 points, coals 7.1 points, minings and oils 15.3 points, cement, 8.4 points, engineering 21.5 points, papers 63.6 points, sugars 3.0 points and miscellaneous 12.3 points, while jutes and teas increased by 3.6 points and 3.8 points, respectively.

Correlating all the factors the Capital variable yield securities index shows that the index for stock prices in these classes of shares declined by 14.3 points during February, 1957.

	Index of Govt. Securities	Index of Preference Shares	Variable-Yield Securities.												Combined Index.
			Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime, etc.	Eng. and Metal Works	Tea Shares	Paper Mills	Sugar	Others		
Weights.	—	—	7	12	9	11	10	6	17	4	3	5	11	100	
1953.															
March	98.2	86.4	136.7	204.1	184.8	144.0	96.8	92.1	165.3	196.0	569.2	155.9	222.4	183.1	
April	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3	181.9	
May	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	186.3	
June	97.8	86.8	133.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	181.9	
July	97.6	88.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1	178.7	
August	97.7	88.6	131.7	192.6	160.3	132.1	87.1	88.3	162.0	177.8	539.4	162.6	215.1	175.2	
September	97.5	88.7	135.1	223.9	164.9	136.1	109.4	89.3	160.9	204.1	547.3	169.9	216.3	177.1	
October	96.7	88.7	134.0	201.7	167.5	144.4	112.5	97.5	173.7	207.1	583.1	171.9	227.0	189.8	
November	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1	193.4	
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2	193.6	
1954.															
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.3	
February	97.8	88.0	132.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.4	
March	97.9	88.3	130.1	223.1	171.5	142.0	148.8	94.1	207.6	258.4	753.4	178.9	248.7	211.6	
April	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.8	
May	97.8	86.9	133.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	222.8	
June	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	239.8	
July	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1	246.1	
August	98.2	92.6	126.7	238.4	213.3	158.3	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	260.4	
September	97.9	90.0	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	1097.3	206.3	309.0	262.0	
October	96.9	90.2	122.8	243.4	203.1	163.8	183.8	118.0	270.1	381.0	1097.3	206.3	309.0	262.0	
November	96.9	90.2	122.8	243.4	203.1	163.8	183.8	118.0	270.1	381.0	1097.3	206.3	309.0	262.0	
December	97.8	90.4	122.8	217.7	185.8	155.1	159.2	107.7	248.3	377.6	916.4	201.6	275.0	238.6	
1955															
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.6	
February	97.8	88.3	122.5	209.5	185.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6	252.4	
March	97.8	89.0	120.7	214.0	189.9	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6	252.4	
April	97.9	89.2	121.2	216.1	199.5	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3	259.2	
May	98.0	89.0	119.1	215.7	192.9	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	289.4	255.2	
June	98.1	88.9	118.8	224.3	202.6	146.4	152.5	112.4	307.7	347.1	1042.3	195.6	293.2	255.2	
July	98.2	87.7	118.8	224.3	202.6	150.3	150.3	113.9	315.5	391.2	1042.3	195.6	293.2	255.2	
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	121.0	322.9	378.9	1148.3	210.6	302.3	281.8	
September	98.1	87.7	119.9	241.3	214.3	156.3	231.8	121.0	322.9	378.9	1148.3	210.6	302.3	281.8	
October	98.3	87.1	120.1	242.5	206.1	149.6	222.3	126.8	351.1	366.2	1147.0	224.3	303.3	293.3	
November	98.1	87.7	125.4	278.0	203.1	142.8	225.0	120.4	356.0	354.7	1099.3	217.3	297.2	283.0	
December	98.3	87.1	131.9	261.5	222.4	147.6	219.2	136.3	363.9	353.0	1176.8	224.3	317.8	296.6	
1956															
January	98.3	88.4	129.9	245.8	216.8	140.0	234.2	131.1	356.5	377.6	1304.7	223.6	317.8	311.9	
February	98.3	88.4	129.9	245.8	216.8	140.0	234.2	131.1	356.5	377.6	1304.7	223.6	317.8	311.9	
March	98.3	88.4	129.9	245.8	216.8	140.0	234.2	131.1	356.5	377.6	1304.7	223.6	317.8	311.9	
April	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.4	334.3	392.1	1258.9	198.3	312.1	288.5	
May	98.0	86.7	123.5	275.1	202.1	115.8	226.9	120.6	331.6	386.4	1242.4	193.6	301.8	282.6	
June	98.2	85.6	127.7	274.7	206.1	121.8	228.4	124.1	355.5	381.2	1310.0	185.6	298.2	295.6	
July	98.2	86.9	125.4	261.9	202.6	121.8	228.4	124.2	345.4	381.2	1287.4	181.9	296.6	290.5	
August	97.9	86.0	128.3	283.7	201.1	117.0	233.3	136.1	356.2	377.6	1361.0	182.9	298.7	291.7	
September	98.0	84.5	134.0	242.5	204.1	112.7	226.6	127.5	325.9	337.7	1332.5	188.9	314.2	290.9	
October	97.4	83.6	132.5	270.1	206.7	119.4	228.5	121.9	330.0	313.6	1365.6	189.3	321.7	291.7	
November	97.0	83.8	132.2	270.1	206.7	121.0	230.0	130.7	337.3	303.8	1342.4	191.9	309.0	294.5	
December	96.6	82.5	132.2	268.9	206.1	114.6	223.5	125.1	311.8	294.9	1347.1	191.3	320.4	294.5	
1957															
January	96.5	81.8	129.6	255.3	195.5	95.2	183.2	104.4	283.9	277.5	1184.1	173.6	286.8	257.2	
February	96.2	83.3	138.2	253.2	198.5	96.0	178.5	111.5	287.3	275.8	1210.6	172.2	270.8	258.8	
March	96.5	81.3	120.1	241.3	191.4	99.6	163.2	103.1	265.8	278.6	1147.0	169.2	258.5	244.5	



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

Commodity Markets

PROGRESS OF GLASS INDUSTRY

MANUFACTURE OF NEW ITEMS PROPOSED

WHILE addressing the annual meeting of the All-India Glass Manufacturers Federation in New Delhi, the Central Minister for Heavy Industries, Mr. Manubhai Shah, called upon the industry to co-operate with the Government to increase its productivity and to improve the quality of its products. The Minister said that the production of glass and glassware had increased by 65 percent in the last six years. The level of production had gone up from 87,270 tons in 1950 to 143,587 tons in 1956. The increase was more pronounced in sheet-glass. The glass shells for electric lamps, thermos flask and glass bottles. The industry has an installed capacity of about 340,000 tons at present and this is sufficient to meet the country's requirements of various kinds of glass and glassware during the second five year plan. Mr. Shah said that it might be necessary to set up additional capacity for manufacturing new products and special items if it was not possible to divert the existing surplus capacity for the manufacture of specialised items.

In this context, the Government had approved the setting up of 15 new factories and the expansion of the six existing units which would increase the capacity of the industry by 44,000 tons a year. The items to be manufactured were those which were not being produced in the country. The capacity of the industry would, therefore, increase to about 380,000 tons a year against the estimated demand of 200,000 tons by 1960-61. Mr. Shah said that the progress that has already been made in the glass industry in India are low as compared with standards in the more industrially advanced countries. There are too many factories producing the same item and the majority of them do not achieve a good standard. The Development Wing of the Ministry of Heavy Industries, Mr. Shah said, had, therefore, embarked upon a scheme to improve the efficiency and quality of indigenous production during the second plan. An ad hoc committee, appointed by the Ministry, had examined the working of the industry. It had recommended some measures. Mr. Shah said that he was glad to know that these recommendations had been well received and that most of them were being usefully implemented.

Technical Survey

A technical survey of the glass industry, the Minister said, had been conducted by four foreign experts and a Development Officer of the Ministry of Heavy Industries. The team had already visited more than 60 glass factories and had concluded its work. The report of the team would be discussed with individual factories and he was confident that the industrialists would implement its recommendations in order to improve the working of the factories. In addition to their survey work, these experts had also been assigned individually to 21 glass factories and their reports had been sent to a dozen more factories. "I hope that the efforts made by this team would go a long way in improving the working of the industry and I am equally confident that all of you would benefit from this," said Mr. Shah. In this connection, he pointed out that the Central Glass and Ceramic Research Institute, Calcutta, was also rendering very useful and valuable service to the industry. He hoped that the members of the Federation would continue to use the facilities offered by the Institute.

The Minister urged the industry to evolve a common production programme in which both the large-scale and small-scale factories could work together, supplementing each other's production and meeting the requirements of large and small consumers. He pointed out that the average capacity of a glass factory was about 200 tons a month. Against this, the largest unit in the country had a capacity of 1,800 tons a month and the smallest 12 tons a month. Furthermore, there was need to rationalise the production programmes, because the practice of manufacturing a number of articles in each factory, without due regard to the facilities available, was creating certain handicaps. In this connection, Mr. Shah commended the efforts made by some factories in south India to restrict their production to a few items. The Minister hoped that through the efforts of the Federation this experiment would spread to other groups of factories in the country.

New Manufactures

Referring to the progress made by the industry in recent years, Mr. Shah said that safety glass was produced in 1956 for the first time in India. So was sheet glass of certain thinner and thicker varieties. The industry had willingly reduced the price of penicillin vials to help the indigenous drug industry. Before the end of 1957, the production of glass building blocks, insulators, glass wool and synthetic stones was expected to start and the Methupalayam in south India, was likely to begin production in April. The Minister told the meeting that the preliminary report of the Russian team of experts on the setting up of an optical glass plant in the public sector, with Russian collaboration, was being examined by Government technical experts.

Mr. Shah stressed the need to develop export markets for Indian glass and glassware. He was

glad to note that India's imports of glass and glassware had gone down from Rs. 3.65 crores in 1947-48 to Rs. 1.63 crores in 1955-56. Last year the country exported glass and glassware worth Rs. 28 lakhs. Mr. Shah was of the opinion that this was a small amount considering the large surplus capacity in the industry. He, therefore, urged producers to try to develop a good export market. An Export Promotion Council for chemicals and refractories was being set up by the Government and Mr. Shah hoped that this would considerably help in promoting exports of glass and glassware.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August 1939=100) declined by 0.2 percent to 420.8 during the week ended 16th March, compared with 421.5 (revised) for the earlier week. The index was lower by 0.8 percent when compared with the corresponding week of the previous month, but was higher by 2.3 percent than that of last year. Prices of tea (+4%) and wheat in Hapur (+2%) showed a decline while jowar (+2%) and bajra and dal arhar (+1%) advanced and the index for Food Articles worked out to 402.3 compared with 402.4 (revised) for the earlier week. A fall of 1.0 percent to 514.1 compared with 519.3 (revised) for the earlier week in the index for Industrial Raw Materials was brought about by a decline in the prices of manganese ore (average export price) (-37%), rapeseed in Bombay (-12%), lac (-4%), gingellyseed in Jhansi and raw silk (-3% each) and linseed in Calcutta and copra (-1% each) although the prices of linseed (+4%) and gingellyseed (+2%) both in Bombay, rapeseed in Calcutta (+3%) and castorseed in Bombay and raw cotton (+1% each) were marked up. The index for Semi-Manufactures went up by 0.1 percent to 404.1 compared with 403.7 (revised) for the previous week. Items which showed noticeable changes during the week were: groundnut oil (+3%) and linseed oil (+2%) both in Bombay, buffalo hides and gingelly cake (+2% each), groundnut cake (-3%) and cowhides (-2%). The index for the Manufactures group stood at 384.5 compared with 384.2 for the earlier week; the price of jute manufactures (+1%) witnessed a rise while glass (-1%) went down. A decline in the prices of betelnuts in Calcutta (-2%) and black pepper, and chillies (-1% each) was responsible for a fall of 0.3 percent to 567.9 in the index for the Miscellaneous group.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year Ended August, 1939=100)

Groups and Sub-Groups		Week Ended			
		16-3-57	9-3-57	16-2-57	17-3-56
I	Food Articles :	402.3	402.4 (R)	407.7	354.0
	Cereals	525	524 (R)	530*	444
	Pulses	448	446	439	384
	Others	243	245 (R)	250	232
II	Industrial Raw Materials :	514.1	519.3 (R)	517.5	474.6
	Fibres	504	502 (R)	500	470
	Oilseeds	558*	563	568	509
	Minerals	518	569	552*	453
	Others	413	415	410	405*
	III	Semi-Manu- factures :	404.1	403.7 (R)	408.4 (R)	370.1
Leather		410	410	410	408
Mineral oils		210	210	210	208
Vegetable oils		561	579	608	490
Cotton yarn		485	484	487*	451
Metals		328	328	327	282
Oil cakes		418	421	434	391
Others		387	387 (R)	388 (R)	364
V		Miscellaneous :	384.5	384.2	385.0 (R)	375.3
	Textiles	411	411	413	408
	Jute	416	413	424	412
	Cotton	414*	414*	414*	403*
	Rayon and Silk	442*	442*	442*	502*
	Woolen	266	266	266	278
	Metal products	392	392	392 (R)	371
	Others	302	302	301	285
	IV	Manufactures :	567.9	569.7	577.7 (R)	512.9
All Commodities:		420.8	421.5 (R)	424.3 (R)	388.4
R. = Revised.		* = Estimated.			

Calcutta Markets

DUST PRICES DECLINE

A T Sale No. 40, held on 3rd April. Dust offerings consisted of 22,511 chests. An easier tendency prevailed. In the early part of the Sale, most kinds except for the exportable types were up to 6 nP lower. As the Sale progressed, prices further declined and at the close were occasionally as much as 12 nP below last rates. Clean black exportable types opened about firm but eased as the Sale progressed. The plainer liquoring C.T.C. Assams were the weakest feature of the Sale and were as much as 20 nP easier but the few lines of good C.T.C.'s with bright liquors met with a good demand.

Quotations		1957		1956	
		Rs.		Rs.	
Medium Donsar Dust	1.58 to 1.62		1.11	0 to 1.12	0
Medium Assam Grainy					
Dust	1.70		1.12	9 to 1.14	9
Medium Assam CTC Dust	1.94 to 2.00				
Best Assam CTC Dust	2.75		2.14	0 to 3	0

Other grades offered amounted to 5,028 chests. There was a strong general demand but at irregular rates.

FREIGHT MARKETS QUIET

THE freight markets were quiet last week with rates somewhat irregular, although the trans-Atlantic coal trade remained fairly steady at 72s. Grain rates however fell 50 cents to \$11.75 for Gulf-Continent, but Pacific-Bombay rose by 10s to 180s. In the Indian ore trade, Mormugao-Continent was done at 117s and Mormugao-Japan at \$11.67. In the local coal trade, a small ship was fixed to Chittagong at 53s 6d and another to Madagascar at an undisclosed rate. In the sale and purchase market, a Liberty changed hands at £410,000 which shows a sharp decline from the peak price of £670,000 paid in December, 1956.

LINSEED INACTIVE

Somewhat quieter conditions prevailed during the past week and prices declined to slightly lower levels. Crushers were chiefly interested in ready and near positions, and trading was limited by the current shortage of goods. The oil market was rather dull, and shippers were reserved, despite lower offers from sellers. Latest quotations were as follows: March Rs. 21-10 a maund and April-May Rs. 20-12 a maund.

SUGAR DULL

During the week ended 3rd April, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 5,500 bags and stocks totalled 75,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31-4 for ordinary grain and Rs. 33-4 for big grain. The market remained quiet.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 26th March and 1st April, 1957)
Cowhides: Wet salted (Ord.) 26,500 pcs on the basis of Rs. 6-2 to Rs. 9-4; Wet salted (Slaughtered) 21,800 pcs. on the basis of Rs. 12-8 to Rs. 22.
Goatskins: Wet salted (Daissee, Killed) 66,000 pcs. on the basis of Rs. 310 to Rs. 320. Rs. 345 to Rs. 365 and Rs. 380 to Rs. 390; Purneah-Kissenganj-Malda 27,000 pcs. on the basis of Rs. 290 to Rs. 345; Pakur-Patna 18,400 pcs. on the basis of Rs. 260 to Rs. 271; Muzafferpore-Patna 54,200 pcs. on the basis of Rs. 290 to Rs. 315.

Bazaar Stocks

(1st April, 1957)
Cowhides: Wet salted 3,20,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 4,20,000 pcs.; Assam-Dinajpur 50,400 pcs.; Muzafferpore - Patna - Purneah - Kissenganj 1,22,000 pcs.

SHELLAC MARKET STEADY

During the week ended 2nd April, the market was steady. The range of quotations was as follows:

Pure Buttonlac	Rs. 102, 101, 100 value.
Lemon No. 1 Shellac	Rs. 104-8, 103, 102-8 buyers.
Lemon No. 2 Shellac	Rs. 96-8, 95, 96 buyers.
F.O. Std. 1 Shellac	Rs. 90-8, 88-8 90 buyers.
Pure TN Shellac	Rs. 86 buyers; 85 basis done, Rs. 84 buyers; 85 basis done buyers.
4% I.T.N. Shellac	Rs. 75-8, 73-8, 74-8 buyers.
No. 1 Kusmi Seedlac	Rs. 92, 90 buyers.
No. 2 Kusmi Seedlac	Rs. 87, 85, 88 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 86, 84, 84-8 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 84, 81-8, 82-8 buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 78, 75-8, 76 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 73, 70, 70-8 buyers.
Kireelac	Rs. 38 30 buyers.

Shipments during March until the 27th were 25,154 packages comprising shellac 15,858 packages; seedlac 5,960 packages; buttonlac 604 packages and others 2,702 packages.

COMPANY AND PUBLIC NOTICES

MARSHALL SONS & CO. (INDIA) LTD.

NOTICE is hereby given that the Thirty-third Annual General Meeting of the members of Marshall Sons and Company (India) Ltd. will be held on 30th day of April, 1957 at 10-00 a.m. at the Registered Office of the Company, No. 33/1, Netaji Subhas Road, Calcutta, to transact the following business:—

- To receive and adopt the Directors' Report and audited Balance Sheet and Profit and Loss Account for the year ended 30th June, 1956.
- To declare a dividend.
- To elect Directors.
- To appoint Auditors for the current year and to fix their remuneration.

5. As Special Business, to consider and, if thought fit, to pass the following resolution as a Special Resolution:—

"That the regulations set out in the printed document submitted to this Meeting and for the purpose of identification subscribed by the Chairman thereof be and the same are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles thereof."

The Share Transfer Books of the Company will remain closed from 16th April, 1957 to 30th April, 1957, both days inclusive.

As dividend warrants are sent only to registered shareholders or to their mandates shares on blank transfer should be submitted with completed deeds for transfer registration before the transfer books are closed.

By Order of the Board,

MARSHALLS (DIRECTION) PRIVATE LIMITED,
 Managing Agents,
 F. C. KRATY,
 Managing Director.

33/1, Netaji Subhas Road,
 Calcutta, 4th April, 1957.

The Dividend when sanctioned will be payable on and after 21st May, 1957 to those Shareholders whose names stand on the Register on 16th April, 1957.

EXPLANATORY STATEMENT.

Your Directors consider that it is desirable in the best interests of the Company that it should possess a set of up to date Articles of Association reflecting the numerous changes in the law relating to companies which have taken place since the existing Articles of your Company were framed in 1919. The new Articles now presented to you for adoption have accordingly been drawn up to conform to the present state of the law. They also include a section (Articles 130 to 134) defining the position of the Managing Agents in relation to the Company in the light of the Agreement recently submitted to and approved by the shareholders and later by the Central Government.

To the Shareholders of Marshall Sons & Co. (India) Limited and in particular to:—

Mr. Mark Burton, Mr. J. Hugh Marshall, Mr. L. F. Warren, Mr. Jeribhai Hormusji, Miss M. Reid, Mr. W. S. Watson, Mr. M. C. Dubash (decd.), Mr. P. J. D'Souza, Mr. F. C. Nelson, Mr. A. E. Kinsey, Mr. Shantishokharswar Ray, Mr. W. S. Beech, Mrs. M. G. Thorpe, Mrs. A. Hequet, Messrs. Kalidas Bashak, Paresch Ch. Bashak, Naresh Ch. Bashak & Ashim Kumar Bashak (minors represented by their mother, Sm. Rajeshwari Bashak), Mrs. M. H. B. Morton, Mrs. M. H. Softly, Mrs. M. S. Redpath, Mrs. S. H. Goss, Mr. I. L. Watson, Mrs. E. S. Fink, Mrs. L. M. Stanley (decd.), Mr. R. C. M. Short, Mrs. Gole Anar Bibi, Messrs. Marshall Sons & Co. Ltd., Maj. C. H. H. Young & Mrs. I. H. Young, Mr. Ghulam Murshed, Mr. Abdullah Rahimtullah, Mrs. Virbaiji Pestonji Dastur & Fareedon Pestonji Dastur, Mr. E. J. Ellis, Brig. Col. Indra Bahadur Dastur, Mr. J. R. Hunter, Mr. Lal Ram Sharan Singh, Mr. J. R. Kay, Mrs. K. J. Legge, Mr. P. E. Perry, Mrs. E. E. Mitchell, Mr. C. W. Anderson, Mr. G. A. Rainey, Mrs. J. E. Arbuckle, Mr. D. Yule, Mrs. H. M. Bassett, Mrs. E. M. Collingwood, Mrs. E. F. Nepean, Mr. T. S. Cockburn, Messrs. W. E. Witt, G. W. Taylor & H. C. Nelson Extrs. to the Est. of Mrs. M. J. F. Witt (decd.), Miss N. Kelly, Mrs. Elizabeth Cook, Mr. H. T. Bates (decd.), Mrs. M. G. Annan, Messrs. K. Mistry & N. K. Mistry, Mr. A. Viegas, Mr. C. Viegas, Mr. T. Viegas, Mr. N. Viegas, Mr. S. J. Beda Bhakta Laxmi Debi & Mrigendra S. S. Jung Bahadur Rana, Messrs D. F. Virjee, F. D. Virjee & R. F. Virjee.

DUNCAN BROTHERS & CO. LD.

NOTICE is hereby given that Mr. Raymond Louis Mellor and Mr. Peter Frederick Pepperell have been granted power to sign "per procurator" on behalf of the Company with effect from 1st April, 1957.

S. H. DAVIES,
 Director.

SHREE KRISHNA GYANODAY SUGAR LIMITED.

NOTICE is hereby given that the 22nd Annual General Meeting of the Shareholders of the Company will be held at the Registered Office of the Company at Dalmianagar on Tuesday the 30th April, 1957 at 11-30 A.M. to transact the following business:—

- To receive and adopt the Directors' Report and the Audited Accounts of the Company for the year ended 31st July, 1956.
- To declare dividends (free of Income-tax) at Rs. 6/- per share on 'A' Class Preference Shares, Rs. 5/- per share on 'B' Class Preference Shares and Re. 1/- per Ordinary Share (existing on the 31st July, 1956) for the year ended July, 1956.
- To elect a Director in place of the retiring Director, Shri M. R. Sonthalia who retires by rotation under Article 106 of the Articles of Association of the Company, being eligible, offers himself for re-election.
- To appoint Auditors for the current year and to fix their remuneration. Messrs. the Singh & Co., Chartered Accountants, the retiring Auditors, being eligible, offer themselves for re-appointment.
- Any other business that under the Articles of Association of the Company may be transacted at an Annual General Meeting.

The Share Transfer Books of the Company will remain closed from 24th April, 1957 to 30th April, 1957, both days inclusive.

By Order of the Board,
 J. P. SAXENA,
 Secretary.

Dalmianagar,
 the 4th April, 1957.

N.B. 1. A member entitled to attend and vote at the meeting is entitled to appoint a Proxy to attend and vote instead of himself and a Proxy need not be a member.

2. Payment of dividend when declared will be made only to those members whose names are registered in the books of the Company on the 30th April, 1957 or to their mandates.

THE BELSUND SUGAR COMPANY LIMITED. NOTICE

THE Annual Ordinary General Meeting of Shareholders will be held at the Registered Office of the Company, 14, Netaji Subhas Road, Calcutta-1, on Monday, the 6th May, 1957 at 11-45 A.M. for the purpose of receiving the Directors' and Auditors' Report for the year ended 30th September, 1956, passing the Accounts, declaring Dividend, electing Directors and Auditors in place of those retiring and transacting any other ordinary business that may be brought forward.

The Share Transfer Books of the Company will remain closed from 22nd April, 1957 to 6th May, 1957, both days inclusive.

The Dividend Warrants will be sent to Registered Shareholders.

By Order of the Board,
 Per Pro. BANGUR BROTHERS LTD.,
 B. G. BANGUR,
 Managing Agents.

14, Netaji Subhas Road,
 Calcutta

Dated, 28th March, 1957.

N.B.—A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

THE INDIAN IRON & STEEL CO. LTD.

NOTICE is hereby given that the Board of Directors have sanctioned payment of dividend on the Preference Share Capital of the Company at the rate of 5% per annum for the half-year ending 31st March, 1957.

The Preference Share Registers will be closed from the 8th to the 9th April, 1957, both days inclusive. Payment will be made on or after the 1st May, 1957, to those Preference Shareholders whose names are on the Company's Register on the 9th April, 1957 or in accordance with their instructions.

By Order of the Board,
 MARTIN BURN LTD.,
 F. G. LIVERSEDGE,
 Managing Director,
 Managing Agents.

12, Mission Row,
 Calcutta,
 30th March, 1957.

THE TITAGHUR PAPER MILLS COMPANY LIMITED.

NOTICE OF INTERIM DIVIDENDS:

THE Board of Directors of the above Company has sanctioned payment of the following Interim Dividends in respect of the Company's Financial year ending 31st March, 1957, without any deduction for Income Tax payable by the Company.

On 8% 1st Cumulative Preference Shares	Rs. 4/- per share
On 4½% 2nd Cumulative Preference Shares	" 2/4 " "
On Preferred Ordinary Shares	Annas 2 " "
On "A" & "B" Ordinary Shares	Dividend @ Annas 14 " "
	and Bonus " 4 " "

These Dividends will be payable on or after 30th April, 1957 to those Shareholders (or their mandates) whose names appear in the Company's books on 18th April, 1957, as the Registered holders of the above Shares.

The Share Transfer Registers of the Company will be closed from 8th to 18th April, 1957, both days inclusive.

By Order of the Board,
 F. W. HEILGERS & CO. (PRIVATE) LIMITED,
 Managing Agents.
 Chartered Bank Buildings,
 Calcutta, 28th March, 1957.

THE SOUTH KANPUR COAL COMPANY LIMITED.

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Wednesday the 1st May, 1957, at 11 A.M. for the following purposes.

- To consider and approve the Audited Accounts of the Company for the year ended 31st August, 1956, and to receive the Directors' and Auditors' Reports thereon.
- To declare the Dividend recommended by the Directors.
- To appoint a Director in place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from the 17th April to the 1st May, 1957, both days inclusive.

By Order of the Board,
 BIRD & CO. (PRIVATE) LTD.,
 Managing Agents.
 Calcutta, 28th March, 1957.

Note: (a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The Dividend, if declared, will be paid on or after the 9th May, 1957, to those shareholders so entitled whose names appear in the Company's books on the 1st May, 1957, or to their Mandates. No application for Dividend Warrants will be necessary.

THE SOUTH KANPUR COAL COMPANY LIMITED.

AT a Meeting of the Board of Directors held on 28th March, 1957, a Dividend of 31 per cent per annum was recommended to be paid for the year ended 31st August, 1956, without any deduction for Income-tax payable by the Company.

By Order of the Board,
 BIRD & CO. (PRIVATE) LIMITED,
 Managing Agents.
 Chartered Bank Buildings,
 Calcutta.

TEZPORE TEA COMPANY, LIMITED.

NOTICE is hereby given that the period for submission to the Company of Fractional Certificates for allotment of fully paid Ordinary Shares in lieu thereof in regard to the issue of Bonus Shares on 12th December, 1955, has been further extended to 31st December, 1957.

By Order of the Board,
 SHAW WALLACE & COMPANY LTD.,
 Managing Agents.
 Calcutta, 28th March, 1957.

DUNCAN BROTHERS & CO. LD.

NOTICE is hereby given that Mr. Geoffrey Edward Hoare has been appointed a Departmental Manager of the Company as from 1st April, 1957.

By Order of the Board,
 S. H. DAVIES,
 Director.

BENARES ELECTRIC LIGHT & POWER COMPANY, LIMITED.

NOTICE is hereby given that the Fifty-seventh Ordinary General Meeting (not being an Annual General Meeting) of the abovenamed Company will be held at its Registered Office No. 12, Mission Row, Calcutta, on Monday, the 29th April, 1957, at 11-0 a.m. for the following purposes:—

- To receive and adopt the Audited Accounts for the half-year ended 30th June, 1956, and the Directors' and the Auditors' Reports thereon.
- To declare a dividend.

The Register of ordinary shareholders of the Company and the Transfer Books will be closed from the 23rd April, 1957 to the 29th April, 1957, both days inclusive.

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

By Order of the Board,
 MARTIN BURN LTD.,
 F. G. LIVERSEDGE,
 Managing Director,
 Managing Agents.

12, Mission Row,
 Calcutta-1.

The 3rd April, 1957.

EXPLANATORY STATEMENT.

N.B.—This meeting is being convened to consider the accounts for the half-year ended 30th June, 1956, in accordance with the provisions of the Company's Articles of Association.

DALMIA CEMENT (BHARAT) LIMITED

Registered Office: Dalmiapuram (Madras State)
 NOTICE

THE time for sending acceptances against the Letters of Right in connection with the fresh issue of capital by the Company has been extended till 30th April, 1957. Acceptances which are not duly received on or before the said date will not be considered.

By Order of the Board of Directors,
 For DALMIA CEMENT (BHARAT) LIMITED,
 For HARI BROTHERS PRIVATE LIMITED,

J. DALMIA,
 Director,
 Managing Agents.

Dated: 25th March, 1957.

MR. JOHN EDWIN ANDREWS is authorised to sign PER PROCURATIONEM on behalf of the Company in all matters relating to their Tea Department from the 1st April, 1957.

J. THOMAS & CO. PRIVATE LTD.

Calcutta, 31st March, 1957.

MR. JOHN RICHARD BALLANTYNE KEAN is authorised to sign PER PROCURATIONEM on behalf of the Company in all matters relating to their Gunny Department from the 1st April, 1957.

J. THOMAS & CO. PRIVATE LTD.

Calcutta, 31st March, 1957.

The Company Meetings and Dividends Table appears on page 479

MR. DOUGLAS MILLAR McINTOSH is authorised to sign PER PROCURATIONEM on behalf of the Company in all matters relating to their Tea Department from the 1st April, 1957.

J. THOMAS & CO. PRIVATE LTD.

Calcutta, 31st March, 1957.

The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited).
 (Established—December, 1911.)
 Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY-1.

Authorized Capital	Rs. 6,30,00,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,02,77,122
Deposits as at 31-12-56	Rs. 1,39,01,90,571

DIRECTORS

Sir Homi Mody, K.B.E. (Chairman), Cooverji Hormusji Bhambhani, Esq. (Vice-Chairman), Dineshwar D. Banner, Esq., Dharamsey Mulraj Khatri, Esq., Manmohan Das Madhavdas Amersy Esq., C. P. Wadia, Esq., Chimanlal B. Parikh, Esq., Pramroze J. Gadgil, Esq., Sir Jamsetjee Jeejeebhoy, Bart., B. B. Hichewse, Sir Jivajirao Madhavrao Seindhia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

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

London Branch:—139, Fenchurch Street, London, E.C.3. New York Agents:—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.

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

LOCAL BRANCHES

Calcutta:—33, Netaji Subhas Road—Ballygunj—200/2C, Rash Behari Avenue, Barabazar—71, Cross Street, Bowbazar—8A, Russa Road, Harkhola—100, Sova Bazar, New Market, 10, Lindsay Street, Shambazar—133, Cornwallis Street, Howrah—28-A, Grand Trunk Road.

Branches in West Bengal:—Asansol, Bankura, Burdwan, Jalpaiguri, Kalimpong, Puriha, Raiganj and Siliguri.

Branches in East Pakistan:—Chittagong, Dacca, Dinajpur, Khulnaguri, Mirkadam, Mymensingh, Narayanaganj, Rangpur.

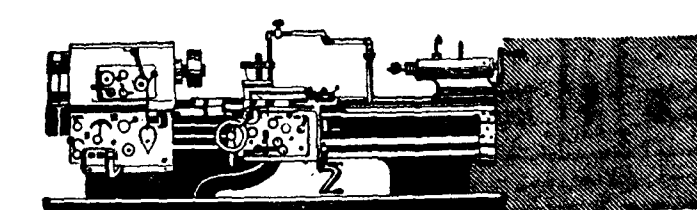
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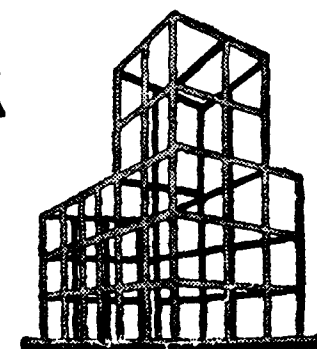
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* Gross Stock

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs. 3-4-57 27-3-57 A year ago
25,50,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,390	28,610	32-5 61-7 5-...	10 17 17 23
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	71-7 81-8	200 442 445 548
4,49,350	3,08,192	70,000	2,24,302	Bengal Bhatdee	6-12	2	15,149	4,951	11-11	10 68 68 76
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil	10 16 16 16
15,97,000	14,16,665	6,91,475	13,32,076	Bhalgorah	9	152	8,13,899	39,978	11-11	10 5 5 5 7 7
40,00,000	68,01,474	20,23,235	32,65,321	Bharat Collieries P	6	335	2,52,221	27,433	61	10 6 6 6 8
7,15,000	16,83,291	14,29,045	68,704	Bhulanbarree	6-12	106	1,87,446	20,810	Nil-Nil	10 13 14 13
16,00,000	18,87,275	16,18,636	7,188	Bokarr & Ramgaur	6-12	315	1,21,936	79,196	10-10	10 121 124 14
7,50,000	18,56,889	24,23,024	11,80,061	Borras P	6-12	106	1,21,682	84,207	10-10	10 203 203 264
99,92,480	2,39,17,614	1,75,02,136	28,93,839	Burrakur P	6-12	21	7,43,659	36,168	21-31	10 211 211 244
49,97,000	34,53,430	75	3,65,990	Central India	3	166	2,45,758	9,927	24	10 6 6 6 7 7
6,00,000	16,67,572	13,30,919	15,752	Central Kurkend P	6-12	323	34,743	82,768	11-11	10 123 124 11
6,00,000	1,43,676	7,32,536	7,32,536	Churulia	6-12	106	6,374	2,129	11-11	10 113 113 11
16,00,000	24,00,428	Nil	50,309	Churni Main	6-12	19	60,039	1,83,318	Nil-Nil	10 6 6 6 6
2,40,000	2,23,116	3,31,125	1,140,349	East Indian	6-12	128	2,96,155	2,58,922	181	10 203 203 321
29,63,766	1,15,25,711	83,55,049	24,17,694	Equitable P	6-12	19	8,87,453	32,379	71-7 71-7	10 203 203 321
10,00,000	6,74,708	2,07,486	3,32,977	Ghusick & Mustia	3	307	12,979	24,844	71-7 71-7	10 15 15 17 17
6,50,000	5,08,856	33,155	4,95,544	Juzdar Kajora	6-12	20	24,150	2,401	10-10	10 11 11 14 14
8,00,000	3,17,780	1,25,000	7,92,425	Huriladih	6-12	19	2,70,524	45,985	71-10 124-124	10 223 223 223
3,50,000	6,31,206	5,66,816	1,407	Kalaphari	2-8	2	1,38,130	2,21,237	Nil-Nil	10 224 224 224
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	10 100 100 100
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil-10	10 97 97 145
5,00,000	10,23,548	16,80,000	11,25,394	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28	10 94 94 94
1,38,400	6,75,006	95,000	11,80,292	Khas Kajora P	6-12	326	49,776	1,918	25-30	10 94 94 94
5,65,750	10,84,977	85,000	9,599	Mundulpur	6-12	326	79,868	79,868	Nil-5	10 21 21 3 3
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	12	347	92,517	31,201	31-7 31-7	10 613 613 101
7,00,000	5,13,418	26,617	61,841	New Bhandeopur	3-9	9	59,011	6,071	31-7 31-7	10 10 10 10 10
17,76,236	31,18,787	20,01,762	3,78,538	New Beerbhoom P	4-10	2	2,64,716	94,393	31-7 31-7	10 151 151 20
6,00,000	11,61,646	15,000	46,831	New Vanbhoom	3	202	46,201	70,222	Nil-Nil	10 151 151 11
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	Nil-10	10 101 101 11
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil	10 173 173 173
7,50,000	1,20,000	12,19,987	23,26,751	Ondal P	6-12	106	22,197	56,646	5-5 5-5	10 154 154 154
8,34,000	9,21,342	10,862	4,36,017	Parasee P	6-12	207	1,08,075	8,018	31-7 31-7	10 144 144 144
15,75,000	13,39,443	16,50,000	13,39,443	Parasee Valley	3-5	336	2,48,261	33,734	31-7 31-7	10 144 144 144
2,50,000	2,62,405	7,500	11,59	Pura Sitapur	6-12	5	2,008	18,581	21-21	10 11 11 11
23,99,500	36,99,424	20,17,105	67,938	Raneegunge	3-9	79	3,67,448	23,188	21-21	10 11 11 11
8,80,001	10,45,115	15,51,501	14,29,643	Rewa	6-12	236	1,44,394	15,614	71-7 71-7	10 191 191 191
20,00,000	23,74,261	7,52,021	1,01,427	Samia	12	48	1,80,660	31,543	71	10 124 124 124
2,50,000	1,56,194	1,34,374	11,356	Seapole	1	353	88,009	11,078	25	10 12 12 12
2,80,000	10,82,180	3,36,588	7,87,721	Seepore P	6-12	2	2,42,112	49,299	30	10 51 51 51
6,00,000	3,624	5,29,306	6,32,751	Sendra	6-12	106	4,098	7,503	Nil-11	10 293 293 9
17,50,000	22,81,985	10,75,016	63,654	South Karanpura	2-8	21	59,079	51,533	11-11	10 9 9 9
6,00,000	1,42,060	14,01,053	23,30,817	Standard	12	106	70,093	17,411	5-5	10 203 203 203
10,00,000	15,58,085	15,075	1,913	Talcher	9	277	22,689	3,85,056	Nil	10 24 24 24
3,50,000	3,62,000	3,47,000	12,886	Union	6-12	270	1,049	4,09,468	21-21	10 143 143 143
49,98,000	33,66,556	50,000	2,17,164	Western Bengal	3	166	4,09,468	7,282	31	10 54 54 54
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	Nil-Nil	10 81 81 81

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share:	Latest Market Quotations as available until		A year ago
	Spindles	Looms									1954	1955	1956		3-4-57	27-3-57	
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.		
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227				10	5 1/2	5 1/2	6
32,72,340	22,197	305	17,69,676	23,18,909	24,551	Benares P	3-9	120	1,27,187	4,79,347				10	4	4	38
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	4	27	5,66,176	47,818				40	40	40	101
27,00,000	11,476	624	23,53,000	15,30,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,399	18,199				10	7 1/2	7 1/2	95
15,00,000	38,764	992	28,31,200	88,48,588	31,22,417	Birle Cotton	1	22	16,59,225	2,76,936				10	30 1/2	30 1/2	165
6,00,000	42,872	641	17,34,142	22,72,588	1,44,348	Bowren P	6-12	138	3,40,225	23,47,372	Nil—Nil	30	15	100	120	120	9
30,00,000	32,000	610	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	Nil—5			100	12 1/2	12 1/2	38
2,27,32,900	1,01,808	2,762	3,94,63,168	2,74,48,399	2,94,83,802	Delhi Cloth & Genl P	6	23	1,81,41,278	82,759	9			25	35 1/2	35 1/2	38
1,00,563	42,944	318	44,12,181	53,71,925	1,53,884	Dunbar	6-12	138	9,92,376	1,37,951	Nil—Nil	Nil—2 1/2		100	175	191	261
19,30,000	54,000	1,290	18,99,926	93,47,056	71,13,555	Elgin P	9	25	45,81,868	78,754	10	12 1/2		10	25	25	18
1,20,00,000	59,250	1,872	2,38,99,145	1,60,53,952	17,29,268	Kesoram P	3	22	37,41,719	2,45,435	8 1/2	8 1/2		20	14	14 1/2	107
6,00,000	58,654	864	17,48,143	3,75,679	14,08,655	Mohini P	12	45	9,53,314	5,158				25	—	—	—
33,96,288	8,000	1,825	47,44,546	52,19,601	12,85,065	Muir P	12	208	18,77,941	7,77,290				10	75	75	107
22,89,382	8,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473				2 1/2	1 1/2	1 1/2	11
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	5 1/2	10		100	16 1/2	16 1/2	111
1,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,025	Nil	34		1	3	3	101
1,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,025	Nil	34		10	12 1/2	12 1/2	101
40,50,000	68,754	1,310	91,31,708	1,89,73,217	43,89,974	Bangalore W. C. Silk P	12	26	56,34,838	2,38,649	30	30		100	580	580	570
1,70,47,800	1,20,012	2,770	1,20,71,600	1,39,32,478	23,80,514	Bukingham Carnatic P	12	26	1,01,66,075	2,38,445	10	10		100	174	174	181
20,00,000	28,000	...	18,03,003	20,32,074	11,26,233	Lambodia P	12	210	1,96,274	27,593	Nil	5		10	14	14 1/2	35
12,00,000	3,864	...	3,41,058	3,00,000	18,53,502	Loimbatore Cotton	12	186	3,53,750	61,404				100	355	355 x.d.	89
70,79,000	12,832	407	47,91,212	7,98,681	22,227	Loimbatore Spg & Wvg	6	46	7,52,342	10,23,342				50	83	88	315
6,50,000	30,640	295	12,25,505	17,90,300	8,77,434	Kaleswarar	138	2,05,780	1,677					100	335	335	191
24,00,000	30,512	200	60,83,320	19,25,000	4,09,960	Kothari Textile P	6	141	6,24,560	42,942	5	10		10	15 1/2	15 1/2	10
23,64,000	48,756	...	15,01,051	11,70,200	78,350	Lakshmi	12	186	11,41,248	2,209				50	130	132	196
1,75,02,480	4,65,324	...	2,06,03,942	4,13,81,878	1,14,98,962	Madura	12	108	95,70,251	32,44,130	20	20	17 1/2	15	43 1/2	45 1/2	41 1/2
12,00,000	1,856	...	1,43,189	3,59,463	10,72,499	Malabar Spg & Wvg	12	24	49,193	64,039				200	109	109	109
60,00,000	4,252	603	20,49,893	69,00,000	19,91,035	Mettur Industries	29	18,44,863	...	...	35	35		100	427 1/2	430	41 1/2
13,61,786	3,000	...	14,15,992	3,90,274	1,34,663	Mettur Spg & Wvg	12	142	1,753	3,986	Nil			10	8 1/2	8 1/2	166
4,00,000	1,307	Nil	1,36,606	3,00,000	14,24,300	Palani Andover P	12	30	7,39,437	2,687				50	147	147	176
7,79,700	15,540	416	12,82,518	1,43,421	2,65,911	Sitaram Spg & Wvg	12	164	87,724	3,083				50	147	147	176
7,00,000	18,100	270	4,98,163	18,23,501	1,71,924	Vasanta P	12	47	16,37,450	...				100	310	310	297

1 Liquid Assets.

BOMBAY COTTON MILLS

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

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue under Tea	Output and Average Price realised for crop		Estimated 1956	NAMES	Accounts closed	Managing Agents	Net Profit including Taxation	Dividends per cent			Paid-up Capital	Latest Market Quotations as available until		
				1954	1955						1952	1954	1955		3-4-57	27-3-57	1 year ago
Rs.	Rs.	Rs.	Rs.	Lbs.	As P	Lbs.	As P	Lbs.	As P	Lbs.	As P	As P	Rs.	Rs.	Rs.	Rs.	
CACHAR																	
3,00,000	1,40,887	1,75,606	862	2,89,041	39-11	..	..	..	..	..	..	..	..	12	12	12	
4,00,000	2,26,259	1,98,785	146	..	..	..	..	..	..	..	..	..	..	10	104	114	
10,00,000	18,22,881	5,88,800	1,486	1,90,263	40-10	8,40,392	32-4	8,13,449	..	..	..	..	..	100	654	652	
2,00,000	37,752	..	..	7,00,454	4-2 1/2	7,07,748	4-0	7,44,000	..	..	..	..	..	100	65	116	
12,00,000	1,07,190	11,000	646	1,91,321	38-4	3,91,440	28-6	4,40,000	..	..	..	..	..	100	9 1/2	9 1/2	
12,00,000	17,92,487	11,50,000	1,152	17,59,921	35-6	16,36,400	24-1	16,00,000	..	..	..	..	..	100	16 1/2	16 1/2	
4,50,000	2,49,000	1,65,222	584	..	..	..	..	..	..	..	..	..	..	100	102	102	
3,60,000	3,21,914	3,24,391	603	1,40,501	16-4	3,48,445	27-6	3,36,000	..	..	..	..	..	100	102	20	
7,00,000	1,25,000	5,50,000	1,368	7,33,287	47-6	7,86,038	26-7	8,00,000	..	..	..	..	..	100	104	104	
2,50,000	1,18,068	..	..	3,68,960	38-0	4,86,080	23-11	1,80,000	..	..	..	..	..	100	264	264	
2,00,000	4,34,315	3,56,592	618	..	..	6,76,240	25-11	6,40,000	..	..	..	..	..	100	264	264	
5,25,000	8,87,291	10,42,866	588	3,76,890	47-11	7,25,980	29-3	6,00,000	..	..	..	..	..	100	9 1/2	9 1/2	
4,00,000	8,88,316	5,32,313	662	4,49,136	36-7 1/2	..	..	..	..	..	..	..	..	100	22	22	
3,75,000	5,02,307	4,31,256	1,050	4,63,321	..	..	..	..	..	..	..	..	..	100	97	131	
..	..	..	..	..	..	..	..	..	..	..	..	..	..	100	15	15	
..	..	..	..	..	..	..	..	..	..	..	..	..	..	100	12	12	
DARJEELING																	
3,99,156	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	..	..	..	..	..	2	2	31	
2,70,000	3,07,500	1,25,000	407	1,41,174	32-6	1,44,772	46-8 1/2	1,76,000	..	..	..	..	..	10	154	171	
3,75,000	1,75,800	3,11,928	991	..	..	..	..	..	..	..	..	..	..	100	175	250	
2,00,000	1,84,414	1,62,639	688	1,35,766	32-5	1,27,760	38-9	1,28,000	..	..	..	..	..	100	175	250	
2,00,000	5,08,900	3,44,549	500	2,84,204	19-11	2,35,761	33-9 1/2	2,54,000	..	..	..	..	..	100	190	432	
10,00,000	6,59,000	2,60,770	1,049	5,33,141	38-3 1/2	6,18,736	42-3 1/2	6,72,000	..	..	..	..	..	100	25	30 1/2	
1,00,000	1,51,576	1,11,111	161	1,24,511	18-11	..	..	..	..	..	..	..	..	100	25	30 1/2	
1,50,000	3,12,081	4,00,225	311	3,39,940	37-11	3,53,520	36-7	3,68,000	..	..	..	..	..	100	11 1/2	13 1/2	
2,00,000	2,36,770	3,50,239	618	1,65,441	30-6	1,65,441	30-6	1,84,000	..	..	..	..	..	100	164	181	
2,00,000	3,67,500	2,95,000	685	4,35,016	33-4	4,34,342	30-1	4,40,000	..	..	..	..	..	100	255	309	
1,00,000	2,23,710	97,647	505	1,81,137	55-3	1,68,126	38-4	1,80,000	..	..	..	..	..	100	224	271	
3,30,000	1,52,668	2,61,116	776	1,68,697	30-8	1,64,824	37-11	1,76,000	..	..	..	..	..	100	600	600	
3,00,000	3,83,067	4,09,567	500	1,38,141	38-8	1,27,541	35-11	1,60,000	..	..	..	..	..	100	20	20	
2,05,000	4,30,000	2,07,813	370	1,89,728	38-4	1,67,840	41-4	1,76,000	..	..	..	..	..	100	114	123	
1,40,000	1,59,062	4,65,653	341	1,77,704	38-3	1,59,385	35-0	1,68,000	..	..	..	..	..	100	10	390	
3,00,000	3,33,822	1,86,462	389	2,05,337	..	..	..	..	..	..	..	..	..	100	408	390	
6,25,000	1,98,413	1,45,949	747	2,64,000	30-4 1/2	..	..	..	..	..	..	..	..	100	13 1/2	20	
9,00,000	9,08,557	1,54,418	583	2,89,738	30-3 1/2	2,90,650	41-11 1/2	2,96,000	..	..	..	..	..	100	201	361	
3,00,000	3,24,400	4,10,000	554	1,76,300	34-5	3,74,890	39-3 1/2	3,84,000	..	..	..	..	..	100	6	6	
6,25,000	12,36,873	5,74,385	332	4,40,947	38-4 1/2	3,70,473	41-11 3/4	4,00,000	..	..	..	..	..	100	102	144	
3,20,000	4,70,090	10,86,284	718	7,11,947	30-5 1/2	7,09,403	34-4 1/2	8,80,000	..	..	..	..	..	100	381	421	
9,01,250	11,54,099	2,62,417	1,666	..	..	..	..	..	..	..	..	..	..	100	114	171	
DUARS																	
27,00,000	19,11,197	24,25,000	4,540	30,81,686	51-2	30,69,366	31-9	33,20,000	..	..	..	..	..	100	3104	372	
6,00,000	20,30,782	19,29,000	1,107	13,91,321	32-1	14,32,132	32-1	14,00,000	..	..	..	..	..	100	296	316	
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	..	..	..	..	..	100	231	351	
9,00,000	14,52,896	11,61,304	1,367	11,96,408	32-5	11,04,658	32-3	12,80,000	..	..	..	..	..	100	252	252	
6,00,000	8,48,764	7,74,645	602	3,04,108	35-10	6,10,033	29-7	5,60,000	..	..	..	..	..	100	160	160	
3,00,000	9,91,578	10,50,000	903	1,01,293	43-1	1,02,882	31-11	1,16,000	..	..	..	..	..	100	166	301	
1,00,000	4,47,806	3,00,102	500	2,24,800	39-7	2,84,267	30-7	4,48,000	..	..	..	..	..	100	301	225	
3,50,000	1,96,171	2,94,000	265	2,24,800	39-7	2,12,720	26-9	3,40,000	..	..	..	..	..	100	301	275	
5,00,000	5,70,483	3,00,000	447	1,75,341	39-4	4,65,428	30-3	5,40,000	..	..	..	..	..	100	527	571	
10,00,000	1,07,046	8,00,000	1,254	1,62,721	47-4	8,75,280	35-9	..	..	..	..	..	..	100	15 1/2	20	
24,00,000	17,49,300	22,55,303	1,022	12,26,096	47-11	12,20,109	27-11	..	..	..	..	..	..	100	268	268	
32,00,000	37,95,527	49,07,736	2,426	30,68,842	44-1	27,90,547	39-2	31,20,000	..	..	..	..	..	100	231	278	
6,25,000	10,36,929	64,68,285	1,236	53,11,276	41-11	60,72,776	26-1	62,56,000	..	..	..	..	..	100	179 1/2	187	
7,00,000	10,98,000	17,14,718	1,452	16,97,367	42-1	17,67,246	26-1	17,20,000	..	..	..	..	..	100	273	394	
9,00,000	5,18,809	3,15,000	807	1,86,414	34-2	4,62,400	30-10	5,60,000	..	..	..	..	..	100	23	39	
2,00,000	12,59,326	13,23,848	307	11,46,814	39-4	10,26,832	30-10	..	..	..	..	..	..	100	234	244	
7,00,000	12,12,307	1,50,000	322	1,73,431	45-7	..	..	..	..	..	..	..	..	100	234	244	
9,00,000	15,71,067	18,15,032	1,122	1,73,431	45-7	..	..	..	..	..	..	..	..	100	211	211	
14,00,000	4,81,962	18,45,000	1,163	1,69,538	44-8	9,78,988	28-1	10,00,000	..	..	..	..	..	100	793 1/2	793 1/2	
3,20,000	6,26,820	5,80,807	578	1,52,341	19-2	16,35,329	31-1	16,30,000	..	..	..	..	..	100	174	352	
2,50,000	3,14,964	3,59,080	348	3,29,209	47-2	5,65,686	27-1	4,00,000	..	..	..	..	..	100	296	309	
6,00,000	3,29,497	5,31,334	764	2,56,397	42-4	2,38,335	28-5	2,56,000	..	..	..	..	..	100	204	245	
7,65,000	8,77,189	11,43,550	1,637	10,69,520	47-11	10,14,720	39-11	11,08,000	..	..	..	..	..	100	245	271	
7,46,100	22,86,485	31,30,000	1,766	19,10,000	48-6 1/2	20,39,155	35-1 1/2	20,00,000	..	..	..	..	..	100	195	241	
3,46,400	5,45,381	8,97,500	863	4,01,926	48-4	..	..	..	..	..	..	..	..	100	163	241	
..	..	..	..	..	..	..	..	..	..	..	..	..	..	100	344	401	
..	..	..	..	..	..	..	..	..	..	..	..	..	..	100	401	401	
TERAI																	
4,50,000	10,63,145	1,64,527	607	3,99,840	39-5	6,60,080	33-0	6,40,000	..	..	..	..	..	100	81	81	
2,00,000	1,59,000	10,44,345	150	1,23,611	29-8	1><											

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1954 1955 1956	Rs.	3-4-57 27-3-57 A year ago
SUGAR BREWERIES ETC.										
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	3	140	95,437	52,205	.. ..	10 5 1/2 17 1/2
9,00,000	1,28,559	17,64,369	58,734	Partabpur Sugar P.	10	25	5,08,340	5,871	7 1/2 7 1/2	10 17 1/2 24 1/2
16,59,820	25,52,127	35,00,000	4,84,356	Rannugger Cane & Sugar P.	3	1	18,11,564	20,350	15 20	10 24 23 1/2
19,99,600	25,62,563	39,88,218	13,92,315	Raza Sugar	10	92	10,78,193	3,144	.. ..	10 22 22 20 1/2
8,00,000	6,07,233	7,72,778	3,77,846	Ryam Sugar P.	25	25	4,21,492	13,204	5 Nil 17 1/2	10 22 22 14 1/2
11,99,000	21,07,973	19,42,074	40,572	Samatapur Central Sugar	25	25	33,558	3,554	5 Nil Nil	10 11 11 12 1/2
20,00,000	72,62,286	36,66,702	1,63,444	Shree Krishna Gyanodaya Sugar P	7	335	12,99,571	34,046	15 17 1/2	10 10 10 14 1/2
7,94,500	13,54,858	11,65,157	11,16,394	Shree Sitaram Sugar	9	140	1,90,057	7,991	.. ..	10 13 13 4 1/2
9,99,950	14,54,274	1,54,304	1,42,696	Sitalpore Sugar	8	94	-1,39,515	-1,39,515	Nil Nil	10 4 4 4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,380	39,061	12 1/2	10 14 14 22 1/2
8,00,000	47,67,060	29,24,348	3,58,383	Upper Ganges Sugar P.	3	316	12,95,211	32,829	25 25 30	10 70 70 127 1/2
14,00,000A	14,24,740	23,74,426	10,72,324	Upper India Sugar	3	302	16,80,986	86,393	15 20	100AC 280 280 15
MISCELLANEOUS										
8,00,000	2,20,232	1,56,200	9,53,526A	A Firpo (Restaurateurs)	10	85	84,518	4,475	.. ..	10 4 1/2 4 1/2
1,50,00,000	1,40,80,394	6,21,715	51,361	Air India Ltd	12	269	-6,02,785	-14,30,401	.. ..	100
2,00,00,000	2,58,39,636	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	.. ..	100
2,50,000D	3,08,51,605	17,00,000	16,26,711	Aluminium Corp. P.	132	132	25,21,116	1,16,199	Nil Nil	100 9 1/2 9 1/2
20,00,000	42,38,502	14,50,000	54,97,330	Anderson Wright, Ltd. P.	12	..	-89,042	18,284	7 1/2	10 11 11 11 1/2
20,00,000	11,39,552	39,18,823	14,94,091	Angelo Bros.	4	268	15,15,199	3,35,874	Nil ..	10 11 11 21 1/2
20,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	8,35,902	1,18,395	12 1/2 20 20	10 19 20 19 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	-97,045	-5,14,537	Nil Nil	10 20 20 3 1/2
20,00,000	61,61,507	23,00,000	61,84,697	Associated Hotels of India P	3	204	8,82,397	32,682	2	10 10 10 10 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,421	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13 12 1/2	100 155 155 174 1/2
12,00,000	2,55,604	8,49,899	4,52,019	Barrow Coker	3-9	128	2,19,706	45,399	7 1/2 7 1/2	10 16 16 16 1/2
6,00,000	76,411	Nil	30,72,417	Bengal Timber Trading P.	12	128	-6,43,164	-1,19,103	.. ..	100 41 41 4 1/2
20,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	3	22	-3,19,593	-3,19,229	.. ..	10 5 5 5 1/2
20,00,000	.. ..	7,25,715	66,68,956	Birds Investments P.	12	160	4,59,013	37,312	12 1/2	10 13 13 14 1/2
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	12	50	8,14,261	1,79,277	10 10	10 13 13 14 1/2
22,50,000	13,98,796	43,18,775	3,38,478	British Ceylon Corporation P.	12	4	27,75,295	1,85,955	.. ..	7 8 9 9 1/2
2,50,00,000	99,99,758	1,18,60,524	2,50,83,650	British India Corporation P	12	33	-30,23,938	-27,36,584	1 1/2	7 7 7 1/2
22,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propri.) Ltd. P	3	235	60,996	1,550	5 6 5	10A 6 1/2 6 1/2
2,50,000B	5,92,780	2,40,694	1,02,476	Calcutta Silk Manufacturing Ltd. P.	3-9	213	45,711	22,586	.. ..	10B 4 1/2 4 1/2
2,50,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12 11	100 186 186 179 1/2
2,50,000	2,94,09,046	3,14,86,174	4,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	15 15	10 104 104 119 1/2
51,28,000	13,79,357	4,33,828	1,02,21,271	Eastern Investments Ltd. P	12	21	11,20,034	3,27,916	9 9	10 128 128 153 1/2
75,00,000	12,88,300	21,97,641	86,55,360A	F & C Oster (India) Ltd. P.	3	81	-4,26,249	-5,26,954	.. ..	100 6 1/2 6 1/2
20,00,000	.. ..	.. ..	.. ..	French Motor Car	3	54	8,97,594	1,26,757	12 1/2	20 21 21 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2 7 1/2	100 186 186 179 1/2
2,55,000	.. ..	55,893	5,34,882	General Investments Trust P	12	357	18,384	12,435	2 1/2 2 1/2	75 43 43 14 1/2
20,00,000	33,54,049	53,17,339	1,08,48,711	Gillanders Arbuthnot & Co. Ltd. P	12	105	30,03,640	89,541	7 1/2 7 1/2	10 10 10 10 1/2
40,00,000	12,84,357	5,00,324	12,84,357	Gladstone Lysal & Co. Ltd. P	12	209	1,02,192	34,256	14 16	10 10 10 10 1/2
30,00,000	32,90,010	17,22,203	98,384	Godfrey Phillips (India) Ltd. P	12	310	19,01,201	11,96,811	10 20	10 21 21 20 1/2
10,00,000	17,38,764	1,61,173	9,221	Great Eastern Hotel	3	225	5,30,579	16,373	.. ..	250 226 226 240
60,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	..	43,377	24,274	.. ..	5 1 1 1 1/2
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil Nil	10 7 1/2 7 1/2
15,18,00,000	7,42,66,399	7,88,86,788	5,50,32,187	Imperial Tobacco	12	325	3,66,99,515	24,94,274	8 8	10 13 13 14 1/2
1,52,99,220	1,27,87,878	1,37,00,000	10,13,114	Indian Aluminium Co. Ltd. P.	12	293	26,78,662	14,18,074	Nil 9	10 13 13 1/2
5,00,000	.. ..	.. ..	11,88,408	Indian Cable P.	3	34	1,21,59,495	32,04,214	10 12 1/2	10 25 25 1/2
3,75,000	22,07,260	2,21,286	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	.. ..	10PO 8 1/2 8 1/2
1,25,000D	.. ..	.. ..	.. ..	.. ..	12	93	.. ..	.. ..	.. ..	10 6 1/2 6 1/2
8,27,870	1,44,398	5,38,000	17,67,876A	Indian Rubber Manufacturers P	3	173	1,79,618	32,616	5 5	10 26 1/2 25 1/2
20,00,000	4,64,735	18,15,487	10,03,705	Indian Wood Products	3	178	17,28,038	2,76,619	27 1/2 30	10 40 40 38 1/2
5,00,000	.. ..	2,55,728	12,78,254	Investments and Finance P.	2-8	21	27,880	51,001	2 1/2 2 1/2	10 6 1/2 6 1/2
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	.. ..	100 2 2
5,87,500D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5 5	10 4 1/2 4 1/2
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	Nil Nil	10D 75 1/2 75 1/2
6,34,000D	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,439	.. ..	100 5 1/2 5 1/2
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2 7 1/2	10 100 100
1,43,96,500	35,89,193	69,82,736	2,07,03,941	Martin Burn Ltd. P.	9	309	93,42,590	2,70,207	13 18 1/2	10 22 1/2 22 1/2
40,00,000	37,46,252	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17 22 1/2	100 240 240 240
5,00,000D	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10 12 1/2	10 27 1/2 27 1/2
40,00,000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,72,160	1,44,442	10 15	10 20 1/2 20 1/2
40,00,000	72,01,992	15,00,000	33,035	National Rolling & Steel Ropes	3	7	3,79,123	75,726	5 1/2 5 1/2	10 10 10 10 1/2
79,97,000	13,97,295	78,35,576	23,37,205	National Tobacco P	12	79	12,06,160	9,03,430	5 5	10 10 10 10 1/2
23,32,100	2,322	5,11,187	29,55,297	New India Investment Corp.	12	35	1,38,595	1,72,173	.. ..	10 53 53
50,00,000	1,51,805	47,22,151	1,01,47,685	Octavius Steel & Co. Ltd.	12	321	29,59,179	1,25,910	7 1/2	10 12 1/2 12 1/2
1,86,300	1,01,05,141	2,10,439	4,14,248	Publicity Society of India	4	145	1,47,248	27,315	25 25	10 4 1/2 4 1/2
1,25,00,000	4,08,39,719	1,57,70,208	36,83,503	Rallis India Ltd. P.	3	332	13,16,241	-44,12,098	Nil Nil	10 31 1/2 31 1/2
6,34,000D	.. ..	.. ..	.. ..	.. ..	10	335	83,77,395	4,91,624	15 15	10 17 1/2 17 1/2
1,50,00,000	45,479	94,865	73,329	Shaw Wallace & Co. Ltd. P.	12	278	33,27,377	3,65,280	12 1/2	10 11 1/2 11 1/2
2,10,200D	4,25,514	18,00,000	3,57,020	Spence's Hotel	5-12	111	-35,475	-64,659	.. ..	2 1 1 1 1/2
6,40,800D	.. ..	.. ..	.. ..	.. ..	12	195	4,17,625	1,34,498	11 12	10 1 1/2 1 1/2
INSURANCE COMPANIES										
28,90,200D	4,10,330	16,68,332	57,38,236	Bharat Fire & Genl. Ins. Ltd. P.	12	303	2,05,348	93,523	.. ..	100D
13,50,000	2,85,389	43,14,506	66,78,673	Concord of India	12	174	5,00,920	1,32,339	35 20	10 10 10 10 1/2
27,709	11,15,446	24,97,522	1,06,51,698	Great Pyramid	12	296	1,29,230	36,611	6 1/2	10 3 1/2 3 1/2
24,00,000	53,493	38,38,611	1,26,32,151	Hercules	12	248	11,73,216	34		

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including Taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	29-3-57	26-3-57	A year ago
													Rs.	Rs.	Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8 1/2	10	10	100	160	162 1/2	221 1/2
ELECTRIC LTG POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6 1/2	5	6 1/2	100	93 1/2	95 1/2 x.d.	103 1/2
2,92,83,500	1,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,192 1/2	1,208 1/2	1290
1,74,99,700	1,14,85,122	39,32,48	5,79,334	Bombay Suburban Elec Sup.	3	146	19,21,735	45	7	7	..	100	110	109 1/2	116 1/2
28,08,200	17,49,053	4,75,323	14,87,551	Goons Electric Supply P	12	229	3,86,015	..	..	..	..	100	125	125	146
3,34,45,225	1,37,65,356	63,82,045	58,39,877	Kata Hydro-Elec Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	121	121	131 1/2
6,02,78,750	3,96,37,405	1,41,56,578	1,29,22,549	Kata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,197 1/2	1,202 1/2	1372 1/2
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	3,79,866	1,35,820	12 1/2	..	..	100	260	266 1/2	365
6,00,000	29,341	4,43,904	39,338	East's Engineering	3	115	62,291	1,598	15	5	5	50	66	66	96
90,00,000	11,26,513	10,00,000	9,74,694	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	10	10	161	161	131 1/2
40,95,100	21,25,753	2,02,500	49,333	Machinery Mfgs Corpn Ltd P	3	330	2,02,006	64,676	..	..	..	100A	76	76	96 1/2
1,50,00,000	15,00,978	16,66,194	7,08,267	McKenzie	7	283	1,49,085	64,938	..	..	..	100	76	76	193
2,31,25,000	5,834	1,00,53,052	1,79,32,042	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	166 1/2	169 1/2	..
2,20,00,000	5,90,52,365	1,17,73,382	23,24,732	Kata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	..	..	..	31 1/2	139 1/2	141	154
9,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	Kata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	169 1/2	170	233 1/2
INSURANCE COMPANIES															
80,00,000	..	23,84,913	95,96,331	British India General	12	297	4,24,629	1,18,606	..	..	..	10	139	139	139
5,15,000	..	11,04,84,687	1,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350	350	675
5,46,120	..	3,33,999	16,38,900	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45 1/2	45 1/2	45 1/2
18,74,940	25,01,134	2,88,61,155	4,61,49,442	Juniper General P.	12	55	38,351	4,65,316	..	..	..	15	61	61	94 1/2
1,08,81,590	..	1,68,81,793	17,25,18,952	New India	12	179	13,58,652	11,250	16 2/3	..	..	15	40	40 1/2	361
6,00,000	..	57,83,74,430	53,46,53,42	Oriental Life	12	398	..	..	..	..	..	200	377 1/2	3,775	3,900
19,99,270	..	29,41,860	59,88,789	Vulcan	12	255	6,05,803	2,81,242	10	..	..	10	15 1/2	15 1/2	15 1/2
MISCELLANEOUS															
90,79,085	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,406	-37,22,790	..	..	..	15	..	..	..
47,91,250	21,34,989	35,75,182	78,89,034	Delapur Sugar	9	42	53,89,000	61,389	..	..	..	50	227	229	233
50,00,000	2,20,64,302	1,12,86,155	2,67,27,659	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	596 1/2	603 1/2	646 1/2
42,00,000	1,21,04,053	11,74,431	11,14,408	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	25	218 1/2	223 1/2	230
45,00,000	3,085	19,47,386	1,28,40,992	Chemical Investment Trust	12	299	5,81,909	2,83,136	..	..	..	25	..	..	72
99,99,250	13,82,957	7,34,142	14,05,223	Kent (Chemists)	3	87	68,232	16,942	..	..	..	100	76	76	215
1,19,900	3,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	63,19,604	1,72,076	..	..	..	200	197 1/2	197 1/2	213 1/2
1,57,71,400	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,882	5,62,020	10	..	..	100	236 1/2	236 1/2	18 1/2
9,39,98,060	27,45,055	37,30,000	11,27,081	Shivraj Synd (Manganese)	11	146	35,49,059	21,661	80	80	5	20	202	202	115
1,00,000	12,39,547	13,22,272	4,37,991	Kata Chemicals P.	6	269	10,84,488	34,425	..	..	7 1/2	10	901	91	115
70,07,478	75,25,791	34,06,586	22,53,813	Patr Oil P	3	269	3,00,461	11,453	9	8	12	10	161	16 1/2	16 1/2
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	5,61,984	11	11	..	100	171 1/2	172 1/2	207 1/2
*1956 †Liquid Assets															

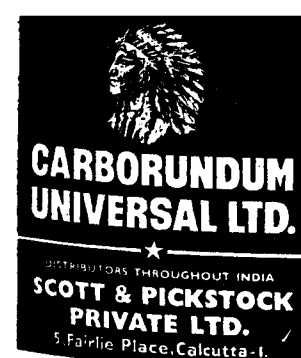
*1956 tLiquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Shares	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	3-4-57	27-3-57	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,387		2 1/2	2 1/2	2 1/2	100	60	60	61 1/2
11,69,300	33,40,889	5,00,102	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67 1/2	67 1/2	76
94,00,000	61,39,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,807		2 1/2	2 1/2	2 1/2	100	58 1/2	58 1/2	60 1/2
19,00,000	28,09,543	4,91,171	Banshet Basirhat D.B.G.	3-9	331	18,844	1,18,863				100	10	10	11
17,80,000	21,78,786	2,20,277	Burdwan Cutwa S.S.G.	3	165	78,839			2 1/2	2 1/2	100	59	59	60 1/2
81,00,000	35,46,011		Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1-29-1-29	1-1-1	1-1-1	100	52 1/2	52 1/2	56 1/2
4,75,000	3,20,040	4,75,000	Cherra Chhatrak Ropeway	3	88	7,071	9,917	1-1-1	1-1-1	1-1-1	100	52 1/2	52 1/2	56 1/2
2,47,650	2,75,015	65,226	Darjeeling Ropeway	3	101	18,097	4,549	1-1-1	1-1-1	1-1-1	100	52 1/2	52 1/2	56 1/2
22,50,000	62,20,813	13,52,600	Dehri-Rohas	3	335	6,42,311	37,814	1-1-1	1-1-1	1-1-1	100	12 1/2	12 1/2	13 1/2
11,49,700	20,10,843	1,68,140	Futab Lalampur S.S.G.	3-9	32	-33,016	5,917	98-98	98-98	10-12 1/2	100	63 1/2	63 1/2	66 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	51	51	52 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhals D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65	65	68 1/2
19,50,000	27,95,689	2,47,135	Kalkighat Falls S.S.G.	3	165	-1,99,473		2 1/2	2 1/2	2 1/2	100	58	60 1/2	61 1/2
8,91,100	15,16,175	10,561	Katakhal-Lala Bazar S.S.G.	3	165	31,257					100	72	72	69 1/2
15,00,000	62,56,929	28,77,041	Shahdars Delhi Saharanpur	3-9	32	6,28,073	17,25,546	6-6	6		100	72	72	74 1/2
1,75,000	5,41,779	2,04,841	Texpore Bailpara Tramway P	3-9	165	-43,574	5,944	6-6	6-6	6-6	100	129 1/2	129 1/2	146 1/2

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane Calcutta	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay.	349. Chandmull Batia—7, Canning Street Calcutta
321. F. C. Williams—14 Old Court House St. Calcutta	330. Manindra & Mahindra Ltd.—Gateway Building Apollo Bunder Bombay.	340. K. J. Jheriyan—Travancore.	350. K. S. Agarwal—Empire House, Hornby Road Fort Bombay
322. Messrs Pate Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Rd. Fort Bombay-1	331. N. C. Roy & Sons—Canning St. Calcutta	341. James Finlay & Co. Ltd.—2 Netaji Subhas Road Calcutta	351. L. & T. (Management) Private Ltd.—J. K. Building Douglas Road, Ballard Estate Calcutta
323. Anderson Wright & Co.—1 Wellesley Place Calcutta	332. M. Paspatti—21 Ravelin Street Fort Bombay	342. N. Chatterjee—2 Royal Exchange Place Calcutta	352. C. G. Mahant—Ewart House, Bruse Street Fort Bombay
324. Indo Corporation Private Ltd.—5, Swinhoe St. Calcutta-19	333. Jalpuria Bros. Ltd.—33 Netaji Subhas Road Calcutta	343. Eastern Smelting & Refining Co. Ltd.—10 Clive Row Calcutta	353. N. K. Bhattacharya—14 Netaji Subhas Road Calcutta
325. John Rutherford Blackie—Virginia Road Calcutta	334. S. Lakshmi—2 Fairlie Place Calcutta	344. V. P. Puri—Victoria Colaba, Cantonment Calcutta	354. L. C. Kanol—P. A. Mission Row Calcutta
326. G. G. Choudhury—33 Netaji Subhas Rd., Calcutta	335. Sahu Jain Ltd.—Daimanagar, Puri Road Calcutta	345. The National Tea Corporation—130, Seahay Street Calcutta	355. J. G. Robertson—16 Strand Road, Calcutta
327. Marwar Textiles (Agency) Ltd.—Wardby Road Fort Bombay-1	336. Douglas Road Bombay	346. Associated Commercial Co. Ltd.—181/1 Harrison Road Calcutta	356. B. Sajoris—10 Clive Row Calcutta
328. John Taylor & Sons (India) Ltd.—Mysoor, Coorgam South India	337. Sertwal & Co.—63 Netaji Subhas Road Calcutta	347. Sahu Jain Ltd.—11, Clive Row Calcutta	357. D. P. Dunderdale—Chartered Bank Building, Calcutta
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CAPITAL

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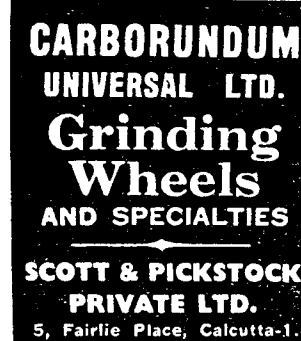
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THE INDIAN FINANCIAL REVIEW

69th YEAR OF ISSUE

CALCUTTA, APRIL 11, 1957.

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THE OUTLINE OF A RATIONAL TAXATION POLICY

PROVIDING INCENTIVES TO WORK, SAVE AND INVEST

THE next one year promises to be a crucial one for the formulation of India's taxation policies. The Finance Minister, Mr. T. T. Krishnamachari, has said that he proposes a drastic revision of the taxation structure, and that he hopes to complete most of it by March 1958. The mobilisation of more resources for development needs is to be the main aim of reforms. As the aim is not a matter of short-term expediency, but is intended to provide the basis for long and steady economic expansion, it is important that the more lasting aspects of the changes which are proposed should be properly appreciated. The Associated Chambers of Commerce of India have prepared an important and timely memorandum on the proper aims of a new taxation policy and the measures which should be taken to implement them. In it, the main criticisms are based on two long-standing defects in the taxation system: firstly, that large numbers of people who are not benefiting from the growth of the economy are not being asked to contribute fully to that growth; and, secondly, that because of this, far too big a share of the tax burden is falling on the limited numbers who are promoting productive enterprise, and who have shown their willingness to save and invest. As the Associated Chambers put it, tersely, "not only is a very small part of the increase of income in the country being taxed, but what is being taxed is excessively taxed."

Contributions and interest on provident fund balances should be wholly excluded from employees' total incomes; and relief on assesses' contributions and life assurance premia should be allowed for super-tax as well as income tax purposes. Furthermore, contributions made by the employer out of taxed profits to provide a pension for the employee should be exempt from assessment as income in the hands of the employee. The Associated Chambers feel that the Central Board of Revenue should be prepared to sanction applications for increased contributions to approved superannuation funds which may be required to provide for adequate pensions on an agreed basis and in line with current practice. These are valuable suggestions, for they are likely to improve the incentives for work and to promote an increase in savings. If it is feared that revenue might decrease, it should be borne in mind that the decrease is likely to be only temporary, considering the expansionary effect the adjustments will have on economic enterprise. Even in the immediate period, the advantages to be gained from an accelerated growth of productivity and incomes would far outweigh any relatively small decrease in revenue receipts.

The contradictions inherent in the Government's corporate taxation policies have become more sharply defined in recent months. In framing these policies, two broad aims need to be borne in mind. One is that companies should be left with sufficient net earnings to be able to plough back money for expansion schemes. The other—which is more important but which the Government seems almost to denigrate—is that returns on investment should be attractive, so that the capital market is buoyant and companies can depend on it for their requirements. Instead, the measures which have been taken have created a shortage of long-term finance as well as working capital for most concerns. The dividend supertaxes introduced last year have been particularly unjust in that they are based on the nominal value of capital which often has very little relation to the actual capital employed. If they are to be retained, the least the Government can do is to base their percentage application to the total capital invested in a company (that is, paid-up share capital plus premiums on shares issued plus all reserves, except those arising

SUGAR PRODUCTION AND EXPORTS

IMPORTANCE OF LOW DOMESTIC PRICES

THE conviction of Mr. A. P. Jain that the sugar industry is destined to grow in importance appears to be borne out by current trends. It is already the second largest industry in the country, being next only to cotton textiles. It is developing at a remarkable rate. Sugar exports are still something of a novelty and it is rather early to decide whether they can become a permanent feature of India's foreign trade. The balance between production and consumption has been precarious, or non-existent, for long periods in the past; as recently as 1954-55, imports of about 400,000 tons were found necessary. At present, an exportable surplus is available, and if production continues to grow as it has done in the last few years, the surplus might increase. Mr. S. S. Kanoria, in his presidential address at the annual general meeting of the Indian Sugar Mills Association, expressed his confidence that it will and that sugar is capable of making a substantial contribution to the depleted foreign exchange reserves. This is a worthy objective to pursue, but the common man will need to be reassured that, in doing so, sugar will not be diverted from the home market to such an extent as to cause a rise in the prices he pays.

Mr. Kanoria was at pains to dispel such fears. He pointed out that of the export quota of 100,000 tons sanctioned so far, 80,000 tons has already been sold, yet there is no sign that prices are hardening. On the contrary, sugar has been notable for its price stability in a period marked by general inflationary pressures. This is because production was unusually big in 1955-56, reaching an all-time record of 1.86 million tons; this figure represents an 86 per cent increase over the pre-plan average of one million tons a year, and exceeds even the revised target of 1.8 million tons set for the industry under the first five year plan. This is a splendid achievement, for which manufacturers deserve credit, but what is important is that the new level of output be maintained and even improved upon. Otherwise, as internal consumption rises, exports may have to stop, or the familiar round of shortages, high prices and recrimination will follow. The sugar industry's first duty is to the domestic consumer. Exports should be a secondary consideration—welcome as long as they do not disturb the home market, but not to be promoted at its expense.

Mr. Kanoria would probably agree. In fact, the burden of his argument for sugar exports was that they are necessary, but primarily for reasons other than the earning of foreign exchange, although that aspect of the matter is also of obvious importance. Selling abroad would enable a more rapid expansion of the industry than is possible if it caters solely to the home market. The beneficiaries would include labour, investors, cane-growers and the Government. In particular, home consumers would welcome the greater stability of sugar prices, because exports would serve as a safety valve to regulate an even flow of supplies for home consumption. This is a line of reasoning which should appeal to consumers and should go a long way towards countering the opposition to sugar exports. Mr. Kanoria is to be complimented on not advocating for India the policy followed by some sugar exporting countries—of keeping internal prices high in order to subsidise exports. At present, there is no need to subsidise exports from India, because world prices are high enough to enable sugar to be sold at a profit. The Indian Sugar Mills Association, which has been appointed by the Government as the sole agency for exporting sugar, is working on a no-profit basis; the profits currently earned are being held in a special fund which is to be used to meet possible losses on sugar exports later. If these losses do arise, Mr. Kanoria implied that the members of the Association would be willing to meet them, through a levy on the entire sugar output. This is expected to amount to four annas or six annas a maund, on the assumption that world sugar prices, when they decline, will settle at somewhat higher levels than before the present rise began.

This seems to be reasonable. Manufacturers have an obvious interest in exports, because they fear that as sugar production increases, it will outstrip consumption. Without export markets, the industry will then face over-production and slump. But they seek neither a subsidy from the Government nor higher prices from the consumer. They are apparently prepared to bear the loss themselves. The concessions they ask for—a rebate of cane cess on the sugar which is exported and special railway freight rates for the sugar which is carried to ports for export—are small. In the light of his experience as chairman of the Sugar Exports Division of the Indian Sugar Mills Association, Mr. Kanoria was confident that India's natural markets

in neighbouring areas will be able to absorb a good deal more than the export quota permitted so far. There are other markets farther afield, including even the United Kingdom, to which India has made small sales. As things stand, sugar can be sold, if it is available for export. Production is thus the key to the situation. Mr. Kanoria pleaded for a big expansion programme, based on export possibilities as well as steadily increasing internal consumption. Per capita consumption in India is very low by international standards and is certain to increase with rising incomes and prosperity. What is perhaps even more significant for the immediate future is the enormous regional variation in per capita consumption, which ranges from 34.66 lbs. in Saurashtra to 3.36 lbs. in Orissa. These local disparities are bound to become narrower in course of time, and the change could account for a very substantial increase in internal offtake. A trend which is already noticeable is the shift from gur to white sugar, and it is likely to gather momentum as incomes rise.

Unfortunately, plans to expand production do not appear to be adequate if consumption requirements and export possibilities are considered. The target of 2.25 million tons for production and 2.5 million tons for installed capacity under the second five year plan is relatively modest. The licensing policy appears to have been rather haphazard, in that it lays greater stress on setting up new factories than on expanding those which already exist, although expansion is quicker, cheaper and requires less foreign exchange. The regional allocation of new productive capacity, some claim, also seems to have been decided without adequately considering the consumption requirements of the regions or the availability of cane supplies. Mr. Kanoria asserted that the best results will be obtained by increasing the size of existing factories, in line with the trend towards larger units of production in other countries, and by bringing idle factories into use. At the same time, a vigorous drive for cane development is necessary. Besides efforts to increase the sucrose content of the cane supplied to factories and thus to raise the present low recovery percentage, it is possible to provide factories with cane supplies for a longer crushing season by a judicious selection of early, middle and late ripening varieties for harvesting at maturity.

Mr. Kanoria defended the industry against the charge of selling at high prices. He said that, contrary to popular belief, the Indian consumer actually pays less for sugar than buyers in most other countries. Leading sugar exporters deliberately keep internal prices high in order to subsidise exports. According to him, it is a remarkable achievement of the Indian industry that despite inferior quality cane, relatively low labour productivity and heavy taxation, it is able to sell sugar so cheaply. The technical efficiency of Indian sugar factories can stand comparison with that in most other countries. The Indian consumer of sugar will no doubt be glad to know that he is served better than his counterparts abroad. But human nature being what it is, he is not likely to thank Mr. Kanoria for telling him, in effect, that sugar is already as cheap as it is likely to be and that if the price changes, it is almost certain to change in an upward direction. Whether a certain price is cheap or not is a relative, not an absolute, judgment. What is cheap by British or Australian standards may be dear in India. That, of course, is no reflection on the efficiency of the domestic industry or the fairness of the price buyers here have to pay. It is a reflection only on the great poverty of the people. But, for them, it is a melancholy thought that to buy more sugar, they will have to wait for larger incomes, not lower prices—if that is what Mr. Kanoria was, by implication, saying.

THE GENERAL ELECTIONS IN RETROSPECT

(BY AN INDIAN CORRESPONDENT)

THE outcome of the general elections has on the whole been in accordance with expectations. The Congress Party has been returned to power at the Centre, and in all States but one. Its strength in the Lok Sabha has in fact increased. There have, nevertheless, been a few surprises. The major one is the victory of the Communist Party in Kerala. After the special effort which the Congress made to win the elections there, its failure has come as a grave disappointment. Even the Communists themselves had not expected as notable a victory as they have achieved. There was much confusion in their ranks after the debunking of Stalinism in Russia and after the Soviet atrocities in Hungary. With the growth of friendlier relations between Mr. Nehru's Congress Government and the Russian Communists, it was widely assumed that the chances of the Indian Communist Party were not particularly promising. The Communists owe their success in Kerala partly to the

political machinery which they have built there (and also in other areas such as Andhra and West Bengal). But a more important reason, it seems, has been the demonstration of ineptitude by the State's Congressmen and Praja Socialists in recent years; they had their opportunity to rule Kerala but dissipated their strength in petty squabbles which ignored the needs of an area where literacy is high and poverty acute.

The Communist victory in Kerala is not to be seen as an isolated event in India's political evolution. It may be the harbinger of a significant change in the pattern of political power. The Communists appear to have a poor following in areas other than Kerala and urban West Bengal, but that is not to be dismissed as inconsequential. The weakness of the Praja Socialists seems to have grown; they now have ten seats less at 195 in the Vidhan Sabhas. The defeat of Mr. Asoka Mehta by a big margin at the hands of a comparatively little known Congressman has done great harm to the prestige of the Party. In States such as West Bengal, where the P.S.P. has been able to make a better showing than before, it may be partly due to the support which it received from its "alliance" with the Communists and other leftist parties. Whatever the claims of its leaders, it seems to be losing its place as the second most important party. The rout of the Hindu Mahasabha and kindred parties is a tribute to the persuasiveness of Mr. Nehru's secular policies. Some thought that the renewed trouble between India and Pakistan over Kashmir would increase their appeal to the electorate, but this has not been so.

While the Communists have made some gains, speculation is going on about what they will do next to increase their strength. Many people are also confidently predicting that a clash between the Congress Centre and the Communist Government of Kerala will come sooner or later. The strongly critical speech of Mr. Shriman Narayan in Ernakulam, and many of the Communists' own statements, have lent support to this belief. The Communists have decided on a general reprieve for political prisoners in Kerala; although there are precedents for such a move, the Constitution imposes certain restrictions on lawlessness, and to the extent that they have condoned it, their action is insupportable. The Centre may have to act positively to discourage such practices. The Communists now threaten to carry out their election pledge of nationalising foreign-owned plantations; a few days ago, they had denied the intention. They choose to ignore the Central Government's finding that the interests of labour are frequently much better looked after in such plantations than in Indian ones, and talk of emulating President Nasser's compensation methods. If they persist in their threat, they will not only clash with the Centre, but will do immense harm to India's prospects of getting credit from abroad. The Central Government may need to declare itself unequivocally against such a step so that no mischief is done.

Reports from New Delhi suggest that the Congress is shedding much of its complacency, and it will not hereafter tend to take voters for granted. It has lost nearly 250 of its previous Vidhan Sabha seats. It has suffered reverses in areas which could have constituted a unilingal State of Maharashtra. In Gujarati-speaking areas, its losses have also been heavy, and the defeat of Mr. Khandubhai Desai in Ahmedabad is a blow to Congress as well as I.N.T.U.C. prestige. The Congress majority in the bilingual State of Bombay might be taken to imply support for the decision to keep Bombay as it now is, but there is a lesson in it for the Party to learn. The inability to win a clear majority in Orissa also points to the need to secure popular support for its policies. In this State, the Congress has come back to power, but in what is essentially a coalition Government which depends precariously upon Communist neutrality between the two major party-groups.

It is the Indian voter who has emerged from the elections with great credit. He has shown himself to possess not only sound commonsense, but mature and intelligent political judgment. This is a reassuring sign for the future of Indian democracy. But a good deal will now depend on the ability of the major parties, especially the Congress, to maintain Indian democracy as a going concern, by adopting a high standard of public morality and integrity, and by providing good Government. No praise can be too high for the labours of the Election Commission which, under the leadership of Mr. S. Sen, has carried out an enormous task with great efficiency and skill. It is estimated that 60 per cent of a bigger electorate voted this time, as against 51.2 per cent in 1952. There were 200,000 polling booths and 3 million ballot boxes. The impartiality and fairness with which the elections have been conducted is something which many of the world's older democracies may well envy.

CURRENT COIN

Outlook for Hindustan Lever.—Speaking at the annual general meeting of Hindustan Lever Ltd. last Thursday, Mr. A. J. C. Hoskyns-Abrahall, chairman, referred to the increase in the fiscal burden on private enterprise (a fuller version of the speech appears on a later page). The capital gains tax, the steeper scale of dividend supertaxes and the compulsory deposit of company reserves have proved onerous. Yet the Finance Minister has said that he has by no means exploited corporate taxation to the full. Mr. Hoskyns-Abrahall appreciates that the development of the country will cost money and that the private investor will be required to pay his share by way of taxes. Under the circumstances, he advises members not to hold any great expectations that future dividends will be higher than those forecast when the company offered its shares to the public some months ago. "However much we may be able to increase our sales turnover in the future, it does not necessarily follow that there will be a commensurate, if indeed any, benefit to shareholders." In spite of the increase in sales in 1956, the company's profits have not been of the same order as those earned in 1955. The chairman explains that this is due to the increase in costs of raw materials, of processing and of freight. He is not inclined to discount the possibility that the products the company sells might come to be considered costly by the low income groups. Hindustan Lever would greatly like to reduce prices since it would stimulate consumption. But this can only be possible if raw materials, particularly oilseeds, are available at reasonable prices. Referring to the recent import restrictions, Mr. Hoskyns-Abrahall says he is not sure whether some perfume ingredients, which are necessary to maintain the quality of products, will still be available. Hindustan Lever already finds 80 to 90 per cent of its raw materials from indigenous sources. It has also encouraged the local manufacture of some items which were imported before. There is an increasing reliance on Indian personnel for the management of its business. The number of Europeans employed has declined to 32 from a peak of 59 in 1952, and the places of the 27 who have gone have been taken up by Indians. This trend exists throughout the company's business, whether it is in the marketing, commercial or technical sections. A comprehensive agreement has been signed with the Bombay factory employees on wages, bonus and retirement provisions covering the whole period of the second plan. The chairman expresses his belief that business will continue to expand. "We are in fact conducting our operations in a rapidly developing country, inhabited by something approaching 400 million people, who by modern standards consume per head so little of the sort of products we manufacture, that an immeasurably greater consumption is bound to come."

Shree Gopal Preference Issue.—The Shree Gopal Paper Mills Ltd. has announced the offer of its second series of preference shares. (The detailed prospectus appears on later pages of Capital.) The issue consists of 75,000 cumulative redeemable preference shares of Rs. 100 each at par, and the shares carry an interest of 7 per cent tax free, which seems satisfactory in the light of prevailing market ideas. The shares are "approved investments" for the purposes of Section 27A of the Indian Insurance Act. They will be redeemed at par on 1st July, 1972, but the company reserves the option to redeem them earlier. The company has a Rs. 3 crore scheme for expansion, renovation and modernisation, and the proceeds of the issue will be utilised for this. A substantial proportion of the new capital investment will come from Shree Gopal's own resources. The first phase of the programme is due to be completed this month; it will raise production capacity from 13,500 tons to 17,500 tons a year. The annual rated capacity, it is expected, will increase to 32,000 tons when the second stage of the programme is completed by the end of next year. During this stage, a new pulp and paper mill will be built; the scheme for manufacturers of paper and pulp machinery. The factory has been located near the sources of raw materials. Apart from the paper mills, the company's interests include a hydrogenation factory, a tin can manufacturing and printing plant and a mechanised stationery department for producing stationery. It is stated that the total dividends on preference shares will be covered nearly four times by the earnings of the company.

Alkali and Chemicals.—Discussing the expansion programmes of the Alkali and Chemical Corporation of India, Ltd., Mr. N. D. Harris, chairman, described at the ordinary general meeting the progress of the polythene project. As the scheme will involve a total investment of Rs. 4 crore, the company has decided to raise extra resources by a rights share issue at par and by a public advance notice of the new issue, which is to be made in the proportion of four new "A"

ordinary shares for one old ordinary share held. They will have the right to renounce the "A" shares, and will shortly be informed of the procedure. Referring to the allocation of Rs. 13,64,000 to the dividend equalisation reserve, Mr. Harris said: "Your directors made this reserve in the knowledge that although the polythene project should ultimately prove profitable, capital invested during the construction period will earn no return. It is hoped, however, with the help of the dividend equalisation reserve to maintain a reasonable dividend, even on the higher capital." Polythene is said to be a tough, flexible and thermoplastic material with remarkably insulating properties. It is being increasingly used throughout the world, especially in the manufacture of packaging film, flexible pipes, submarine telephone cables, etcetera. Mr. Harris thought that the largest single use of polythene in India would probably be for packaging purposes, both as film and as coating on paper and jute. The year under review has been a record one for A.C.C.I.'s sales and production. "Demand for our products continues to increase and generally still exceeds our capacity, which is being expanded in most of our products," Mr. Harris stated. Production of chlorine and caustic soda increased by 21 per cent over the previous year. Output and sales of hydrochloric acid were about 10 per cent higher and plant to double the capacity has already been installed. Referring to the prospects for the future, the chairman said that there is an immense potential market for chemicals in spite of the fact that the industry is still in its infancy. "We hope to be in the forefront of this industry and have continuously in mind plans for further extension."

Problems for Paints.—The report of Mr. C. E. J. Crawford, chairman, at the recent annual general meeting of the Paint Federation in Calcutta, analyses many of the paint industry's current problems. Since December, the industry has been brought within the scope of the Industrial Development and Regulation Act. Referring to this, Mr. Crawford states that if the emphasis is on regulation rather than development, expansion is likely to be retarded. Any measures which add to the "unproductive burdens" of the manufacturer should be avoided under the present circumstances. There is an excise duty on linseed oil, and another on the paint in which it is used; this amounts to levying a double tax. The paint manufacturer who prefers to refine linseed oil for his own use is often treated as an "oil manufacturer." He is thus made to comply with rules which involve unnecessary paper work and waste time. Mr. Crawford feels that in formulating its import policy, the Government does not always consider properly the fact that local manufacturers are able to supply, "without exception, all the paint requirements of the country". The import of raw materials has now been restricted; some of them were formerly under O.G.L. and are not locally available. The Government, it is felt, should not have done this without consulting the industry. Mr. Crawford expects that India will emerge in the future as a considerable exporter of paints. Bearing this in mind, producers should strive not only to maintain, but to improve the quality of their goods. It is suggested that the Government prepare an export promotion scheme, based either on a system of "drawbacks" under Section 100A of the Sea Customs Act, or on a system of rebates. In the internal market, difficulties arise from the new condition which official purchasing agencies have imposed upon sellers. They have introduced a new arbitration clause in purchase contracts which makes them the sole judge in any dispute—a condition which contradicts the accepted principles governing "normal relations between buyers and sellers". The railway freight classification needs to be simplified. Mr. Crawford mentions a problem which might arise when the metric system of weights and measures is introduced. In switching over to it, the paint industry has to depend on the speed with which manufacturers of metal containers turn out the full range of their goods. During the transitional period, Mr. Crawford says, sales in both metric and gallon measures should be permitted.

Trade in Tractors.—Speaking from the chair at the recent annual general meeting of the Tractor and Allied Equipment Manufacturers and Importers Association Ltd., Mr. L. R. Patel has referred to the possibility of increasing the use of tractors in Indian agriculture. It is proposed to reclaim a million acres of land, and to take improvement measures in an area of two million acres through the Central and State tractor organisations, individual cultivators and other agencies. Referring to the ceilings fixed by some State Governments on land holdings, Mr. Patel has pointed to a census carried out by the National Development Council which has shown that there are about 45.3 million holdings of less than ten acres, 1.2 million of 10 to 50 acres, and less than 700,000 of more than 50 acres. Mr. Patel thinks that the limitation on holdings of more than 50 acres will affect agri-

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The tenders should be accompanied by a receipt from the Chief Cashier, S.E.Rly., Garden Reach for amounts towards earnest money as above for each tender without which the tender is liable to be rejected. Approved contractors who have already made a permanent deposit of Rs. 1,000/- with the Controller of Stores need not pay the earnest money.

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cultural efficiency in the long run, unless co-operative farming is introduced on a large scale. He criticises "the imperfect policy" adopted by the authorities on the import of spare parts; more often than not, the restrictions on imports interfere seriously with the operation of the imported machines. Another problem which worries importers is the attitude of the Customs authorities in classifying machinery spares under inapplicable serial numbers of the import schedule. Mr. Patel criticises the tendency of the authorities to remove items from the O.G.L. at extremely short notice. "In these days of lack of shipping facilities, an importer has to plan his indents much in advance and such planning is made impossible or futile by amendment of the O.G.L. without sufficient notice." Although the Government is a big buyer of tractors, the acceptance of a tender by it for the supply of an imported article does not automatically mean the granting of an import licence. This often leads to practical difficulties in supplying machines. Mr. Patel refers to the refusal of Central Government departments to meet their liability to sales tax on purchases. He hopes that they will change their attitude and pay the tax; two high courts have held they are legally bound to do so.

U.S. Business Conditions.—The business picture continues to show both soft and strong spots, says the National City Bank of New York in its latest monthly letter on U.S. business and economic conditions. Industrial production in March has not made the usual seasonal gain, steel output is down, housing construction is still sluggish, and

automobile sales are not showing the increases hoped for. Cutbacks in production to check inventory accumulation continue in some lines. On the other hand, employment, buying power, and consumption are firmly sustained. Scattered lay-offs in consumer goods industries have been getting much publicity, but employers in 90 percent of the nation's leading industrial centres reported to the U.S. Department of Labour late in March that they anticipate moderate increases in employment through mid-May. Backlogs in the capital goods industries hold at high levels, and even where new orders have slowed, the pressure for more output and quicker shipment—as in structural steel—is still insistent. On balance, the strong sectors in business offset the areas of weakness. They are producing a generally sideways trend. This is particularly true when the overall economy, including services and trade rather than industrial production alone, is considered. There is no evidence that the rise in the gross national product has halted; certainly, it has not turned down. Business sentiment has seemed, if anything, a little better than it was in February. This does not imply that people have suddenly become bullish again, or that buyers have started speculating or covering ahead once more. However, less talk is heard about the dangers of an imminent recession, and the security and commodity markets have behaved better than they did earlier in the year. Confidence was bolstered during the month by official reports that business men were planning to maintain expenditures for new plant and equipment at about the present record rate during the remainder of 1957. In another highly regarded survey, consumers reaffirmed their optimism and

willingness to buy. The fall in industrial output—moderate though it is—is the principal soft spot in the overall situation. Industrial production had been on a plateau prior to last month. In the five months from last October through February, the Federal Reserve index (seasonally adjusted, 1947-48=100) held steady at 146, except in December when it was 147. In March, however, steel mill operations declined and automobile output levelled off at a season when normally both should be increasing. Other industries also adjusted production schedules. The upswing in production of petroleum and other items probably will be insufficient to offset these losses, and a moderate downturn in the production index is likely.

West German Export Credits.—The Bank Deutscher Lander is cutting credit for exports. The re-discount facilities which the bank gives to the Ausfuhrkredit, the special export finance bank, are to be reduced from 600 million marks to 500 million marks before the end of April. This is the latest in a series of financial moves calculated to make export business less attractive for West Germans. Last year, the differential interest rates for export credit were abolished. In August, "Hermes", the body which insures export credits, reduced its maximum coverage from 90 percent to 80 percent in the case of transfer risks. The Ausfuhrkredit followed by reducing the proportion of credit it would give on an export order from 80 percent to 60 percent. Now the facilities available to the Ausfuhrkredit are to be reduced, so that West German export credit will become the less plentiful as well as less attractive. The reasons behind these moves are difficult to understand. One could be to stop inflation at home, but speculation has also linked them with the need for consolidation before further expansion or the desire to be well placed to take full advantage of the common market when it comes into being.

U.S. Foreign Trade and Investment.—U.S. exports during 1956, by trade and tourism, resulted in a balance favourable to other countries of \$1,000 million. The U.S. Commerce Department's March survey of current business states that other countries paid the United States \$24,500 million in 1956 and received from her \$25,500 million. The favourable balance has added to the gold and silver holdings of the other countries. The survey notes that U.S. payments to other countries for goods and services totalled \$19,800 million, more than 10 percent greater than in the previous year. Of this total, imports of merchandise comprised \$12,800 million. Payments connected with international transportation amounted to \$1,400 million. Private U.S. investments abroad resulted in an outflow of \$2,750 million to other countries—a new record and more than twice the amount for 1955. Net U.S. Government disbursements to other countries through grants, excluding transfer of military supplies, and capital transactions, were \$2,300 million in 1956, a little higher than the year before. More than half of these Government disbursements last year involved the transfer of reserve agricultural products. In the last four and a half years, other countries have built up their gold and dollar reserves by about \$7,500 million. At the end of 1956, the gold and liquid dollar holdings of other countries and international institutions amounted to about \$33,000 million.

PARLIAMENTARY ORATION

THE more we think of the extraordinary performance of the members of the Legislative Council devoting some eight hours to reading written speeches to each other, the more we are struck with the absolute absurdity of the whole proceeding. If it had been desired to turn the Legislative Council of India into a farce and to bring it into thorough and complete contempt, no better means could have been devised than the fiasco of Friday. We are informed that these so-called speeches are circulated among the members beforehand, so that if any remarks are made, while the Lieutenant-Governor would be called upon to answer, the written speech is sent to him beforehand, and all the effusions are submitted to the Viceroy to enable him to sum up the situation at the end. To people ignorant of this tomfoolery, the Budget debate would seem to be a masterly performance and the Viceroy to be a politician of the first class, inasmuch as he could listen for six hours to a volley of speeches and then get up at the end and reply at length to everything which concerned him. We do trust that on the next occasion the members of the Council will rise above parochial considerations; and if it is considered desirable that there should be these written speeches, let them by all means be written out, printed and circulated, and then the proceedings be some discussions on them. The proceedings at the last Viceroyal Council were too utterly absurd for words.

FROM

CAPITAL

7th April, 1897.

A DITCHER'S DIARY

Communist apologies. Nor is an explanation unduly difficult to find. Ideologies or political ends play a much lesser rôle in our behaviour than we usually concede. "The ends are ape-chosen, only the means are men's"; and all your political extremists, for all their superficial animosities, are friends under their skin precisely because they believe in the same means. It was natural that Tom Driberg should have been Beaverbrook's biographer, to say nothing of Burgess's: as natural that Beaverbrook should find in Bevan a man after his heart.

Mr. Nehru's plea, made before a literary forum organised by All India Radio last week, that more people should learn more languages is unexceptionable—at least in theory. Nothing breeds stagnation, conceit and parochialism more easily than insularity, especially intellectual insularity of the sort that is implied in people limiting their interests to a language which is not widely used, or which has failed to adapt itself to the needs of a changing society. Some of the more harmful consequences of the parochialism which narrow linguistic attitudes give rise to were seen in India only a few months ago; and Mr. Nehru no doubt had these in mind when he made his plea. But the real trouble, I fear, lies, familiarly enough, in how the pious aim is to be put into effect. Mr. Nehru is quite right when he says that when new languages are to be learnt, the beginning is best made when one is a child. Apart from the physiological reasons he mentions, such as the organisation of the brain cells when one is very young, that is the time when one's receptivity to new modes of speech and to new ideas is probably the greatest, even if it is not particularly discriminating. It is also the time when speech organs adapt themselves most readily to the new convolutions which may be required of them. What worries me, however, is whether the attempt to diversify linguistic interests in early childhood might not later go much the same way as that renowned phenomenon of Indian history, the *Vana Mahotsava* campaign—whether the linguistic saplings planted in early life may not be left to decay and die in later years? I suspect they would, easily, unless high school and university education were also reformed in such a way that these interests are preserved and nourished. However, with our educational institutions already overcrowded and short of facilities, it might be an error to make curricula more burdensome. Looking at the proportion of college students who spend the greater part of their day patronising coffee houses, you might suspect that their time would be better spent learning Hindi more thoroughly, or taking up Persian or French. But the reason, I feel, why they do patronise the coffee houses is that they find lectures singularly unfruitful, because overcrowding prevents the opportunity for that intellectual give-and-take between teacher and student which is the essence of education. Unless the surfeiting of our educational machines with an indiscriminate selection of raw material is ended, the finished products are not likely to show much improvement or diversification—whether the labels they carry pertain to languages, the arts or the sciences.

Self-criticism is so rare a phenomenon in Indian journalism today that I am glad Reuters have cabled back to this country an Indian editor's contribution to the International Press Institute's

monthly bulletin in Zurich. Mr. S. N. Ghosh, editor of the *Pioneer of Lucknow*, may be justified in saying that the Indian Press has lost its sense of mission, but I am less sad at its disappearance than I am at the lip-service some of us continue to pay it. I would not mind at all the journalists trying to improve their working conditions if they bring with it a certain insistence on professional efficiency. But they frequently do not, and then seek Government assistance, although they must know that such assistance is given to traditional critics only at a price. That the Government has not so far abused the extensive powers it possesses to restrict the freedom of the Press is no argument at all why they should be there; many of our legislators might appreciate this better if the Kerala Government, for instance, tinkered around with a Congress newspaper in that State. Nor are these the only deficiencies of the Press. There is at the bottom of it all a strange lack of the spirit of competition, which is as necessary for a free economy as it is for a free Press. Do we see any aggressive efforts to increase circulation? No. One only hears of various attempts to inflate the A.B.C. figures. Finally, I am by no means certain that the increasing number of journalists and newspaper proprietors contesting elections on Party tickets is an additional way of ensuring the freedom and independence of the Press.

The Indian Administrative Service probationers, who were launched into professional life with a flourish of speeches last week, cannot complain of poverty in at least one item—good advice. They may, however, have occasion, later in their careers, to complain of poverty in another item—the opportunity to put good advice into practice. Dr. Rajendra Prasad, who many have been reassured to see retaining the official eminence from where exhortations have a guaranteed, if sometimes limited, audience, told the new generation of administrators to cultivate impartiality and judiciousness, and to "remain impervious to undue pressure from political groups and parties." Some of his audience may, I suspect, be posted to Kerala; impartiality and judiciousness would then, I suppose, demand that they adapt themselves to policy somersaults executed at the rate of three times a week. Some others may go to Bombay, and there learn that it is not "undue pressure", but only good-hearted persuasion, which is used in preventing Government servants from bibbing the alcohol which can be absorbed with such pleasant results in West Bengal. Yet others may find themselves in certain community project areas, where, a friend tells me, putting people to work whenever "window-dressing" is required for visiting dignitaries is as much an official's job as pigeon-holing files is. But perhaps I am being too cynical. If so, it is only because I feel that the advice should be offered less often to the administrator than to the gentlemen who obstruct or influence his work. These latter are often people who cannot be as easily persuaded by the civil servant as by Dr. Prasad and Pandit Pant (who spoke later in a similar vein)—persuaded, that is, to refrain from using their influence to serve their own petty, and often political, ends. Many officials are by now well familiarised with the spectacle of politicians in proletarian dress jumping over their heads—into the welcoming and extended arms of their superiors. Unless civil servants can be assured of full support when they do their duties sincerely and honestly, impartiality and judiciousness are likely to remain subjects for verbal dissertation alone.

THE DITCHER.

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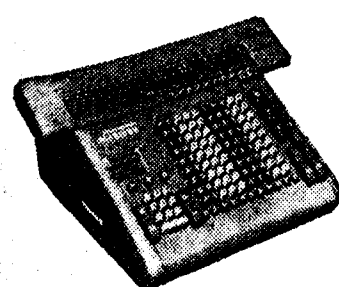
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The White Paper on the Budget for 1957-58 comments on this stability of sugar prices at a time of inflationary pressure. I hope that these facts effectively dispel the wrong notions about sugar industry. The Tariff Board has already said that the technical efficiency of Indian Sugar factories compares favourably with those in other countries. You have also kind enough to say that the industry has been able to stand under a rigid cost structure. The legislation to Australia and Indonesia has already established that cost of production in India is much lower as compared to those countries. I, therefore, consider it a remarkable achievement that in spite of the heavy taxation, inferior quality of cane and with lower productivity of labour, we are still able to export sugar.

to supply our consumers sugar at a price lower than many other countries.

By-Products

No industry can develop which does not make a profitable use of its by-products. This side of the sugar industry has not so far received the attention which it deserves. Proper utilization of by-products will help to lower the cost of production of sugar, it will stimulate the growth of other industries and even holds possibilities of earning foreign exchange through exports.

One of the most important of these by-products is molasses. By the end of the Second Plan, production of molasses is expected to amount to 8 to 9 lakh tons. The industry will be faced with a serious problem in disposing of this surplus. At present the price of molasses permitted to Indian factories is much lower than in other parts of the world and there is an urgent need to raise this price suitably. The principal consumer of molasses is the power alcohol industry which is not in a position to pay a higher price on account of heavy taxation and the high mixing costs allowed to oil companies. Some relief to the power alcohol industry, in these matters, seems necessary, as a rise in the price of their products should be allowed. Other uses of power alcohol such as the manufacture of DDT, acetate rayon, polythene, synthetic rubber and others are developing. But, allowing for all this, a surplus of molasses will remain and I wish to urge that the possibilities of its export regularly should be examined. There is a good demand in foreign markets and if facilities such as railway transport by tank wagons are made available, I am confident that export trade of a fair size can be built up. I understand that already a beginning has been made in this direction and sales of about half a lakh tons of molasses almost finalised.

Another important by-product is bagasse. I am glad that the possibilities of using bagasse as a raw material for manufacturing paper are now being realised and I welcome the decision to establish a factory for the purpose at Shakarnagar. The development of the paper industry under the Plan may result in a shortage of bamboo. Bagasse would be the answer to this problem.

Cane-trash could be utilised as a fuel, and wax could be extracted from sulphitation press mud. The possibilities are great and I think an expert committee should survey the field and examine the possibilities of economic utilisation of all the by-products of the sugar industry.

Labour

I firmly believe that good relations between labour and management are vital to the efficiency and progress of any industry. The year under review was marked by an agreement on payment of bonus to workers in U.P. involving a sum of about Rs. 1 crore 50 lakhs. In addition, Provident Fund facilities have been introduced for the benefit of the workers in the sugar industry. At present, the industry is facing a demand for an increase in wages. I would be in-

clined to view such a claim with sympathy. I am convinced that a strong case exists for wage increases, but only on certain conditions. One of these is that the workers must be willing to respond to the higher wages with efforts to raise productivity. Our workers have still a long way to go before they attain productivity standards comparable to those of other countries. In Australia, the average quantity of sugar produced per worker is 144 tons and in Java it is 40 tons. The corresponding figure for India is only about 10 tons. So I say, the industry will be happy to pay higher wages, if the labourer proves worthy of his hire. My second condition is that wage increases must proceed parallel with rationalisation. If employers are reluctant to adopt improved techniques of production because of the fear that they would be burdened with surplus labour, it is surely evident that eventually everyone is worse off labourers, employers, consumers and Government.

While on this subject, I feel it necessary to draw attention to the decline in standards of discipline, the tendency to resort to go-slow strikes and adopt coercive methods. Unless these dangerous tendencies are halted, I fear that our efforts to raise production and develop the country industrially will get a set-back.

Lastly, I hope I shall not be accused of an attempt to make Jack a dull boy through all work and no play, if I suggest that we have far too many holidays in this country. The number of man hours we lose and the resulting loss in production, will, I am sure, be a staggering figure, if some one took the trouble to calculate it. But I seriously feel that for an undeveloped country, where increase of production is of paramount importance, we should work a little more, even if that means playing a little less.

I.S.M.A.

Before I conclude, gentlemen, it is fitting that I should say a few words about this organisation of ours. The Indian Sugar Mills Association is the only all-India body representing the industry. It was started immediately after the grant of tariff protection to the industry, and in the twenty-four years of its life, it has built up an undisputed position of leadership of the industry. I believe we can look back with pride on the work of the Association in these years. I take this opportunity of acknowledging the good work being done by our several branches in U.P. and Bihar and the valuable co-operation we have been receiving from the various regional Associations affiliated to it, the South Indian Sugar Mills Association, the Deccan Sugar Factories Association and the Madhya Bharat Sugar Mills Association.

Publication of the journal "Indian Sugar" is proceeding satisfactorily, and it is developing into a useful organ of opinion and information on matters relating to the industry.

The past year has been memorable in the history of this Association because of the great responsibility conferred on it by our appointment as the sole agency through which sugar exports would be carried on. This was an entirely new activity for this Association, but we went ahead and built up a Sugar Exports

Division absolutely from scratch. I believe, in all modesty, that our performance has been creditable and once again, I express to you, Sir, our deep sense of gratification at your acknowledgement of appreciation of our activities. We shall continue to strive to be worthy of your trust. I personally believe that sugar exports have a great future and I shall always regard it as a particular privilege to have been associated with the initiation of this development.

This year the Association also set up a separate division to deal with the problem of factory farms. The work is expanding and has already borne fruit, in the matter of land ceilings. We are also going to set up a branch in the Punjab shortly, where a number of new factories, mainly co-operatives, are coming up. We are legitimately proud that our membership is open to all and almost all the co-operative factories which are coming into production are finding it useful to become our members.

Gentlemen, I have taken up much of your time, but I shall not detain you much longer. I thank you for your presence here today. To you, Sir, I wish to say one final word of appreciation and gratitude for your constant attention to our problems and difficulties and your sympathy and readiness to consider our difficulties whenever we had occasion to meet you. To the members of the committee of the Association, I say a very special word of thanks. As the youngest member of that body, I have had to rely heavily on the experience, wisdom and judgment of my distinguished colleagues. Whatever I have been able to accomplish in my capacity as the President of the Association, would have been impossible but for their generous and unstinted co-operation. The Secretary of the Association, Mr. Mehta, has won my deep appreciation by his unflinching readiness to carry out his onerous duties. I have drawn heavily on his time, his energy and his patience, and he has never let me down. The staff of the Association have also worked cheerfully and willingly. I thank all of them.

I would like to end on a personal note. This year, as President of the Indian Sugar Mills Association, has been, for me, an exciting and enlightening experience. I consider it a rare good fortune to have been honoured with such a high office and grave responsibility, while yet comparatively young. What I shall treasure most is the awe-inspiring sense of participating in the efforts for economic regeneration of the country which, I am convinced, will be regarded by future historians as one of the most momentous chapters in the history of our country. I am acutely conscious of the fact that the system of private enterprise, of which we are a part, is at the cross-roads, of which it will take the road leading downwards to decline and extinction or upwards to higher levels of national prosperity, depends largely on us. I, for one, look to the future with faith; faith in the capacity of our leaders, both political and economic to help this country to accomplish successfully its great mission of planned economic development through democratic institutions.

I request you, Sir, to inaugurate the twenty-fourth annual general meeting of our Association.

THE HONGKONG AND SHANGHAI BANKING CORPORATION

CHAIRMAN THE HON. C. BLAKER'S REVIEW

The One Hundred and Fortieth Ordinary Yearly General Meeting of Shareholders of The Hongkong and Shanghai Banking Corporation was held on 15th March, 1957, at the Head Office of the Corporation, No. 1, Queen's Road Central, Hongkong.

The following is an extract from the statement by the Chairman, The Hon. C. Blaker, M.C., E.D. :-

Ladies and Gentlemen,

The investment in an Associated Company, which is a new item in the balance sheet, represents our one-third interest in Bowmaker (C.A.) (Private) Limited in which we are equal shareholders with Bowmaker Limited and Tover, Kimsley and Millbourn Limited. This Company was incorporated on the 29th May, 1956 to trade in Central Africa, including the Rhodesias and Nyasaland, but for the present it will be mainly concerned with the granting of hire-purchase facilities in these territories.

I should like to say a little more about the rise in advances and trade bills which, as you have seen, has resulted in a drop in the total of cash, call money and government treasury bills. This rise is to a large extent due to the growing industrial and commercial expansion in South-East Asia but that is not the only reason. It was not until the end of 1955 that the credit squeeze in the United Kingdom began to make itself felt, but during 1956 the shortage of credit to a greater or lesser degree became a matter of increasing concern to merchants and bankers alike. This was aggravated in our case by the fact that some concerns which had previously obtained a large part of their finance in London now turned to us, while on the other side, depositors took advantage of the high rates obtainable in the United Kingdom to transfer some of their funds there.

Governments also were not slow to follow suit and as a result the banking system in a number of territories was deprived of substantial sums at a time when the demand for advances, mainly for productive purposes, was very active. Even from a purely revenue producing angle I wonder whether this action was wise. Has not the lure of higher interest rates caused them to lose sight of the increased taxation that would have accrued to them through the high rates obtainable in the United Kingdom to transfer some of their funds there.

I am afraid that as a result of the increasing demand for credit the standing of the borrower and the security offered are not the only considerations which have to be taken into account by our managers when approached for new facilities. The necessity to turn away business, which at other times would be most suitable, has, I am afraid, been forced on bankers in many parts of the world and we could hardly expect to escape. Nevertheless it is not a pleasant task and I hope that many of you in this room will realise—to quote a saying from our school days—"that it hurts me more than it hurts you". In the interests of depositors and shareholders alike it would be most imprudent not to maintain a suitable degree of liquidity and, spread as our activities are over so many territories, this liquidity should, in our opinion, be higher than may be considered necessary by bankers whose interests are mainly confined to one single country. At 31st December, 1956 the ratio of the Bank's readily realisable assets to its total liabilities, was just under 45% and while your directors are satisfied that this is a safe margin, the drop over the last few years is a reminder that our ability to finance the capital and current requirements of our customers and friends must of necessity have some limitation.

Since the time of the formation of the Bank the shareholders have been liable in the event of the Bank being dissolved, for the full amount of the notes issued by the Bank; and have also been liable to contribute to the Bank's debts to the extent of the nominal value of each share. At that time such a liability was a usual condition for the establishment of a new bank in the Colonies in order to afford protection to the holders of notes and to the depositors. The growth of banks since these days has made such a protection unnecessary and recently in a number of instances arrangements have been made to do away with such a liability. In our case an amendment of the Ordinance is necessary and we have recently made representations to the government that this should be done. In fact, although there is provision for a small fiduciary issue of under \$7 millions, the note issue is fully covered by Certificates of Indebtedness and approved securities, while the depositors are protected by the very substantial reserves which have been built up.

HONG KONG

The competition which the United Kingdom cotton industry is facing from imports of piece-goods from India and Hong Kong has been the subject of numerous statements in the press and questions in the House of Commons. Led by Sir Cuthbert Clegg, a Hong Kong at the beginning of this year to discuss this problem. It was proposed that the local industry should voluntarily agree to a limitation of exports of cotton cloth to the United Kingdom at an agreed figure and this suggestion is being examined. Even if certain sections of the industry are willing to co-operate, however, there seems little chance of bringing the garment-making industry into the scheme. This is very much of the cottage type of industry with no organised form of association and this makes any limitation unworkable. In view of the publicity that has been given to the competition from Hong Kong it is, I think, worthy of mention that the spinning industry here comprises just over three hundred thousand spindles while in the United Kingdom there

is temporary it may be a sign that demand is beginning to press where it can do most harm. Interest rates continued high but bank advances have steadily increased, resulting in a rise in the level of borrowing from the Bank of Japan.

Shipbuilding in particular has been extremely prosperous and, aided by their early delivery dates, the industry has taken advantage of the world demand for shipping, particularly tankers, and Japan last year turned out 1,746,000 tons of ships and the previous years total. Output of textiles also increased and exports have been rising which has not been welcomed by the competing industries in the importing countries, particularly in the United States of America. As a result of protests from that country the Japanese have agreed to a voluntary limitation of textile exports to 235 million square yards per annum. An interesting innovation to encourage exports has been the floating fair of Japanese machinery which is moving round various ports in South-East Asia. This fair is housed on board a freighter which will spend a few days in each city.

The demands of industry caused a higher level of imports, mainly of raw materials, but helped by another good rice crop and a world demand for her exports, it was still found possible to maintain a favourable balance of payments. As usual this was mainly due to invisible items as payments for exports and imports were almost in balance at U.S.\$2,400 millions but the foreign exchange surplus was just under U.S.\$300 millions as opposed to U.S.\$500 millions in 1955.

In spite of Japan's favourable overall balance her holdings of sterling have shown a considerable drop during the year and negotiations, which have been in progress in London since October, have recently concluded with the signing of a new trade agreement. It seems that the delay in reaching this agreement was caused by the different approach of the two governments. Japan considered the drop in her sterling holdings as justification for requesting increased imports by the sterling area of her goods; but the United Kingdom argued that, as sterling could now be used for many types of payment outside the sterling area, balanced trade with individual countries was a relic of bilateralism and was out of date. In the same regard the United Kingdom does not want to enter into a new payments agreement.

THAILAND

The cautious optimism I expressed last year regarding the future of Thailand appeared to be borne out by events in 1956. There were signs of more political stability and the differences between rival personalities, which had in the past hampered the administration, seemed to be less marked. Unfortunately the elections, which were held at the end of last month, resulted in a certain amount of unrest as it was necessary to declare a state of emergency. These disturbances seem to have been brought under control but the fact that they occurred shows that "caution" is necessary in any appraisal of events in this country. Economic conditions were satisfactory and the operation of the Stabilisation Fund ironed out excessive fluctuations in exchange rates while the over-stocked condition of the consumer goods markets showed considerable improvement. The balance of trade, however, was slightly adverse during most of the year as imports continued at a high level, which had a beneficial effect on the revenue. This was considerably higher than expected and resulted in income exceeding ordinary expenditure in the revised estimates for 1956, while a small surplus is estimated for 1957.

FEDERATION OF MALAYA

The Alliance Government has now been in office for over a year and steady progress has been made, both in the conduct of the day to day administration and in the movement towards full independence, while many of the changes agreed upon at the Constitutional Conference in London last year have already been brought into force.

As a result of this preparatory work the scene is now set for the transference of power on 31st August and the Federation of Malaya will then take its place as a self-governing member of the Commonwealth. On the whole their future prospects look favourable. The Alliance Government retains the support of the majority of the population and the economic outlook seems bright with a continuing world demand for their primary products. The Emergency continues as a dark cloud on the horizon as, although much success has been achieved, the terrorists remain active and the cost continues to be a heavy drain. Other problems spring to mind, such as the adjustment of racial interests and the relations between the Federation and Singapore, but the present government has built up a considerable store of good-will which should provide tolerance is shown on all sides, enable them to get off to a good start.

The present position of the finances of the Federation was dealt with clearly and concisely by Colonel H. S. Lee, the Minister of Finance, when he introduced his first budget. The estimates showed a prospective deficit of M\$145 millions for 1957 which would reduce the realisable general revenue balance to M\$136 millions by the end of that year. This was considered to be below the safety margin and, for this reason, changes in direct and indirect taxation were brought into force. Briefly these covered increases in income tax in the higher income brackets, new taxation affecting motor cars, the raising of certain import duties and an excise duty on locally grown tobacco. This increased revenue was expected to reduce the deficit to M\$110 millions. The estimates for capital projects already approved show that a little over M\$200 millions will be required in 1957 with not far short of M\$400 millions thereafter. This finance is being provided at present by advances from the treasury but a funding operation will require to be undertaken sooner or later. Many other schemes for development are in course of preparation and it was in the light of this heavy expenditure that the financial discussions were held in London concurrently with those on defence which I mentioned above. It was agreed that the United Kingdom Government would provide some financial assistance towards the continued cost of the Emergency and would help in the expansion of the armed forces. These arrangements, although perhaps on a smaller scale than was hoped for, should assist the Federation in their development plans and, before leaving London, Tenzin Abdul Rahman stated that "every encouragement would be given for the flow of foreign capital to Malaya to help the country's economic development".

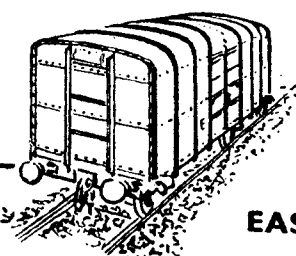
Achilles' heel

The wonder hero of the Trojan War, Achilles, was invulnerable—except at the heels.

In these days of power propulsion, 'wheels' rather than 'heels' are the symbol of speed. And when they say that our Plan for prosperity rides on the railway wheels, it is not mere rhetoric. The wheels must not be allowed to clog if the Plan is to succeed.

Indian Railways' 2,50,000 wagons must work their wheels faster and harder to carry more goods.

UNLOAD TODAY—NOW



KEEP THE WAGONS MOVING

EASTERN RAILWAY

This is a very welcome statement as foreign capital investment and, what is perhaps more important, the technical assistance which is likely to come with it, will be essential to the Federation for many years to come.

Tin and Rubber

In the first six months of the year the price of both these commodities moved gradually downwards but this trend was halted in July due to developments in the Middle East. For the rest of the year there were considerable fluctuations with a sharp increase in both prices during November and December. This rise has, however, not been maintained.

The International Tin Agreement came into force on 1st July, 1956 and contributions have already been made by members, all of them so far in cash. At the meeting in December of the International Tin Council it was agreed to review the present floor and ceiling prices and a report is expected to be submitted to the next meeting which will be held this month. While the introduction of this scheme should, on the whole, have a stabilising influence, to operate efficiently the buffer stock should hold both cash and tin but, as the manager of the buffer stock is not permitted to buy until the price is below £720 per ton, there is little prospect of acquiring any tin at the present time. From 31st January, 1957 the buying of tin by the United States Government for stockpile purposes ceased and the smelter in Texas was sold to a private concern.

Tin production in Malaya increased by a little over one thousand tons compared with 1955, while exports were the highest since 1950.

The rubber replanting scheme, which is so vital for the future of the industry, is making progress although the smallholders are moving slower than the estates. This is understandable as to quote from the Federation of Malaya Annual Report for 1955 "to the smallholder, lacking mechanical aids, the task of replanting calls for hard and sustained physical labour" and considerable publicity with sufficient inducements is necessary to encourage the smallholder to undertake this work. Production was slightly below the high level of 1955 and exports at 983,000 tons showed a drop of about 1%.

SINGAPORE

The conference to decide the future constitution for Singapore was held in London in April but in spite of three weeks of negotiation it was found impossible to reach agreement. The main issue on which the discussions foundered was the extent of the powers to be retained by the British Government to enable them to discharge their responsibilities for external affairs and defence. After his return, Mr. Marshall resigned in June and Mr. Lim Yew Hock became Chief Minister. His task seemed a far from enviable one as there was considerable disappointment over the failure to reach agreement in London, although in many quarters there was a feeling of relief that a period of quiet on the political scene seemed likely. In September the Chief Minister obtained a unanimous vote of confidence in the Legislative Assembly, which greatly strengthened his position, and enabled him to take stronger measures to stamp out subversive activities. One of these was an order dissolving the Chinese Middle Schools Students Union. For some time past many of the pupils in these schools had become extremely unruly and neither their teachers nor their parents seemed to have any authority over them and evidence was obtained which showed the extent of Communist infiltration in the union. The determined stand taken by the government unfortunately resulted in serious riots but no further disturbances have taken place since and there is every indication that the power of the Communists in the union has been severely weakened, if not entirely broken. This is an important achievement and particularly significant when it is remembered that over half the population is under twenty-one years of age. On the whole the position in Singapore at the for some time and, with the added authority which this improvement gave him, Mr. Lim Yew Hock paid a visit to London to discuss the agenda for the resumption of the constitutional talks this month. Although it is always dangerous to prophesy there seems ground for hope that this time he will not come back empty handed.

The estimates for 1957 showed a deficit of M.\$36 millions but new taxation similar to the Federation's reduced this figure to under M.\$20 millions. On the whole this is not an unsatisfactory state of affairs but the calls for capital development are heavy and are expected to amount to M.\$750 millions for the period 1958 to 1962, of which projects totalling M.\$570 millions are considered essential. To meet this heavy expenditure it is intended to increase revenue over the next three years to yield at least an additional M.\$50 millions and to mobilise local capital resources to the full. A bill was introduced imposing a tax "at wholesale level on any luxury goods which it may be decided to tax in the future". This proposal has been severely criticised as likely to endanger Singapore's free port status and the bill has been referred to a Select Committee. The necessity to maintain a suitable climate for investment, in the face of mounting expenditure for social services, is the difficult problem which faces Singapore's government and a suitable balance will not be easy to find.

MALAYA

It has always been the practice in these statements to include comments on developments in the Federation of Malaya and Singapore under the same heading but, with the recent constitutional changes, this seems no longer suitable and this year I have tried as far as possible to separate them. Geography and their complementary economies, are facts which cannot be ignored whatever the political differences may be, and it is no more the case to draw a line between the two territories in our summary of events than it is for one territory to ignore the effects on the other of the policy they adopt. Before I leave this peninsula, therefore, I wish to touch on a few matters of general interest to the area as a whole.

One of the recommendations of the International Bank Mission was the establishment of a central bank and last year the two Governments requested Mr. Watson of the Bank of England and Sir Sydney Caine to make an examination of the present position and to submit a report on what form that central bank should take. Under their terms of reference they were required, among other things, to advise on the desirability of separate central banks as opposed to

one for both territories. This question is linked with that of the currency for the two territories, the Governments of Sarawak, North Borneo and the State of Brunei having decided to adopt a currency of their own, and the report favours the continuance of one currency, which pre-supposes a joint central bank. This is a conclusion with which we agree but the efficient working of a joint central bank would only be possible—to quote from the report—"if the two Governments co-ordinated their policies in the fiscal, monetary and economic fields". Other recommendations cover the retention of the sterling link and the desirability of banking legislation.

The importance of the provision of low cost housing as a deterrent to Communism is as great in Malaya as it is elsewhere and I am glad to be able to report that the Malayan Borneo Building Society, formerly Federal and Colonial Building Society Limited, for which, as I mentioned two years ago, we are providing finance, has made considerable progress. Already this society has assisted many families throughout Malaya to purchase their own homes and its activities are being extended to Borneo.

The Malayan trade figures showed a favourable balance of M.\$13 millions as against M.\$335 millions in 1955. This considerable reduction was mainly due to the large increase in imports while the level of exports was about the same. The total value of external trade was higher than in any other year except 1951.

INDIA

India in recent years has built up for herself a position of considerable influence in world affairs and this is particularly so in Asia where many of the smaller countries look to her for leadership and watch with anxious eyes to see how her industrial development is proceeding—a development they are all trying to emulate to a greater or lesser degree. In particular her declared policy of neutrality is one which many others wish to follow and, although the dispute over Kashmir has soured relations with her near neighbour, and may, as a result of recent events, lower her own prestige, the interest in her progress is unlikely to be much diminished. The second five-year plan has, in particular, attracted considerable attention with its emphasis on heavy industry. In India this is considered vital to enable her to improve, or perhaps only to maintain, the standard of living of her growing population and all reports indicate that the government is determined to achieve the targets even if this is not found possible within the stipulated period. China, as we have seen, is also moving in the same direction, although under a very different form of government but with the same emphasis on speed. Whether either will be successful in this rapid move towards industrialisation, the future alone can show but the success of one over the other would be viewed by many as a triumph for that form of government. The determination of India to retain her parliamentary institutions can be seen from the elections recently held—a massive piece of organisation in which it is estimated that 200 million people have had an opportunity to vote at 200,000 polling booths. Success in her economic aspirations would strengthen such institutions not only in India but in many other countries as well, and these aspirations are at the moment centred round the second five-year plan.

This plan has been the subject of much comment and criticism both in India and abroad and fears have been expressed that the dangers of inflation have not been sufficiently guarded against. Many doubt whether there are large enough resources have been allocated to raise the level of production of food and cloth to meet the increased demand and the adequacy of the transport system and power facilities is questioned. The plan is considered to be unduly optimistic and this has already resulted in a more general realisation of the necessity to attract foreign investment, but the present treatment of the private sector the way to achieve this? These are some of the criticisms levelled at the plan and recent developments show that there is a good deal of substance in them.

During 1956 sterling balances dropped by about £150 millions, the wholesale price index rose by 13% while the cost of living went up by about 10%. These were danger signals that could not be ignored and an interim budget was introduced in November. This imposed a tax on capital gains, increased super tax on dividends and gave the government control over the reserve funds of the government control they "are put to uses which promote industrial development in accordance with the plan". Customs duties were also raised. To protect the external balances sumer goods, and a ceiling was fixed on foreign exchange expenditure for the next six months. New projects in both the public and private sectors, which involve expenditure in foreign exchange, were postponed if no commitment had been made.

These and other measures, which there is not space to mention here, should have their effect but it has to be seen whether they will be sufficient to change reserves without any major adjustment of the plan. Meanwhile the International Bank is considering making loans for a number of projects and a survey of transportation is being carried out by a mission from that bank while arrangements have been made to purchase U.S.\$200 millions from the International Monetary Fund.

These difficulties, which it is only proper I should mention, do not detract in any way from the considerable progress that has already been made or the magnitude of what is being attempted. Recently, for example, the Hirakud dam was opened which, claimed to be the longest in the world. This dam, about three miles with dykes on the flank to a total of thirteen miles. For the future it is hoped to increase steel production during the period of the plan by four million tons a year which will mean doubling the capacity of two existing plants and building three new ones. Construction of heavy machinery is also planned and a mission from the United Kingdom has recently visited the country to advise on what is required.

These are only a few of the many interesting developments that are taking place but before I leave there are two matters of interest to our offices Reserve Bank of India (Amendment) Act 1956 which gives that bank power to vary the cash reserves which

scheduled banks are required to maintain with it. The second is the Banking Companies (Amendment) Act 1956, which inter alia requires the appointment of managers of banks to be approved by the Reserve Bank of India. Although I understand that the power given under both these measures are only intended to be held in reserve, they are none the less disturbing. Circumstances change and policies with them and a very recent example of this is the State Trading Corporation. This was set up to carry on trade with the Communist countries, where a government organisation was considered advantageous, but the corporation is now competing to quite a large extent in imports from other countries which were formerly handled by the private sector.

BURMA

In Burma the elections in April resulted in the expected victory for the government party although the size of the opposition vote was greater than expected. The government was faced with a considerable number of problems, of which the most important was to establish and maintain law and order, and it is disappointing that very little progress seems to have been made in stamping out insurgency. Economically the misgivings I expressed last year regarding the success of the disposal of rice under barter agreements were unfortunately proving only too well founded; and the failure to maintain a level distribution of commodities was evidence of the weakness of the administrative machine. There has been some improvement since then as rice shipments, on which so much depends, have increased, which combined with continued restriction of imports has resulted in the foreign exchange reserves rising by about 25%. Unfortunately there has been a disturbing increase in the cost of living which rose sharply by 20% in the first six months of the year but has since come back to about 10% higher at the end of the year. In an effort to improve the distribution of essential goods five import corporations, with capital subscribed jointly by the government and the public, were set up towards the end of the year. Four of these corporations will be issued with import licences for general consumer goods while the fifth will concentrate on the requirements of industry. The expenditure was considerably reduced during the year and was limited to carrying out projects which were already started and it was estimated that the deficit would be only half of what was originally expected, while a small surplus is hoped for in the coming financial year. A long-term loan of U.S.\$25 millions was recently made by the United States of America which will be used in various ways ranging from the establishment of a medical centre to the expansion of the local air line and funds obtained from the International Bank will assist in the rehabilitation of the port of Rangoon and the railways. On the whole Burma seems to have overcome the difficulties caused by the fall in the price of rice since the end of 1953 and the over-ambitious development projects which were planned in the anticipation of a high price continuing. An improvement in internal security and a reduction in the cost of living are two important problems that still remain.

During the year a number of discussions took place with China regarding the line of the frontier between the two countries. This has been a subject of dispute for many years as the exact line of demarcation has never been settled. A joint statement issued in December indicated that no decision had been reached although it seems likely that the Chinese will withdraw from the Wa States in return for the cessation of three villages in the Kachin States.

CEYLON

The general elections held in April resulted in a sweeping victory for the People's United Front and Mr. Bandaranaike became Prime Minister of a government which was pledged to institute a Ceylonese Republic and to adopt a socialist programme including nationalisation of certain industries. So far the government has proceeded slowly and no very drastic steps have yet been taken. Discussions on the British bases were held during the year and in the House of Commons in December it was announced that "the United Kingdom Government will hand over the bases of Trincomalee and Katunayake to Ceylon in 1957 on a date to be agreed between the two governments". At the end of the year the People's United Front suffered a defeat in the Colombo Municipal elections and last month Mr. Dudley Senanayake, who has considerable popular following, announced his return to active political life. These developments can be considered as a sign of a swing back to the United National Party although it is true to say that the People's United Front have relied to a great extent for their support on the rural areas. The Official Language Bill was passed in July prescribing Sinhala as the official language of Ceylon and this has resulted in considerable dissension among the Tamil community. In this controversy I hope that the recent remarks made by the Indian Prime Minister on the importance of the English language are not being overlooked.

The favourable balance of trade has shown a considerable reduction over the record surplus obtained last year but external assets were little changed at the end of the year from 1955. A further agreement with China to supply rubber in exchange for rice was signed in December and Ceylon will continue to receive a price above the average monthly Singapore market price, although the premium is a little lower.

The budget presented in July brought out some minor changes in taxation comprising rises affecting those in the higher income brackets and a small increase in company rates of taxation. It appears that the development programme I referred to last year has not been found acceptable to the present government and a National Planning Council has been formed to prepare a new overall plan for economic development. This will inevitably result in delay as it is not so much in the planning that the weakness lies as in the lack of technical personnel to carry out the tasks. It was stated in June by the Minister General that two-thirds of the funds put up by Commonwealth countries under the Colombo Plan remain unused which seems to bear out this contention.

On the whole the emergence of a government with such different views from the previous one has resulted in a period of reflection with so far little change.

General

Sterling is still the medium for the finance of a large part of eastern trade and for this reason our office in London plays an important part in all our activities. Business there continues to increase and

(Continued on next page, Column 3)

HINDUSTAN LEVER LIMITED

CHAIRMAN MR. A. J. C. HOSKYN-ABRAHALL'S REVIEW

The Annual General Meeting of Hindustan Lever Limited was held in Bombay on 4th April, 1957. The following is the text of the speech made at the meeting by the Chairman, Mr. A. J. C. Hoskyns-Abrahall.

It gives me great pleasure to welcome our new shareholders to this Annual General Meeting of our company in its new form and under its new name. The report and accounts have been in your hands for some days and by your leave I will take them as read.

Less than five months have passed since we announced Unilever Ltd.'s intention to offer a part of our shares for sale to the public. At that time we made certain forecasts about our business and expressed certain intentions about the distribution of our profits. In the short time that has elapsed since then there has been no sudden boom in our business or any sort of windfall, but our final figures, as you have been somewhat conservative. We are therefore recommending to you a higher final dividend of 75 paise, at the same time coupling with that recommendation the caution that our outlook and policy have not thereby undergone any essential change. In the light of recent events we would not like you to build up any great expectations that future dividends will be higher than we forecast those few months ago.

In this connection I would remind you that the ink on our Offer for Sale documents was barely dry and the lists had not even been opened, when the Finance Minister sprang his surprise interim Budget on the country, with its capital gains tax, its increased scale of super tax on dividends and its compulsory depositing of a large part of companies' reserves. Tell us that, the Minister has also thought it right to plan, he has by no means yet exploited corporate taxation to the full. In this sort of context I feel increase our sales turnover which we may be able to do, it is not a very suitable measure. That our profits in 1956 were mainly due to increases in costs of our raw materials, of processing and of freight.

We are far from complacent about this upward trend in costs, which seems to be fairly general among household necessities, or near necessities, into which our products fall. In a community emulating so many people with very low incomes, our products run the risk of being too highly priced, and we should greatly like to make reductions, with all the stimulus they would give to increases in consumption. Unfortunately the prerequisites are lacking. We are vitally interested for instance in Government's Second Plan target of more than 71 million tons of oilseeds, representing a 30% increase in production. That oilseeds, and particularly groundnuts, are of prime importance to our business, to say nothing of their significance for export and foreign exchange purposes, but we cannot yet detect any great progress towards hitting this target. Transport is another vital sphere where unrestricted availability at moderate prices is essential, but at present its inadequacy is constantly giving rise to costly delays and, on the top of that, freight rates are tending to increase. These are but two indications of what I have said is a general trend.

While the rising national income will generally be absorbing some of the shock of higher prices, we do of course provide what counterblast we can in our own operations. Through nearly all the media we are steadily mounting educational efforts, by habit-forming instruction in better washing and ironing methods is imparted to the public. In the countryside particularly our large and still growing fleet of demonstration, cinema and other vans is carrying this service farther afield every year.

Import Restrictions

Another matter affecting us is the recent tightening of import restrictions and some of you may well be asking to what extent we rely on imported materials for the pursuit of our business. You will already know that we find between 80 and 90% of our raw materials from within this country, since that fact was stated in our Offer for Sale. That does not mean however that there are not certain key items, such as perfume ingredients for instance and certain chemicals imported by us without which—although they may be small in volume—we should be unable to maintain the quality, or what you might call the personality, of our products. We hope to be allowed to continue to import such items as being actual users of them, but of that we cannot yet be sure. It is powerless to avoid, that such changes as we are going to have to make, and we do not expect to have to ask our consumers to accustom themselves to any serious departure from our normal products. You should know more of that as exporters we are already useful earners of foreign exchange and greatly sought after commodity.

Vanaspai and Soap were worth rather more than Rs. 76 lakhs, and they went to places as far apart as New York and Fiji with many destinations in between. When we seek to make imports, our record as exporters should be allowed to stand to our credit.

It is however, and has long been, our policy to buy Indian materials so far as we possibly can. In the past few years we have been encouraging with some success the local manufacture of items which previously were imported. Bleaching earth, paper

and board are recent instances, where we have been able increasingly to switch our buying from foreign to local sources. We are also increasingly relying on Indian sources for the management of the business. It may interest you to know that from a peak of 53 in 1952 the number of Europeans we employ has already fallen to 32, the places of the 27 who have gone having been taken by Indians. This trend extends throughout our business whether it be in the marketing, commercial or technical sections.

Our staff have worked well throughout the year. We are glad to say that we have signed a comprehensive agreement with our Bombay factory employees covering the whole period of the Second 5-year Plan. It embraces wages, bonus and retirement provisions for about half our employees, as well as production incentives. A similar agreement with the rest of our employees all over India is now on the point of being signed and we therefore have good reason to look forward to a period of steady consolidation of the goodwill already existing on both sides.

Welfare of Employees

While on this subject, I might add that we try to look after the welfare of our employees, not only by giving them congenial working conditions, but more particularly by providing them with good medical services and good factory canteens. We have canteens in all our factories except the one at Sharnagar near Calcutta and there a newly built canteen is due to be opened ten days from now. Moreover we are not satisfied with our Bombay Soap Factory in this respect and propose to build there a new canteen at a cost of about Rs. 6 lakhs, as soon as we can finalise our plans and secure the necessary cement and steel. Providing this facility for our office staffs is by no means an easy matter, but we propose to include a modern canteen with recreational facilities in the new Bombay Office building, on which we hope to start work this year. So far as medical services are concerned, we have full-time doctors and nursing sisters on the staff in our Bombay and Calcutta factories, while in our smaller factories we have part-time doctors who attend daily and full-time dispenser-dressers. All factories have consulting rooms and properly equipped dispensaries. Arrangements to deal with medical emergencies occurring outside general duty hours vary from place to place, as in Bombay factory we have dispenser-dressers on duty in all shifts; in our other factories we have staff spe-

cially trained in first-aid. In our offices we have arrangements for doctors to be on part-time duty or we pay them retainers, so that facilities for free consultation and treatment are available to the employees concerned. In the past few years these medical services have, generally, and particularly in Bombay, reduced the time lost through illness and accident.

I would like to end this review by giving you one good reason why this business should continue to expand, lest you should think that I have listed difficulties but little else and hear little but the rattle of chains. We are in fact conducting our operations in a rapidly developing country, inhabited by something approaching 400 million people, who by modern standards consume per head so little of the sort of products we manufacture, that an immeasurably greater consumption is bound to come. Moreover it is entirely for the good of the country that it should come. On this satisfactory base we expect to go on building. As for the difficulties, they are or are likely to be largely of a type common to most consumer industries at the present time, and it is probably fair to say that our business is as well equipped as most others to meet their challenge.

Note: This does not purport to be a record of the proceedings of the Annual General Meeting.

HONGKONG AND SHANGHAI BANKING CORPORATION—(Contd. from page 510)

a further enlargement of our premises is becoming necessary. This we shall do by taking over the second floor of our building when the present lease expires.

New York office has naturally benefited from the increasing use of United States dollars in world trade since the war and has greatly extended its operations in recent years.

Our office in France was transferred from Lyons to Paris in 1953 at the time when the economy of Indo-China relied to a large extent on trade with France. This is no longer the case and with the dwindling of the traditional business, which had been previously handled, it was necessary to explore other avenues. In this I am glad to say we have been quite successful and I hope that this office will continue to build up satisfactory connections on its own.

Germany's increasing trade has been reflected in the turnover of our Hamburg office which continues to prove a most valuable link for our offices in the east.

To turn to our subsidiaries, the Hongkong and Shanghai Banking Corporation of California has made a good beginning and I hope that it will be able very shortly to contribute to the profits of the bank as a whole. The possibilities in the west coast of America are so extensive that the directors have decided to open also in Los Angeles and permission to do this has recently been obtained from the American authorities.

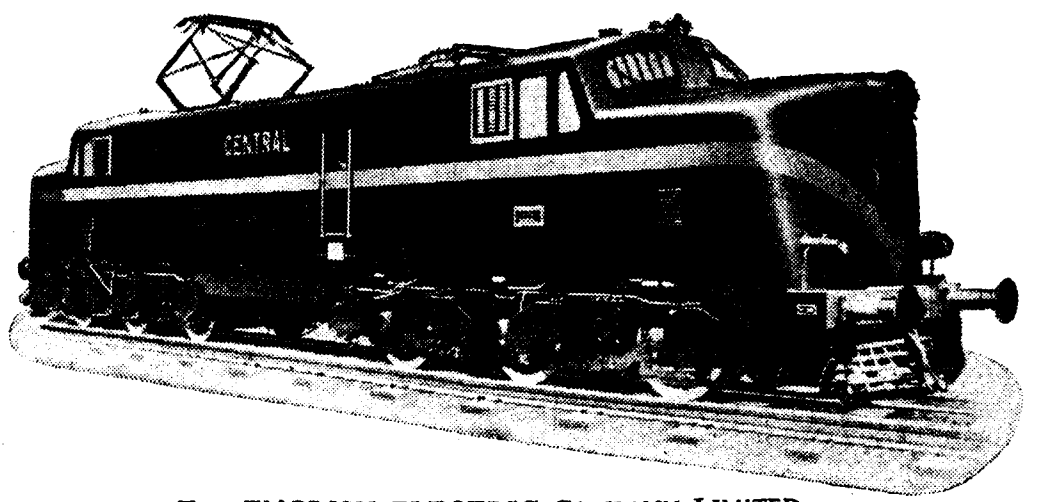
'ENGLISH ELECTRIC' RAIL TRACTION IN INDIA

Manufactured or building for India are:—

- ★ 2,500 Vulcan Steam Locomotives..
- ★ The seven most powerful electric locomotives in service each rated at 3,600 H. P.
- ★ Electric equipments for a total of 111 motor coaches.
- ★ Twenty four Electric three-car articulated units
- ★ Twelve 3,120 H. P., 3,000v electric locomotives.

'ENGLISH ELECTRIC' manufacture in their own organisation:—

- ★ Complete diesel-electric locomotives including the diesel engines, electrical equipment and mechanical parts
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- ★ AC and DC electrical equipment for multiple unit trains.



THE ENGLISH ELECTRIC COMPANY LIMITED
(Incorporated in England. Liability of Members Limited)
NEW DELHI BOMBAY CALCUTTA MADRAS LUCKNOW

ALKALI & CHEMICAL CORPORATION OF INDIA, LIMITED

REVIEW BY MR. N. D. HARRIS

The Twentieth Ordinary General Meeting of the members of The Alkali & Chemical Corporation of India, Limited was held at the Registered Office of the Company, 34, Chowringhee, Calcutta, on Thursday, the 28th March, 1957.

Mr. N. D. Harris the Chairman presided.

Gentlemen,

The Audited Accounts and Directors' Report for the year ended 30th September, 1956 have been in your hands for some time and with your permission I propose to take them up.

I am pleased to report that the year records further increases in production and sales. The net profit for the year, after providing for depreciation amounts to Rs. 29,80,327/-. The total profit available including the balance from the previous year of Rs. 1,19,168/- is Rs. 30,99,495/-. compared with Rs. 22,93,168/- for 1954-55. A sum of Rs. 13,04,000/- has been transferred to Dividend Equalisation Reserve, and I shall refer to this unusually large transfer later. After this allocation and the others referred to in the Directors' Report and the payment of the Preference Dividend, a dividend of 8% free of income tax is recommended on the ordinary shares. If you agree to this a balance of Rs. 92,495/- will be left to be carried forward.

I referred at the last General Meeting to our plans for the manufacture of Polythene at Rishra, and I am glad to say that we have received a licence from Government to proceed with this project. In fact, substantial progress has already been made on the site. As I told you, Imperial Chemical Industries Ltd., London, your technical advisers, have agreed to supply their process and continuing "know-how" on very favourable terms. Polythene was discovered by I. C. I. Ltd., who now manufacture large quantities in the United Kingdom and have licensed its manufacture in several other countries. The production, actual and projected, and consumption of Polythene throughout the world have during recent years increased to a remarkable extent, and give every indication of continuing to do so.

The process will be that used by I. C. I. in the manufacture of the well-known "Alkathene" brand of Polythene. The use of "Alkathene" in India has been developed by I. C. I. (India) Private Ltd. who have operated a plant at Calcutta for the manufacture

of film from imported granules since 1953. Polythene is a tough, flexible, thermoplastic material with outstanding electrical insulating properties. Many thousands of tons are used every year throughout the world in the manufacture of packaging film, flexible pipes, submarine telephone cables, radar equipment and moulded domestic articles, to mention only some of the major uses. The largest single use of Polythene in India will probably continue to be for packaging purposes, both as film and as coating on paper and jute.

The project will involve a total investment of about Rs. 4 crores, which it was decided to raise by a substantial share issue at par and by borrowing. All ordinary shareholders have now received the circular letter dated 4th March which gave advance notice of the new issue of shares in the proportion of four new "A" ordinary shares for one old ordinary share held. Shareholders will have the right to renounce and they will shortly receive a letter describing the procedure. The rights are saleable on the stock market as recently announced by the Calcutta Stock Exchange Committee.

Dividend Equalisation Reserve

I referred previously to the large allocation of Rs. 13,04,000/- to the Dividend Equalisation Reserve. Your Directors made this reserve in the knowledge that, although the Polythene project should ultimately prove profitable, capital invested during the construction period will earn no return. It is hoped, however, with the help of the Dividend Equalisation Reserve to maintain a reasonable dividend, even on the higher capital.

Some of you may wonder why we have had to issue a different class of ordinary shares. The reason is that we hope this part of the capital of the Company will qualify for relief under Section 56(A) of the Indian Income Tax Act, and that dividends received by companies on these shares will be exempt from super tax.

Our principal shareholder, I. C. I. (India) Private Ltd., will take up their new "A" shares to the extent of Rs. 1,75,30,720/- and it should be noted that this represents a substantial additional British investment in India by Imperial Chemical Industries, London through I. C. I. (India) Private Ltd.

I. C. I. (India) Private Ltd. are also agreeable to buy any "A" shares not taken up or disposed of by shareholders.

I shall now give you a brief review of our activities. The year has been a record one for both sales and production. Demand for our products continues to increase and generally still exceeds our capacity which is being expanded in most of our products.

Production of chlorine and caustic soda was 21% higher than in the previous year, and you will be interested to know that we consumed 30% of our total production of chlorine in the manufacture of other products. As there is still an unsatisfied demand we have applied to Government for permission to increase this section of the plant.

Production and sales of hydrochloric acid were about 10% higher and plant to double the capacity has already been installed.

The plants for the production and formulation for our "Gammexane" Benzene Hexachloride (B.H.C.) products also had a successful year, and extensions were completed during the year. An interesting development in this sphere was the first large purchase by Government of B. H. C. water dispersible powder for use in their National Malaria Programme. It is expected that substantial supplies will be taken by Government during the next few years.

Our "Duro" and "Dulux" paints and our range of allied products continue to be very popular. The allied products referred to at the last General Meeting were almost completed during the year, although some delay was caused by the blocking of the Suez Canal. It is now apparent that, although these extensions will increase our capacity considerably, they will still be inadequate to meet demand and you, the Directors are now considering further extensions. Increasing demand for metal pre-treatment products, produced and marketed under the name of A. C. P. resulted in your Directors installing a plant for their manufacture.

As I said earlier, a start has been made on the Polythene project; the site is being developed and construction has begun. Every effort is being made to ensure that this plant goes into production in the shortest possible time.

Last year I was happy to pay a tribute to the technical and sales staff of our Selling Agents, I. C. I. (India) Private Ltd. They have again earned our special thanks as they have matched with record sales, the record productions achieved at Rishra. Considerable competition was faced, particularly in the sale of Paints and "Gammexane" products which they were successful in meeting. I look forward with confidence to similar co-operation in marketing our "Alkathene" brand of Polythene when this factory goes into production.

The chemical industry in India is relatively in its infancy, and your Directors are aware that there is an immense potential market for chemicals for India's growing industrialisation. We hope to be in the forefront of this industry and have continuously in mind plans for further extension.

I do not intend to enter the worn-out controversy concerning the roles of the public and private sectors in industry, because I believe that both can function side by side, and the efficient working of both is essential to the success of India's plans. Certain spheres of industrialisation are not appropriate to private enterprise which, however, can be justly proud of its achievements to date and of its plans for the future. While I think that Government really take the same view of private enterprise's important role nevertheless some recent legislation and decisions in the fields of labour and taxation are not easily reconcilable with it.

Labour Tribunals

One hopes that Labour Tribunals are doing a real service to the country, but one wonders whether those who sit on them really understand the long-term implications of their awards. Government is becoming a large employer of industrial labour, and I believe there will result a better appreciation of the private employer's point of view; also that in both the public and private sectors yardsticks to be used in wage rates, allowances, bonus, etc., will not widely differ.

In the field of taxation, it is well known that the burden of corporate tax—and that in India is amongst the heaviest in the world—the recent legislation requiring the deposit with Government of a part of profits, the penal tax on dividends, the heavy personal tax on management personnel have all contributed to the growing feeling of uncertainty and unrest.

One of India's greatest needs today is industrial capital, and the developments I have referred to above must inevitably deter the investment of capital from abroad.

A special word of commendation is due to our staff and workers for the excellent results achieved during the year and I am sure you will wish me to convey to them our sincere thanks. Our relations with them remained good throughout the year. We are endeavouring to introduce new and improved terms of service at the factory, based upon a scientific appraisal of the value of each job. Unfortunately, due to difficulties arising as a result of our having two Unions in the factory, we have so far been unable to reach an agreement which will enable us to introduce these new terms but we hope that the current year will produce a solution to this problem.

Your Board is alive to the need for trained management and technical personnel and have followed a progressive recruitment policy. A number of young Indians have received training in I. C. I. and other factories in the U. K. and more will be going when the Polythene plant is nearing completion. Indian engineering recruits are receiving practical training in workshops and factories in and around Calcutta and a "school" for fitters and mistries is in operation at Rishra.

The Directors retiring by rotation are Sir Birendra Nath Mookerjee, Sir Bijoy Prasad Singh Roy and Mr. P. M. G. Hutton and I have great pleasure in recommending their re-election.

The Auditors, Messrs. Lovelock & Lewes also retire and you are requested to re-appoint them for the ensuing year at a fee of Rs. 7,500/- which is the same as that of last year.

This document does not purport to be a Report of the Proceedings of the General Meeting.

A copy of this Prospectus has been delivered to the Registrar of Companies, West Bengal, for registration, together with the necessary documents which are required by Section 59 of the Companies Act, 1956.

"CONSENT of the Central Government has been obtained for this issue by an order of which a complete copy is open to public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent, the Central Government do not take any responsibility for the financial soundness of any scheme or for the correctness of any statements made or opinions expressed with regard to them."

The subscription List will open on 10th April, 1957 and will close on 22nd April, 1957 or earlier or later at the discretion of the Directors.

SHREE GOPAL PAPER MILLS LIMITED.

(Incorporated on 5th of November, 1935 under the Indian Companies Act, 1913).

SHARE CAPITAL

AUTHORISED CAPITAL:—

7,500—6% (Income-tax free) Cumulative Participating 1st Preference Shares of Rs. 100/- each	...	...	Rs. 7,50,000/-
75,000—7% (Income-tax free) Cumulative Redeemable 2nd Preference Shares of Rs. 100/- each	...	...	Rs. 75,00,000/-
12,55,625—Ordinary Shares of Rs. 10/- each	...	...	Rs. 1,25,56,250/-
			Rs. 2,08,06,250/-

ISSUED, SUBSCRIBED & PAID-UP CAPITAL:—

7,500—6% (Income-tax free) Cumulative Participating First Preference Shares of Rs. 100/- each	...	...	Rs. 7,50,000/-
*12,54,907—Ordinary Shares of Rs. 10/- each	...	...	Rs. 1,25,49,070/-
			Rs. 1,32,99,070/-

*Note:—These include

- 29,938 Ordinary Shares of Rs. 10/- each issued for consideration other than cash in part payment of the purchase price of the mill in 1936;
- 5,00,629 Ordinary Shares of Rs. 10/- each issued as fully paid up to the existing shareholders, as on 1st January, 1955, in proportion of one Ordinary Share for each Ordinary Share held by them on 1st January, 1955, by capitalization of Reserves.

The rest are for cash. Rs. 40,00,000/-

DEBENTURE LOAN CAPITAL:—

- 51% Registered Mortgage Debentures of Rs. Ten lacs divided into 1,000 debentures of Rs. 1,000/- each secured by Trust Deed dated 14th July, 1937 and supplemental Trust Deeds dated 14th August, 1944 and 1st September, 1954 ... Rs. 10,00,000/-
- The principal amount is repayable on 16th July, 1965 with option to the Company to pay off on or after 15th July, 1962 by giving six months' notice of its intention so to do.
- The interest is payable half-yearly on the 15th January and 15th July, each year.
- 3,000 6% Registered Mortgage Debentures of Rs. 1,000/- each secured by Debenture Trust Deed dated 27th June, 1955 ... Rs. 30,00,000/-

The interest is payable half-yearly on 16th February and 16th August each year. 600 debentures of this series will be redeemed by the Company at par on 16th February, 1961 and on each 16th day of February of the years following till the whole of the said debentures shall have been redeemed or paid off. The particulars of debentures to be redeemed will be determined by draw.

Both the above series of Debentures are secured by fixed mortgage charge of the Company's lands, buildings, plant and machinery, both present and future and a floating charge on other assets (excepting raw materials, stores and stock-in-trade), such floating charge not hindering or preventing the Company from leasing, charging or otherwise disposing of or dealing with the other assets, and the Company may charge such other assets and such charge may be made specific or floating and may be made to rank in priority or *pari passu* with or after the floating charge in favour of the holders of these Debentures.

The mortgage charge with respect to both these series of Debentures rank *pari passu*.
Note: (The Company has a Cash Credit limit, etc. for Rs. 53 lacs with Allahabad Bank Ltd., secured by floating charge on moveable assets of the Company, such charge ranking in priority to floating charge in favour of holders of above debentures.)

PRESENT ISSUE

75,000—7% (Income-tax free) Cumulative Redeemable Preference Shares of Rs. 100/- each at par ... Rs. 75,00,000/-
These shares carry 7% (income-tax free) cumulative preference dividend and subject to the provisions of Companies Act, 1956, shall be redeemed at par on 1st of July, 1972 with option to the Company to redeem them at par earlier at any time after the 30th June, 1969 on giving six months' previous notice of its intention so to do. A redemption fund is proposed to be created by setting apart Rs. Ten lacs every year out of the annual profits from the year 1963 onwards till full Rs. 75 lacs is made up.

The shares will rank for dividend next after paying or providing for payment of cumulative preferential dividend at 6 percent per annum (income-tax free) on the capital for the time being paid up on the existing Preference Shares of the nominal value of Rs. 7½ lacs of the Company but in priority to the Ordinary Shares of the Company. For return of capital, these shares will rank next after the existing Preference Shares but in priority to the Ordinary Shares, but shall not be entitled to any further participation in profits or surplus assets.

This issue of 75,000 Second Cumulative Redeemable Preference Shares of Rs. 100/- each is offered for public subscription.

The amount payable in respect of these shares is as follows:—

- Rs. 50/- per share with application, and
- Rs. 50/- per share on allotment.

Applications must be made for a minimum of five Preference Shares or multiples thereof.

The Company is advised that the Preference Shares now being issued are "Approved Investments" within the Meaning of Section 27A of the Indian Insurance Act, 1938.

DIRECTORS

- Lala Karam Chand Thapar
Managing Director: M/s. Karam Chand Thapar & Bros. Private Ltd.
Chairman: M/s. Greaves Cotton & Co. Ltd., etc., etc.,
5, India Exchange Place, Calcutta.
- Seth H. P. Poddar
of M/s. Tara Chand Ghanysham Das, Bankers,
34 Raja Santosh Road, Alipore, Calcutta.
- Seth Chottelal Dhandhanla
C/o. Shree Annapurna Mills,
Banaras Cantt.
- Lala Kesar Ram Narang
of Punjab Sugar Mills Ltd.,
P.O. Ghughly, Dist. Gorakhpur.
- Shri Rameshwar Prasad Agarwal
Director: Arrah Electric Supply Co. Ltd.,
"Shree Niketan Chowk" Arrah.
- Shri Lalit Mohan Thapar
Director: M/s. Karam Chand Thapar & Bros. Private Ltd.,
5, India Exchange Place, Calcutta.
- Shri B. P. Poddar
Managing Director: Poddar Automobiles Ltd.,
38 Chowringhee, Calcutta.
- Shri R. K. Jaidka
Proprietor: M/s. R. K. Jaidka & Sons,
132 Russa Road Calcutta.
- Bramha Shum Shere J. B. Rana
Director: D. L. F. Housing & Construction Ltd.,
Barbrix Traders Ltd., etc., etc.,
Bramha Cottage, Maharajganj, Kathmandu, Nepal.

Managing Agents

- KARAM CHAND THAPAR & BROTHERS
PRIVATE LTD.
5, India Exchange Place,
Calcutta-1.
- Bankers**
Allahabad Bank Limited,
Oriental Bank of Commerce Ltd.
- Solicitor**
Asoke K Sarkar,
10, Hastings Street, Calcutta-1.
- Auditors**
Messrs Price, Waterhouse, Peat & Co.
Chartered Accountants,
B4, Clive Building, Calcutta-1.
- Registered Office**
5, India Exchange Place, Calcutta-1.

PROSPECTUS

Objects

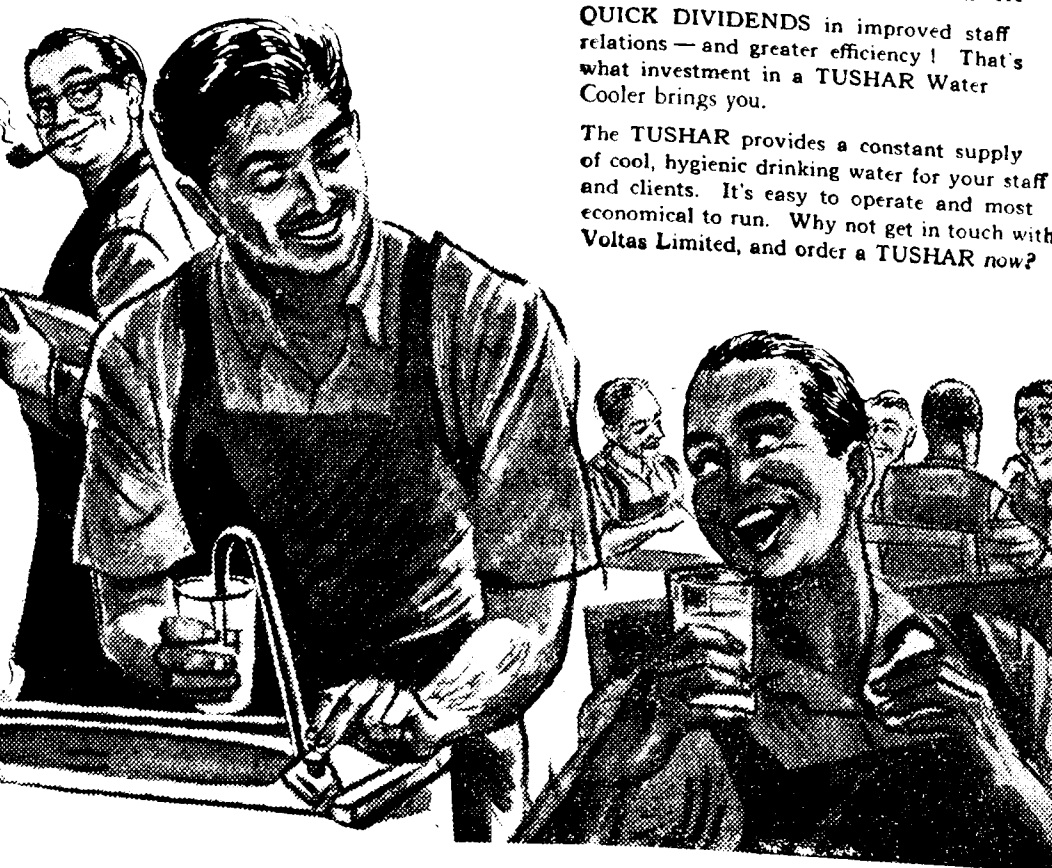
The Company was incorporated on 5th November, 1936. Objects for which the Company was formed are as set out in the Memorandum of Association and in particular to acquire the paper mills belonging to Punjab Pulp and Paper Mills Limited (in Liquidation) with 51 acres of freehold land, situated in Jagadhri, and to carry on business of manufacture of pulp and papers of all kinds, and articles of all kinds for manufacture of which pulp and paper is used.

The Company has since then progressively expanded both in its volume of production and its range of products. The Company's Factory at

Yamna Nagar (Jagadhri Rly. Station) now stands in an area of nearly over 350 acres of land with a fully equipped Research Laboratory and an extensive staff and labour colony. The original annual rated capacity of the Mills was 7,500 tons of finished paper inclusive of wrapper. With the additions and alterations so far made, its present annual rated capacity stands at 13,500 tons of paper including wrapper. In addition to the Paper Mills, the Company has got a Hydro-generation Factory, a Tin Can Manufacturing and Printing Plant and a mechanised Stationery Department for manufacture of stationery. The cost value of the block in 1936 when the Factory was purchased was Rs. 25,58,618/2/- . On 30th June, 1956, it stands at over Rs. one crore fifty lacs showing additions of about Rs. one crore twenty five lacs during this period. The present market value of block, i.e. Plant and Machinery, equipments, building's land, etc., of the Company should be about Rs. 3 crores.

Development

The Company is at present engaged in Expansion, Renovation and Modernization Programme of about Rs. 3 crores to be completed by the end of the year 1958. It is a two-phased programme. The first phase consists of the modernization and renovation of the existing three paper machines. The major portion of the equipment has already been reached the site and has been erected or is in course of erection. This first phase is expected to be completed by April 1957 when the production of the existing three machines would go up from 40 tons to 53½ tons of paper per day i.e. the annual rated capacity would go up from 13,500 tons to 17,500 tons.



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8, Netaji Subhas Road, Calcutta 1. 11, Mahatma Gandhi Marg, Hazratganj, Lucknow.
MADRAS-NEW DELHI-BANGALORE-COCHIN-AHMEDABAD-SECUNDERABAD-INDORE-JAIPUR-NAGPUR-COIMBATORE

SHREE GOPAL PAPER MILLS LIMITED.—Cont'd.

The second phase of the Programme is Expansion programme which consists of putting up a new Pulp and Paper Mill. Orders for both the new Pulp and Paper Mill Soda Recovery unit and other items of the machinery and equipment required for this programme have already been placed and advance payments of over Rs. fifty-one lacs have already been made. The shipments of the new Paper Machine and the new Pulp Mill consisting of 2 streets—one for the manufacture of pulp from wood and bamboo and another for the manufacture of pulp from bagasse grass, etc. are expected to be completed during the current year. The first consignment of equipment relating to the new Paper Machine has already arrived in India.

The scheme has been drawn up in consultation with Messrs. Escher Wyss GmbH, Ravensburg and Messrs. Krauss-Maffei Imperial GmbH, München 13, of West Germany, both of whom are reputed manufacturers of paper and pulp machinery. The scheme envisages in addition to the installation of pulp and paper mill—

- (a) setting up of a new modern soda house consisting of soda recovery boiler, re-aqueousing unit and modern evaporator and an electrostatic precipitator, under technical supervision of E. J. Hanson of Sweden.

Note: The Suppliers guarantee caustic recovery of 95% as against present recovery of about 65%. This should result in considerable saving to the Company in cost of chemicals used in manufacture.

- (b) Addition of another turbine of 6250 KW and two boilers to our existing electrical unit to provide additional load of electricity and additional process steam.

With the completion of this Expansion and Modernization programme, the Mills' rated capacity would increase to 90/100 tons per day (i.e. about 22,000 tons per annum against the present rated capacity of 13,500 tons per annum) of finished

paper, consisting of all kinds of writing and printing papers including Banks, Bonds, Ledgers, Air-mails and Manifold, etc.

Object of this Issue

The total cost of this Renovation Expansion and Modernization programme is estimated at approximately Rs. three crores, of which over Rs. 86 lacs has already been spent on renovation and modernization of existing paper machines and as advance payments against orders placed for machines and equipments for the 2nd phase of the programme. Rs. 70 lacs would become available from the Company's liquid resources in hand, including conversion of part of the investments of the Company. Rs. 65 lacs would become available from protective resources of the Company, i.e. provisions for depreciation, development rebate and undistributed profits between now and end of 1958, by which time the second and final phase of the scheme would have been completed and the new plant put into commission. This leaves an uncovered balance of about Rs. 75 lacs, which is proposed to be made up by the present issue of Second Preference share capital.

Raw Materials

Raw materials so far used are Sabai grass and rags. The Company obtains its requirements of Sabai grass from Nepal, Punjab and Himachal Pradesh forests for which they are holding leases for various terms. Bamboo, spruce and other coniferous woods and bagasse will be the additional raw materials for the new Mills. Arrangements have been settled for 15 year lease of the bamboo forests of the new Punjab State. The government have also plans in hand to augment further the yield of grass and bamboo of their forests. Himachal Pradesh has also agreed to grant lease of their bamboo forests to the Company. For spruce and other coniferous woods, the Company is negotiating with the Punjab, Himachal Pradesh and U. P. Governments for leases. So far as bagasse is concerned, there are a large number of sugar factories in and around the Mills, and as such no difficulty is anticipated in obtaining sufficient quantities of bagasse as may be required.

Prospects and Profits

Per capita consumption of paper in India is amongst the lowest in the world, being 2 lbs. per annum as compared to 400 lbs. in U. S. A. and 100/200 lbs. in European countries and 50 lbs. in Japan. With the progressive industrialization of the country and spread of literacy under the Second Five-Year Plan, the consumption of paper, the paper boards and newsprint is estimated by the Planning Commission to go upto 5,00,000 tons per annum by the year 1960-61. During the first Five-Year Plan period, i.e. from the year 1951 to 1955-56, the indigenous production has gone up from 1,14,000 tons to 2,02,000 tons. The consumption of paper in the meantime has also gone up to 3,17,000 tons. In due to increase in the demand in the country, in order to fill up this gap between production and consumption, the country has been importing considerable quantities of foreign paper every year. The Company's modernization and extension programme coupled with the continued growing demand for paper in the country leads your Directors to believe that (in the absence of some unforeseen circumstances beyond their control) the modernisation and expansion programmes coming into fruition according to schedule (the former by the end of April 1957 and the latter by the end of 1958), the profits of the Company should show considerable increase commensurate with the extended capacity of the mills. C. putting on the revised price levels, it may well be hoped that the trading profits of the Company should be twice as much in the year 1959 compared to the present profits.

Dividend Cover

On the basis of the present annual net profits as disclosed by the Auditor's Report hereunder appended the dividend payable on the first and second Preference Shares is covered by present earnings nearly four times over.

FINANCIAL INFORMATION

Auditor's Report

The following is a copy of the report of the Company's Auditors, Messrs. Price, Waterhouse, Peat & Co., Chartered Accountants:

Calcutta, 28th March, 1957.

Messrs. Karam Chand Thapar & Brothers Private Ltd.
Managing Agents,
Shree Gopal Paper Mills Ltd.,
5, India Exchange Place,
Calcutta.

Dear Sirs,

We have examined the books and accounts of Shree Gopal Paper Mills Ltd., as kept in the Managing Agents' Office at Calcutta and at the Mills, in which are incorporated the certified Returns from the Oil Mills, Ginning Factory and Forests, for the four years ended 31st December, 1955 and the half-year ended 30th June, 1956 and report that the Profits of the Company are as set out below. The accounts for the half-year ended 31st December, 1956 have not yet been made up. These profits have been arrived at after charging all expenses of working and management including provision for Normal Depreciation on the basis allowable for taxation and after making such adjustments as are, in our opinion, appropriate.

Income.	Year ended 31st Decem- ber, 1952.	Year ended 31st Decem- ber, 1953.	Year ended 31st Decem- ber, 1954.	Year ended 31st Decem- ber, 1955.	Half-year ended 30th June, 1956.
Sales	Rs. 2,85,71,295	Rs. 2,54,09,796	Rs. 2,74,49,683	Rs. 2,91,69,366	Rs. 1,38,86,802
Closing Stock	8,50,593	9,75,607	22,42,546	18,38,487	23,15,439
Dividend on Shares	34,000	24,000	24,000	10,000	7,000
Interest from other sources	64,142	41,273	43,790	1,57,735	74,330
Interest from Managing Agents	60,472	63,751	1,49,595	1,49,142	24,600
Miscellaneous Receipts	14,455	31,537	27,095	30,344	53,317
	2,95,74,957	2,65,65,964	2,99,36,709	3,13,55,104	1,63,61,488
Expenditure.					
Opening Stock	19,62,194	8,30,593	9,75,607	22,42,546	18,38,487
Salaries and Wages, Staff Welfare, etc.	29,79,585	28,35,665	28,26,730	31,84,380	14,40,470
Manufacturing Expenses including cost of Raw Materials	1,82,95,960	1,53,21,863	1,85,46,997	1,65,78,636	83,20,532
Selling Expense, viz. Excise duty, Freight, Cartage, Commission, etc.	10,57,990	10,73,544	11,93,239	29,75,694*	16,10,554**
Head Office Expenses, Rent, Rates, Interest, Debenture Trustees' Remuneration, etc.	3,12,232	2,80,897	2,71,567	2,37,979	8,91,555**
Directors' Fees	4,600	3,400	5,400	5,200	5,200
Interest on Debentures	45,000	45,000	49,583	2,12,020	1,17,500
Managing Agents' Allowance	24,000	24,000	24,000	24,000	6,000
Guarantee Commission	...	...	...	...	623
Bad Debts written off	...	...	...	...	14,971
Managing Agents' Commission on Profits	4,97,298	6,19,983	6,21,710	6,06,355	2,88,854
	2,51,78,859	2,10,34,945	2,45,14,833	2,60,66,810	1,37,63,476
Net Profits before Depreciation and Taxation	43,96,098	55,31,019	54,21,876	52,88,294	25,98,012
Depreciation (Normal)	2,53,091	3,81,915	4,87,960	4,63,259	2,59,337
Net Profits before Taxation	41,43,007	51,49,104	49,33,916	48,25,035	23,38,675
Taxation after allowance of Normal Depreciation	16,97,379	21,01,170	20,15,263	22,15,051	10,85,042
Net Profits	24,45,628	30,47,934	29,18,653	26,09,984	12,53,633
	Year ended 31st Decem- ber, 1952.	Year ended 31st Decem- ber, 1953.	Year ended 31st Decem- ber, 1954.	Year ended 31st Decem- ber, 1955.	Half-year ended 30th June, 1956

The Initial Allowance, Development Rebate, Double and Multiple Shift Allowances which are not included are as follows:—

Initial Allowance	1,32,310	3,39,049	1,03,309	1,31,000	2,841
Development Rebate	...	...	...	1,08,166	58,490
Double Allowance	1,43,504	1,75,607	1,30,415	1,08,166	1,45,793
Multiple Shifts	1,16,048	1,29,874	1,65,781	1,27,812	78,507

We also report that the assets and liabilities of Shree Gopal Paper Mills Ltd., as at 30th June, 1956, which is the last date to which the Company's accounts were made up prior to the date of this report, are as set out below. These assets and liabilities have been arrived at after making such adjustments, as in our opinion, are appropriate.

STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE, 1956.

Fixed Assets—	Rs.
At Original Cost less Depreciation to 30th June, 1956	59,48,483
Capital Jobs—At Cost	5,65,810
Investments—At Cost	...
In Government Securities	...
In fully paid shares and Debentures of Joint Stock Companies	971
(Market Value i.e. at quoted rates and unquoted at Brokers' Valuations Rs. 48,45,672).	50,32,900
Carried over	1,15,48,164

SHREE GOPAL PAPER MILLS LIMITED.—Cont'd.

STATEMENT OF ASSETS AND LIABILITIES AS AT 30TH JUNE, 1956.—Cont'd.

	Brought forward	Rs.	Rs.
Current Assets—		1,15,48,164	
Stores and Spare Parts on hand and in transit	...	81,88,745	
Stock of Paper, Stationery and Hydrogenated Oil on hand and in process at cost	...	23,15,439	
Book Debts—Considered Good—			
Secured	...	1,09,845	
Unsecured	...	28,52,778	29,62,623
Loans and Advances, recoverable in cash or for value to be received including Rs. 26,53,971/- being advances to Foreign Manufacturers against supply of Machinery and Rs. 15,20,312/- being Advance Payment of Income Tax under Section 18A—			
Considered Good	...	49,05,017	
Considered Doubtful	...	21,223	49,26,240
Short Term Deposit—Unsecured	...	6,00,000	
Cash in hand and at Banks	...	46,33,192	3,51,74,403
Less: Liabilities and Provisions—			
Mortgage Debentures (Secured)	...	40,00,000	
Loan from Bank (Secured)	...	24,34,057	
Loan from Government of India (Secured)	...	1,97,355	66,31,412
Unsecured Loans	...	74,901	
Deposits from Dealers and Others (Unsecured)	...	4,11,344	
Sundry Creditors	...	22,49,430	
Interest accrued on Loans	...	1,42,903	
Provision for Taxation (Estimated)	...	47,70,994	
Less: Paid under Section 23B	...	10,04,065	37,66,929
Unclaimed and Unpaid Dividends (including provision for dividends Rs. 16,27,677 since declared).		16,97,305	1,49,74,224
Net Assets			2,02,00,179
Represented by—			7,50,000
7,500 6% Cumulative Participating Preference Shares of Rs. 100/- each fully called up for Cash		72,46,400	
7,24,640 Ordinary Shares of Rs. 10/- each fully called up for cash		2,96,380	
29,638 Ordinary Shares of Rs. 10/- each fully paid for consideration other than cash		50,06,290	1,25,49,070
5,00,629 Ordinary Shares of Rs. 10/- each issued by way of Bonus Shares			11,35,080
Share Premium	...		805
Forfeited Shares	...		21,250
Capital Reserve	...		53,25,459
Other Reserves	...		3,00,980
Development Rebate Provision	...		
Profit and Loss balance carried forward after providing for dividends Rs. 16,27,677/- since declared in respect of half years ended 31st December, 1955 and 30th June, 1956			1,17,735
Note—There is a Contingent Liability amounting to Rs. 7,000/- being a claim against the Company not acknowledged as a debt.			2,02,00,179

We also report that the dividends paid by Shree Gopal Paper Mills Ltd. out of Profits on its paid up Capital without deduction of Tax for the four years ended 31st December, 1955 and the half-year ended 30th June, 1956 are as follows:—

	Ordinary Shares.	Rs.	As.	P.	Participating Preference Shares.	Rs.	As.	P.
Year ended 31st December, 1952	15% per annum on 500629 Shares of Rs. 10/- each	7,50,943	8	0	8% per annum on 7500 Shares of Rs. 100/- each	60,000	0	0
Year ended 31st December, 1953	15% per annum on 500629 Shares of Rs. 10/- each	7,50,943	8	0	8% per annum on 7500 Shares of Rs. 100/- each	60,000	0	0
Year ended 31st December, 1954	15% per annum on 500629 Shares of Rs. 10/- each	7,50,943	8	0	8% per annum on 7500 Shares of Rs. 100/- each	60,000	0	0
Year ended 31st December, 1955	12½% per annum on 1250669 Shares of Rs. 10/- each for the half-year ended 30th June, 1955	7,81,668	2	0	8% per annum on 7500 Shares of Rs. 100/- each	60,000	0	0
Half-year ended 30th June, 1956	12½% per annum on 1254907 Shares of Rs. 10/- each	7,83,360	0	0				
		7,84,316	14	0	8% per annum on 7500 Shares of Rs. 100/- each	30,000	0	0

Yours faithfully,

Price, Waterhouse, Peat & Co.

STATUTORY AND GENERAL INFORMATION

Directors

The Articles of the Company provide that

- (i) unless otherwise determined by a General Meeting, the number of Directors shall not be less than five nor more than eleven inclusive of ex-officio Directors and Managing Agents' nominee Directors.
- (ii) unless otherwise determined by a General Meeting, the qualification of a Director shall be the holding of Ordinary Shares of the Company of the nominal value of Rs. 5,000/- in his own name, but this shall not apply to Central or State Government Director, or Technical Director, or Managing Agents' nominee Directors.

(iii) Each Director shall be paid out of the funds of the Company by way of remuneration a sum of Rs. 200/- for each meeting of the Board which he attends. In addition to the remuneration payable to him as above, a Director if he is not a resident of the place where the meeting is held, will further be entitled to actual travelling charges not exceeding air conditioned class railway fare from his usual place of residence in India and back; in addition to third class fare for a servant if taken, and also Rs. 40/- per diem for the days necessary for attending and returning from the Meeting of the Board of Directors or any Committee thereof or general meeting of the Company or otherwise in connection with the business of the Company. Where the journey is undertaken by air, actual air passage shall be paid.

The Directors shall, subject to the provisions of Sections 198 and 309 of the Act, be further entitled to receive by way of additional remuneration a commission equivalent to 1% of the net annual profits of the Company, computed in the manner laid down in Sections 349, 350 & 351 of the Companies Act 1956. Such commission shall be divided equally amongst the directors on the Board on the last day of the financial year of the Company to which the commission relates, unless they decide otherwise.

(iv) If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing away from Calcutta for any of the purposes of the Company or in giving special attention to the business of the Company, the Company may, subject to the provisions of Sections 314, 198 and 309

of the Act, remunerate the Director so doing either by a fixed sum or by a percentage of profits or otherwise, and such remuneration may be either in addition to or in substitution for his or their share in the remuneration as above provided for the Directors.

(v) The general control of the business of the Company is vested in the Board of Directors who, in addition to the powers and authorities by the Articles of Association of the Company or otherwise expressly conferred upon them, may exercise all such powers and do all such acts and things as may be exercised or done by the Company and are not by the Articles or by the Companies Act or any other statute expressly directed or required to be exercised or done by the Company in General Meeting, subject nevertheless to the provisions of the Companies Act and statutes and of the Articles and to any regulations from time to time made by the Company in General Meeting; but no regulations so made shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made. The Directors shall be at liberty subject to the aforesaid provisions to delegate any of their powers to the Managing Agents or a Committee of Directors or a Director, or any other person.

Managing Agents

Messrs. Karam Chand Thapar & Bros. Private Ltd. are the Managing Agents of the Company. They have been reappointed as Managing Agents of the Company for a period of ten years from 1st January 1957. Sanction of the Central Government to their reappointment has been obtained. The Managing Agents are a private limited company with a Subscribed and paid-up capital of Rs. 25,00,000/-.

The Managing Agents are entitled to the management of the whole affairs and business of the Company, subject to the control and supervision of the Board of Directors.

The remuneration of the Managing Agents is a commission of 10% on the net annual profits of the Company computed in the manner as laid down in Sections 349, 350 and 351 of the Companies Act, 1956, subject to a minimum of Rs. 50,000/- in case of no profits or inadequacy of profits in any financial year of the Company. The said sum of Rs. 50,000/- is payable by the Company to the Managing Agents in equal monthly instalments, each payable on the last day of each month. Any remuneration due to the Managing Agents over and above the minimum of Rs. 50,000/- on the basis of 10% of net annual

profits as above, shall be paid by the Company immediately after the accounts of the Company for each financial year have been audited and laid before the company in General Meeting.

The Managing Agents are also entitled to charge and be paid all expenses on account of rent, postage, telegrams, printing, stationery, telephones, electricity, taxes and all salaries or wages or emoluments, bonuses, allowances, Provident Fund Contributions, commissions, etc. which shall be payable to the managers, agents, clerks, servants, advisers, engineers, experts, solicitors, auditors, workers, brokers, bankers, commission agents, dealers or other officers, employees and workmen retained by the Managing Agents for and on behalf of the Company at the office of the Company at Calcutta or at the Company's Works or at the office of the Managing Agents or elsewhere, and all expenses of manufacture and all other out-of-pocket expenses incurred on behalf of the Company, for carrying and conducting the business of the Company, including travelling and conveyance expenses etc. likewise incurred.

The Company shall also bear and pay such proportion of expenses on account of salaries, wages, allowances, Provident Fund contributions, commissions etc., of the officers, staff and workers etc. employed partly in connection with business of the Company and partly for the business of other companies or firms at Calcutta and/or elsewhere as also the office incidentals such as rent, stationery, telephone, electricity, travelling and conveyance expenses likewise incurred relating to such officers, staff and workers.

The Articles of Association provide that the Managing Agents shall conduct and manage the whole affairs of the Company subject to the control and supervision of the Board of Directors.

The Managing Agents are entitled to nominate not more than two directors where the number exceeds five and one director where the number does not exceed five.

Borrowing Powers

The Articles of Association of the Company provide that subject to the provisions of sub-clause (d) of clause (1) of Section 293 of the Companies Act, 1956, the Directors may from time to time at their discretion, raise or borrow or secure the payment of any sums of money for purposes of the Company from any persons, firms or companies including a director and Managing Agents. The shareholders by Special Resolution dated 19th January, 1957 have authorised the Directors to borrow for the purposes of the business of the Company amounts in excess of the aggregate of the paid-up capital and free reserves of the Company.

SHREE GOPAL PAPER MILLS LIMITED.—Cont'd.

Restrictions of Right to Transfer

Articles of Association contain no restrictions on the transfer of fully paid-up shares. The Directors may, however, decline to register any transfer of shares which are not fully paid up, and may also decline to register any transfer of shares on which the Company has a lien. The Company has a first and paramount lien upon all shares (not being fully paid-up shares) held by any member of the Company (whether alone or jointly with other persons) and upon all dividends which may be declared in respect of such shares for all moneys (whether presently payable or not, called or payable in respect of these shares, and for all debts, obligations, liabilities and engagements of such members solely or jointly with any other persons.

Voting Power

The Articles of the Company provide that

- (1) On a show of hands every member entitled to vote and present in person shall have one vote. Upon a poll the voting rights of members shall be as laid down in Section 37 of the Companies Act 1956. Provided that save as provided in Clause 21(a) of Section 87 of the said Act, a member of a Company holding any preference share capital therein, shall in respect of such capital have a right to vote only on the resolutions placed before the Company which directly affect the rights attached to his preference shares.

No member not personally present shall be entitled to vote on a show of hands unless such member is a corporation or a company present by a proxy or by a representative duly authorised in which case such proxy or representative may vote on show of hands as if he were a member of the Company.

- (2) No member shall be entitled to be present or to vote at any General Meeting either personally or by proxy or as a proxy for any other member or be reckoned in a quorum whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member, or in regard to which the Company has, and has exercised, any right of lien.

Interest of Directors

Lala Karam Chand Thapar and Mr. Lalit Mohan Thapar are Directors of Messrs. Karam Chand Thapar & Bros. Private Ltd., Managing Agents of the Company and as such, are interested accordingly. Both of them are Managing Agents' nominee directors on the Board of the Company.

None of the directors have any interest in any property acquired by the Company within the two years preceding the date hereof or to the machinery and plant and equipment that may be purchased out of the proceeds of this issue.

Lala Karam Chand Thapar is a Director of Orient Engineering and Commercial Co. Ltd., through whom Order being No. 6 for machine drive has been placed on A. E. G. of Germany.

Miscellaneous

- (i) Redeemable Preference Shares.
The Company has not within two years preceding the date hereof issued any Redeemable Preference Shares. The present issue of capital is of Redeemable Preference Shares.
- (ii) The Company has not within the two years preceding the date hereof issued nor does it at present propose to issue any shares at premium.
- (iii) The Company has not entered into nor does it propose at present to enter into any contract or arrangement whereby any option or preferential right has been given or is proposed to be given to any persons to subscribe for any shares of debentures of the Company.
- (iv) No amount or any benefit has been paid to any promoter or any Officer within the two years preceding the date hereof, nor is any amount intended to be paid.
- (v) The Company issued:
(a) 5,00,750 Ordinary Shares of Rs. 10/- each as fully paid up to the existing shareholders as on 1st of January 1955 in proportion of one Ordinary Share for each Ordinary Share held by them on that date, by capitalisation of reserves;
(b) 2,52,875 Ordinary Shares of Rs. 10/- each as further capital for cash at par in January, 1955;
- (vi) The Company has not issued, nor agreed to issue within the two years preceding the date hereof any shares or debentures either for cash or as fully or partly paid up otherwise in cash.
- (vii) The Company paid an underwriting commission of Rs. 75,000/- to Messrs. Dhanuka & Co. for procuring subscription of the aforesaid debentures of Rs. 30 lacs. Beyond this, the Company has paid no other sum within the two years preceding the date hereof, nor is any such payable as commission for subscribing or agreeing to subscribe or procuring or agreeing to procure subscription for any shares in debentures of the Company or as discount in respect thereof, nor is it intended that any should be paid in respect of the present issue.

Purchase of Properties

- (viii) Save as respects property purchased or D-JMW/3956 (Order Sr. No. 68) Dated 14. 8. 56

acquired or to be purchased or acquired being item No. (b) referred to under the heading 'Contracts' or the additional Turbine for which order is still to be placed, any property which the Company has purchased or acquired or proposes to be purchased or acquired which is to be paid out of the proceeds of this present issue or the purchase or the acquisition of which has not been completed on the date of the issue of the prospectus is property—

- (a) Contract for purchase or acquisition whereof has been entered into in the ordinary course of business of the Company the contract not being made in contemplation of this issue, or this issue in consequence of the contract; or
- (b) As respects which contract the amount of the purchase money is not material.

The property purchased or acquired or to be purchased or acquired under contracts as aforesaid is vested or will vest absolutely in the Company. There had been no other transaction relating to such property within two years preceding this prospectus.

- (ix) The Company does not propose to acquire any business nor does it propose to apply the proceeds of this issue in the purchase of any business or in the purchase of any interest in any business or in connection therewith nor the proceeds of this issue or any part thereof are intended to be applied directly or indirectly in any manner resulting in the acquisition by the Company of shares in any other body corporate.

Underwriting Arrangement

No underwriting arrangements have so far been made for this issue. The Articles of the Association of the Company permit payment of underwriting commission upto 25 percent (in addition to brokerage) on the value of the shares to person or persons subscribing or agreeing to subscribe or procuring or agreeing to procure subscription for any shares of the Company. Brokerage will be paid by the Company as hereunder mentioned.

Subscription

The object of this issue is as hereinabove stated. The minimum subscription, which in the opinion of the Directors is required, is provided in respect of each of the items mentioned in Clause 5 of Part I, Schedule 2 of the Companies Act 1956, is Rs. 36.25 lacs.

- (a) Price of property proposed to be purchased ... 35 lacs
- (b) Expenses on this issue ... 1.25 "
- (c) Repayment of any moneys borrowed in respect of foregoing matters ... NIL
- (d) Any other expenditure ... NIL

Short-fall, if any, and any additional working capital required will be provided out of such facilities including advance from Banks and/or Managing Agents as may be available to the Company from time to time, and/or long term deferred payment arrangements in respect of supplies of Machinery still to be ordered.

Modification of Rights

The Articles of Association of the Company provide that—

Whenever the capital is divided into different classes of shares all or any of the rights and privileges attached to each class may subject to the provisions of Sections 106 and 107 of the Companies Act, be modified, commuted, affected, abrogated or dealt with by agreement between the Company and any person purporting to act on behalf of that class, provided such agreement is (a) ratified in writing by the holders of at least three-fourths in nominal value of the issued shares of the class or is (b) confirmed by a Resolution passed at a separate General meeting of the holders of shares of that class and supported by four-fifths of those holders of not less than three-fourths of the issued shares of that class. This Article is not to derogate from any power the Company would have had if this Article were omitted.

Expenses of this Issue

Preliminary expenses including brokerage are estimated at under Rs. One lac 25 thousand.

Contracts

The following Contracts, not being contracts in the ordinary course of business which are or may be entered into by the Company during the two years preceding the date hereof—

- (a) Agreement dated 11-2-57 between the Company and Messrs. Karam Chand Thapar & Bros. Private Ltd. reappointing the latter as Managing Agents of the Company for a period of ten years as from the 1st January, 1957, on the terms as from the 1st January as hereinabove stated.
- (b) Orders for supply of Machinery and equipment as under—

- (1) Order No. SGM/D-E/M/4 (55)-246A Dated 18/22. 8. 55 placed on M/s. Escher Wyes GmbH., Machine, F. O. B. Value DM. 34,55,200 (2) Order No. SGM/D-E/M/4 (55)-247A Dated 18/22.8.55 Co. Muenchen, West Germany, for New Pulp Mill F.O.B. Value DM. 41,61,240 (3) Order No. SGM/D-E/M/4 (55)-248A Dated 14. 8. 56

placed on M/s. Elof Hansson, Sweden. For JMW Recovery Boiler F. O. B. Value SW. Kr. 13,00,000 (4) Order No. SGM/D-E/M/4 (55)-4055 (Order Sr. No. 69) Dated 21.8.56 placed on M/s. Jagenberg-Werke Akt. Ges., Dusseldorf, Germany, for Duplex Sheet Cutter F. O. B. Value E. 21,406/- (5) Order No. SGM/D-E/M/4 (55)-4056 (Order Sr. No. 70) Dated 26.12.56 placed on Messrs. Elof Hansson, Goteborg, Sweden, for Dorr Re-causticizing Plant F. O. B. Value Sw. Kr. 8,16,000 (6) Order No. SGM/D-E/M/4 (4)/4437 (Order Sr. No. 71) Dated 11.9.56 placed on The Orient Engineering & Commercial Co. Ltd., Calcutta, for A.E.G. Drive for No. IV Machine, F. O. B. Value E. 45,000/- (7) Order No. SGM/D-E/M/4 (55)-247B Dated 17.10.56 placed on M/s. C. Hausbahn, West Germany, for Crane for New Paper Machine Buildings, F. O. B. Value E. 5,325/- (8) Order No. SGM/D-E/M/4 (55)-249A Dated 1.1.57 placed on Messrs. Elof Hansson, Goteborg, Sweden, for Flaktfabriken's Electric Precipitator, F. O. B. Value Sw. Kr. 2,90,250

Directors

Copies of the Memorandum and Articles of Association of the Company, the original Consent Order of the Controller of Capital Issues, the original sanction of the Government of India approving the reappointment of Messrs. Karam Chand Thapar & Bros. Private Ltd. as managing Agents of the Company for ten years from 1st of January 1957, and the Managing Agency agreement dated 11th Feb. 1957 made between the Company and Messrs. Karam Chand Thapar & Bros. Private Ltd., Managing Agents on their reappointment, and copies of the orders for purchase of machinery, plant and equipment and other contracts referred to above, the abovementioned Auditor's report and the copies of the Balance Sheet and Profit and Loss a/c. upon which the report is based can be inspected at any time during the usual business hours at the Registered Office of the Company for a period of fourteen days from the date of publication of this Prospectus or until the subscription list closes whichever is earlier.

Auditor's Consent

Messrs. Price Waterhouse Pelt & Company have given, and have not, before delivery of this Prospectus for registration withdrawn their written consent to the issue of this Prospectus with the inclusion therein of their report, set out above, in the form and context in which it is included.

The consent in writing of the Bankers and Solicitor of the Company to act in their respective capacities have been obtained.

Brokerage

Brokerage at the rate of Re. 1/- per Redeemable Preference Share will be paid by the Company on allotments made in respect of applications bearing the stamp of a recognised stock broker or a banker.

Application and Allotment

Application for shares which must be for five shares or multiples of five shares should be made on the accompanying form and will be refused if not so made. The application form together with the remittance for the full amount payable on application may be sent to any of the branches of the Company's Bankers, Messrs. Allahabad Bank Ltd. and Messrs. Oriental Bank of Commerce Ltd. The remittance if not made in cash should be made by cheque or draft drawn upon a branch of the Bank, to which the application and the draft or coupon in which there is a branch of any of the aforesaid Company's Bankers. If drawn on a bank elsewhere, bank charges at Rs. -/4/- percent must be included in the remittance.

Cheques or Drafts should be made payable to Messrs. SHREE GOPAL PAPER MILLS LIMITED and should for applicants' protection be crossed "Account Payee only". A separate cheque or draft must accompany each application form.

Allotment will be notified by despatch of an Allotment Letter but the Directors reserve the full and uncontrolled right of accepting or rejecting any application in whole or in part. Where an application is rejected or not accepted in full, whole or any balance of the application money, as the case may be, will be refunded to the applicant by a cheque on Calcutta Branch of the Company's Bankers.

Share Certificates will be available for issue in exchange for the Letters of Allotment on or after forty-five days from the date of allotment letter and each successful applicant for more than 25 shares will receive Share Certificates in lots of 25 shares and such smaller denominations as is required to complete the total number of shares allotted, except when the applicants request Share Certificates in larger denominations. Such Allotment Letters and Share Certificates will be despatched by Registered Post.

Copies of the Prospectus and the Form of Application may be obtained from the Company's Bankers named above, at any of their Branches in India.

- Karam Chand Thapar
B. Poddar
H. P. Poddar
Bramha Shum Shere J. B. Rana
Chhotey Lal Dhandhanian
Rameshwar Prasad Agrawal
R. K. Jaidka
Karam Chand Thapar as agent of
Lalit Mohan Thapar
Karam Chand Thapar as agent of
Kesar Ram Narang.

Calcutta, Dated, 29th March, 1957.

Directors.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

GOOD DEMAND FOR CREDIT

Wednesday, 10th April.

DEMAND for money has remained good during the past week. Cotton and cloth advances show a small increase, and sugar interests have borrowed more. Jute advances, however, show little change. Easier conditions have prevailed in the interbank market, and the call rate is reported at 3½ percent, with lenders over.

The exchange market has been extremely dull. Only a trickle of gunny bills has been transacted, while remittance has been on a moderate scale. Sterling is steady against the U.S. dollar.

Bullion was quiet on profit-taking before the start of the Bengali New Year. Silver declined from the previous week's level of Rs. 178.75 to Rs. 178.50, quoted today. The ready rate was Rs. 178.50.

Gold declined in sympathy with silver. The price was shown at Rs. 106 against Rs. 106.75. The sovereign, at Rs. 69.50, showed a loss of 25 p.

During the week ended 5th April, Government of India Treasury bills for Rs. 80,26,50,000.00 were sold in favour of the Reserve Bank.

Sharp increases of Rs. 37.48 crores to Rs. 1,563.57 crores in active notes, and of Rs. 33.60 crores to Rs. 1,571.45 crores in the total note issue, were the notable features of the return of the Reserve Bank of India for the week ended 5th April, 1957. The currency expansion was covered by increasing rupee securities by Rs. 30 crores to Rs. 914.97 crores and rupee coin by Rs. 3.59 crores to Rs. 126.20 crores. Deposits of the Government of India declined by Rs. 3.98 crores to Rs. 60.59 crores, as did other Government accounts by Rs. 24.05 crores to Rs. 7.90 crores. Balances of commercial banks, at Rs. 60 crores, showed a rise of Rs. 2.23 crores. Balances held abroad declined by Rs. 1.49 crores to Rs. 112.82 crores and investments by Rs. 23.25 crores lower at Rs. 91.97 crores. Other loans and advances declined from Rs. 127.87 crores to Rs. 106.04 crores, of which advances to scheduled banks against usance bills amounted to Rs. 58.32 crores against Rs. 71.54 crores. Such advances totalled Rs. 173.79 crores since 1st January, 1957. Ways and means advances stood at Rs. 15.65 crores (Rs. 7.65 crores).

The return of the State Bank of India for the week ended 29th March, 1957, shows a rise of Rs. 20.06 crores in total deposits to Rs. 299.90 crores. Investments in Government securities are up by Rs. 3 lakhs to Rs. 94.18 crores, while other authorised investments are down by Rs. 1 lakh to Rs. 11.54 crores. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have increased by Rs. 1.69 crores to Rs. 165.14 crores. Cash and balances are, in consequence, shown at Rs. 21.43 crores, or Rs. 6.64 crores higher.

The statement of the position of scheduled banks for the week ended 29th March, 1957, shows (Rs. 8.22 crores on account of borrowings from banks) and Rs. 473.16 crores (Rs. 1.97 crores), compared with Rs. 701.08 crores (Rs. 9.00 crores) and Rs. 466.86 crores (Rs. 2.18 crores), respectively, in the previous week. Cash has decreased by Rs. 2.62 crores to Rs. 34.28 crores, while balances with the Reserve Bank have increased by Rs. 2.20 crores to Rs. 54.54 crores. There is a drop of Rs. 68 lakhs in investments to Rs. 347.41 crores. Advances and bills discounted, at Rs. 897.78 crores, show a rise of Rs. 15.21 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 7.5 percent and 76.0 percent against 7.6 percent and 75.6 percent.

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land customs revenue collected in the Indian Union during January 1957, amounted to Rs. 1,723 lakhs compared with Rs. 1,423 lakhs in the corresponding month of last year. The comparison in the subsequent paragraphs should be taken to refer to that of the period of last year. Of the total customs revenue collections, import duties accounted for Rs. 1,396 lakhs against Rs. 1,135 lakhs, export duties Rs. 296 lakhs against Rs. 263 lakhs and land customs and miscellaneous Rs. 31 lakhs against Rs. 25 lakhs. The total gross collection of Union Excise duties amounted to Rs. 1,797 lakhs compared with Rs. 1,351 lakhs. During the ten months of April Customs and Union Excise revenue realised was Rs. 30,014 lakhs compared with Rs. 26,032 lakhs during the corresponding period of last year. Of this amount, import duties accounted for Rs. 11,621 lakhs against Rs. 10,458 lakhs, export duties Rs. 2,515 lakhs against Rs. 3,093 lakhs, land customs and miscellaneous Rs. 297 lakhs against Rs. 174 lakhs and Union Excise duties Rs. 15,581 lakhs against Rs. 12,307 lakhs.

RESERVE BANK

ISSUE DEPARTMENT

(In 000's of Rupees)

	Week ended 5-4-57	29-3-57	6-4-56
Liabilities—			
Notes in Banking Dept.	7,36.29	11,76.90	14,78.46
Notes in Circulation	15,63,59.00	15,26,08.56	15,06,98.50
Total Notes issued	15,71,45.19	15,37,85.46	15,21,77.15
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,12,51.91	4,12,51.91	6,36,41.60
Total A	5,30,27.94	5,30,27.94	7,26,43.31
B Rupee Coin	1,26,20.06	1,22,61.05	1,06,28.43
Rupee Securities	9,14,97.19	8,84,97.19	6,88,75.41
Total	15,71,45.19	15,37,85.46	15,21,77.15

BANKING DEPARTMENT

	Week ended 5-4-57	29-3-57	6-4-56
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term Fund)	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation Fund)	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	60,59.44	64,56.88	57,10.13
(b) Other Govts.	7,30.31	31,94.66	35,69.51
(c) Banks	59,99.65	57,70.97	53,41.67
(d) Others	74,40.09	74,27.62	71,34.43
Bills Payable	17,93.03	28,02.01	7,45.58
Other Liabilities	1,16,36.49	1,17,50.19	30,65.82
Total	3,63,28.31	3,99,59.35	2,21,67.54

	Week ended 5-4-57	29-3-57	6-4-56
Assets—			
Notes	7,36.29	11,76.90	14,78.46
Rupee Coin	1,26.20	1,22.61	1,06.28
Subsidiary Coin	5.09	9.49	7.97
Bills Discounted Int.	—	—	38.50
Govt. of India Treasury Bills	15,23.63	2,97.52	13,16.31
Balances held abroad	1,12,82.31	1,14,30.96	62,09.30
Loans to Govt.	15,65.46	7,05.46	1,35.00
Other Loans etc.	1,06,04.14	1,27,10.10	64,81.98
Investments	91,97.49	1,21,22.58	46,82.52
Other Assets	13,57.13	13,60.76	18,07.15
Total	3,63,28.31	3,99,59.35	2,21,67.54

SCHEDULED BANKS

	(In 000's of Rupees)	Week ended 29-3-57	22-3-57	30-3-56
Liabilities—				
(a) Borrowings from Bank	8,22.43	8,30.70	4,89.01	—
(b) Others	7,60.22.71	6,92.98.52	6,31.10.25	—
Total Liabilities	1,571.45	1,571.45	1,121.99	—
Assets—				
(a) Borrowings from Bank	1,97.00	2,18.00	3,00.50	—
(b) Others	4,71.19.34	4,64.67.56	4,11.31.08	—
Total Assets	4,908.94	4,862.67	4,412.58	—
Liabilities—				
Borrowings from Reserve Bank	1,14.88	1,18.85	20,54.90	—
Time Liabilities	—	—	5.00	—
Balances with the Reserve Bank	1,03.16.08	97,50.11	65,08.24	—
Cash	34,36.20	36,89.83	35,56.94	—
Balances with other banks in current account	54,54.15	52,34.44	49,12.39	—
Money at calls and short notice	11,22.81	9,61.51	10,87.07	—
Investments in Central and State Govt. Securities	3,47,40.34	3,48,08.91	3,60,00.57	—
Advances	7,21.77.44	7,11,23.77	6,12,42.74	—
Intand Bills purchased and discounted	1,17,06.47	1,13,98.35	1,04,74.17	—
Foreign Bills purchased and discounted	58,93.74	57,34.98	46,63.92	—

CLEARING HOUSE RETURNS

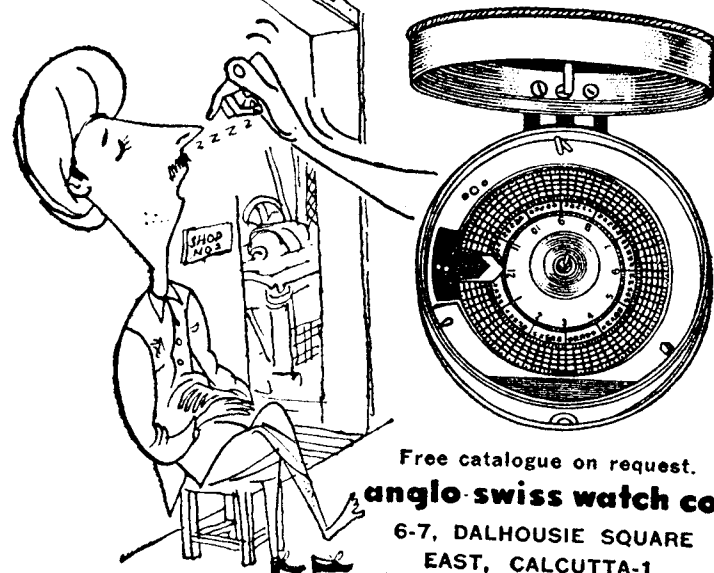
	Week ended 29-3-57	Rs. (thousands)	Calcutta	Bombay
29-3-57	84,92.29	88,94.24	—	—
22-3-57	76,57.54	65,30.34	—	—
15-2-57	62,50.33	12,81.49	—	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

	(In 000's of Rupees)	Week ended 22-2-57	15-3-57
Liabilities—			
Notes in Banking Department	14,33.54	12,79.51	—
Notes in Circulation	3,29,66.16	3,31,59.69	—
Total Notes issued	3,44,49.70	3,44,38.60	—
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	—
Sterling Securities	85,23.82	85,23.82	—
Government of India Securities	43,53.47	43,53.47	—
India Notes representing assets receivable from the Reserve Bank of India	—	—	—
Govt. of India	43,02.30	43,02.30	—
B Rupee Coin	5,26.72	5,15.62	—
Govt. of Pakistan Securities	1,70,09.92	1,70,09.92	—
Held with Reserve Bank of India pending transfer to Pakistan	—	—	—
Gold Coin and Bullion	19.02	19.02	—
Sterling Securities	4,40.63	4,40.63	—
Govt. of India Securities	1,00.90	1,00.90	—
Rupee Coin	29.51	29.51	—
Total	3,44,49.70	3,44,38.60	—

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RISE IN STOCK MARKETS INDUSTRIALS AND OILS PROMINENT

London, 10th April.

THE London stock markets gave a good account of themselves in the week preceding the Budget. There was quite a vigorous response to the news that the engineering and shipbuilding strikes had been called off. Although conditions quietened down after the initial enthusiasm had been dissipated, the firm tendency was maintained. A further burst of strength developed on the eve of the Budget on the growing expectations that the Chancellor would have some tax concessions to announce. Interest was centred largely on industrial equities and oil shares, which recorded extensive and often substantial gains on the week. There has not been a great deal of change in other sections of the market. Business on the eve of the Budget reached a very high level with the number of bargains coming to 16,325, the highest recorded for any one day since July 1955. Gilt-edged securities were rather out of the picture and with irregular movement. There was very little change on balance in this market. Interest in foreign bonds and rails was limited, but Chinese issues were supported on prospects of the U. K. increasing its trade with China. The industrial market went ahead in response to the end of the strikes and advanced sharply again on renewed buying on the expectation of tax concessions in the Budget. Stores shares were outstanding while companies operating overseas were also prominent, the latter expecting tax relief on profits earned overseas. South African gold shares relapsed into idleness after an advance, due to nervousness over the position of sterling. Their prices were easier on balance. Coppers and other base metals, by contrast, were firm. Oils recorded numerous substantial gains, particularly among the western hemisphere issues, notably Trinidad. The demand for rubber shares broadened in anticipation of further bids, and a widespread list of gains was recorded. Anglo-Sumatra were particularly firm on this account.

The Money Market

Credit conditions in the London money market last week took a more difficult turn. It was hoped that with the main tax gathering season ended, easier conditions would prevail but the flow of funds continued to thin to the detriment of the market. Discount houses had a problem in financing their weekly take-up of bills. The authorities smoothed out difficulties by injecting sufficient funds to make up shortages for normal operations, although the market did borrow a little from the Bank of England. As a result, money ruled at a level of 3½ percent to 4 percent. The tightness of money was reflected at the week's Treasury bill tender. The average rate at which the bills were sold was approximately 1s percent higher at £4 2s 11.49d percent.

Activity on Wall Street

Long-dated U.S. Government bonds weakened fractionally in quiet dealings. The fall in values was attributed in some quarters to the renewed talk that the Treasury might offer long-term securities to holders of saving bonds. Top quality corporates also softened slightly after their rise in the previous two weeks. Rails were mixed, while convertibles pushed ahead with the stock market. In the foreign bond section, Greeks were among the most active issues. German Nationals generally showed minor changes either way, while Italians were higher. Norwegians and Polish issues were lower, but Union of South Africa 4½ percents were fractionally higher. Japanese issues were mixed.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 3rd April shows that the gold stock was \$1 million higher at \$22,306 million. Foreign deposits fell by \$96 million to \$249 million, but foreign investments were \$20 million higher at \$3,741 million. The Federal Reserve bought \$202 million worth of securities under repurchase agreements. Total discounts and advances increased by \$504 million to \$1,121 million, while the aggregate excess reserves of member banks rose by \$528 million to \$535 million. Daily average excess reserves of member banks fell by \$223 million to \$342 million, while their daily average borrowings rose by \$290 million to \$1,049 million. Business loans of the New York city banks fell by \$65 million to \$11,633 million, compared with a fall of \$248 million to \$9,705 million in the corresponding week of last year.

Rubber Prices Recover

The London rubber market has responded to improved Singapore advices in the past week. An advance in values was extended on small orders; but trading for the most part has been very quiet. Home trade and Continental business were patchy and prices have had a tendency to weaken in dull phases. Small orders were enough, however, to lead to a recovery in prices and the list showed an all-round advance of 1½d a lb. towards the close. Traders attributed the advance largely to Polish orders and covering against them in this market. When the more urgent business had been placed, sellers showed a little more inclination to meet the market demand, but there was a net gain of 1d a lb. on balance. Very little interest was shown in sole crepe with virtually no movement either way. Prices were nominally unchanged on the basis of 42½d a lb. for 4th inch smooth on the spot.

Stocks and Shares

ACTIVITY REMAINS RESTRICTED IN STOCK MARKET

MINOR RECOVERY TOWARDS CLOSE

Wednesday Evening.

ACTIVITY has again been very restricted in the stock market during the past week. The general tendency has been for prices to soften, with Budget fears and tight money conditions discouraging the purchase of stock. This evening, however, there has been a mild recovery on the rumour that the presentation of the Central Budget might be postponed by a month or two. How this story started, it is impossible to fathom; no indication has been forthcoming so far from any official source that it might be true.

The various sections of the market present a dull picture. Engineerings have been moving narrowly, but coals and jutes are easier. Miscellaneous shares are mostly lower where changed, but there has been some demand for occasional investment counters like Metal Box and National Carbon. Very little interest has been shown in teas, and one reason for this may be recent talk about the possibility of overproduction during the coming season. Gilt-edged are dull but steady.

* * * * *

Government securities ruled steady, though there was no increase in the volume of business. The 3% Conversion Loan 1986 met with enquiry and the price improved to Rs. 74.35 but 3% 1896-97 was unchanged at Rs. 73. In short-dated loans, 3% 1957 was quoted at Rs. 99.75 and 3% 1958 was better at Rs. 99.65. 2½% 1961 turned sellers at Rs. 93.50 and 2½% 1960 was easier at Rs. 96.47. The 3% 1959-61 had buyers up to Rs. 97.75 and 3½% 1961 was quoted higher at Rs. 99.50. Among medium-dated loans, 3% 1963-65 was traded around Rs. 94.20 and 3% 1964 was marked at Rs. 94.44. 3½% 1964 was easier at Rs. 98.40, but 3½% 1965 had buyers over at Rs. 98.25. The 3½% 1967 was quoted at Rs. 98.50. Long-dated loans were quiet, with 3% 1966-68 on offer at Rs. 92.12 and 3% 1970-75 at Rs. 87.25. State loans were dull but fewer sellers were in evidence; 4% U.P. 1967 was quoted around Rs. 97.95. 4% West Bengal 1968 had small buyers at Rs. 99.00 and both 4% Madras and Madhya Pradesh 1968 were on offer at the previous quoted rates.

Very few transactions were reported in the preference section. In jute, Auckland 5½% were done at Rs. 73.50 and Baily were crossed at Rs. 100. Belvedere came to hand at Rs. 97 and Caledonian at Rs. 102. Cheviot were crossed at Rs. 101 and a small lot of Lawrence was placed at Rs. 92. New Central were quoted between Rs. 102 and Rs. 100. In the miscellaneous group, a small lot of Burn 6% was sold at Rs. 110 and Calcutta Electric were depressed at Rs. 87.5. F. and C. Osler were quiet at Rs. 47 and Indian Iron and Steel were marked at Rs. 96.50 ex-dividend. Shaw Wallace were taken around Rs. 68.

In the banking section, Hind Bank were reported at Rs. 33.25 and Hindustan Commercial at Rs. 11.50. United Commercial were unchanged at Rs. 53.00, as were United Bank of India "D" shares at Rs. 4.51.

No transactions were reported in railway shares. Cotton shares were depressed, Bowreah being marked down from Rs. 118 to Rs. 116 and Elgin Mills from Rs. 22 to Rs. 21.50. Kesoram changed hands at the previous quotation of Rs. 13.75, as did New Victoria at Rs. 1.81.

Coal shares tended to lower levels in sympathy with the general trend of the market. Bengal Coal, which have now been sub-divided into Rs. 100 paid-up shares (formerly Rs. 200 paid-up) were quoted around Rs. 215. Bhalgora eased from Rs. 5.12 to Rs. 4.75. Burrakur fluctuated narrowly around Rs. 21.25 and Central India closed quiet at Rs. 5.75 against an opening quotation of Rs. 6. East Indian were marked down from Rs. 26 to Rs. 25 as were Equitable from Rs. 22 to Rs. 20.87. New Beerbhoom were shaded at Rs. 14.75 and New Manbhoom dropped Re 1 to Rs. 8. Contrary to the general trend, Union were better at Rs. 15 on interested buying.

In the absence of support, jute shares continued to fall away, the worst sufferer being Naihiti which slumped from Rs. 68 to Rs. 54. Here is a chart showing important price movements:

	Opening	Closing
	4-1-57	10-1-57
Auckland	Rs. 86	Rs. 81
Belvedere	90	85
Chitavalsah	11.37	11.31
Khardah	120	116
Nuddea	30	29
National	19.75	19.25

Electric supply shares continued to suffer from lack of interest and prices were depressed. Calcutta Electric were offered at Rs. 12.44 and business was reported in Dishergarh Power at Rs. 88. Mirzapur Electric were crossed at Rs. 5.50 and Shahjahanpur were reported at Rs. 6.50.

In sugar, Balrampur were unchanged at Rs. 6.50 while Belsund were steady at Rs. 10.87 and Shree

Krishna Gyanoday at Rs. 10.75. Dyer Meakin Breweries were slightly easier at Rs. 6.12 and Purbapore were marked at Rs. 16.50 ex-dividend. Durbhanga met with some enquiry at around Rs. 22.50.

In the engineering section, Indian Iron and Steel Old shares were at one time sold down to Rs. 18.64, but towards the close there was a slight recovery to Rs. 19.24. The rights were at one time offered at Rs. 3.75 but closed better at Rs. 4.12. Bhartia Steel were slightly better at Rs. 14.76 while Braithwaite were easier at Rs. 24.75 and Burn at Rs. 310. Guest, Keen, Williams were steady at Rs. 25.50 and Marshalls improved smartly from Rs. 4.25 to Rs. 4.75 following a 5 percent increase in the dividend to 20 percent. Jessops and Richardson & Cruddas met with heavy selling pressure and closed easier at Rs. 23 and Rs. 15.50. Textile Machinery were quiet most of the week around Rs. 18 but closed better at Rs. 18.25.

In paper, Titagur were slightly better at Rs. 34 ex-dividend and Sirpur were marked back from Rs. 9.12 to Rs. 8.87. Orient were depressed at Rs. 30.25 as were India Paper Pulp at Rs. 21.55. Shree Gopal, on the announcement of a new preference issue, were marked down from Rs. 16 to Rs. 15.44.

In cement, Ashoka were dull at Rs. 9.87 and Jaipur Udyog at Rs. 11.50. Some Valley were freely offered at the lower rate of Rs. 6.37. Dalmia Cement were unchanged at Rs. 11.25.

No transactions were reported in insurance shares.

In shipping, Port Shipping were marked at Rs. 16.50 and India Steamship closed quiet at Rs. 10.06, against an opening price of Rs. 10.22.

Among miscellaneous industrials, Alkali and Chemical met with some enquiry at Rs. 11.50 and business was reported in the rights at 25 nP Assam Saws were marked down further from Rs. 3.12 to Rs. 2.87 and Angelo Brothers were shaded at Rs. 18.50. A large parcel of British India Corporation changed hands yesterday at the lower rate of

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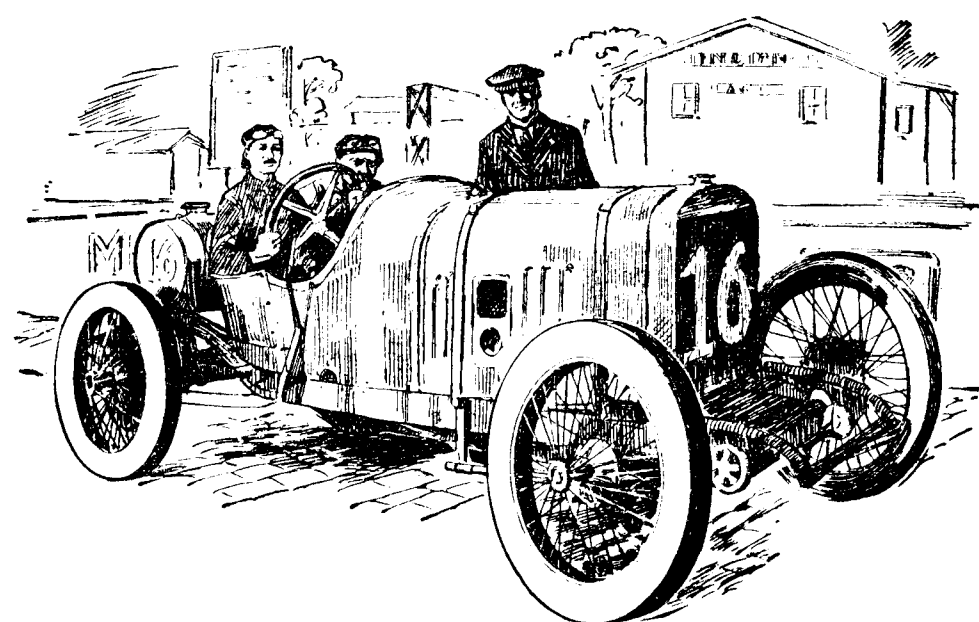
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Rs. 6.62; today there was a small recovery to Rs. 7. Dunlop Rubber were easier at Rs. 24.81, and Imperial Tobacco were lower at Rs. 13.37, as were Indian Aluminium at Rs. 12.62 ex-dividend. Indian Cables after being sold down to Rs. 23.75, recovered today to Rs. 25. Indian Rubber were firm at Rs. 26.25. Jardine Henderson were depressed at Rs. 75 and Rallis were offered at the lower rate of Rs. 29.25, with few declared buyers. Metal Box were remarkably steady at Rs. 22.25. National Carbon met with some enquiry at Rs. 26.62. Roshas Industries were easier at Rs. 16.62 as were National Insulated Cables at Rs. 19.37. F. and C. Osler were offered at the lower rate of Rs. 5.69.

In the mining group, Burma Mines closed lower at Rs. 2.44 while Western Stockholders Investment Trust were unchanged at 81 nP. Indian Copper were neglected at around Rs. 3.14.

Tea shares were neglected. Bishnauth coming to business at Rs. 19.12 and Dhelakhat at Rs. 21.37. Brooke Bond were lower at Rs. 18.25 and Jutlibari and Methoni were traded at Rs. 21.25 and Rs. 18.75 respectively. Tezpur had sellers at Rs. 20, as did Oodaleah at Rs. 13.25 and Banarhat at Rs. 275. Hantapara changed hands at Rs. 171, while Huldibari were in demand at Rs. 23.25. East India were reported today at Rs. 25.62.

The trading profit of MARSHALL, SONS and Co (India) Ltd. has amounted to Rs. 5.19 lakhs for the year ended last June. Providing Rs. 1.90 lakhs (Rs. 2 lakhs) for taxation, bringing in Rs. 1,12,618 and making other adjustments, there is a balance of Rs. 3,11,089. The dividend has been increased by 5 percent to 20 percent and absorbs Rs. 2.10 lakhs, leaving a carry-forward of Rs. 1,01,089.

Providing Rs. 47.35 lakhs (Rs. 42.32 lakhs) for taxation, the profit of the DUNLOP RUBBER COMPANY (INDIA) LTD. has amounted to Rs. 55.10 lakhs for the year ended last December, compared with Rs. 49.40 lakhs. The ordinary dividend has been maintained at 15 percent. General reserve is allocated Rs. 26 lakhs (Rs. 22 lakhs). The directors have made the increased allocation to provide resources for the expansion of business. The carry-forward is Rs. 13,24,595, against Rs. 11,71,685 brought in.

The INDIAN ALUMINIUM COMPANY has reported good results for the year ended last December. The profit has improved from Rs. 27.09 lakhs to Rs. 42.79 lakhs. The ordinary dividend is increased by 1 percent to 10 percent, including an interim of 5 percent. The taxation provision is Rs. 7 lakhs against nil. Sales at Rs. 4.25 crores showed an increase of 16 percent. Bauxite mining and alumina production operations, apart from meeting the requirements of the Alupuram smelter, were conducted satisfactorily with a view to reducing the imports which will be necessary when the Hirakud smelter comes into operation. The directors say that the first stage of the current expansion programme comprises the establishment of a new aluminium reduction plant with an annual production capacity of 10,000 tons in Hirakud, Orissa, and a relatively small expansion of the existing alumina plant in Muri to a production capacity of 18,000 tons of alumina a year. This stage of the programme is scheduled for completion by the end of 1958. Thereafter, the further

expansion of the Muri alumina plant to 30,000 tons capacity will proceed and it is expected to complete this by 1961. Fully integrated facilities in Muri, Alupuram and Hirakud are thus envisaged at the end of the programme for the production of 15,000 tons of aluminium a year. Although the aluminium reduction plant in Hirakud will, in the first stage, have an installed capacity for 10,000 tons of annual ingot production, it is being designed so as to permit the easy future expansion of capacity to 20,000 tons or more a year. A continuous study is being made of the availability of financial resources to enable the early expansion of the Hirakud smelter to 20,000 tons capacity.

The profit of the DURGAM SUGAR COMPANY has improved by Rs. 9.94 lakhs to Rs. 18.36 lakhs for the year ended last August. The dividend has been increased from 15 percent to 20 percent. Taxation provision absorbs Rs. 8.65 lakhs, leaving a carry-forward of Rs. 2,35,636. The company has a record cane crush, which amounted to 6,455,743 maunds. Recovery was shown at 9.91 percent. The directors observed that the company has taken over 630 acres of land in Pandaul and 106 acres near Lohat for propagating new seed in the areas which supply cane to the factories.

Messrs. Tata Industries Private Limited, managing agents for the TATA IRON AND STEEL CO. LTD., report that the total approximate production of iron and steel at the steel works in Jamshedpur during March 1957 was: pig iron 95,100 tons; steel ingots 93,200 tons; semis for sale 20,500 tons and finished steel 53,100 tons.

Bombay Market

PRICES FALL IN QUIET TRADING ANXIETY ABOUT TAXATION PROSPECTS

Wednesday Afternoon.
THE Bombay stock market was quiet during the past week, and prices declined on selling pressure. Operators were inclined to shorten their commitments in view of the prevailing uncertainties about the Central Budget. The monetary stringency also contributed to the lack of buying interest. The depression in the piecegoods market induced selling pressure in the mill group. Mining shares were freely offered on fears that the scope of the State Trading Corporation's activity in ore exports would be increased.

Tata Steels declined to Rs. 166.50 and holders were hesitant as they feared that the shortage of funds would make it difficult to pay the final call of Rs. 35 a share. Indian Irons were lower at Rs. 19.10 as the payment for the rights shares will have to be made shortly. Alcock Ashdown were freely offered at Rs. 257.50, and Premier Construction at Rs. 158.50. Tata Locomotives were available at Rs. 137. There was little interest in automobile shares. Premier Automobiles came to hand at Rs. 86 and Hindustan Motors were sold at Rs. 7.05.

Mill shares showed substantial declines, although replacement buying helped improve prices

slightly towards the close. Bombay Dyeing was transacted at Rs. 543.50 and Kohinoors were bought at Rs. 324 by knowledgeable quarters. Centur slumped to Rs. 448, as did Swadeshi to Rs. 216.5. Simplex were quoted at Rs. 173 and India United Ordinary realised Rs. 10.35.

Miscellaneous shares were subdued, but cement shares were slightly steady at the close on rumour of an increase in the price of the commodity. Associated Cement came to hand at Rs. 158 and Digvijay Cement were done at Rs. 141. Suga shares were barely steady, with Belapur making Rs. 223. Losses in the mining group included Shivrajpur Syndicate at Rs. 89.00 and B.B. Petro at Rs. 242. Steamship Company shares showed falls on balance. Scindia Steam were lower at Rs. 18.75 and Great Eastern Shipping were shaded at Rs. 17.60. National Rayon declined to Rs. 22 and the proposed issue of rights shares in the proportion of one for two at a premium of Rs. 25 a share had little effect. The proceeds of the issue are to be utilised for setting up a tyre cord plant. Tata Chemicals dropped to Rs. 15.80.

Routine turnover was transacted in banking shares. Bank of Baroda were done at Rs. 98.25 and Bank of India quoted Rs. 133.50. Sellers predominated in insurance scrip, and New India were offered at Rs. 39.25.

Scattered interest was taken in electricity supply shares. Ahmedabad Electric at Rs. 92.75 showed little variation. Tata Power were done at Rs. 118.5.

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

GOVERNMENT SECURITIES
2½% Loan (1962)—Rs. 93/94—94/00—93/94—94/00.
2½% " (1976)—Rs. 83/09—83/09—83/09—83/09.
3½% Govt. Papers—Rs. 73/37—73/37—73/37—73/37.
3½% Loan (1966)—Rs. 74/00—74/00—74/00—74/00.
3½% " (1963-65)—Rs. 94/25—94/25—94/25—94/25.
3½% " (1963-68)—Rs. 92/06—92/06—92/06—92/06.
3½% " (1970-75)—Rs. 87/25—87/25—87/25—87/25.
3½% " (1958)—Rs. 99/62—99/62—99/62—99/62.
3½% " (1967)—Rs. 98/50—98/50—98/50—98/50.
3½% " (1964)—Rs. 98/45—98/45—98/45—98/45.
3½% " (1965)—Rs. 98/12—98/12—98/12—98/12.
3½% " (1961)—Rs. 99/41—99/41—99/41—99/41.
4½% U. P. (1968)—Rs. 97/84—98/00—97/81—97/87.

BANKS
Hindustan Mercantile—Rs. 12/00—12/00—11/50—11/50.
Hind.—Rs. 33/50—33/50—33/25 x.d.—33/25 x.d.—(34-6).
United Bank of India (D Share)—Rs. 4/28-4/31—4/25—4/25—(4).
United Commercial—Rs. 33/00—33/50—33/00—33/50—(50).

COTTONS
Cawnpore—Rs. 6/25—6/25—6/12—6/12—(9).
Jayshree Textiles—Rs. 5/62—5/62—5/50—5/50.
Kesoram—Rs. 13/87—13/87—13/36—13/36—(18).
New Victoria—Rs. 1/87—1/87—1/81—1/81—(12).
Do (Pref.)—Rs. 4/62-4/62-4/62-4/62.

COALS
Bharat Collieries—Rs. 6/00—6/13—6/00—6/13—(8).
Burakur—Rs. 21/13—21/37—21/13—21/25—(14-10).
Bhaigora—Rs. 4/69—4/75—4/69-4/75—(7-4).

Bokaro & Ramgarh—Rs. 11/50—11/62—11/50—11/62—(14).
Central India—Rs. 5/94—6/06—5/88—6/00—(7-5).
East India—Rs. 25/50—25/69—25/50—25/69—(34-12).
Equitable—Rs. 20/87—21/00—20/87—21/00—(32-4).
Karanpura Collieries—Rs. 90/00—90/00—88/50—88/50—(145).
Katra Jheriah—Rs. 52/75—53/00—52/75—53/00—(60-12).
New Beerbhumi—Rs. 14/75—14/87—14/68—14/87—(20).
New Churulia—Rs. 1/81—1/81—1/81—1/81.
New Manbhoom—Rs. 7/87—8/12—7/87—8/12—(11-8).
Searsole—Rs. 5/12—5/12—5/12—5/12—(8-5).
South Karanpura—Rs. 8/56—8/56—8/19—8/25—(19-8).
Talehar—Rs. 1/75—1/78—1/70—1/75—(1-11).
Union—Rs. 14/25—14/94—14/25—14/94—(11-11).
Western Bengal—Rs. 5/56—5/56—5/19—5/22—(7-5).

JUTES
Agarpara—Rs. 8/50—8/75—8/37—8/37—(12).
Aekland—Rs. 84/00—85/00—84/00—85/00—(129).
Do. (5½% Pref.)—Rs. 73/50—73/50—73/50—73/50—(95-12).
Belvedere (Pref.)—Rs. 97—97—97—97—(119).
Bally (Pref.)—Rs. 100/00—100/00—100/00—100/00—(116).
Birla—Rs. 14/00—14/06—13/94—14/00—(17).
Budge-Budge—Rs. 90/00—90/00—89/00—89/00.
Caledonian (Pref.)—Rs. 102/00—102/00—102/00—102/00—(119).
Cheviot—Rs. 125/00—125/00—125/00—125/00—(209).
Do. (Pref.)—Rs. 101/00—101/00—101/00—101/00—(101).

CHITVALSAH—Rs. 10/94—1/31—10/94—1/31—(14-9).
Howrah—Rs. 15/25—15/87—15/00—15/87—(23).
Kamarhaty (B' Ord.)—Rs. 81/00—81/00—80/00—80/00.
Karnahar—Rs. 114/00—121/00—114/00—119/00—(171).
Karnarrah—Rs. 54/00—54/00—54/00—54/00.
Landsdowne—Rs. 83/00—83/00—83/00—83/00.
Lawrence—Rs. 84/00—85/00—84/00—85/00.
National—Rs. 19/50—19/90—19/20—19/45—(25-2).
New Central—Rs. 11/81—11/81—11/50—11/50—(15-2).
Do. (Pref.)—Rs. 100/00—102/00—100/00—102/00—(102).

MININGS
Associated—Rs. 9/00—9/00—9/00—9/00.
Burma Mines—Rs. 2/52—2/56—2/44—2/47.
Consolidated Tin—Rs. 1/50—1/51—1/50—1/51—(2-9).
Crestian Mica—Rs. 14/25—14/31—14/25—14/31—(14-14).
Indian Copper—Rs. 3/16—3/18—3/08—3/14—(6-14).
Karanpura Dev.—Rs. 12/75—12/75—12/68—12/68.
Orissa Minerals—Rs. 19/43—19/57—14/43—19/57.
Tavoy Tin—0/62—0/66—0/62—0/66—(As. 11).

CEMENTS
Ashoka—Rs. 9/87—9/87—9/87—9/87.
Assam Bengal (Defd.)—Rs. 1/12—1/12—0/94—0/94.
Dalmia (Bharat)—Rs. 10/12—11/50—10/12—11/50—(14-38).
Do. (Rs. 2/50 paid)—Rs. 2/87—2/87—2/50—2/50—(3-8).
Do. (Defd.)—Rs. 2/00—2/25—2/00—2/25—(3-4).
Do. (New Pref.)—Rs. 32/00—32/00—32/00—32/00.
Jaipur Udyog—Rs. 11/62—11/62—11/50—11/50.
Orissa—Rs. 13/00—12/12—12/94—13/12.
Sone Valley—Rs. 6/69—6/75—6/31—6/31—(7-13).

CHEMICALS
Alkali & Chemical (Ord.)—Rs. 11/31—11/50—11/08—11/08—(22-6).
Do. (Renunciation Letter)—0/27 p.m.—0/43 p.m.—0/19 p.m.—0/22.
Bathgate & Co.—Rs. 1/25—1/25—1/25—1/25—(1-9).
Smith Stanistreet—Rs. 11/68—11/75—11/68—11/75—(16-12).

ELECTRICS
Calcutta—Rs. 12/50—12/56—12/37—12/56—(14).
Do. (Pref.)—Rs. 8/81—8/87—8/75—8/81.
Distarghar Power—Rs. 88—88—88—88.
Mirzapore—Rs. 5/50—5/50—5/50—5/50—(9).
Shahjahanpur—Rs. 6/50—6/50—6/50—6/50—(12).

ENGINEERINGS
Arthur Butler (Pref.)—Rs. 8/19—8/31—8/00—8/31—(8-12).
Bhartia Elec. Steel—Rs. 14/31—15/25—14/31—15/25—(15-9).
British India Elec. Construction—Rs. 12/00—12/00—12/00—12/00—(7-5).
Britannia Engineering—Rs. 12/68—12/68—12/68—12/68.
Guest, Keen, Williams—Rs. 26/06—26/06—25/37—25/37.
Indian Iron—Rs. 19/28—19/28—18/64—19/24—(35-7).
Do. (New)—Rs. 18/12—18/18—17/60—18/12.
Do. (Right Share)—Rs. 4/25 p.m.—4/25 p.m.—3/69-4/22 p.m.

INDIAN GALVANIZING—Rs. 99/50—100/00—98/50—99/00—(110).
Jesop & Co.—Rs. 19/00—19/06—18/94—18/94.
Kumardhobi—Rs. 24/00—24/25—22/10—23/25—(34-6).
Marshall—Rs. 9/81—9/81—9/75—9/78—(11-1).
National Iron & Steel—Rs. 4/31—4/85—4/31—4/85—(6-12).
Richardson & Crudas—Rs. 16/25—16/25—15/00—15/50.
Textile Machinery—Rs. 18/65—18/65—17/88—18/25—(23-12).

MISCELLANEOUS
Aluminium Corp.—Rs. 9/50—9/50—9/31—9/31—(10-3).
B. I. Corp.—Rs. 7/12—7/16—6/37—7/00—(10-4).
Balmor Lawrie—Rs. 153/00—153/00—153/00—153/00—(174-8).
Britannia Biscuits—Rs. 13/00—13/06—13/00—13/06—(14-10).
Calcutta Tramways—Rs. 16/00—16/00—15/68—15/75—(17-14).
Clive Row Investment—Rs. 9/68—9/68—9/50—9/56.
Calcutta Safe Deposit—Rs. 8/37—8/50—8/37—8/50—(18-12).
Duncan Brothers (Pref.)—Rs. 57/00—57/00—57/00—57/00—(67).
Dunlop Rubber—Rs. 25/00—25/06—24/75—24/75—(31-10).
Eastern Investments—Rs. 114/00—115/00—106/50—106/50—(153-8).

F. & C. Oster—Rs. 5/50—6/06—5/50—6/06—(12-11).
Do. (Pref.)—Rs. 50/00—50/00—47/00—47/00.
Gillanders Arbuthnot—Rs. 10/62—10/87—10/62—10/87—(14-2).
Indian Aluminium—Rs. 13/25 s.t.—13/25 s.t.—12/56—12/56.
Indian Cables—Rs. 24/75—25/00—23/75—25/00—(22-4).
Indian Wood Pr.—Rs. 40/62—40/62—40/25—40/25—(38-12).

Imperial Tobacco—Rs. 13/75—13/75—13/37—13/62—(14-12).
Indian Rubber Mfg.—Rs. 26/25—26/25—26/25—26/25—(11-10).
Jardine Henderson—Rs. 75/00—76/00—73/56—76/00—(101).
Metal Box—Rs. 27/34—27/56—27/19—27/50—(27-6).
Martin Burn—Rs. 22/31—22/31—22/19—22/19.
National Insulated Cable—Rs. 20/6—20/6—19/37—19/37—(23-1).
National Carbon—Rs. 26/13—26/75—26/13—26/75.
Osler Electric Lamp—Rs. 2/12—2/12—2/12—2/12.
Rallis India—Rs. 30/00—30/00—29/25—29/50.
Roshas Industries—Rs. 16/90—17/00—16/50—16/67—(22-4).
Shaw Wallace (Pref.)—Rs. 67/50—67/50—67/50—67/50—(84).
Western Stockholders Investment—0/84—0/87—0/81—0/81.

OIL
British Burma Petroleum—Rs. 2/60—2/64—2/50—2/55—(4-4).

PAPER MILLS
India Paper Pulp—Rs. 21/44—21/62—21/44—21/62—(25).
Orient—Rs. 30/37—30/55—29/95—30/25—(35-12).
Shree Gopal—Rs. 15/75—15/75—15/44—15/44—(19-1).
Titaghar—Rs. 33/87—33/87—33/44 x.d.—33/44 x.d.

SAW MILL
Assam Saws—Rs. 3/19—3/19—2/87—2/87—(4-15).

SHIPPINGS
India Steamship—Rs. 16/22—16/32—9/87—9/97—(8-10).
Port Shippings—Rs. 16/56—16/56—16/31—16/31—(17).

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Darbhanga—Rs. 21/00—23/37—20/75—23/37—(20-13).
Dyer Meakin Breweries—Rs. 6/12—6/12—6/00—6/00—(5-12).
Ryam—Rs. 21/00—21/00—21/00—21/00.
Do. (Pref.)—Rs. 8/75—8/75—8/75—8/75.
Rammugger Cane—Rs. 23/25—23/25—23/25—23/25—(24-8).
Shree Krishna Gyanodaya—Rs. 10/44—10/75—10/19—10/30—(12-9).

TEA SHARES
Bishnauth—Rs. 20/00—20/06—19/12—19/12—(26-3).
Banarhat—Rs. 285/00—285/00—270/00—282/00—(372).
Brooke Bond—Rs. 18/25—18/25—18/06—18/06—(25-8).
Brahmaputra—Rs. 5/56—5/56—5/56—5/56.
Dufflaghur—Rs. 33/88—33/88—33/75—33/75—(48-8).
Dehra Dun—Rs. 143/00—145/00—143/00—145/00.
Dhelakhat—Rs. 21/37—21/37—21/25—21/31—(22).
East India—Rs. 26/25—26/25—26/26—26/00—(26-14).
Hansqua—Rs. 26/00—26/00—26/00—26/00—(25).
Huldibari—Rs. 23/12—23/31—23/12—23/25—(39).
Hantapara—Rs. 171/00—171/00—171/00—171/00—(278).
Jutlibari—Rs. 21/19—22/00—21/19—21/25—(28-3).
Kvong Tea Seed—Rs. 3/94—4/00—3/94—4/00—(6-1).
Methoni—Rs. 18/63—19/00—18/63—18/68—(25-14).
New Doar—Rs. 293/50—293/50—293/50—293/50—(350).
Oodaleah—Rs. 13/25—13/25—13/25—13/25—(10).
Tezpur—Rs. 19/94—20/06—19/50—19/50—(28-3).

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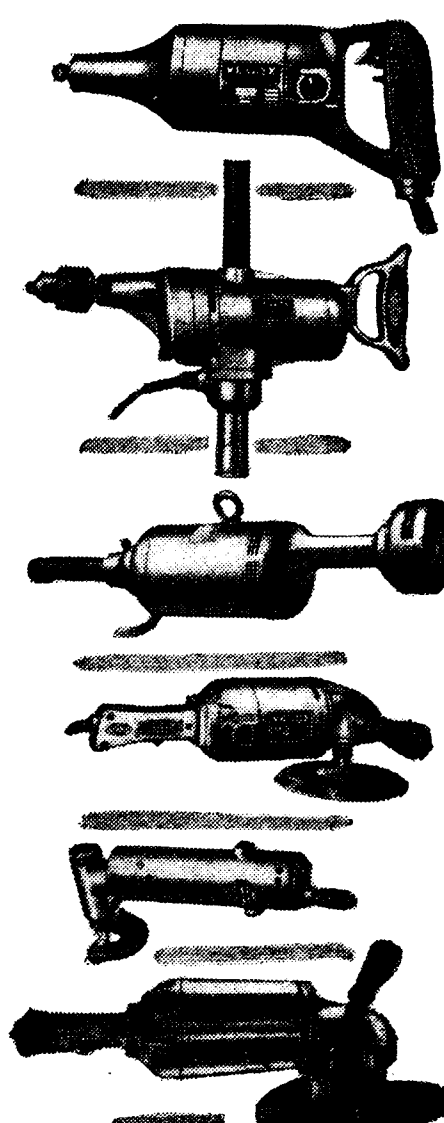
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CALTEX PETROLEUM PRODUCTS



Mr. Cleetus said that on the basis of available information, he felt inclined towards the recommendations of the British mission. They were more balanced and had given more attention

Discussing the effects of the recent increase in the prices of coal as a result of the award of the Appellate Tribunal, Mr. Cleetus pointed out that it would release a chain reaction of higher costs all over the country. Ever-rising costs of production did not augur well for the second plan, for rising prices and increases in the cost of living

Turning to the problem of finance for expansion, Mr. Cleetus said that industries all over the country were faced with shrinking margins of profit. These margins had been insufficient to enable industries either to plough back money for expansion of the fixed assets or show a profit on record that would make it possible to raise fresh capital at reasonable terms. The Government, as one of the principal customers of the engineering industry, had a tendency to dictate prices or keep them down to as low a level as possible. Although this might be a justifiable buyer's attitude, it was short-sighted and harmful to the country in the long run. The industry on its part had pursued a sound financial policy—a good proportion of profits was ploughed back into the business, while dividends were maintained at levels which would attract the prospective investor to put his money into the industry. The issue thus was whether the industry would be permitted to make profits sufficient to provide for its future expansion. "When we ask for a wider margin of profit, it is easy for someone in Delhi to imagine that we are being greedy. We wish to make it clear that we are only thinking of the future of the industry, which we trust, is also a matter of vital concern to the Government," he said. Referring to depreciation allowances, Mr. Cleetus said that the insistence on historical costs was unreal and unhelpful. This was particularly so in the engineering industries, where technological advance and research accelerated the process of obsolescence. Again, the allowance made for interest on capital had no basis in the real costs of industrial units were obliged to bear at the high rates of interest currently prevailing.

Mr. Cleetus described the general labour situation in the industry in 1956 as an improvement on the previous year. He noted that there was an increasing tendency on the part of workers to negotiate directly with their employers. This was a happy augury for the future, since direct negotiations facilitated greater appreciation of each other's point of view. The country, he said, had paid dearly for its almost pathetic faith in a multi-layered conciliation and tribunal set-up. Lasting industrial peace, it was necessary to establish a common outlook and a common concept of the significance of the joint activities of employers and employees. That can be achieved only if we can get together around a table, he said. With the publication of the awards in the jute and coal industries, it was found that the basic rates laid down by the Engineering Tribunals of 1948 were, on paper at any rate, below the new rates prescribed in these awards. In actual practice, workers in the engineering industry were better off if the production and annual bonuses were taken into consideration. The Association was, however, not satisfied with this state of affairs and endeavoured to have the two issues of adjustment and dearness allowance referred to adjudication. The West Bengal Government agreed to this and broadly included in the reference to the Tribunal all engineering firms employing less than 250 workers or more. A few firms employing less than 250 workers had since approached the Association for inclusion in the reference.

Referring to the need for stepping up engineering exports, he said that the industry accepted the obligation to augment foreign exchange earnings as far as possible. There was, however, the difficulty that firms engaged in the production of items required for the completion of the second plan projects could not divert capacity until these essential orders were fulfilled. Outside the light engineering industry, there was no spare capacity available and exports would, therefore, have to wait until the needs were met.

Subsequent discussions with the State Government have led to an upward revision of the target to only 24.6 percent, which was announced last November. Plans for Government purchases of rice during the *khari* harvest season, in order to build up a reserve, were abandoned in January on account of the rising trend of prices. The estimated wheat crop now coming into the market, it is estimated, will be larger than last year's by about 500,000 tons. But the price level has not so far warranted Government purchases. The opinion prevails in the Union Ministry of Food and Agriculture that even the big contracts that have been made for the purchase of two million tons of rice from Burma and 3.5 million tons of wheat from the U.S.A., during the second plan period, will be largely absorbed by current consumption requirements. In contrast to the optimism of last year, the problem facing the country now is how to secure supplies during a period of acute foreign exchange shortage. A permanent reserve of one million tons was envisaged in 1954, but the Food Minister, Mr. A. P. Jain, said last year that the Government proposed to build up buffer stocks of one million tons each of rice and wheat.

The establishment of a fourth State-owned plant will be considered only after exhausting the first two lines of approach. If it is decided to set up a fourth new plant, it will almost certainly be in Bokaro. After the fourth plant, if and when that is set up, the development of the industry may not be sought through the establishment of large-scale units based on metallurgical coal. Less conventional methods, such as the use of lignite or electric power for smelting, are likely to be tried. The governing consideration will be the relative economy of different methods. If, for example, the cost of producing steel from the iron ore found in Salem and Bellary districts of south India, with Neyveli lignite or electric power, should be only slightly more than that of steel produced in north-eastern India, the difference may be treated as being largely offset by the saving on transport. Economic factors, however, can be sacrificed only up to a point.

Freed from the responsibilities of directly managing the Bhilai and Durgapur projects, the Ministry of Iron and Steel hopes to make a technical assessment, well in advance, of all the lines of the steel industry's development. Meanwhile, it is emphasised that the unification of the management of all the three State-owned steel projects by a private limited company does not mean a general policy decision in favour of this particular form of running Government undertakings. Hindustan Steel had to be formed as a company in any case, on account of the initial participation of private German capital, in the Rourkela project. In the case of Bhilai and Durgapur, on the other hand

F.A.O. Discussions

It is in this context that the discussions on the problem of surplus food stocks disposal by the F.A.O. Committee on Commodity Problems at its recent meeting in Rome becomes important. Twenty-four countries are represented on the Committee, and the delegates from certain exporting countries expressed the fear that the disposal of surpluses by the U.S.A. would affect their normal trade. The India-U.S. agreement was specifically cited. The Indian delegate pointed out that purchases under this agreement would be over and above India's normal imports. Both India and the U.S.A. desired that the sale of surplus commodities should not disrupt world prices and normal trade and the agreement, therefore, included a clause specifying the quantities of foodgrains that India would buy from other countries in the normal course during the period of three years.

The building of national food reserves was also criticised by certain exporting countries, for the same reasons as they opposed the concessional sale of surpluses. Burma's delegate cited India's feeling of rice to Pakistan on a replacement basis, to show that it was useful from a regional point of view to have national reserves in many countries. He pointed out that it would have taken Pakistan longer to meet the urgent requirement of rice from other countries. About the size of the proposed reserve in India, however, the Indian delegate thought to reassure the exporting nations by saying that it would not be so large as to be uneconomical. A food reserve not only involves cost on account of maintenance and wastage; it also entails the locking up of resources which a country engaged in planned development would like to keep to the minimum necessary.

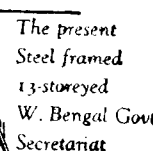
As a side note, the speaker explained that the countries even opposed price support as an incentive for increasing food output. They did so on the ground that some countries were peculiarly well placed for specialising in agricultural production.

Talks were last week resumed between the representatives of the Assam Oil Company, led by Mr. S. S. Smith, assistant managing director, and an official team led by the Cabinet Secretary, Mr. Y. N. Sukhtankar on the formation of a rupee oil company. The Indian Government, it is proposed, will subscribe to one-third of the total capital. This must be regarded as the final round of the talks, which began in the middle of 1955, in view of the notice served by Mr. K. D. Malaviya, Minister for Natural Resources, that the negotiations must be completed by the end of this month. The outcome will be awaited with keen interest not only in the country but also abroad. In contrast to the annual output of about half a million tons of crude oil in Daboi, where the A.O.C. operates the existing oilfield, the new project will have a preliminary production target of 2.5 million tons. Allowing for the likely results of further prospecting in the Naharkatiya extension, Hubrijan and Moran, as estimated by the A.O.C.'s American consultants, the pipeline to the proposed refinery will be designed to carry 4.5 million tons ultimately.

The evolution in stages of the Government's new ideas probably explains why the clarification of the new capital goods import policy has come in dribbles. Official spokesmen have offered significant interpretations of the Import Trade Control announcement of 31st March. The picture which has finally emerged should reassure both the Indian importers and foreign suppliers. This is how the policy has been summed up by a senior official. The requirement of seven-year credits will be the exception, not the rule. It will apply only to machinery for power plants and similar projects which do not directly save foreign exchange. In the Government's thinking, the operative part of the deferred payments scheme is the shorter-period formula applicable to projects which will save or earn foreign exchange. Under this, the foreign supplier will not be asked to take the risks of an internal delay in the execution of the project. The Government will make a realistic assessment of the interval between the shipment of machinery and the start of production, the volume of production in the initial years, and the extent of savings in foreign exchange. On these assumptions, payments on specified dates will be authorised. The exporter's only responsibility will be his adherence to the shipment date, and the actual date when the project goes into production will be no consideration. If, however, the supplier asks for a postponement of shipment, the payment to him will naturally be deferred by a corresponding interval. Industries based on indigenous raw materials, such as cement and some heavy chemicals, will qualify best for deferred payment over periods of less than seven years. The exemption of a third category of capital goods from the deferred payments scheme does not mean that licences will be issued automatically. Replacement machinery and spares will naturally receive high priority, but applications for an item like earth-moving equipment will be strictly scrutinised since excavation can be done by human labour though at the cost of some slowing down of operations.

The American trade delegation, at the conclusion of its six-week tour of India, made several

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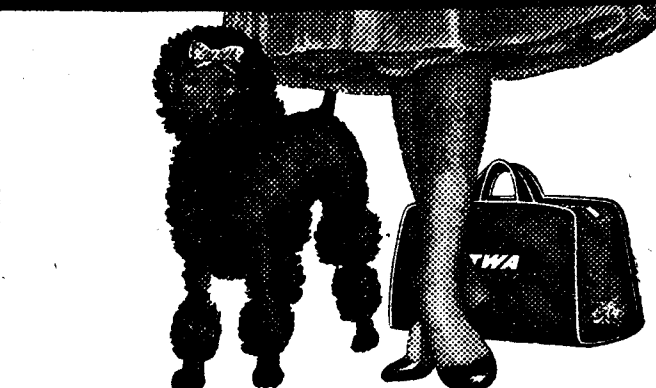
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Plantation Topics

INCREASED EXPORTS OF COIR
AND TAPIOCACOMPLAINT OF TRADE
MALPRACTICES

(FROM A SOUTH INDIAN CORRESPONDENT)

INDIA exported 81,650 tons of coir goods in 1956; this fetched Rs. 9.6 crores in foreign exchange. Corresponding figures for 1955 were 74,550 tons and Rs. 9 crores respectively. An item-wise break-down of exports is given below with corresponding figures for the previous year.

Item	Quantity in tons	Value in Rs. 000	Quantity in tons	Value in Rs. 000
	1956		1955	
Coir yarn	62,600	65,196	53,750	57,635
Coir fibre	600	597	750	502
Mats and Matting	13,500	21,209	13,950	22,213
Rugs	4,900	8,824	5,350	8,735
Other sorts	50	124	750	1,459
Total	81,650	95,959	74,550	90,544

The problem of checking malpractices in the coir export trade is still troubling the Coir Board. Several complaints have been made from abroad, especially from the Middle East, alleging that the materials supplied by the Indian shippers were not up to the specifications on which contracts were made. The Chairman of the Coir Board in an appeal issued through Coir, the official publication of the Board, says: "Several instances of

shippers at this end supplying bad stuff to Basrah buyers against good samples, of refusing to agents there the commission that was legitimately due to them, of appropriating the letters of credit and making no supply, etcetera, have been brought to the notice of this Board. When pressed hard, such shippers have a tendency to go into voluntary liquidation and escape the situation. These people perhaps do not realise the irreparable harm they are doing to the Indian coir trade and the fair name of India. The Board has appealed to the trade to desist from such acts at once, to settle the legitimate claims of foreign buyers amicably and thus try to retrieve the losing reputation of our coir industry."

Control on Shippers

The Coir magazine has put forth two suggestions to stop these malpractices. First, there should be a strict control over shippers. Only licensed shippers should be allowed to export. The system of licensing should be accompanied by arrangements for the inspection of goods before shipment, the comparison of goods with samples and the issue of certificates. Secondly, buyers at the other end should be prepared to pay reasonable prices for quality goods. Trading should be invariably against samples, a set of which might be placed with some reputable trade associations at the source of supply for purposes of inspection and certification of goods before shipment. A thorough enquiry into the financial position and status of shippers before placing any order with them would also reduce the chances of fraudulent trade.

Exports to Middle East

Iraq is an expanding market for coir, which India almost monopolises. There is, however,

competition from other floor coverings and substitute materials and this may become formidable in the future. Mr. K. Gopalan, the F.A.O. marketing expert in Baghdad, advises Indian manufacturers and shippers to take note of this and devise measures to maintain and improve the quality of goods they supply to the Middle East. The Coir Board at the same time should supplement its efforts by initiating vigorous propaganda campaigns to stimulate the demand for coir goods. He suggests the setting up of an export promotion council to increase exports of coir goods to the Middle East. A basic factor with the sensitive East is that it is essentially a price take into market. Manufacturers will have to take into consideration this factor, when they produce coir goods for this market. Unless they can reduce prices by improved methods of production and change the marketing strategy, they may not be able to hold their own in the Middle East.

Larger Exports of Tapioca

The year 1956 was exceptionally good for tapioca, for it witnessed a big rise in exports. During the year, European countries imported 21,000 tons of tapioca from Kerala for purposes of cattle fodder. Prices doubled over the previous year. Two factors helped this: large exports and lower production. Exports of tapioca were not permitted until 1955 in view of the difficult food situation in the State. When controls on food materials were lifted and when rice was available in plenty, the demand for tapioca declined and prices fell steeply. Consequently, many people abandoned tapioca cultivation in 1954 and 1955, so the supply was below normal last year. But as the prices were attractive, there was again a revival of cultivation last year. Still more lands are now being brought under this crop; this would naturally bring down prices. In order to avoid overproduction, some control should be imposed on the expansion of tapioca cultivation. The Tapioca Marketing Expansion Board of Kerala made a recommendation to this effect, but no action has yet been taken.

Malpractices are also reported in the tapioca export trade. Fraudulent business practices and high prices spoil the reputation the country has gained. The Tapioca Board has therefore recommended the compulsory grading of tapioca before export. The Board has also submitted to the Government a scheme for the production of alcohol, acetone and butanol from tapioca. The Industries Department is working on a scheme to make dextrene and glucose from it. Another scheme for preparing starch, which can be used for bleaching purposes in textile mills, has recently been prepared.

COCHIN TEA SALES

At Dust Sale H 400,000 lbs. of tea were on offer. There was a good general demand, but prices were 5 to 10 nP weaker all round, except for Highgrowns which were up to 25 nP lower.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India for the weekly market report published by the Colombo Brokers Association:

	Closing prices on 29-3-57 (Rupees a lb.)	Average for the week (Rupees a lb.)
Sheet:		
No. 1	1.26	1.26
No. 2	1.23	1.23
No. 3	1.20	1.20
No. 4	.96	.96
No. 5	.91	.91
Sheet Cuttings 1		.95
Sheet Cuttings 2		.90
Crepe:		
Water White	—	1.104
R.M.A. No. 1X	1.10/11	1.074
R.M.A. No. 1	1.06/09	1.001
Crepe No. 2		.961
Crepe No. 3		.894
Scrap Crepes:		
Sc. Crepe No. 1	.88/90	.87
Sc. Crepe No. 2	.86/88	.80
Sc. Crepe No. 3	.75/85	.701
Flat Bark	.70 Nom.	.834
Sc. Crepe 3X		

To arrive at f.o.b. Colombo prices, add 53.53 cents a lb for crepe other than scrap crepe and 31.53 cents for scrap crepe to the above market prices.

TOBACCO ACREAGE INCREASES

According to the Directorate of Economics and Statistics, Central Ministry of Agriculture, the all-India first estimate of tobacco, 1956-57, puts the current year's area at 826,000 acres against the corresponding adjusted estimate of 809,000 acres for 1955-56. Thus, the current year's estimate shows an increase of 17,000 acres or 2.1 percent in area over last year. The increase in acreage during the current year has been shared by almost all the States. This increase has been particularly marked in Andhra, Madras, Rajasthan and Bihar, and has been attributed to favourable climatic conditions at the time of sowing. This increase has, however, been offset to some extent by decreases registered in Bombay and Uttar Pradesh. The information given in this estimate relates generally to the period up to the end of December, 1956.

Jute

LITIGATION OVER RAW JUTE AND
GUNNY CONTRACTS

CHANGES IN TRADING PRACTICES

IN the past few years, there has been more litigation over the interpretation of raw jute contracts, and probably gunny contracts also, than ever before. Some of the decisions have upset beliefs previously held and generally accepted in the trade by both buyers and sellers. Moreover, some of the court decisions have been such that it is impossible to comply with them in practice. In jute arbitrations, it used to be the custom that, when arbitrators gave the buyer the option to reject the jute delivered because it did not comply with the guarantees in the contract, they provided also for allowances to be paid on the bales opened for inspection and arbitration and retained by the buyer. A court decision given last year ruled that arbitrators could not do that. They could award rejection or allowances, but not both, and the buyer, if he exercised his right of rejection, must return all the bales, including those opened. Anyone with practical experience will at once see the difficulties which must arise from having to put aside and retain inspection bales until such time as disputes can be settled either amicably or by arbitration. The result is that this court decision has practically taken away the buyer's right to reject the goods unless the seller voluntarily agrees to pay the allowances on the opened bales and consent to their retention by the buyer. It is understood that alterations to the contract to get over this difficulty are being considered, but there is opposition from the sellers' associations.

Another decision which has upset previous notions is that a seller has not fulfilled his obligations until the goods are in the buyer's premises. Formerly it was believed that if a seller made over the goods to a common carrier, for instance, a railway company or a steamer company, and presented a clean railway receipt or bill of lading, his obligations concerning delivery had been fulfilled. In effect, there had already been decisions to that effect in courts in India but now ideas on the subject have to be changed. The position becomes more complicated when it is a question of delivering jute to a mill by country boat or lorry. The custom in the trade has been for the boatmen or lorrymen to go to the mill offices and report their boats alongside the mill jetty or the lorries at the mill gates and get an acknowledgment. That was accepted as proof that delivery had been made. Now it appears that legally, delivery has not been made until the goods are actually within the mill premises. It is easy to see the many complications which might ensue from the strict interpretation of this ruling, for lorries are often kept waiting at mill gates for days before they are allowed inside to unload their goods. In the case of boats they are often at the mill jetties for weeks. There is, however, the possibility that, in these circumstances, the custom of the trade might be pleaded but that is something which is very difficult to establish.

In the old days, references to courts about jute disputes were almost unheard of and even arbitration cases were few and far between. It is an indication of the fall in commercial morality that, nowadays, arbitrations are a daily occurrence and resort to legal proceedings on mere quibbles is quite common. The honest man going about his normal business of buying and selling seldom interests himself with legal niceties because he gets a fair deal and is not concerned with the law. Nowadays, however, he is more than likely to find himself out to take an unfair advantage of the obscurities of the law to evade his obligations. It would seem that the law as decided by the courts commands many loopholes. The mere business man, however, be excused for his lack of knowledge on the question of delivery of goods, for an eminent authority has said that there is no branch of the law of sale more confusing than that of delivery.

I.J.M.A. Stocks of Manufactures

Expectations in the bazar during the past week were that stocks of manufactured goods in the mills godowns at the end of March would show a decrease from those held at the end of February, and it was probably for that reason that the gunny market kept so steady. These expectations have not been fulfilled and the gunny market is easier. There is, however, no reason for any pessimism for the overall increase in stocks is only 300 tons. There was an increase of 4,600 tons in hessian stocks normally increase; the hessian position is very sound for the stocks, even with last month's addition, are equal to less than one month's output. The position of sacking is even more encouraging, for there was a reduction of 5,100 tons, bringing the total down to 56,500 tons, the lowest since March 1956. These figures, therefore, give ground for optimism.

THE JUTE MARKETS

Manufactured Goods: There has not been much change during the past week and prices in the fatka markets have moved within narrow limits. In the

early part of the week, it was reported that shippers were taking some interest, particularly in hessian, and that fair business had been placed with mills. Fatka operators were also optimistic that there would be a reduction in mills' stocks at the end of March and the bazaar was waiting for the I.J.M.A. figures. When these came out, they were looked upon as disappointing. The B Twill fatka dropped by about one rupee. It is noteworthy that the market has for some months been saying that demand for hessian has been good although it has been difficult to sell heavy sacking, but the mills' stocks of sacking have been declining for six months. There has actually been quite a good demand for sacking, even though the prices may not have been remunerative. For the present, buyers seem to have withdrawn from the market.

On Wednesday morning, the market opened dull and easier, and quotations were as follows:

	April	May	June	July-Sept.
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	33.75	32.50	33.50	33.25
40in. 10oz.	40.94	41.12	41.10	41.25
B Twills	111.37	111.62	111.75	111.75
Heavy Cees (Plain)	111.20	111.62	111.75	111.75
A Twills	134	134	134.50	134.50
Liverpools	126.50	126.75	126.75	127.25
Cornacks	112.25	112.75	112.75	112

Raw Jute: Until the last two days, there was steady buying by mills and a fair quantity of jute changed hands. Interest was again mainly in mesta, especially the Northern and Purnea qualities. Purnea Desal was the kind most in demand and Daissee mesta went out of favour because of the dark colour and poor quality of what was arriving at mills. It was reported, however, that this was not really Daissee mesta but stuff imported into the Daissee districts from jungli areas. While that is possible, it has to be remembered that the

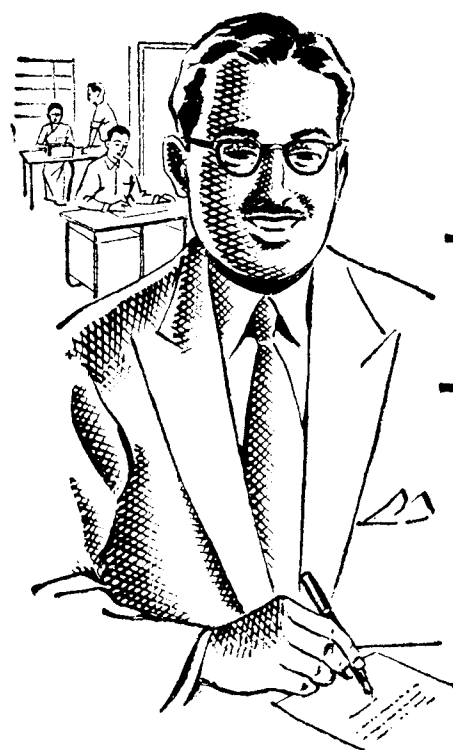
Daissee mesta crop suffered badly last year from drought, followed by floods. Northern mesta is in demand but there appears to be little of it left. Assam and Purnea White jute have been bought, and so have been Daissee jute and Murshidabad Tossa. The price of Daissee is restraining some mills from buying it, but when the price is compared with that of, say, Assam jute, which carries heavy cutting while Daissee has no cutting, Daissee is not really dear. Some small lucky day business was done in New Crop at Rs. 27.25 basis Bottoms for Assam and Rs. 26.50 basis Bottoms for Purnea for August-September shipment. Business was reported in Assam and Northern at Rs. 28 to Rs. 28.50, Desal mesta at Rs. 25 to Rs. 26, Daissee mesta at Rs. 24.50 to Rs. 25, Daissee jute at Rs. 31 to Rs. 30, Murshidabad mesta at Rs. 25.25 and Murshidabad Tossa at Rs. 31, all prices being basis Bottoms. Northern Middles alone were done at Rs. 31 for shipment and the difference between Rs. 31 for April and/or May shipment and the difference between Middles and Bottoms was Rs. 2.50. Pakistani Northern Cuttings ex Calcutta were sold at Rs. 103. On Wednesday morning, quotations were as follows:

Indian Jute:	Landed at Mills	Rs. a mt. Basis	Bottoms.	Shipment.
				April-May
Northern	28.50			
Assam	28			
Jungli	25.50			
Assam Tossa	30			
Murshidabad Tossa	29.50			
Daissee Jute	30			One month
Daissee Mesta	24			
Northern Mesta	26			April-May
Desal Mesta	25.50			
Murshidabad Mesta	23.50			
Northern (ex Calcutta)	28			One month
Local Packing	26.50			
Bimbi	23	F.A.Q.		April-May
Pakistani NC's	103			

Arrivals in Cossipore were 491 wagons, against 458 in the previous week. Mill buying was rather less and stocks showed some increase.

Mofussil: Imports are poor, except in Purnea and other Bihar districts where a fair amount of mesta and jungli jute is still coming forward. In north Bengal, imports are negligible. Small imports are still coming in in Assam.

Apart from a few scattered showers, the weather has been hot and dry. General rain is now



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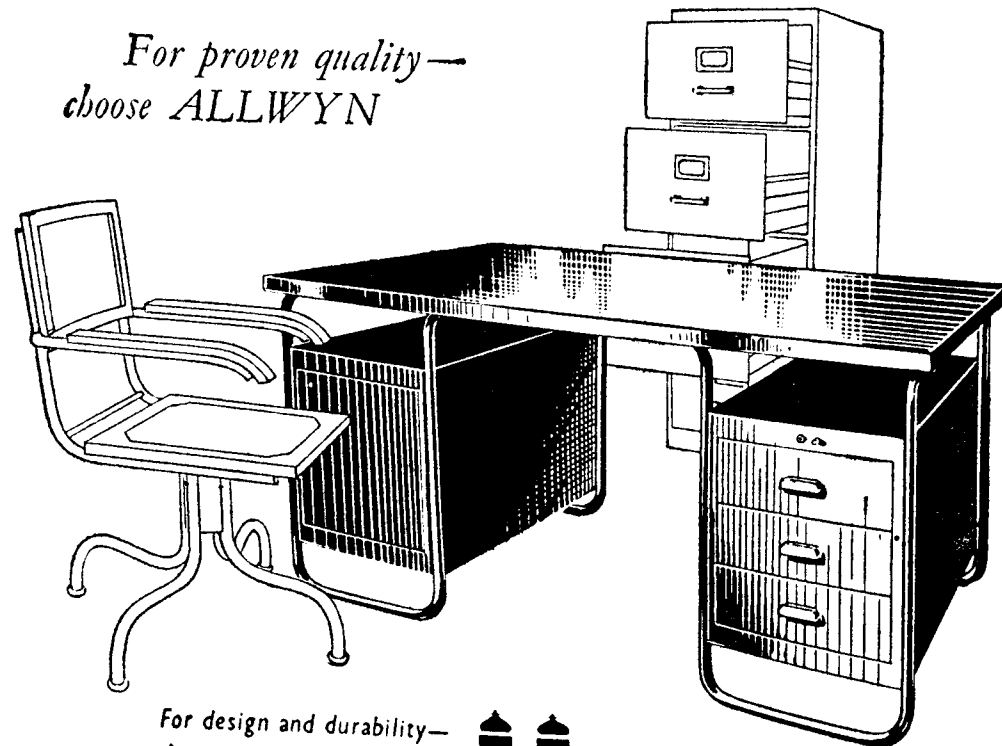
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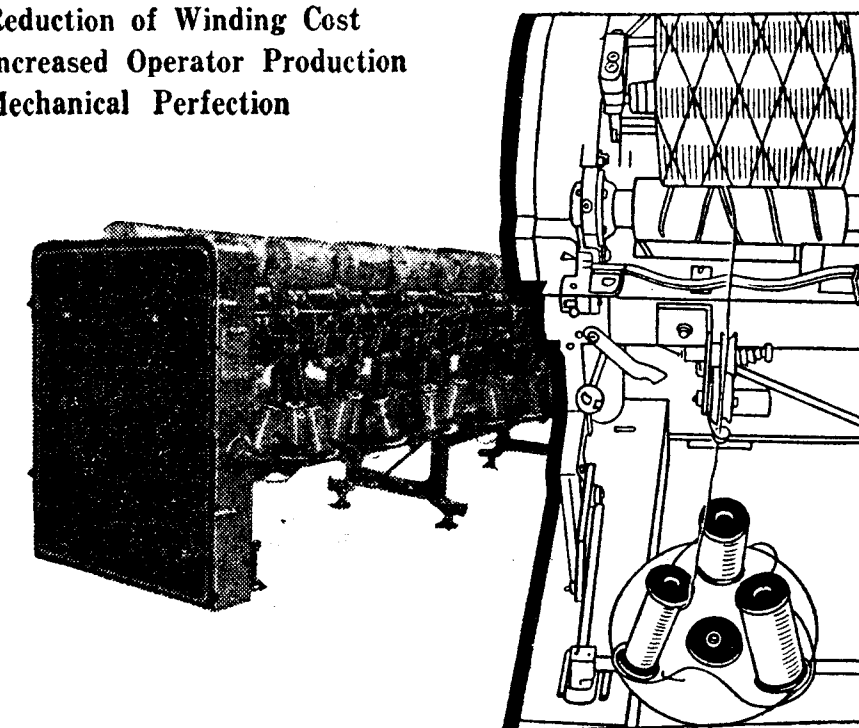
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L.J.M.A. STOCK FIGURES FOR MARCH

The Indian Jute Mills Association reports the total stocks of jute goods at the end of March 1957 as follows:

Description	Increase over (1)		or decrease from		31st March, 1956	
	31st March, 1957	28th February, 1957	1st March, 1957	1st March, 1957	Lakh Yds.	000 Tons
Hessian Cloth and Bag	10.86	29.8	9.29	25.2	1.57	4.6
Sacking Cloth and Bag	13.74	56.5	14.79	61.6	-1.05	-5.1
Others	11.4			10.6	+0.8	9.5
Grand Total (000 Tons only)		97.7		97.4	+0.3	95.0

N.B.—These figures are based on replies received and with estimates for three non-member mills. represent all members of the Association and Gagalbhui

urgently needed to enable further sowings to be done and also to help the young plants, which are not thriving except in the chur and riparian lands.

GUNNY SHIPMENT STATISTICS

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

	Hessian		
	Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 31st March, 1957	3,030.3	32,415.7	35,446.0
1st to 28th February, 1957	2,054.4	27,761.0	29,815.4
1st to 31st January, 1957	5,755.6	33,439.7	39,195.3
	Sacking		
	Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 31st March, 1957	40,095.4	5,412.2	45,507.6
1st to 28th February, 1957	27,004.9	3,433.4	30,438.3
1st to 31st January, 1957	29,082.1	2,297.5	31,379.6

THE PAKISTANI JUTE MARKETS

ESTIMATES OF FIBRE SHIPMENTS

(FROM A NARAYANGANJ CORRESPONDENT)

IT is estimated that shipments of raw jute from Pakistan up to the end of March will be 3,550,000 bales. Of this, just over 400,000 bales will have gone to India. Assuming that the E.P.C. registrations will total 4,100,000 bales, this leaves a total of 550,000 bales to be shipped. Of this quantity, nearly 100,000 bales have been outstanding since October and November, and as shippers have made considerable losses, there is every possibility that this will not be shipped. Despite the fact that there is such a large quantity outstanding, most of which is naturally for April shipment, the Conference lines report that against their expected tonnage of 350,000 bales for April, they have not got full bookings. The fact that the port of Chalna is nearly clear and the port of Chittagong is no longer congested, substantiates this. This can be partly attributed to the fact that both barges and railway wagons are moving more freely and the turn-round is quicker. On the other hand, it also indicates that Pakistani shippers may well be going berish in the expectation that reports of large crop sowings will bring prices down.

The market in Narayanganj can only be described as "flat" and very little trading is reported. Pucca bales of Export Firsts are nominally quoted at Rs. 183. The bigger stockists and better balers are only sellers at about Rs. 3 to Rs. 4 higher. At the same time, business is reported at Rs. 178. It appears, therefore, that local stockists are withholding their offers, and are prepared to reduce prices when they find serious enquiries. The shippers, however, still have to do a bit of buying, but are holding off because of the indications of a weak market.

Loose jute prices remain at the comparatively low level of about Rs. 30 for B Bottoms 100 percent Export Firsts, Rs. 28 for C Bottoms and Rs. 26 for X Bottoms. Occasionally, jute can be had at 8 annas less, but very little loose jute is actually available, and most of it is comparatively moist. More kutcha bales from the mofussil have appeared, but being dry, a premium is being asked for them of about 8 annas a maund over loose. Despite the weakness in the market and comparatively little trading, prices show no inclination to go down or if they do, they do so very reluctantly. The primary sellers are obviously trying to gain strength from the fact that the rains are very late this year. It is well known that at the first sign of rains, the market will almost certainly drop to more economic levels. In fact, at the beginning of the month overcast skies brought prices down temporarily.

All sowings have been held up by the dry weather and the chances of an early crop are receding. Sowings so far have only been of the lowland crop and since jute is a very healthy plant, it is unlikely that this will be affected by the present lack of rains for some time. The dry weather, however, is stopping prices from falling.

For the last few days, reports have circulated that overseas buyers are paying better prices and there have been many offers in the £104 to £105 range for Export Firsts. In fact, most overseas buyers have been regularly in the market for selective marks in small quantities at these prices, and what has happened is that in the last few days, their purchases have increased in quantity but

not in price. They have been buying L.J.A. marks, since private marks have made restricted offers, and it is only because of this that reports indicate greater interest at higher prices. Having fulfilled their immediate requirements, the buyers will almost certainly sit out again and continue to purchase selective marks when available. This cautious form of buying has certainly helped them to ward off any increase in prices. It appears that the Jute Marketing Corporation, although fully authorised, is as yet without any staff. Even the director has not been appointed. Its intention to work, however, remains unchanged and it is now talking of exporting pucca bales to Europe as well as to India, and also, if necessary, of using pucca bales as a buffer stock to control prices in Narayanganj. A new Board is being set up, under the name of the Export Control Board, which is supposed to supervise and advise on exports of raw jute from Pakistan. While we have no official information, it appears that this Board will be duplicating the work of the Jute Board, which in itself is gradually fading away. Recently, the chairman was transferred to the Ministry of Food. He has not yet been replaced.

The Karachi jute goods market remains rather short of stocks and prices stand at Rs. 130 for B Twills and Rs. 56 for 45in. 11oz hessian. There are indications that ample shipping will be available in the next few weeks, which should bring prices down. The second part of the Burmese tender was recently completed. Of the 10,000 bales, 2,000 bales have gone to Pakistani mills.

Riots broke out in the Isopani Mill in Chittagong. The labour situation in the Daulatpur area remains delicate. There appears to be some disagreement between the P.J.M.A. and the civil supplies authorities over the distribution and supply of rice, and the price at which rice can be secured. The Pakistan jute industry is still enduring its prolonged "labour pains", and although the production of the mills is continuing and increasing, they are seriously hampered by labour troubles, lack of spares and lack of support from Government bodies. Recently the P.J.M.A. decided to separate itself from the Dacca-Narayanganj Chamber of Commerce and Industry, presumably, in an attempt to strengthen itself. One wonders whether this is a wise move, and whether the opposite will not be the result.

THE FOREIGN JUTE MARKETS

FIBRE PRICES STEADY

(FROM OUR DUNDEE CORRESPONDENT)

DURING the most part of the past week, the raw jute market has ruled with a steady undertone, but there is always the odd seller who is willing to accept 10s or 20s below his competitors. One firm of shippers has been depressing the position for a week or two, but now that they are back into line with others and offering forward with lower terms, the majority of the agents in Dundee are holding bullish ideas. They firmly believe that prices will not be allowed to go down to the minimum levels, as they did towards the beginning of the past two seasons. They say that shippers must have lost a lot of money by selling new crop early in the season at around minimum prices in fairly large quantities. Prices rose the rates at which they could not cover at anything like feature is that new crop jute has been sold at £102 for Mill Firsts and at £92 for Mill Lightnings. For the latter business at £93 and also £94, it was said, was done for July-August shipment, c.i.f. U.K. Prices are lowest at £111 for Mill Firsts, £101 for Mill Lightnings, £96 for Mill Hearts and £92 for grade Hearts, with crack Daissee-2/3 from £108 and grade at £100 and grade Tossa-2/3 from May-June, c.i.f. U.K. Only small business is passing in spot and afloat jute at round about these rates. Until there is more news on sowings of the new crops in both India and Pakistan, it will be difficult to forecast the future.

Calcutta goods were advanced sharply during the time of the change-over in the currency to the decimal system, but they have come back again May and 62s 9d June with July-September at 62s 9d and 70s at 47s 6d April to September. B Twills are quoted at 169s, 170s, 170s and 169s for the four respective periods of shipment, all f.o.b. Calcutta.

Jute yarns and cloth in Dundee are very quiet and unless there is some improvement in the course of the next month or so the industry is faced with short time or even curtailment of production. Meantime, prices rule quite firm all round, but the position is dull.

Commodity Markets

RAISING INDUSTRIAL AND POWER ALCOHOL OUTPUT

GOVERNMENT MEASURES TO STEP UP CONSUMPTION

THE Union Minister for Heavy Industries, Mr. Manubhai Shah, called upon the manufacturers of industrial and power alcohol to increase their production from 15 million gallons a year to 45 million gallons a year by the end of the second five year plan, while addressing the recent annual general meeting of the All-India Distillers Association. He said that with the co-operation of the industry, it should be possible to utilise the entire installed capacity and also to set up additional factories to achieve a three-fold increase in production. Every sugar factory in the country or even a group of adjacent sugar factories should set up an economic size distillery to convert molasses into power and industrial alcohol. A valuable product like molasses should not be allowed to go to waste, he stressed. The industry was of great national importance. Its development had been accorded high priority in the second plan. Power and industrial alcohol served as an important indigenous source of motor fuel and had even a greater importance as a raw material for several chemical industries.

Increase in Production

The industry, he said, had developed following the expansion of the sugar industry during the 'thirties. It received further impetus when, during the last war, due to the shortage of motor fuel, power alcohol began to be used as an admixture with petrol. The installed capacity has gone up from 6.2 million gallons in 1946 to well over 15 million gallons at present. Production has gone up during the same period from 2.4 million gallons to 10.2 million gallons—an increase of over 400 per cent. The production of industrial alcohol has also shown an increase though not to the same extent. The production of power and industrial alcohol is of the order of 15.5 million gallons a year at present, compared with 5.3 million gallons in 1946. The industry, as a whole, has, therefore, increased its output by 300 per cent in ten years.

While it was possible, the Minister went on, to use all the expected additional production during the second plan as motor fuel, a much better use of alcohol would be as industrial raw material for different chemical products. Some of these were acetic acid, plastics like polyethylene, cellulose acetate and polyvinyl chloride, several esters, some solvents like ether, and synthetic rubber. Power alcohol could be used for the production of such items because the alternative raw materials commonly used, namely, crude petroleum or natural gases, are not available to the extent necessary at suitable locations in India.

Second Plan Target

In this connection, Mr. Shah said that the Government had appointed a committee under the chairmanship of Dr. A. Nagaraja Rao, Chief Industrial Adviser, to examine the various issues and recommend steps to increase the production of alcohol and its rational use for industrial purposes. The committee had made valuable recommendations which were under the Government's consideration. The total production of power and industrial alcohol was about 15 million gallons a year against the installed capacity of about 30 million gallons. In the second plan, a target for the production of 18 million gallons of power alcohol and 12 million gallons of industrial alcohol, with a total installed capacity of 36 million gallons, had been fixed. Licences had been granted by the Government for the setting up of several factories and the expansion of the existing ones, which when completed, would raise the capacity to 36 to 37 million gallons.

More Raw Materials

The sugar industry has an ambitious expansion programme. With a target of production of 2.25 million tons of sugar a year, about 900,000 tons of molasses would be available every year for the manufacture of alcohol. On the basis of this increased availability of molasses, the industry could hope to produce annually about 50 million gallons of alcohol in the next three or four years. The Minister appealed to the industry to make full use of the additional production of molasses by setting up new factories and adding new distilleries to new sugar factories. He advised producers to diversify the output of alcohols like butyl alcohol, furfural, methanol, etcetera. As the country was committed to a policy of prohibition, the present level of consumption of alcoholic beverages was likely to decrease in the future. Mixed with petrol, more than 10 million gallons of alcohol were utilised every year, particularly in parts of northern India. This process of utilisation should increase as more power alcohol is available in different parts of the country.

Industrial Consumption

The Government had made a careful assessment of the scope for increasing industrial consumption. It had been considering several proposals for setting up industries based on industrial alcohol. When these industries were set up, consumption of industrial alcohol would go up from the present level of 4 million gallons a year to 30 to 35 million gallons a year by 1960-61.

The Minister stated that discussions for establishing a 20,000-ton synthetic rubber plant in Uttar Pradesh, which would consume 10-15 million

million gallons of alcohol every year, would be finalised soon. This unit would come into operation at an early date. Two factories for the production of polyethylene also had been licensed. These would require three to four million gallons of alcohol a year. The expansion of the manufacture of acetate rayon would need four to five million gallons, and substantial quantities of alcohol would be required for the production of acetic acid, ether, acetone, D.D.T., etcetera. There was more scope for the production of acetic acid, acetate rayons and other allied products throughout the country. At the same time, Mr. Shah said that it might be necessary to continue the use of power alcohol as motor spirit to the extent of 10 to 15 million gallons annually for several years to come. This would have to continue as a stop-gap arrangement to cover any lack of balance between the production and demand of alcohol in other industries in the country. There was also no reason, he said, why the use of power alcohol as fuel should not be permanently maintained in certain areas.

Indigenous Machinery

The Minister urged the industry to bring about an improvement in the production techniques so that costs could be reduced. He admitted that in order to increase the production of alcohol, the country would need more equipment and machinery. Instead of importing the required equipment and machinery, it should endeavour to manufacture them as much as possible. Quite a number of items like distillation columns, condensers, yeast vessels, etcetera, were already being produced at home. The Minister emphasised that as far as possible—and particularly in view of the need to conserve foreign exchange—India should not import any machinery and equipment for this industry. He assured producers that the Government would extend all help for plant fabrication and manufacture within the country. Referring to the suggestion made by the president of the Association for setting up a Development Council for this industry, Mr. Shah told the meeting that the Rao Committee had also recommended the same.

WHOLESALE PRICE INDEX FALLS

THE official wholesale price index (base: year ended August 1939=100) declined further by 0.1 percent to 420.5 during the week ended 23rd March. The index was lower by 0.4 percent compared with the corresponding week of the previous month, but was higher by 7.1 percent than that of last year. The index for Food Articles moved down by 0.7 percent to 399.6 compared with 402.4 (revised) for the previous week as a result of a fall in the prices of tea (5%), gram in Hapur (-5%) and wheat, dal arhar and gur (-1% each). The index for Industrial Raw Materials advanced by 1.0 percent to 519.0 because of an increase in the prices of manganese ore (average export price) (+40%), groundnuts (+2%) and raw jute, each, although the prices of raw silk (-4%), copra (-2%) and linseed, castorseed in Bombay, (-1% each) were marked down. The Semi-Manufactures index stood at 403.8 compared with 403.9 (revised) for the previous week. Items which showed significant variations were: linseed oil (+6%), castor oil in Calcutta (+4%), gingelly cake (-2%), copra cake (-3%) and mustard oil, 0.2 percent to 383.9 in the index for Manufactures (-2%) in the prices of jute witnessed an advance of 1 percent. Lower prices (-3%) and black pepper (-1%) were responsible for a decline of 0.2 percent to 567.1 in the index for the Miscellaneous group compared with 568.4 for the previous week. The price of cashewnuts, however, moved up by 1 percent.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS

(Base: Year ended August 1939=100)				
Groups and Sub-Groups	23-3-57	Week Ended 16-3-57	23-2-57	24-3-56
I Food Articles:				
Cereals	399.6	402.4(R)	403.7(R)	362.5
Pulses	525*	526*(R)	529*	448
Others	440	448	436(R)	389
II Industrial Raw Materials:				
Fibres	519.0	514.1	514.5	484.6
Oilseeds	506	504	499	470
Minerals	561	558*	556	543
Others	554	518	559	463
III Semi-Manufactures:				
Leather	403.8	403.9(R)	406.2(R)	375.3
Mineral oils	410	410	410	410
Vegetable oils	210	210	210	208
Cotton yarn	578	580(R)	593	524
Metals	485	485	485	453
Oilcakes	328	328	328	282
Others	418	418	436	402
IV Manufactures:				
Textiles	387	387	388(R)	364
Jute	383.9	384.5	384.1	374.1
Cotton	410	411	410	406
Rayon and Silk	414*	414*	414*	403
Woolen	442*	442*	442*	502*
Metal Products	268	266	266	278
Others	392	392	392	371
V Miscellaneous:				
All Commodities	302	302	302	285
	597.1	568.4(R)	579.4	494.3
	420.5	420.8	422.0(R)	392.6

R=Revised.

*=Estimated.

STANVAC GIVES UP DUTY CONCESSION

Under the agreement between the Government of India and the oil refinery companies, the Government had agreed to grant to the companies, for a period of ten years from the date when full-scale operations commenced or until 31st December, 1956, whichever was earlier, a duty protection on motor spirit of 2 annas an imperial gallon. This protection has been given by maintaining an import duty on motor spirit of 2 annas a gallon higher than that of the excise duty on locally manufactured motor spirit. The concession was granted to encourage the oil companies to set up refineries in this country. The Standard Vacuum Refining Company of India Ltd. commenced operations in 1954 and attained full-scale production in October 1954. Following discussions with the Ministry of Production, the refinery company has agreed to surrender the duty protection of 2 annas a gallon on motor spirit produced by it with effect from 1st October 1956, and to refund the money already realised by it on account of this concession after that date. The surrender of this concession by the company will result in additional revenue to the Government of the order of Rs. 1.2 crores annually for approximately eight years. The Standard Vacuum Refining Company has also undertaken to increase its output and to manufacture certain new products which would also result in a saving of foreign exchange to the extent of approximately Rs. 1.2 crores a year from 1958. The increase in output will open further possibilities of earnings foreign exchange.

NEW MINERAL DEPOSITS IN ORISSA

Deposits of talc, iron ore and kaolin have been located by the Geological Survey of India in Keonjhar district of Orissa. The area which can be divided into the hilly tract west and south of Keonjhar and the undulating country to the east, is a plateau at a height of 2,000 feet. Scattered in four areas, the talc deposits have a 50 percent silica content. The important area where deposits occur lies south of Balaiah in a three-quarter of a mile long and two furlong wide patch. Another patch lies south and west of Keonjhar at a distance of two and a half miles. Two other deposits are minor in nature and are distributed in an area of 300 feet by 50 feet in the broad valley and south-west of Dalimpur. Large deposits of high grade iron ore are noted in south-west of Suakati north north-east of Upar Jagar and Ichanda. The deposits south-west of Suakati are one mile long and three furlongs wide; in Jagar they lie over a length of one mile and a width of two furlongs. In Ichanda, the deposit occurs as a thick float over an area of four-square furlongs. Good deposits of kaolin—a kind of clay—are found at several places around Keonjhar and several places in a zone extending over one mile west of Keonjhar.

MARKED RISE IN SUGAR PRODUCTION

According to the Directorate of Economics and Statistics, Central Ministry of Agriculture, the all-India final estimate of sugar, produced directly from cane in vacuum pan factories, puts the current season's production at 2,021,000 tons, against 1,862,000 tons during the previous season. This shows an increase of 159,000 tons, or about 8.5 percent in production during the current year, compared with that of last. The increase in sugar production has been shared mainly by U.P. (78,000 tons), Bombay (51,000 tons), Punjab (33,000 tons) and Madhya Pradesh (11,000 tons). In Bihar, however, a fall of about 11,000 tons is expected.

FURTHER EXPORT QUOTA FOR RAW WOOL

The Government of India has revised its export policy for raw wool and has decided to release a further quantity during the April-September 1957 period. Exports will be allowed by established shippers and new-comers as in the previous period. The details of the licensing procedure will be announced by the export trade control authorities.

Calcutta Markets

FAIR GENERAL DEMAND AT TEA EXPORT SALE

SOFTER TREND IN DUSTS

AT Sale No. 41, held on 8th and 9th April, offerings at the Export auction consisted of 54,633 packages comprising mainly end-of-season descriptions. There was a fair general demand with clean black leafed descriptions and well-made whole leaf grades being well supported and the strongest feature. The demand came mainly from the internal buyers and the remaining offerings were irregular and often weakened by 10 to 20 nP. As the teas on offer were not representative, no quotations have been given.

At the Internal Sale, Dust offerings amounted to 16,614 chests. The market was again easier, although clean orthodox Assams with bright liquors and black leafed Dusts were the strongest feature. The remaining offerings from all districts

were 6 to 10 nP lower. All C.T.C. Assams were a weak feature, particularly the brighter liquoring kinds, and were 10 to 20 nP easier.

Quotations

	1957	1956
	RS.	RS.
Medium Decans Dust	1.56 to 1.60	1.50 to 1.10 0
Medium Assam Grain Dust	1.45 to 1.50	1.10 to 1.12 0
Medium Assam C.T.C. Dust	1.86 to 1.90	
Best Assam C.T.C. Dust	2.00 to 2.10	2.12 to 2.14 0

Other grades offered were 3,237 chests. There was a fair demand. The general tendency tended to be dearer although irregular.

FREIGHT MARKETS QUIET

CONDITIONS in the freight markets have again remained on the quiet side over the past week. Trans-atlantic coal rates were weaker, with the fixture of a single voyage for April loading at 68s. There were rumours that tonnage had been fixed at 67s. Australian grain trade remains quiet with charterers seeking tonnage at 160s. for Western Australia-U.K. May loading, while an 8,000 tonner has been fixed Victoria-U.K. at 160s. A 500 tonner has been taken for three consecutive voyages Rangoon-Colombo with bagged rice at 77s 3d f.i.o.s. A motorship has been fixed Karachi-Chittagong with salt at 79s 6d f.i.o.s. No ore fixtures have been made, but there are enquiries for tonnage for sugar from Java and the Philippines to Colombo for early May shipment.

SUGAR QUIETLY STEADY

During the week ended 10th April, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 5,500 bags and stocks totalled 90,000 bags. Rates for ready sugar, ex-Kantapur delivery, were Rs. 31.12 for ordinary granular and Rs. 33.18 for big grain. The market was quietly steady.

LINSEED QUIET

Prices have remained more or less unchanged during the past week, and the undertone has been rather quiet. Arrivals have been very poor. Despite a fair demand from crushers, the turnover has been small. The oil section has been inactive because of lower price indications from overseas, and shippers have been very reserved. Latest quotations were as follows: Ready Rs. 21-10 a maund and April-May Rs. 20-12 a maund.

HIDES AND SKINS FIRM

The market in skins was firm and prices showed a higher tendency. Stocks were less than in the previous week.

Bazaar Sales

(Between 2nd April and 8th April, 1957)

Cowhides: Wet salted (Ord.) 15,600 pcs. on the basis of Rs. 6.56 to Rs. 9.25; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 12.50 to Rs. 22.00.

Goatskins: Wet salted (Daissee Killed) 54,700 pcs. on the basis of Rs. 315.00 to Rs. 330.00; Rs. 340.00 to Rs. 360.00 and Rs. 390.00 to Rs. 420.00; Assam-Dinajpur 2,700 pcs. on the basis of Rs. 225.00 to Rs. 310.00; Purneah-Kissenganj 11,200 pcs. on the basis of Rs. 300.00 to Rs. 360.00; Pakur-Patna (Ord.) 18,500 pcs. on the basis of Rs. 260.00 to Rs. 270.00; Muzafferpore-Patna 58,500 pcs. on the basis of Rs. 290.00 to Rs. 321.50.

Bazaar Stocks

(8th April, 1957)

Cowhides: Wet salted 3,03,500 pcs.

Goatskins: Wet salted 36,000 pcs.; Assam-Dinajpur-Murshidabad 29,600 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 10,80,000 pcs.

SHELLAC MARKET STEADY

During the week ended 9th April, the market was steady. The range of quotations was as follows:

Pure Buttonlac	Rs. 100.00 value; 100.00 buyers.
Lemon No. 1 Shellac	Rs. 102.50, 101.00 buyers; 102.00 done buyers; 102.00 buyers.
Lemon No. 2 Shellac	Rs. 96.50, 96.00, 96.50 buyers.
F.O. Std. 1 Shellac	Rs. 90.00 basis done; 90.00, 89.50 buyers.
Pure TN Shellac	Rs. 86.00, 87.00 basis done buyers; 86.00 buyers.
4% I.T.N. Shellac	Rs. 75.50, 76.50, 75.50 buyers.
No. 1 Kusmi Seedlac	Rs. 93.00, 96.00, 92.50, 95.00 buyers.
No. 2 Kusmi Seedlac	Rs. 89.00, 91.00, 90.00 buyers.
Fine Bysaky Seedlac (Manbhum)	Rs. 86.00, 85.00 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 84.00, 82.50 buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 75.00, 76.00, 75.50 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 68.00, 70.00 buyers.
Kireelac	Rs. 30 buyers.

Shipments during April until the 5th were 4,179 packages comprising

COMPANY AND PUBLIC NOTICES

WAVERLEY JUTE MILLS COMPANY LIMITED.

NOTICE is hereby given that the 78th Annual General Meeting of the Members of Waverley Jute Mills Company Limited, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Wednesday, the 8th day of May, 1957, at 4 o'clock in the afternoon for the following purposes:—

1. To receive and consider the Profit and Loss Account for the half-year ended 30th June, 1956, the Balance Sheet as at that date and Reports of the Directors and Auditors.
2. To declare a dividend on the Preference Shares.
3. To appoint Directors in place of Messrs. R. G. Edwards and A. N. Sil, the Directors retiring by rotation at the Meeting.

And in this connection to consider, and if thought fit, to pass the following resolutions which will be proposed as Special Resolutions in conformity with the provisions of Section 261 of the Companies Act, 1956.

- (i) "That Mr. R. G. Edwards be and is hereby appointed a Director of the Company liable to retirement by rotation".
- (ii) "That Mr. A. N. Sil be and is hereby appointed a Director of the Company liable to retirement by rotation".

Special notice dated 10th April '57 of the intention to propose the foregoing resolutions as Special Resolutions in conformity with the provisions of Sections 190 and 261 of the Companies Act, 1956 has been received by the Company wherein it is stated that Messrs. R. G. Edwards and A. N. Sil are "associates" of the Managing Agents within the meaning of the Act by reason of their being Directors of a Subsidiary of the Managing Agents' Company, and that, therefore, they can only be appointed by special resolutions as Directors of the Company liable to retirement by rotation.

4. To appoint Auditors and fix their remuneration.

As Special Business

To consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

6. That the requirements of Articles 82, 83, 87, 121, 175, 179 and 180 of the Articles of Association of the Company be not complied with in respect of the half-year ended the 31st December, 1956.

6. That the Articles of Association of the Company be altered in manner following:—

- (a) Articles 82 and 83 shall be deleted and the following new Articles substituted therefor:—
82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and, subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors. Such General Meetings shall be called "Annual General Meetings" and shall be convened by the notice convening the meeting. All other meetings of the Company shall be called "Extraordinary General Meetings".

- (b) Article 87 shall be deleted and the following new Article substituted therefor:—

87. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.

- (c) In Article 121, line 1, the word "Ordinary" shall be deleted and the words "Annual General" substituted therefor.

- (d) Article 175 shall be deleted and the following new Article substituted therefor:—

Profit & Loss Account and Balance Sheet.

At every Annual General Meeting the Directors shall lay before the Company a Balance Sheet and a Profit and Loss Account made up in accordance with the provisions of Section 210 of the Companies Act, 1956, and such Balance Sheet and Profit & Loss Account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the said Act, so far as they are applicable to the Company but, save as aforesaid, the Directors shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient.

- (e) In Article 179, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

- (f) In Article 180, lines 1 and 2, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In subpara 3, the word "Ordinary" wherever appearing, shall be deleted and the words "Annual General" substituted therefor.

The Share Transfer Books of the Company will be closed from 22nd April, 1957 to 8th May, 1957 both days inclusive.

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

By Order of the Board,

McLEOD & CO., LTD.,

A. T. DOIG,

Managing Director,

Managing Agents.

3, Netaji Subhas Road,
Calcutta, 12th April, 1957.

NOTE: Payment of the proposed dividends, if declared will be made on or after 15th May, 1957, only to those members whose names are registered in the Books of the Company as holders of the Preference Shares on 8th May, 1957, or to their Mandates.

Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS

In order to comply with the Articles of Association of the Company, the Company's Accounts have been closed and audited half-yearly and a Profit & Loss Account in respect of each half-yearly period ending on the 30th June and the 31st December in each year and the Balance Sheet as at each date, have been laid before the Company in General Meetings held twice in every calendar year.

Under the provisions of the Companies Act, 1956, each such half-yearly period has to be regarded as a "financial year" and as a result, the usual half-yearly General Meetings will each be deemed to be an "Annual General Meeting" within the meaning of the Act, thus resulting in two "Annual General Meetings" in each calendar year. Having regard to the obligations imposed on a Company by the Act in respect of every Annual General Meeting, viz. retirement of Directors by rotation, appointment of auditors, and filing of an Annual Return, etc., and the work and expense attending the preparation of the Accounts to be laid before members in conformity with the provisions of the Act, your Directors recommend that the Articles of Association of the Company be amended to provide that the Company's Accounts be closed and audited annually and laid before the Company at an Annual General Meeting in each calendar year. The proposed amendments are set out in Resolution 6 of the convening notice. In respect of the half-year ended the 31st December, 1956, it is proposed that the Accounts be not separately prepared and laid before members but that they be embodied in consolidated accounts for a period commencing on the 1st July, 1956. Special Resolution 5 in the convening notice suffices to effect this proposal. If Special Resolutions 5 and 6 are passed, the accounts of the Company will be closed on a date subsequent to 31st December, 1956, of which members will be advised later, which hereafter will be the closing date of each financial year of the Company.

The foregoing changes will not result in any financial benefit either to the Directors or to the Managing Agents of the Company, and interim dividends may, subject to trading results in a current financial year, be declared by the Directors under Article 151.

THE DUNLOP RUBBER COMPANY (INDIA) LIMITED.

NOTICE is hereby given that the 31st Annual General Meeting of the Company will be held at the Registered Office, "Dunlop House", 57-B, Free School Street, Calcutta, on Monday the 29th day of April, 1957, at 12-15 p.m. for the following purposes:—

1. To consider the Profit and Loss Account for the year ended the 31st December, 1956, the Balance Sheet as at that date and the Reports of the Directors and Auditors of the Company.
2. To declare dividends.
3. To appoint Directors in the place of those who retire by rotation.
4. To appoint auditors and fix their remuneration.

Special Business:

To consider and if thought fit to pass, with or without modification, the following resolutions of which numbers 6 and 9 will be proposed as special resolutions:—

5. "That Mr. John Luckham be and is hereby appointed a Director and Managing Director of the Company upon the terms and subject to the conditions contained in the letter dated the 31st December, 1956, addressed to him by Mr. T. E. Peppercorn as the agent of the Company duly authorised in that behalf."

6. (As a special resolution): "That consent be and is hereby accorded to Sardar Hardit Singh Malik holding and continuing, with effect from the 1st January, 1957, to hold an office or place of profit under the Company, namely, as a salaried official on the terms and conditions of a letter dated the 30th day of January, 1957, issued by the Company and addressed to him."

7. "That Sardar Hardit Singh Malik be and is hereby appointed a Director of the Company."

8. "That the remuneration payable to Mr. P. N. Haksar, a Director of the Company, be increased with effect from the 1st March, 1956, from a salary of Rs. 2,900 per mensem to Rs. 3,200 per mensem with the corresponding increases in with the corresponding increases in and dearness allowance, bonus (if any) and the contribution by the Company to the Provident Fund."

9. (As a special resolution): "That the Articles of Association of the Company be amended in the manner following, that is to say:—

- (i) In Article 1 the definition of a "Managing Director" shall be deleted and the following shall be substituted therefor:—

"The Managing Director" and "the Deputy Managing Director" means the Managing Director and the Deputy Managing Director, respectively, appointed as such and holding office for the time being under the Company."

- (ii) In Article 116 after the words "Managing Director" insert the words "Deputy Managing Director."

- (iii) Article 121 shall be deleted and the following new Article substituted therefor:—

"121. At each Annual General Meeting (called "Ordinary Meeting" in these Articles) of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three, then the number nearest to one-third shall retire from office."

- (iv) Articles 131 and 132 shall be deleted and the following new Article shall be substituted therefor:—

"The Directors may appoint any person to act as alternate director for a Director during the absence of the latter for a period of not less than three months from the Directors in which meetings of the State are ordinarily held and such appointment shall have effect and such appointee, whilst he holds office as an alternate director, shall be entitled to notice of meetings of the Directors and to attend and vote thereat accordingly; but he shall not require any qualification and shall ipso facto vacate office if and when the absent Director returns to the State in which meetings of the Directors are ordinarily held or the absent Director vacates office as a Director."

- (v) In Article 140 after the words "time appointed for holding the same," insert the word "senior-most."
- (vi) Articles 133 to 137 and the marginal notes shall be deleted and the following new Articles and the

marginal notes substituted therefor:—

133. The business of the Company shall be carried on by the Managing Director and Deputy Managing Director or Managing Directors and Deputy Managing Directors if and when appointed who shall subject to the superintendence control and direction of the Directors and the provisions of Article 135 be entitled to exercise the general and specific powers conferred by these Articles on the Directors collectively.

Subject to the provisions of Sections 316 and 317 of the Companies Act, 1956, the Directors may from time to time appoint one or more Directors to be the Managing Director or Deputy Managing Director or the Deputy Managing Director of the Company either for a fixed term or without any limitation as to the period for which he or they is or are to hold such office and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.

135. Subject to the provisions of the Companies Act, 1956, and in particular to the prohibitions and restrictions contained in Section 292 thereof the Directors may from time to time entrust to and confer upon any Managing Director or any Deputy Managing Director for the time being such of the powers exercisable under these presents by the Directors as they may think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think fit; and they may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf; and may from time to time revoke withdraw alter or vary all or any of such powers.

136. Subject to Section 255 of the Companies Act, 1956, a Managing Director or a Deputy Managing Director may be appointed on terms that he shall not while he continues to hold that office be subject to retirement by rotation within the meaning of Article 121 but (subject to the provisions of any contract between him and the Company) each Managing Director and Deputy Managing Director shall be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Deputy Managing Director if he ceases to hold the office of Director from any cause.

If at any time the total number of Managing Directors and Deputy Managing Directors not subject to retirement by rotation is more than one-third of the total number of Directors the Managing Director or the Managing Directors shall not retire and the Deputy Managing Directors who shall not retire shall be determined by and in accordance with their respective seniorities so that those who have been longest in office as Directors since their last election shall retire from office and in the case of those with seniority from the same day the Deputy Managing Directors to retire shall (unless they otherwise agree among themselves) be determined by lot.

Each Managing Director and Deputy Managing Director shall be deemed to be a salaried official of the Company for the purposes of Article 113 and each shall subject to the provisions of Sections 309, 310 and 311 of the Companies Act, 1956, receive such remuneration as may from time to time be fixed by the Company in General meeting."

That each of Messrs. A. W. Gillespie, F. G. W. Jackson and P. N. Haksar, Direc-

Business of Company to be carried on by Managing Directors and Deputy Managing Directors.

Power to appoint Managing Directors and Deputy Managing Directors.

Powers and duties of Managing Directors.

Managing Director and Deputy Managing Director exempt from retirement by rotation, etc.

Remuneration of Managing Director and Deputy Managing Director.

JESSOP AND COMPANY, LIMITED.

NOTICE is hereby given that the Directors have declared the payment, on 1st May, 1957, of the Dividend on the 5 per cent. Cumulative Preference Shares of the Company for the half-year ending 30th April, 1957, without any deduction in respect of Income Tax payable by the Company.

The Preference Share Transfer Register will be closed from 26th April to 30th April, 1957, both days inclusive.

Dividends will be paid only to Registered Shareholders or their Mandates.

By Order of the Board,

A. K. THAKUR,

Actg. Secretary.

63, Netaji Subhas Road,

Calcutta-1.

5th April, 1957.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Shahdara (Delhi)-Saharanpur Lt. Rly Co. Ltd.	12-4-57	11 a.m.
Arah-Sasaram Lt. Rly Co. Ltd.	12-4-57	11-5 a.m.
Futwah-Islampur Lt. Rly Co. Ltd.	12-4-57	11-10 a.m.
Channamukh-Singhat Rly Co. Ltd.	12-4-57	11-15 a.m.
Howrah-Amta Lt. Rly Co. Ltd.	12-4-57	11-20 a.m.
Howrah-Sheakhalla Lt. Rly Co. Ltd.	12-4-57	11-25 a.m.
Kelvin Jute Co. Ltd.	15-4-57	3 p.m.
Chitavalas Jute Mills Co. Ltd.	15-4-57	3-30 p.m.
Empire Jute Co. Ltd.	15-4-57	4 p.m.
Alexander Jute Mills Ltd.	15-4-57	4-15 p.m.
Lakshmi Cotton Mfg. Co. Ltd.	15-4-57	4-30 p.m.
Vishnu Cotton Mill Ltd.	16-4-57	4 p.m.
United Commercial Bank Ltd.	18-4-57	4-30 p.m.
Bombay Dyeing & Mfg. Co. Ltd.	22-4-57	4-30 p.m.
Premchand Jute Mills Ltd.	23-4-57	11-00 a.m.
New Monkhoooshi Tea Co. Ltd.	24-4-57	4 p.m.
Modern Mills Ltd. (Cotton)	29-4-57	11 a.m.
Benares Electric Light & Power Co. Ltd.	29-4-57	12-15 p.m.
Dunlop Rubber Co. (India) Ltd.	30-4-57	10 a.m.
Marshall Sons & Co. (India) Ltd.	30-4-57	10 a.m.
Shree Krishna Gyanodaya Sugar, Ltd.	30-4-57	11-30 a.m.
South Karanpura Coal Co. Ltd.	1-5-57	11 a.m.
Beisund Sugar Co. Ltd.	6-5-57	11-45 a.m.
Nellimarla Jute Mills Co. Ltd.	7-5-57	2-45 p.m.
Waverley Jute Mills Co. Ltd.	8-5-57	4 p.m.

DIVIDENDS DECLARED OR PROPOSED—Marshall, Sons & Co. (India) Ltd.—20 p.c.; Dunlop Rubber Co. (India) Ltd.—15 p.c. (o); Indian Aluminium Co. Ltd.—5 p.c. (o) (f); South Karanpura Coal Co. Ltd.—3½ p.c. Shree Krishna Gyanodaya Sugar Ltd.—10 p.c. (o); Kelvin Jute Co. Ltd.—5 p.c. (o); Empire Jute Co. Ltd.—5 p.c. (o); Chitavalas Jute Mills Co. Ltd.—6½ p.c. (o); Alexandra Jute Mills, Ltd.—5 p.c. (o); Bangalore Woolen, Cotton & Silk Mills Co. Ltd.—20 p.c. (o) (f); Buckingham and Carnatic Co. Ltd.—Rs. 6 per share (o) (f); Durbhanga Sugar Co. Ltd.—20 p.c.;

O.—Ordinary Dividend. Int.—Interim Dividend.
P.—Preference Dividend. †—Less Income Tax.
P.O.—Preference Ordinary Dividend. ‡—Final Dividend.
D.—Deferred Dividend. Cn.—Cumulative.

† Less Tax at 8s 6d in the £

The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited.)
(Established—December, 1911.)
Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY-1.

Authorised Capital	Rs. 6,30,00,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,02,77,122
Deposits as at 31-12-56	Rs. 1,39,01,90,571

DIRECTORS

Sir Homi Mody, K.B.E. (Chairman), Cooverji Hornumji Bhambhani, Esq. (Vice-Chairman), Dinshaw B. Romer, Esq. Diaramsey Murtaj Khatau, Esq., Manmohanadas Madhavadas Amersey, Esq., C. P. Wadia, Esq., Chimanlal B. Parikh Esq., Framroze J. Gazdar, Esq., Sir Jamssetjee Jejeebhoy, Bart., His Highness Sir Jiwajirao Madhavrao Scindhia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

Branches and pay Offices throughout India, Pakistan, Burma and in London.
London Branch:—159, Fenchurch Street, London, E.C.3.
New York Agents:—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.

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

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Branches in West Bengal:—Asansol, Bankura, Burdwan, Jalpaiguri, Kalimpong, Purulia, Raiganj and Siliguri.
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Branch in Orissa:—Sambalpur.

SOUTHERN BANK LTD.

(SCHEDULED BANK)

Head Office
24, NETAJI SUBHAS ROAD, CALCUTTA.

'Phone 22-5988, 22-5989.

BRANCHES: BURRABAZAR, SHYAMBAZAR, SHOWANIPUR, BASIRHAT & KHULNA.

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"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Figures given after stroke mean Naye Paise

Wednesday 10th April, 1957.

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GOVERNMENT LOANS					PORT TRUST LOANS										IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY					CALCUTTA				
4,48,91,47,000	3	1946	1986 or later	74/62	30,24,300	4	1914	1974	99/00	26,50,000	4	1904	1964	98/00	25,00,000	5 1/2	1929	1959	106/00
			At the option of the Government of India after 3 months' notice.	73/99	76,90,100	4	1915	1975	99/00	35,00,000	4	1905	1965	98/00	50,00,000	4	1934	1964	99/75
8,93,35,000	3	1896-97			68,02,300	3	1921	1st 1981	82/00	15,00,000	4	1906	1966	98/00	30,00,000	3 1/2	1935	1965	94/00
					1,50,00,000	6 1/2	1921	2nd 1981	144/00	44,00,000	4	1907	1968	98/00	30,00,000	3	1936	1966	91/00
57,00,69,000	2 1/2	1946	1961	93/50	£392,600	5	1923	1953-83	£79	75,00,000	4	1908	1969	98/00	50,00,000	3	1937	1967	90/00
45,63,07,000	2 1/2	1946	1960	96/50	£901,000	5	1924	1954-84	£79 1/4	40,00,000	4	1909	1970	98/00	20,00,000	3	1938	1963-68	90/00
50,35,63,000	3	1951	1958	99/55											30,00,000	4	1952	1962	99/00
1,16,17,46,000	3	1938	1963-65	94/19						56,00,000	4	1910	1971	98/00	1,02,00,000	4	1956	1968	
1,10,11,78,000	3	1943	1968-68	92/12						75,00,000	4	1911	1972	98/00					
75,36,72,000	2 1/2	1947	1962	93/04											BOMBAY				
	2 1/2	1948	1962	93/04	1,49,49,500	5	1927	1957-87	101/50						50,00,000	4	1899	1959	99/00
		2nd issue			1,49,30,000	5	1928	1958-88	102/50						30,00,000	4	1901	1961	99/25
30,33,10,000	3	1950	1964	94/44											30,00,000	4	1902	1962	98/25
14,17,48,000	2 1/2	1946	1976	83/12											50,00,000	4	1903	1963	98/25
63,30,26,000	4	1926	1960-70	100/40	80,00,000	4	1921	1931	95/00	STERLING LOANS					60,00,000	4	1904	1964	98/25
1,15,36,83,000	3	1945	1970-75	87/25	£835,100	3 1/2	1922	1962	£91 1/4	£892,600	5	1923	1953-83	£87 1/2	30,00,000	4	1905	1965	98/25
1,14,36,89,000	3	1944	1970-75	87/25	50,00,000	3 1/2	1925	1965	97/50	£901,000	5	1924	1954-84	£87 1/2	20,00,000	4	1906	1966	98/00
5,85,73,000	4 1/2	1928	1958-68	101/75						£835,100	5 1/2	1932	1962	£96	15,00,000	4	1907	1967	98/00
75,29,00,000	3 1/2	1953	1961	99/41	50,00,000	3	1946	1976	84/75					£566,600	4	1909	1969	98/00	
1,13,65,64,000	3	1945	1959-61	97/75										33,33,000	4	1910	1970	98/00	
1,38,17,07,000	3 1/2	1954	1964	98/40										25,00,000	4	1912	1972	98/00	
1,03,87,92,000	3 1/2	1955	1965	98/25	50,00,000	3	1945	1-2-2005	74/00					18,00,000	4	1913	1973	98/00	
83,82,00,000	3 1/2	1956	1965	98/25	50,00,000	3	1945	1-2-2005	85/00					60,00,000	4	1914	1974	98/00	
66,94,00,000	3 1/2	1956	1965	98/25	2,31,07,100	3 1/2	1946	1976	84/75					25,00,000	4	1916	1976	98/00	
57,27,00,000	3 1/2	1956	1962	97/81	50,00,000	2 1/2	1947	1977	79/50					40,00,000	5	1919	1957-79	102/50	
					50,00,000	3	1948	1978	83/75	31,47,169	3 1/2	1947	1977	A	66,00,000	6	1920	1955-80	118/00
3,44,00,000	3	1949	1962	94/00	1,99,00,000	3	1949	1959	97/00	9,88,000	3	1947	1977	A	25,00,000	4	1916	1976	98/00
6,90,30,000	3	1950	1960	96/25	50,00,000	3	1949	1959	97/00	3,00,000	3	1949	1979	A					
3,00,00,000	3 1/2	1951	1960	98/12	50,00,000	3	1950	1960	98/00					40,00,000	5	1919	1957-79	102/50	
3,50,00,000	4	1952	1964	99/00	1,00,00,000	3	1950	1960	95/37					66,00,000	6	1920	1955-80	118/00	
5,00,00,000	4	1953	1963	100/00	99,00,000	3	1951	1961	81/75					25,00,000	4	1927	1961-80	98/00	
					1,50,00,000	3 1/2	1951	1961	98/50	A=Held by the Govt. of India.					10,00,000	3 1/2	1936	1966	93/00
					50,00,000	4	1953	1963	100/00										
					50,00,000	4	1953	1963	98/56										
					90,00,000	4	1955	1965	88/00										
					77,00,000	4	1956	1966	97/75										
MUNICIPAL LOANS																			
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COAL COMPANIES

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

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs			Rs	Rs	Rs			Rs	Rs		1954	1955	1956
25,30,000	27,30,336	25,05,000	3,60,797			Amalgamated	3-5	23c	2,92,390	28,619	3-5	64-74	5-...
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	2,24,300	3,64,478	Bengal P	4-10	2	26,18,986	7,31,563	7-10	84-88	...
4,49,350	3,08,192	70,000	2,24,300	1,51,49	3,64,478	Bengal Bhatdee	5-12	2	15,149	4,951	11-11	...	...
2,25,000	2,48,198	5,30,654	3,64,478	1,51,49	3,64,478	Bengal Naxos P	6-12	2	50,568	1,07,984	Nil-Nil	...	...
15,97,000	14,16,665	8,31,475	13,52,376	3,64,478	3,64,478	Bhaigora	9	155	3,13,895	39,978	...	...	...
40,00,000	38,01,474	20,23,237	32,85,324	68,704	3,64,478	Bhulanbarare	9	332	2,52,221	27,435	...	...	...
7,15,000	15,63,291	14,29,045	68,704	1,18,636	7,186	Bokar & Ramgar	4-12	106	20,315	1,87,446	Nil-Nil	...	...
16,00,000	18,87,272	16,18,636	7,186	1,18,636	7,186	Borrea P	5-12	315	1,21,839	79,184	...	...	...
7,30,000	18,56,888	24,29,024	11,60,064	24,29,024	11,60,064	Burakur P	4-12	106	2,14,682	84,201	10-10	...	...
90,32,480	2,39,17,614	1,75,02,175	28,93,839	28,93,839	28,93,839	Burakur P	5-12	21	7,43,659	38,168	2-3	34-39	3-...
49,97,000	34,53,430	75	3,65,991	14,752	3,65,991	Central India	3	164	2,45,758	9,927	2-4	2-4	5
6,00,000	16,97,572	13,30,013	14,752	1,43,574	1,43,574	Central Kurkend P	4-12	322	34,742	82,762	...	...	...
6,00,000	16,97,572	13,30,013	14,752	1,43,574	1,43,574	Churulia	5-12	106	6,374	2,129	...	...	...
16,00,000	24,00,428	115	50,309	50,309	50,309	Dharm Main	5-12	19	1,00,039	1,83,313	Nil-Nil	...	...
2,240,000	2,239,116	2,313,125	1,140,348	2,313,125	2,313,125	East Indian	4	128	596,135	258,922	Nil-Nil	...	...
29,63,760	1,15,65,711	33,58,048	24,17,696	33,58,048	33,58,048	Equitable P	5-12	19	8,87,452	82,375	7-7	7-7	183
10,00,000	8,74,708	2,97,481	3,32,971	3,32,971	3,32,971	Gunick & Musila	5-12	307	12,975	24,844	...	...	...
6,50,000	5,06,856	33,155	4,95,544	4,95,544	4,95,544	Gunick & Musila	5-12	20	24,159	2,491	...	...	...
8,00,000	3,17,786	7,25,000	7,32,425	7,32,425	7,32,425	Hurridadi	5-12	19	2,70,524	45,385	7-10	12-12	...
2,30,000	6,31,200	5,68,816	1,407	1,407	1,407	Kalapahat	2-6	2	1,38,130	2,21,237	Nil	...	...
15,00,000	31,71,936	24,32,396	25,61,314			Karanpura Development	6-12	31	49,116	17,839	Nil-Nil	...	...
5,00,000	24,60,896	1,77,175	26,967			Karanpura Collieries P	2	21	2,26,982	6,968	Nil	...	...
5,00,000	10,29,548	16,60,000	11,25,332			Katras Itheria	1-7	9	5,92,347	1,33,475	2-3	2-3	5
1,38,400	6,75,000	95,000	11,80,294			Khas Kajora P	5-12	326	49,776	1,918	...	...	...
5,65,756	10,84,977	55,000	9,596			Mundulpur	5-12	326	49,776	1,918	...	...	...
7,48,240	3,46,839	20,000	10,14,803			Nazira	5-12	326	49,776	1,918	...	...	...
7,00,000	5,13,431	28,611	61,591			New Bansdeor	1-5	0	59,011	8,071	...	...	...
17,76,230	31,15,787	20,17,682	3,78,339			New Bansdeor P	4-10	7	2,64,716	94,382	...	...	...
6,00,000	11,11,646	75,000	46,831			New Bansdeor P	3	209	46,201	79,222	Nil-Nil	...	...
2,30,000	7,69,627	1,75,500	10,12,916			North Damuda	1-7	306	7,954	32,184	...	...	...
1,15,000	4,42,488	2,85,193	1,53,246			North West	3-9	1	51,420	15,956	Nil-Nil	...	...
1,57,500													
7,50,000	1,20,000	12,19,981	23,26,751			Ordeal P	5-12	106	22,197	56,646	...	...	...
8,34,000	9,21,342	10,862	1,40,017			Parasae P	5-12	207	1,08,077	8,019	...	...	...
15,75,000	13,39,443	16,50,000	13,39,443			Penor Valley	4-1	236	2,48,251	33,734	...	...	...
2,50,000	1,62,405	7,500	11,539			Pure Sitalpur	5-12	1	11,539	18,581	...	...	...
23,39,570	38,99,424	20,17,103	67,898			Raneerunge	1-9	79	3,67,446	23,198	...	...	...
8,88,001	10,45,115	15,51,501	14,29,642			Rewa	5-12	236	1,44,394	15,614	...	...	...
20,00,000	23,74,261	7,52,021	1,01,427			Samia	12	46	1,80,666	31,542	...	...	...
8,50,000	1,56,194	1,34,374	11,556			Searsole	1	358	98,005	11,078	...	...	...
2,80,000	10,92,193	3,36,598	7,87,721			Seepore P	5-12	106	2,42,112	49,299	...	...	...
8,00,000	23,624	5,29,306	6,32,751			Sendra	5-12	106	4,098	7,500	...	...	...
17,50,000	22,81,987	10,75,016	63,654			South Karanpura	2-9	21	59,075	51,535	...	...	...
8,00,000	1,42,050	14,01,053	23,80,317			Standard	12	106	70,093	17,411	...	...	...
10,00,000	15,58,085	15,075	9,911			Taicher	9	277	22,688	3,85,056	...	...	...
3,50,000	4,62,000	3,47,000	12,896			Union	5-12	479	54,088	9,659	...	...	...
49,98,000	33,66,550	90,000	2,17,164			Western Bengal	1	186	4,00,486	7,262	...	...	...
7,00,000	32,65,173	21,569	61,480			Western Bengal	5-12	19	2,72,772	1,46,650	Nil-Nil	...	...

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs			Rs	Rs	Rs			Rs	Rs		1954	1955	1956
15,00,000	14,108	356	14,62,919	17,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	...	...	...
32,72,340	22,197	905	17,69,676	23,18,909	24,551	Basanti P	5-9	120	1,27,187	4,79,347	...	...	...
7,11,280	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	...	...	...	...	...	...	...
27,00,000	14,476	624	23,53,000	15,50,000	1,84,224	Bengal Naxos P	4-12	436	5,23,388	18,199	Nil	...	...
15,00,000	18,764	992	28,31,200	88,48,588	31,22,417	Birla Cotton	5-12	436	16,69,225	2,76,936	...	...	...
6,00,000	12,872	641	17,34,142	22,72,588	1,44,347	Bowrer P	5-12	132	34,028	23,47,377	...	...	...
30,00,000	32,000	510	5,43,453	29,51,420	1,00,393	Lampore Textiles	3	25	6,73,253	36,767	Nil-Nil	...	...
2,27,32,900	1,01,808	2,762	1,94,63,108	1,74,48,392	2,34,83,800	Delhi Cloth & Genl P	5-12	236	1,81,41,276	82,759	...	...	...
1,00,563	12,944	318	14,12,181	15,71,925	1,33,394	Dunbar	5-12	132	9,92,376	1,37,951	Nil-Nil	...	...
63,50,000	54,000	1,200	18,99,926	93,47,056	71,13,555	Elain P	...	...	...	...	...	...	...
1,20,30,000	59,250	1,282	1,38,99,575	1,60,53,952	47,29,268	Kesoram P	...	...	...	...	...	...	...
5,30,000	15,864	864	17,48,142	14,08,851	7,08,851	Mohini P	12	45	3,53,310	5,158	...	...	...
30,00,000	38,000	1,825	17,44,041	52,19,601	92,65,055	Muir P	12	40	17,77,941	7,77,296	...	...	...
22,98,820	18,848	1,367	13,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	...	...	...
19,47,750	33,196	795	22,37,946	18,38,739	4,02,179	Rampooria Cotton	...	...	...	...	...	...	...
5,00,000	1,57,500	2,077	2,83,77,888	2,85,04,931	32,30,412	Swadeshi (Cawnpore) P	12	332	43,71,838	7,09,026	...	...	...
1,57,50,000	1,14,836	2,077	2,83,77,888	2,85,04,931	32,30,412	Swadeshi (Cawnpore) P	12	332	43,71,838	7,09,026	...	...	...
40,50,000	48,754	1,310	31,31,708	1,89,73,217	43,89,979	Bangalore W C Silk F	12	46	56,34,938	2,38,649	...	...	...
1,78,47,800	1,20,012	2,770	5,20,11,600	1,87,39,278	23,80,514	Bangalore W C Silk F	12	46	56,34,938	2,38,649	...	...	...
20,00,000	28,000	...	18,33,003	1,20,20,074	1,87,39,278	Bombay Bhatdee	12	211	1,01,86,075	2,38,649	...	...	...
12,00,000	23,864	...	1,41,058	1,83,33,302	1,83,33,302	Bombay Bhatdee	12	184	1,96,274	2,79,939	...	...	...
20,76,900	72,832	407	17,91,212	1,98,881	22,227	Combaratore Cotton	12	184	1,96,274	2,79,939	...	...	...
6,50,000	50,640	295	12,25,505	17,90,300	8,77,434	Combaratore Spg & Wvg	...	...	...	...	...	...	...
24,00,000	30,512	200	60,83,320	19,25,000	4,09,969	Kothari Textile P	13	141	6,24,560	42,942	...	...	...
23,64,200	48,756	...	15,01,051	31,70,200	78,356	Lakshmi	12	184	1,41,248	2,209	...	...	...
1,75,02,484	4,60,224	...	2,06,03,942	413,81,878	1,14,98,962	Madura	12	108	95,70,251	32,44,130	...	...	...
12,00,000	1,850	...	4,43,108	1,33,305	1,33,305	Maibari Spg & Wvg	12	241	1,33,305	1,33,305	...	...	...
60,00,000	24,252	603	20,49,893	90,00,000	19,91,400	Victor Industries	...	...	...	...	...	...	...
13,61,781	1,000	...	4,15,992	3,00,274	1,33,665	Mysore Spg & Wvg	...	...	...	...	...	...	...
4,00,000	20,137	Nil	1,36,608	1,00,000	1,42,400	Pelani Andavar P	12	40	1,36,608	1,36,608	...	...	...
7,79,700	15,540	416	1,42,118	1,42,118	2,65,311	Sitarang Spg & Wvg	12	30	1,39,432	2,687	...	...	...
7,00,000	28,104	370	12,98,563	18,23,501	11,71,324	Vasanta P	12	47	16,37,450	3,083	...	...	...

Liquid Assets

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until					
Rs.	spindles	looms	Rs.	Rs.	Rs.				Rs.	Rs.	1940	1951	1952	Rs.	Rs.	20-5-57	20-5-57	year to Rs.
33,00,000	48,652	1,016	78,94,641	23,32,650	13,56,778	Ahmedabad Advance F	4	268	13,76,721	17,089	3	7	12	100	227.50	189	155	25
50,00,000	48,254	998	20,17,010	9,99,560	10,78,399	Apollo	12	22	1,49,501	-2,24,436	Nil	..	..	..	2	2.42	2.3	152
40,00,000	41,130	980	56,44,085	24,00,000	34,39,377	Beharilal Ramcharan	2	150	-14,858	45,464	..	..	..	..	40,00,00	40	54	54
2,50,98,000	2,03,942	4,911	1,92,50,220	12,32,051	1,63,58,662	Bombay Dyeing and	12	198	34,80,350	73,129	8	10	..	250	540.50	554	662	662
10,00,000	35,052	548	4,48,713	25,25,720	71,44,004	Broadway P	3	62	11,48,735	90,454	..	..	..	..	215.37	213.2	190	190
20,00,000	26,845	496	5,63,376	63,95,090	58,106	Broach Fine Counts	12	45	13,78,895	11,47,682	..	..	..	256	444	440	450	530
1,09,42,000	1,18,294	4,760	84,77,147	12,92,822	32,48,545	Century	12	22	30,98,768	5,34,954	22	22	..	..	444.00	450	530	530
46,87,500	1,15,188	2,062	92,64,620	46,12,622	46,03,866	Central India P	3	269	37,623	28,119	2	3	Nil	100	113.00	113	151	151
20,00,000	44,592	594	47,63,561	16,00,566	58,704	Colaba Lanc & Mill	12	144	-12,83,290	33,88,435	..	..	..	..	174.00	65	80	80
20,00,000	24,910	719	37,34,829	32,52,434	1,01,655	Coorle	3	58	7,46,628	1,28,755	..	..	..	100	131.87	125	184	184
19,30,000	43,512	916	13,26,202	26,53,891	18,49,561	Dawn	12	262	2,92,571	1,07,565	..	..	..	50	97.50	178	60	60
25,00,000	49,164	920	3,87,007	27,00,000	26,87,929	Edward Textiles	12	261	19,18,679	39,165	7	..	..	200	62.00	312	325	325
30,00,000	43,881	782	24,22,107	1,59,004	33,29,455	Elphinstone P	12	49	19,96,891	49,555	..	..	..	50	250.00	48	50	50
16,00,000	46,072	784	22,83,234	28,21,475	43,47,259	Entira	12	141	31,75,095	85,885	..	..	..	100	300.00	304	363	363
39,04,700	77,967	1,089	19,78,306	43,25,174	23,64,706	Gokak	12	46	12,85,592	85,195	..	..	..	100	206.00	210	243	243
50,00,000	11,677	1,387	51,31,596	2,46,295	52,308	Hing Mills Ltd P	3	156	52,00,791	1,801	4	..	..	..	10	..	..	..
12,00,000	40,856	1,116	64,14,598	68,13,239	10,75,832	Hindustan	3	305	4,27,954	5,195	..	..	..	1,000	5,925.00	5,600	3,825	3,825
2,00,00,000	2,48,870	6,498	1,41,45,022	1,84,70,706	31,82,529	India United	15	1,32,22,197	5,89,811	..	..	..	..	10	10,30	103	124	124
50,00,000	9,000	1,202	75,60,490	51,57,161	4,26,274	Indian	3	305	..	..	..	..	..	1,000	5,275.00	5,250	3,830	3,830
50,00,000	50,074	1,426	31,41,539	3,16,447	21,31,031	Indore Malwa United	12	103	25,31,563	9,551	6	9	..	100	137.50	138	95	95
6,66,000	84,000	22,664	659	6,64,300	46,84,818	Khandesh	12	122	1,96,715	63,148	..	..	..	1,000	250	..	..	..
29,92,500	55,260	1,514	50,33,012	49,54,667	24,68,047	Khatav Mankanji P.	3	145	4,92,855	22,365	..	..	..	100	191.25	200	2274	2274
1,00,00,000	1,11,464	1,846	80,10,490	1,37,00,000	8,02,384	Kohinoor	12	146	41,28,822	1,62,802	18	18	100	322.75	324	360	360	
32,00,000	51,972	1,218	35,78,446	77,04,604	9,87,456	Lakshmi P.	12	144	13,87,807	14,744	13	17	..	250	705.00	700	650	650
29,50,700	36,411	551	39,80,590	19,58,081	12,15,175	Minerva	12	126	1,98,449	16,398	5	8	..	100	..	..	..	..
84,91,850	52,408	1,022	14,24,442	75,31,527	9,17,445	Model Mills Nagpur	12	76	1,27,624	7,241	..	..	..	100	170.00	160	150	150
21,75,500	71,652	1,552	59,39,038	37,05,290	31,338	Morarjee Goudaldas	6	104	17,68,613	1,41,589	14	14	15	100	227.50	223	245	245
18,79,500	16,794	1,600	47,29,635	50,54,445	30,78,517	Mysoor Spg & Mfg Co	2	261	49,43,379	19,401	18	18	50	101/25	101	194	194	
24,00,000	45,944	432	23,52,760	5,45,700	10,70,700	New City of Bombay	12	42	15,67,752	8,456	..	..	..	100	149.37	149	145	145
30,00,000	46,884	1,026	22,77,098	25,72,444	27,32,598	New Great Eastern F	10	42	12,48,697	152	..	..	..	100	223.00	218	230	230
49,94,100	24,708	469	51,34,024	99,86,585	25,25,628	Ommanahlu	10	273	12,98,408	1,79,438	..	..	..	100	..	..	..	..
5,00,000	54,244	728	53,94,225	33,05,328	1,34,21,927	Phoenix	12	118	21,027	27,890	..	..	..	100	143.75	143	140	140
25,30,000	3,520	277	89,277	11,35,656	4,28,231	Sassoon & Alliance Silk	12	257	2,10,343	8,507	..	..	..	10	9.81	6.6	14	14
16,00,000	60,241	1,288	47,75,324	90,48,474	45,94,67	Sassoon Spinning	12	339	22,21,695	10,145	..	..	..	10	39.50	40	45	45
42,00,000	1,11,366	2,234	11,45,625	1,51,28,292	38,22,524	Shorapoor	3	183	24,37,865	1,95,119	..	..	..	1,000	1,225.00	1,225	1,900	1,900
59,00,000	74,646	1,276	15,08,546	9,02,108	18,89,266	Simplex	3	46	18,98,996	35,933	..	..	..	50	173.00	176	177	177
20,00,000	56,963	1,644	13,20,221	39,36,251	18,83,399	Sree Nivas Cotton P.	12	127	20,80,610	1,53,662	..	..	..	100	177.00	178	243	243
24,00,000	55,041	1,282	12,92,659	34,75,000	36,69,495	Vandesh P.	12	265	15,47,569	67,511	8	12	..	100	214.75	216	241	241
31,45,500	52,785	1,000	46,34,466	56,58,670	12,465	Swan	12	141	..	..	..	..	..	100	405.00	410	440	440
32,00,000	53,248	1,800	1,10,89,872	58,21,006	17,34,477	Tata	12	269	8,25,355	43,485	10	16	..	25	47.50	47	160	160
44,280	1,490	59,56,888	36,84,372	6,72,746	Vishnu P.	12	44	77,7492	23,125	4	8	..	..	100	139.40	139	185	185
45,508	1,308	62,07,441	12,11,933	31,81,227	Western India	3	305	52,10,385	8,027	..	..	..	..	1,000	5,200/60	5,280	3,875	3,875

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Acreage under Tea	Outturn and Average Price realised for crop		Estimate	NAMES	Accounts closed	Managing Agents	Net Profit (Loss) after tax	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
				1954	1955						1953	1954	1955		10-4-57	3-4-57	1 year ago
Rs.	Rs.	Rs.		Lbs.	As. P.	Lbs.	As. P.	Lbs.		Rs.			Rs.	Rs.	Rs.	Rs.	
CACHAR																	
3,00,000	3,40,887	1,75,000	862	2,89,040	39-11	..	..	..	..	..	..	..	10	12/00	12	12	
4,00,000	5,26,269	49,878	465	..	..	..	..	..	..	..	..	..	10	12/00	12	12	
10,00,000	18,22,881	5,88,800	1,486	4,90,263	40-10	8,40,392	32-4	8,13,449	..	..	..	..	100	10/50	105	116	
2,50,000	57,753	Nil	794	1,00,450	4-2 2/5	7,07,748	4-0	7,44,000	..	..	..	..	100	65/75	65	116	
7,00,000	1,07,190	11,000	949	3,91,440	28-6	3,91,440	28-6	4,40,000	..	..	..	..	100	9/81	101	201	
12,00,000	17,92,487	1,50,000	2,152	17,59,920	35-0	16,36,400	24-1	16,00,000	..	..	..	..	100	102/00	102	201	
4,50,000	4,91,000	1,65,222	586	..	..	..	..	..	..	..	..	..	100	16/56	16 1/2	201	
3,50,000	3,12,914	3,24,391	603	..	..	..	..	..	..	..	..	..	100	102/00	102	201	
7,00,000	1,23,000	5,50,000	1,368	4,50,507	16-8	3,48,445	27-6	3,36,000	..	..	..	..	100	102/00	101	201	
2,50,000	3,18,008	Nil	500	3,68,960	38-0	3,68,960	26-7	4,86,080	..	..	..	..	100	264/00	264	294	
2,60,000	4,34,515	3,56,592	618	3,04,200	36-6 4/5	6,76,240	25-11	6,40,000	..	..	..	..	100	9/06	9 1/2	201	
5,25,000	8,87,291	10,42,956	688	8,78,800	41-11	7,25,980	29-3	..	..	..	..	..	100	22/00	22	241	
4,00,000	6,88,316	5,52,313	662	4,49,336	36-7 1/2	..	..	..	..	..	..	..	100	97/00	97	191	
8,75,000	5,02,307	4,31,250	1,056	4,63,320	..	..	..	..	..	..	..	..	100	15/00	15	191	
DARJEELING																	
3,99,150	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	..	..	..	..	10	2/00	2	31	
2,79,900	3,07,500	1,25,000	407.5	1,41,174	62-0	1,44,772	46-8 1/2	1,76,000	..	..	..	..	10	2/00	2	31	
7,75,000	3,75,900	1,11,928	991	..	..	..	..	..	..	..	..	..	100	175/00	175	250	
2,00,000	1,84,414	1,62,638	991	1,35,760	52-5	1,27,760	38-9	1,28,000	..	..	..	..	100	190/00	190	431	
5,00,000	5,08,900	3,44,549	500	2,84,204	49-11	2,35,761	33-9 1/2	2,64,000	..	..	..	..	100	102/00	101	201	
7,00,000	6,59,000	2,60,770	1,049	6,53,740	38-3	6,18,730	42-31	6,72,000	..	..	..	..	100	102/00	101	201	
10,32,000	1,57,576	11,31	761	1,28,515	49-8 1/2	..	..	..	..	..	..	..	100	102/00	101	201	
4,00,000	3,12,081	4,00,223	816	3,39,040	57-11	3,53,320	36-7	3,68,000	..	..	..	..	100	102/00	101	201	
1,59,000	2,06,770	3,50,239	463	1,82,080	62-4	1,65,440	30-6	1,76,000	..	..	..	..	100	16/50	16 1/2	30	
2,99,000	3,67,500	3,00,100	689	4,35,016	33-4 1/2	4,34,342	36-0 1/2	4,40,000	..	..	..	..	100	235/00	235	271	
1,00,000	2,23,710	97,647	689	1,81,152	55-3	1,68,126	38-4	1,80,000	..	..	..	..	100	20/75	20 1/2	600	
3,30,000	4,02,668	4,61,118	776	..	..	..	..	..	..	..	..	..	100	11/12	11 1/2	101	
5,00,000	3,83,067	4,09,567	500	3,60,897	59-8	1,64,824	37-11	1,76,000	..	..	..	..	100	10/12	10 1/2	101	
2,05,000	2,007,813	570	570	1,58,740	58-8	1,27,541	35-11	1,60,000	..	..	..	..	100	10/10	10	390	
1,40,000	1,69,062	4,65,653	341	1,80,728	38-0	1,67,840	31-0	1,76,000	..	..	..	..	100	408/00	408	20	
6,25,000	3,33,822	1,86,462	389	1,77,704	53-3	1,59,385	35-0	1,68,000	..	..	..	..	100	13/06	13 1/4	301	
9,00,000	9,08,557	1,54,418	682	2,05,035	47-0	..	..	..	..	..	..	..	100	20/75	20 1/2	301	
3,00,000	3,24,400	4,10,000	554	2,64,300	30-4 1/2	..	..	..	..	..	..	..	100	6/00	6	61	
6,25,000	12,36,873	5,74,585	382	2,89,738	60-3 1/2	2,90,650	41-11 1/2	2,96,000	..	..	..	..	100	30/00	30	291	
5,20,000	4,70,000	10,86,284	718 1/2	4,40,947	18-8 1/2	3,74,800	39-3 1/2	3,84,000	..	..	..	..	100	10/37	10 1/2	141	
9,01,350	11,54,000	2,62,417	1,666	7,11,945	50-5 1/2	7,09,403	41-11 3/4	4,90,000	..	..	..	..	100	38/75	38 1/4	171	
DUARS																	
27,00,000	19,11,197	24,25,000	2,540	30,81,690	51-2	30,69,366	31-9	33,20,000	..	..	..	..	100	282/00	282	372	
6,00,000	20,30,782	19,29,000	1,105	13,91,320	49-0	14,32,132	32-1	14,00,000	..	..	..	..	100	23/69	23 1/2	351	
9,00,000	9,80,500	10,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	..	..	..	..	100	25/37	25	351	
14,52,896	11,61,304	1,367	11,96,886	52-5	11,04,658	32-3	12,80,000	..	..	..	..	..	100	160/00	160	170	
6,00,000	8,49,764	7,74,645	902	5,04,104	35-10	6,10,033	29-7	5,60,000	..	..	..	..	100	166/00	166	225	
5,00,000	4,97,806	10,50,000	903	10,58,390	49-4	10,82,881	31-11	11,60,000	..	..	..	..	100	166/00	166	225	
1,20,000	1,95,171	6,04,000	265	4,01,294	43-8	3,84,267	30-7	4,48,000	..	..	..	..	100	301/00	301	272	
5,50,000	5,70,483	3,00,000	447	2,24,800	49-1	2,12,720	26-9	2,40,000	..	..	..	..	100	144/00	144	577	
10,00,000	17,49,550	22,55,032	1,022	12,26,090	47-11	12,20,106	27-11	..	..	..	..	..	100	15/06	15 1/4	340	
24,00,000	37,95,527	49,07,736	2,427	12,86,842	44-11	12,90,542	29-8	13,20,000	..	..	..	..	100	268/00	268	231	
8,25,000	53,65,929	64,68,285	4,236.5	53,71,277	41-11	60,72,776	36-2 3/5	62,20,000	..	..	..	..	100	235/00	235	278	
7,00,000	10,96,000	17,14,718	1,452	16,07,368	42-6	17,67,246	26-11	17,20,000	..	..	..	..	100	171/00	171	39	
9,00,000	3,14,964	3,98,145	605	3,18,009	54-3	3,62,400	28-7	5,60,000	..	..	..	..	100	23/25	23	241	
9,00,000	12,59,526	13,23,848	937	1,46,814	59-4	10,26,832	30-10	10,00,000	..	..	..	..	100	23/12	23	241	
2,00,000	4,19,000	3,50,000	620	4,73,831	45-7	..	..	..	..	..	..	..	100	21/50	21 1/2	793	
9,00,000	15,71,067	18,15,032	1,125	15,62,436	44-6	15,97,988	29-1	10,00,000	..	..	..	..	100	793/50	793	232	
5,20,000	8,81,963	18,45,000	1,163	1,59,530	49-3	16,35,520	31-2	16,00,000	..	..	..	..	100	174/00	174	530	
2,50,000	3,14,964	3,98,145	605	2,56,097	42-0	2,38,935	28-5	2,56,000	..	..	..	..	100	20/12	20	245	
9,00,000	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	..	..	..	..	100	245/00	245	271	
7,46,400	22,86,485	31,30,000	1,766	19,10,000	48-8 1/2	20,30,155	35-1 1/2	20,00,000	..	..	..	..	100	19/87	19	241	
8,46,400	5,43,381	6,97,500	663	6,01,920	46-4	..	..	..	..	..	..	..	100	16/37	16	811	
FERAI																	
4,50,000	10,63,145	1,64,527	607	3,99,840	44-7	..	..	..	..	..	..	..	10	8/62	8	91	
2,50,000	1,59,000	10,44,545	450	3,23,610	29-8	4,17,643	25-3	4,00,000	..	..	..	..	10	192/00	192	202	
8,40,000	14,86,540	18,07,795	1,589.9	13,90,700	48-7	14,15,634	29-7	14,24,000	..	..	..	..	100	192/00	192	202	
5,00,000	6,89,205	9,98,794	524	6,25,457	47-2	12,79,861	28-0	14,24,000	..	..	..	..	100	192/00	192	202	
8,00,000	3,89,676	7,86,350	509	4,30,547	49-8	4,63,382	28-5	5,20,000	..	..	..	..	100	192/00	192	202	
4,50,000	1,59,000	10,44,545	450	3,23,610	29-8	4,17,643	25-3	4,00,000	..	..	..	..	10	192/00	192	202	
8,40,000	14,86,540	18,07,795	1,589.9	13,90,700	48-7	14,15,634	29-7	14,24,000	..	..	..	..	100	192/00	192	202	
5,00,000	6,89,205	9,98,794	524	6,25,457	47-2	12,79,861	28-0	14,24,000	..	..	..	..	100	192/00	192	202	
8,00,000	3,89																

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	10-4-57	3-4-57	A year ago	
SUGAR BREWERIES, ETC.																
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	3	140	95,437	52,205	..	..	..	10	5/75	58	64	
9,00,000	1,28,559	1,04,369	38,734	Purtabpur Sugar P.	10	25	5,08,340	6,871	7 1/2	7 1/2	..	10	17/62	178	174	
16,59,821	26,52,127	35,00,000	4,94,356	Rannugger Cane & Sugar P.	3	1	18,11,504	20,350	15	20	..	10	25/25	24	..	
19,99,600	25,62,563	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..	
8,00,000	6,07,233	7,72,778	3,77,846	Ryam Sugar P.	8	25	4,21,492	13,204	5	Nil	17 1/2	..	10	21/00	22	20 1/2
11,99,000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	8	25	33,558	..	..	..	..	10	11/50	111	14 1/2	
20,00,000	72,82,286	36,68,768	1,63,444	Shree Krishna Gyanodaya Sugar P.	7	335	12,99,571	3,454	5	Nil	Nil	10	11/50	101	12 1/2	
7,94,500	13,54,858	11,85,177	11,16,368	Shree Sitaram Sugar	8	140	1,90,057	7,991	15	17 1/2	..	10	10/50	103	14 1/2	
9,99,950	14,54,274	1,34,304	1,42,698	Sitalpore Sugar	8	94	1,39,515	1,39,515	..	..	..	10	13/00	13 1/2	14 1/2	
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	12 1/2	..	..	10	14/00	14	22 1/2	
8,00,000	47,67,060	29,24,348	3,58,383	Upper Ganges Sugar P.	3	316	12,95,211	32,829	25	25	30	10	70/00	70	127	
14,00,000	14,24,740	23,74,426	10,72,924	Upper India Sugar	1	302	16,80,986	86,393	15	20	..	100AC	280/00	280	18	
MISCELLANEOUS																
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurants)	10	85	84,518	4,475	..	..	..	10	4/19	4 1/2	..	
1,50,00,000	1,40,80,399	6,21,715	51,061	Air India Ltd.	12	289	6,02,785	14,30,401	..	..	..	100	..	..	..	
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	..	..	100	..	..	..	
47,50,000	3,08,51,605	17,00,000	16,26,711	Aluminium Corp. P.	3	132	25,21,110	1,16,199	Nil	Nil	5	100	9/31	9H	10 1/2	
20,00,000	42,38,502	14,50,000	54,97,530	Anderson Wright, Ltd. P.	12	1	—89,402	18,284	7 1/2	Nil	..	24Dd	6/06	6 1/2	11 1/2	
30,00,000	11,39,552	39,18,823	14,94,091	Angelo Bros.	12	288	15,15,199	3,35,874	12 1/2	30	..	10	11/50	19	21 1/2	
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	3	268	4,59,013	3,71,512	..	..	..	10	19/00	19	19 1/2	
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	12	274	8,35,902	1,18,395	12 1/2	12 1/2	..	10	20/37	20 1/2	19 1/2	
20,00,000	61,61,507	23,00,000	61,84,607	Associated Hotels of India P.	1	204	—97,045	—51,437	Nil	Nil	..	3	2/87	3 1/2	4 1/2	
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	8,82,993	32,683	2	4	..	10	10/75	10 1/2	..	
12,08,000	2,55,604	8,49,890	4,52,019	Bararee Coke	12	304	32,12,152	5,03,129	13	12 1/2	..	100	153/00	155	174 1/2	
6,00,000	76,414	Nil	10,72,417	Bengal Fibres Trading P.	3-9	128	2,19,706	45,339	7 1/2	7 1/2	6	100	16/25	16 1/2	19 1/2	
50,00,000	19,53,822	Nil	19,59,359	Bengal Fibres Ltd.	3	128	—6,43,164	—1,19,103	..	..	..	10	41/00	41	44 1/2	
80,00,000	..	7,25,715	66,68,956	Birds Investments Ltd.	3	22	—3,19,589	—3,19,229	..	..	..	100	5/25	5 1/2	6 1/2	
45,97,020	76,85,085	31,11,814	2,09,476	Britannia Biscuit P.	3	160	4,59,013	3,71,512	12 1/2	12 1/2	..	10	14/37	13 1/2	14 1/2	
22,50,000	13,98,796	43,18,775	3,38,373	British Ceylon Corporation P.	3	50	8,14,261	1,79,277	10	10	..	10	13/06	13	11 1/2	
3,25,00,000	59,89,738	1,18,00,724	2,50,83,650	British India Corporation P.	12	33	27,75,295	1,85,958	..	..	..	7 1/2	8/31	8 1/2	10 1/2	
22,50,000	1,27,87,361	2,50,83,650	2,50,83,650	British India Corporation P.	12	33	—30,23,938	—27,36,584	1 1/2	Nil	..	5	7/00	7 1/2	8 1/2	
82,50,000	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	3	235	60,996	1,550	5	6	5	10A	6/75	6 1/2	8 1/2	
32,50,000	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	4/31	4 1/2	..	
90,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	189	43,51,864	4,97,914	12	11	..	100	104/00	104	119	
1,60,00,000	2,94,69,046	54,10,011	1,04,79,333	Dunlop Rubber Co. (India) P.	12	96	96,72,154	11,71,685	12	11	..	100	104/00	104	119	
51,26,000	1,71,29,436	1,72,19,436	1,72,19,436	Eastern Investments Ltd. P.	12	21	11,20,034	3,27,916	15	15	..	10	24/75	24 1/2	15 1/2	
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Oiler (India) Ltd. P.	3	84	—4,26,249	—6,26,954	9	9	..	100	106/50	128	153 1/2	
80,00,000	12,88,300	21,97,641	89,55,300	French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	10	6/06	6 1/2	20 1/2	
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	3 1/2	100	186/00	186	179	
35,30,000	30,42,899	55,893	5,34,882	General Investments Trust P.	3	357	18,384	12,435	24	24	..	75	43/00	43	44 1/2	
15,16,000	27,68,049	53,17,330	1,08,48,711	Gillanders Arbuthnot & Co. Ltd. P.	3	105	30,03,640	89,541	7 1/2	14	16	10	10/87	10 1/2	20 1/2	
20,00,000	31,71,333	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,782	34,255	14	16	..	10	..	..	..	
40,00,000	1,71,000	98,384	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	21/50	21 1/2	24 1/2	
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,575	16,373	..	..	..	250	226/00	226	240	
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	1/25	1 1/2	7	
35,30,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	..	..	..	5	7/81	7 1/2	14 1/2	
15,16,000	7,42,66,399	1,88,86,788	5,50,32,187	Imperial Tobacco	1	325	3,66,59,515	24,94,274	..	..	..	10	13/62	13 1/2	22 1/2	
1,60,00,000	2,41,97,583	53,33,999	10,13,114	Indian Aluminium Co. Ltd. P.	12	283	14,18,074	14,18,074	..	..	..	10	12/56	12 1/2	22 1/2	
1,52,89,220	1,27,87,878	53,33,999	11,88,408	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	25/00	25 1/2	27 1/2	
5,00,000	22,07,260	2,21,286	11,69,467	Indian National Airways	12	93	36,302	—12,62,971	..	..	..	10PO	8/12	8 1/2	11 1/2	
83,75,000	8,27,970	7,44,398	5,38,000	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	..	..	100	00/50	6	11 1/2	
1,25,000	4,64,735	18,15,487	10,03,705	Indian Wood Products	3	98	17,28,038	2,76,619	..	..	..	10	26/25	26 1/2	38 1/2	
2,40,000	15,362	4,46,244	3,20,757	Investments and Finance P.	2-8	21	27,880	51,001	24	24	..	10	40/25	40 1/2	65	
5,87,500	2,16,659	3,24,161	64,65,89	Ivan Jones Ltd.	3	194	1,39,321	36,496	..	..	..	100	3/00	3	28	
1,17,500	51,37,813	57,00,000	4,02,27,618	James Wright P.	12	281	90,996	1,550	..	..	..	50	4/12	4 1/2	4 1/2	
2,00,00,000	3,17,363	6,02,958	3,21,617	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	..	..	..	100	00/62	4 1/2	10 1/2	
6,34,000	88,50,000	63,33,428	2,57,13,417	Macfarlane & Co.	3	133	—14,078	—4,349	..	..	..	100	76/00	75 1/2	2 1/2	
1,50,00,000	35,89,193	69,82,736	2,07,03,941	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	..	..	..	100	00/56	..	..	
1,43,95,500	37,46,252	80,86,906	2,72,14,736	Martin Burn Ltd. P.	3	309	93,42,590	2,70,207	7 1/2	7 1/2	11	100	240/00	240	25 1/2	
40,00,000	37,46,252	80,86,906	2,72,14,736	McLeod & Co. P.	12	282	31,91,906	2,57,234	17	22 1/2	..	100	240/00	240	25 1/2	
1,15,00,000	1,10,37,201	69,74,249	7,33,583	Metal Box Co. of India Ltd. P.	1	167	62,82,608	16,24,199	10	12 1/2	16 1/2	10	27/50	27 1/2	28 1/2	
40,00,000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	3	7	58,72,160	1,44,443	10	15	20	10	19/37	20 1/2	23 1/2	
40,00,0,																

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net block account	Reserve & other Funds Premiums & Profitable Share if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividend: per cent			Paid-up per Share	Latest Market Quotations as available until		A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8 1/2	10	10	100	157/25	160	221 1/2
ELECTRICITY															
8,74,72,300	11,09,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6 1/2	5	6 1/2	100	92/75	93 1/2	103 1/2
8,92,83,500	1,18,62,358	52,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,187/50	1,192 1/2	1290
1,74,99,700	2,14,85,122	39,32,48	3,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100	110/00	110	116 1/2
38,08,200	17,49,055	1,75,323	14,87,551	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100	128/75	125	146
8,34,45,224	1,37,65,356	83,82,045	58,39,872	Lata Hydro Elec. Power sup. P.	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	120/00	121	131 1/2
6,02,78,754	3,98,37,405	1,41,56,578	1,29,22,549	Lata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,185/00	1,197 1/2	1372 1/2
ENGINEERING & METAL															
32,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asndown	12	268	8,79,656	1,35,820	12 1/2	..	..	100	252/50	260	365
6,00,000	29,341	4,43,904	59,338	Lost's Engineering	3	115	62,291	1,598	15	5	5	50	66/00	66	131 1/2
40,00,000	11,26,513	10,00,000	9,74,564	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	10	100	15/37	16 1/2	161
40,05,100	81,25,753	2,02,500	49,338	Machinery Mfgs. Corp. Ltd. P.	3	330	2,02,006	64,676	..	..	..	100A	76/00	76	96 1/2
10,00,000	15,00,978	16,66,194	7,06,284	McKenzie	7	283	1,49,085	64,938	..	..	..	100	159/50	160 1/2	193
5,50,000	5,834	1,00,53,052	1,79,32,042	Premier Constructor P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	136/50	139 1/2	154
4,20,000	5,90,52,365	1,17,73,382	23,24,732	Lata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	..	..	6	100	164/75	169 1/2	253 1/2
6,63,75,000	32,44,07,755	16,63,05,556	12,34,83,510	Lata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	164/75	169 1/2	253 1/2
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,032	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13/37	13 1/2	151
5,15,000	..	11,04,64,687	3,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/00	350	451
8,46,120	..	68,33,999	15,58,804	Indian Mercantile	12	75	..	1,13,109	..	..	..	100	45/50	45 1/2	49 1/2
18,74,940	25,01,134	2,88,61,155	4,61,49,442	Jupiter General P.	12	55	38,351	4,65,316	..	..	..	10	6/50	6 1/2	30 1/2
1,06,81,500	..	1,88,81,793	27,25,18,452	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	39/25	40	390
6,00,000	..	57,83,74,430	63,48,33,472	Oriental Life	12	298	..	..	..	..	..	200	3,775/00	3,775	3,900
15,99,270	..	29,41,860	59,88,789	Vulcan	12	255	6,05,903	2,81,242	10	..	..	10	15/62	15 1/2	151
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	33,89,000	61,389	..	..	..	50	223/00	227	233
50,00,000	2,20,64,302	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	569/00	590 1/2	646 1/2
42,00,000	1,21,04,053	11,74,331	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	211/00	218 1/2	230
45,00,000	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	5,81,909	2,85,136	..	..	..	25	75/50	76	77 1/2
99,99,250	1,19,900	7,34,142	14,05,224	Kemur (Chemists)	3	87	68,232	16,942	..	..	..	100	197/50	197 1/2	215
1,99,900	1,74,05,779	1,81,13,445	2,99,242	National Rayon Corp.	12	352	63,19,604	3,72,076	10	..	..	200	228/75	236 1/2	258 1/2
57,71,400	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,882	5,62,020	2 1/2	..	5	100	18/65	20 1/2	115
9,99,98,060	2,75,055	37,30,000	11,27,081	Shivrajpur Synd. (Manganese)	11	146	35,49,058	21,661	80	80	..	10	89/00	90 1/2	103 1/2
7,00,000	2,23,39,547	13,22,272	47,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	..	..	7 1/2	10	15/80	16 1/2	51
1,39,95,990	75,25,191	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	12	25	42/25	42 1/2	207 1/2
70,07,475	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	3,61,984	11	11	..	100	170/00	171 1/2	..

*1956 Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	10-4-57	3-4-57	A year ago
												Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,82,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,387	..	2 1/2	2 1/2	2 1/2	100	60/00	60	61 1/2
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	2 1/2	2 1/2	2 1/2	100	67/50	67 1/2	76
94,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,807	..	2 1/2	2 1/2	2 1/2	100	58/75	58 1/2	60 1/2
19,00,000	29,09,643	4,91,171	Baraset Gasirbat D.B.G.	3-9	331	18,844	1,18,863	..	..	2 1/2	100	10/00	10	11
17,80,000	21,78,786	2,20,877	Burdwan Kutwa S.S.G.	..	165	78,839	..	..	..	2 1/2	100	59/00	59	60 1/2
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1 1/2-1 1/2	1 1/2-1 1/2	1 1/2-1 1/2	100	52/87	52 1/2	56 1/2
4,75,000	6,75,306	4,75,306	Cherra Chhatrak Ropeway	3	88	7,071	9,917	12 1/2	12 1/2	12 1/2	100	7/50	7 1/2	7 1/2
2,47,650	2,75,015	65,326	Darjeeling Ropeway	3	101	18,097	4,549	12 1/2	12 1/2	12 1/2	100	7/37	7 1/2	7 1/2
22,50,000	62,20,813	13,52,600	Jehri-Rohtas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	10	12/81	12 1/2	13 1/2
11,49,700	20,10,843	1,68,143	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	98-1	98-1	100	65/37	65 1/2	66 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	2-3	2-3	2-3	100	51/00	51	51 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheakhali D.B.G.	3-9	32	28,627	20,122	2-3	2-3	2-3	100	65/00	65	66 1/2
19,50,000	27,95,889	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	58/00	58	60 1/2
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	..	100	72/00	72	69 1/2
15,00,000	28,77,041	..	Shahdars Delhi Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	129/50	129 1/2	146 1/2
1,75,000	5,41,779	2,04,341	Tezpur Belpara Tramway P.	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

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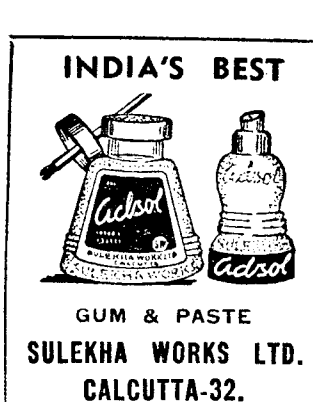
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STABILITY AND PROGRESS IN ECONOMIC PLANNING

EXCHANGE BANK CHAIRMEN DISCUSS THE STRAINS OF INDUSTRIALISATION

THE surveys of south Asian economic and political affairs made by the exchange bank chairmen this year speak generally of considerable uneven progress in the countries where their interests mainly lie. Agricultural and industrial production has been increasing. The high level of output and trade in the world as a whole has kept up the demand for the primary products of these countries, on which their economies depend heavily. Plans of varying ambitions have been framed in order to guide and direct more positively the efforts towards prosperity. In many places, stresses and strains have appeared, due partly to domestic political uncertainties, partly to over-ambitious economic planning, and partly to international disturbances such as those which led to the closure of the Suez Canal. From India's point of view, the exchange bank chairmen's latest surveys are of especial importance. The second five year plan has been in operation for about a year, and they deal in considerable detail with the difficulties and the promise which have been born of it. As Mr. C. Blaker of the Hongkong and Shanghai Banking Corporation says, what is appearing in this country is of much wider significance than to concern only her. "India in recent years has built up for herself a position of considerable influence in world affairs, and this is particularly so in Asia where many of the smaller countries look to her for leadership and watch with anxious eyes to see how her industrial development is proceeding—a development they are all vying to emulate to a greater or lesser degree."

ment outlays based on created money will tend to push up prices. The real solution, it is generally implied, is to secure an increase in savings, and Mr. Michie pinpoints the harmful effect of the Government's policies when he refers to the undermining of confidence as reflected by the drop in stock exchange values. There are indirect references in the chairmen's surveys to the other possibility—cutting the size of the second plan by slowing down expenditure to a rate which can be supported by the available resources. It is still the fashion in New Delhi to deny this possibility, although the foreign exchange stringency has more or less brought it to the stage of established fact.

The shortage of investible resources has created serious problems for banks operating in India, including the exchange banks. Sir Oliver Franks, of Lloyds Bank, says for instance that "in India especially, with an economy expanding so rapidly, there is an incessant demand for bank accommodation which, owing to tightness of funds, banks do not always find easy to meet to the full." The inadequacy of long-term as well as short-term capital is becoming more acute. Mr. Michie explains that "there is so much pressure on the private sector of industry to expand that its reserves previously built up are rapidly being spent, plus very large additional sums, and that at a time when the Government is keeping an extremely tight rein on the capital market as well as on money rates." The situation threatens to become even more difficult when the scheme to compel companies to deposit part of their reserves with the Reserve Bank is introduced; further details of the scheme have just been announced and reports from New Delhi suggest that it is likely to be administered liberally, but even so its general effect will be to restrict the supply of resources. As far as the banks are concerned, the scheme has an important implication which has not so far been sufficiently stressed: Mr. Michie points out that it will lead to a depletion of ordinary banking deposits. This could have serious consequences; for, as practically all the exchange bank chairmen state, one of the outstanding embarrassments faced in India during the past year has been the inability to meet many sound demands for credit simply because the resources on which that credit would be based have already been somewhat stretched. The average ratio of advances to deposits remains well over 70 percent, and it can hardly be allowed to rise much further if liquidity is to be safeguarded. The exchange banks have sought some relief by borrowing more under the bill market scheme (as indeed have also the scheduled

IMPLICATIONS OF THE U.K. BUDGET

MAINTAINING THE STRENGTH OF STERLING

THE apparent relaxation in Britain's fiscal policies after the long period of restraint has created a considerable sense of relief. But it is easy to overlook that Mr. Peter Thorneycroft's first Budget, presented last week, actually continues the policy of restraint—indeed, one of the Chancellor's non-fiscal actions has been to tighten the control of bank credit. Much financial diplomacy is required to persuade people at home that a more liberal era is beginning and at the same time to convince people abroad that no laxity will be tolerated while sterling is convalescing. Mr. Thorneycroft has handled the delicate situation well, but an analysis of his proposals shows that sterling is his first concern and the concessions are as small as political exigencies will allow. That judgment is conditional, of course, on acceptance of the Chancellor's figures; and it must be said that they are a good deal more optimistic than the City had expected. Although last year's estimate of revenue was not fulfilled, the Chancellor has estimated a considerable increase in the year that began this month; and although last year's ordinary surplus was only £290 million, instead of the £460 million estimated, he expects that with no change in taxation the current year would have yielded a surplus of £560 million—only a small part of the increase attributable to a reduction of spending (and in fact experience shows that spending is nearly always in excess of the estimate).

This is the only part of the latest Budget that may appear rash. However, the business community's own assessment of this year's activity, made independently before the Budget (and reflected in a considerable advance of values on the stock exchange), is not out of line with the Chancellor's optimism. Out of that notional surplus of £560 million, the Chancellor is "giving away" £93 million in reliefs, leaving a prospective ordinary surplus of £462 million. This is the figure—certainly a strongly deflationary figure potentially—that is intended to fortify confidence in sterling abroad. Its significance could be diminished (according to present-day practice) by a large deficit in the capital account "below the line". But in fact a modest reduction in net capital spending is envisaged, and if he had made no change in taxation, the Chancellor would have expected to cover all but £27 million of his capital outlays with surplus revenue. On the new basis of taxation, he calculates an overall deficit of £125 million; this is much less than the estimate of £343 million a year ago or the actual outturn of £331 million which resulted from a surprising shortfall of net capital outlays below estimates in 1956-57.

A Budget must be viewed as an instrument of general policy and as an instrument of specific policies. The general policy is clearly in line with the deflationary policy of the preceding two years. The specific policies are more complex. The concessions, costing roughly £100 million this year (and about £130 million a year subsequently) are divided into three nearly equal categories, with a miscellaneous fourth approximately equal to each of the others. The miscellaneous items are special concessions to families with children to educate and to people of advancing years, also the reductions in the duty on petrol and in the taxes on entertainment—routine adjustments related to no particular policy. Of the main categories of beneficiaries, one is the householder (or his wife), whose furniture and furnishings and kitchen utensils will be liable to less purchase tax—an act of policy intended, it may be said, to placate the man-in-the-street. The need to placate him arises from the fact that one-half of all the concessions benefit the more affluent sections of the community—a quarter the man earning more than £2,000 a year (up to

£10,000), and a quarter to British-registered companies doing business overseas.

These two categories are the objects of Mr. Thorneycroft's new policy of incentives. This policy, worked out in that way, has aroused strong criticism from the opposition (both inside, and outside Parliament), but it has a firm—even, in a political sense, a courageous—purpose. Encouragement of the higher-salaried employee, and of the small business man who can do more business if he exerts himself more, is intended to put more life into that section of the community "in whose hands rests for good or ill much of the future". It is, doubtless, intended also to persuade the "valuable" elements in the community to stay in Britain. But skilled workers are also valuable, and they especially have lengthened the emigration queues. The concession to companies operating abroad can appeal to even fewer voters, but it is the most significant—though not the least expected—provision of the Budget. The exemption of these companies from income-tax and profits tax on their overseas earnings is intended to stimulate British enterprise in mining, oil-winning, planting (tea and rubber, etcetera), and to some extent general trading; and it is intended also to stop the applications of various companies for permission to emigrate. (It does not, however, apply to shipping companies, which have headed the emigration queue.) It is a serious attempt to reverse the declining tendency of British pioneering activities in a world where many nations are now willing to assist the development of others.

Is this Budget the beginning (or the consolidation of the beginning) of a new economic phase? That question will be answered when it can be seen whether the Budget consolidates the improvement represented in a surplus of £233 million in the external payments account last year, against a deficit of £79 million in 1955. If so, this year's (somewhat limited) policy of incentives to particular individuals and companies can be extended next year to broader incentives to individuals and to an important activity of companies that has been almost ignored this year—their investment in fixed assets. There is, however, an important reservation. Mr. Thorneycroft has tacitly acknowledged, in his buoyant estimates of revenue, that inflation is likely to continue, and he has reduced some taxes while incomes are still strongly rising. That big ordinary surplus may be more a result of inflation than an antidote to it. The deflationary policy has only partly succeeded, and it is to be hoped that the committee that is to be set up to investigate the working of the whole financial system will be able to recommend some combination of methods that will finally stop the depreciation of the nation's money.

CURRENT COIN

Closure of Standard Jute.—The uneconomic conditions under which the jute industry has been working seem to be producing a crop of casualties among its smaller units. The Standard Jute Mill is the most important of these so far. Manufacturers' profit margins have steadily narrowed with lower prices for jute goods and rising costs of production due to higher raw jute prices and bigger labour charges. In some cases, the margin has disappeared altogether. In Standard, for instance, the losses incurred during the past 18 months amount to nearly Rs. 14 lakhs (including depreciation). As there seems to be little prospect of improvement, it has been decided to close the mill. It has a total complement of 650 looms—367 hessian and 283 sacking. The actual number of looms in operation are 12½ percent less, this proportion being sealed under the I.J.M.A. Working Time Agreement. After the closure of the mill, its loom hours, it is authoritatively learnt, will be worked at the Kinnison Jute Company. It is intended to absorb as many of Standard's workers as possible at the Kinnison factory.

More About Dr. Kaldor.—Dr. Nicholas Kaldor's proposals for reforming the taxation system have had a mixed, but mainly unfavourable, reception. Most critics consider them not only administratively unworkable, but positively harmful for a developing economy. Yet the Government has already adopted one of the recommendations—for a capital gains tax. This tax was first imposed in the late Mr. Liaquat Ali Khan's 1946 Budget, and during the two financial years for which it remained in force, it did serious harm to the economy. By re-introducing the tax, the Government has ignored the lessons of the past. In his anxiety to reform the tax structure, it is feared that Mr. Krishnamachari might choose a few more Kaldorian tools. So it is time the Cambridge economist's "magic formula" for increasing Government revenues was discussed in sober detail in order to assess its strength and weaknesses. A pamphlet just published by the Employers' Association of Calcutta aims to do this. Entitled *Public Opinion*

on Kaldor's Proposals, it contains a selection of comments made editorially or otherwise in the Press, and by economists, both Indian and foreign. All these comments are based on one point—whether the implementation of Dr. Kaldor's scheme of taxation will be rational and whether it will serve the needs of an expanding economy. The general consensus of opinion is that it is by no means certain that it will. The authors of the pamphlet add their own views in the preface. They consider, in the first place, that the review by Dr. Kaldor of the Indian taxation system, coming as it did very shortly after the labours of the Taxation Enquiry Commission had been completed, was unnecessary. If a fresh review was needed, it should have been entrusted to some members of the Commission itself. Secondly, they point out, Dr. Kaldor is not himself sure whether such levies as the expenditure tax are administratively feasible. He recommended its adoption in the U.K., while serving as a member of the British Royal Commission on the Taxation of Profits and Income, but the Chancellor of the Exchequer thought it fit not to accept the suggestion. Dr. Kaldor now recommends the tax to India, along with such other levies as a wealth tax, a gifts tax, a modified income tax and a capital gains tax. Discussing the supposed virtues of these taxes, the authors point out that Dr. Kaldor's expectation of Rs. 20 crores from a wealth tax on individuals, Hindu undivided families and partnership concerns is based on wrong calculations. The proceeds will actually be insignificant, although there will arise many administrative difficulties. The tax on gifts, they say, will prove unpopular inasmuch as it will frequently go against the traditions of the people. "To put it in a nut-shell," the authors sum up, "Mr. Kaldor's suggestions amount to this: that is to say, if one makes an income he will be taxed by the income tax and may be also by the wealth tax; if he receives gifts he will be taxed by the gifts tax; if he spends he will be taxed by the expenditure tax; if he neither earns, nor receives gifts, nor spends, he may still be taxed by the capital gains tax. The result of all this would be that there would be no incentive for any kind of economic activity."

Prospects for the Plan.—A number of difficulties have developed recently which threaten to slow down the tempo of development programmes. A year ago, when the second plan was launched, the Finance Minister spoke of the improvement in the economic situation which had taken place during the previous five years, but it is open to doubt whether that rate of improvement has been fully maintained since. Speaking at the annual conference of the All-India Manufacturers Organisation in New Delhi on Saturday, Mr. S. N. Hajji, chairman, said that an imbalance is slowly creeping into the economy—an imbalance between the supply of consumer goods and the purchasing power of the people, between savings and investments, and between receipts and payments in transactions abroad. The Prime Minister, who delivered the inaugural address at the conference, agreed that the next few years "are likely to be difficult for us." But, he added, "we have to pull ourselves up during these two or three years," and the difficulties should be regarded as a measure of the advance the country is making. Mr. Hajji said that the private sector should be given more scope to develop. It does not seek a return to the laissez-faire of olden days; this is sought not even by the Forum of Free Enterprise which has recently drawn upon itself harsh criticism from certain quarters despite its clear-cut position adumbrated in its manifesto. Mr. Nehru gave the assurance that the private sector will be accorded an important place in the framing of economic policies. Some think that greater co-ordination between the private and the public sectors can be brought about if State corporations function under the democratic control of shareholders. Last year's Industrial Policy Resolution says that the Government may allow public participation in the equity capital of State enterprises. Mr. Hajji suggested that excluding the four industries which are to be developed as Government monopolies—arms and ammunition, atomic energy, railways and air transport—"the people, either as individuals or in corporate bodies, should be associated in financial participation through investment in shares up to 49 percent of the total share capital of these enterprises. This measure, besides being of financial help to the Government, will enable people to realise that both the sectors are working for the common good of the country." A similar recommendation has been made by the Estimates Committee before; to implement it, it will be necessary to convert State enterprises into public limited companies or corporations. Men of experience from the private sector can be invited to work on the boards of such enterprises. An important problem to which Mr. Hajji referred is the inadequacy of corporate savings in the private sector. It is necessary that the private sector should be allowed to plough back more resources into production. To overcome the shortage of foreign exchange, Mr. Hajji suggests that the Government help attract

foreign aid and foreign capital, either as loans and grants or as equity investment.

Suez Canal Uncertainties.—For all practical purposes, the Suez Canal is now open to traffic, provided shipowners are prepared to meet the transit conditions laid down by Colonel Nasser. Unfortunately, these do not conform to the six principles laid down by the U.N. Security Council or those agreed to by the Egyptian, British and French delegates following up the solution suggested by the Suez Canal Users Association countries and rejected by Egypt. The situation is certainly complex. In the circumstances, the Governments of Britain, the United States and Holland have advised their shipowners not to use the canal for the present, and the same applies to the canal for ships flying the French flag. So far, the Egyptians have done very well out of U.N. activity in connection with the canal—the Anglo-French withdrawal, the work of the salvage organisation under General Wheeler and the Anglo-French salvage operations earlier, to say nothing of time to recover from the defeat of their forces at the hands of the Israelis and, not least of all, the restoration of much lost prestige. Their attitude now seems to be one of untrammelled sovereignty and they do not seem willing to agree to any form of international supervision over the canal. With Egyptian sterling balances frozen, British and other ships will be allowed through the canal only if payment is made in a freely convertible currency out of a list chosen by the Egyptians. It has been suggested that two policies are open to Britain. One is to wait and see what other countries will do, but if it is the Government's intention to have the whole Suez situation cut and dried before permitting British ships to make use of the canal again, the industry may find itself in the absurd position of having to compete against foreign tonnage using the waterway while being itself confined to the long haul round the Cape. The alternative is to try to organise an international refusal to use the canal on Egypt's present terms. The prospects of holding together a Suez non-users' association, however, seem to be pretty doubtful. The West Germans have already announced that they have decided to use the canal on Colonel Nasser's terms, and there are other nations, such as Greece and Italy, ready to follow this example, apart from the shipping of Communist countries or sailing under the Panamanian or Liberian flags.

Assessing Soil Fertility.—Soil-testing laboratories are being established in different parts of India in order to help cultivators manure lands suitably and augment crop yields. To begin with, 24 such laboratories, 14 of which have already begun to function, are being set up under the U.S. Technical Co-operation Mission soil-testing project. Dr. Tamhane, special officer in the Indian Agricultural Research Institute, visited Hyderabad recently. According to him, it is proposed to organise and conduct a soil survey so as to determine crop patterns and fertiliser requirements, which vary from area to area. Maps indicating the fertility potential of the soil in each district will be prepared. Equipment for all the soil-testing laboratories is being supplied by the U.S. Technical Co-operation Mission, and the Central Government is providing the staff. The latter has agreed to meet the cost of the project for the first three years and then hand over the laboratories to the State Governments. The non-recurring cost of each laboratory is estimated at Rs. 20,000 to Rs. 25,000. In the Rajendranagar agricultural township, about 12 miles from Hyderabad city, a laboratory for rapid soil tests has been established to serve the needs of the Telengana area. Another laboratory is being set up at the Agricultural College, Bapatla, to serve the Andhra region of Andhra Pradesh. It is proposed to establish a third soil-testing laboratory for the tobacco-growing areas, either in Guntur or in Rajamundry. The staff working in the community project and National Extension block areas, as well as agricultural assistants and demonstrators in the State, have been instructed to obtain soil samples from cultivators and despatch them to the laboratories. It is proposed initially to conduct 1,000 tests in each laboratory every month. The soil-testing project is designed to cover the rural areas of the whole country. There is thus a unique opportunity for cultivators to obtain free and expert advice for manuring their lands and increasing crop yields.

Smoky Outlook for Biris.—Pakistan was once the main export market for Indian biris; but ever since her Government stopped their import, manufacturers in this country have only two major markets left—the one at home and another in Ceylon. Speaking at the annual general meeting of the Calcutta Biri Tobacco Merchants Association, Mr. Vrajlal Doshi, president, said that the Indian biri industry could explore markets in west Asia and Africa; the credit for pointing this out should go to the Tobacco Export Promotion Council and the Indian Central Tobacco Committee. The unrestricted application of the Factories Act has created a difficult problem for producers. As

Mr. Doshi describes it, "in many an area of biri manufacture, the out-worker system is being adopted. But this too is not unaccompanied with evil. Rolling under direct supervision keeps the quality of the product, whereas manufacture out of sight, however strictly checked, is likely to fall short of the standard." The heaviness of the Central excise duty has made it difficult for producers to reduce prices. Furthermore, the biri tobacco crop this year has been unsatisfactory. Mr. Doshi thinks that it will be difficult to dispose of the products unless prices and costs are reduced. He suggests, therefore, that the Government should study the situation and reduce the excise duty. Mr. Doshi criticises a notification issued by the Orissa Government. It says that the lessees of biri leaf forests in that State should surrender their right of exploitation as the State Government is thinking of setting up a State trading corporation to deal with this forest product in the future. The merchants offered large royalties on an assurance from the Government that the leases would remain valid for three years. The violation of its own terms speaks poorly of its attitude in these questions.

World Bank Loans.—During the first quarter of 1957, the World Bank has made three loans totalling \$85.6 million to India, Persia and Peru. This brings the number of loans since the start of operations to 166, in 44 countries and territories, and raises the gross total of loans to \$3,063.4 million. The loan to India is part of a joint operation whereby Air-India International Corporation is borrowing a total of \$16.8 million for the purchase of three Boeing jet passenger aircraft. The Bank's loan amounts to \$5.6 million and five U.S. commercial banks are together providing the balance of \$11.2 million. The credit from the commercial banks marks the first direct Indian borrowing in the New York market. A loan of \$75 million to Persia, the first the Bank has made to that country, will provide short-term financing required for the second seven year development plan. It will enable Persia to anticipate some of her future revenues and thus to proceed with programmes and projects which would otherwise have to be delayed. A loan of \$5 million has been made to the Banco de Fomento Agropecuario del Peru to help finance a programme of long-term lending for the development of agriculture. The Bank has engaged in one borrowing operation during the quarter. In January, a United States dollar issue of Bank bonds was offered in the New York market by an underwriting group. The issue consisted of \$100 million of 4½ percent, 20-year bonds of 1957, due 1977. In addition, the loan of 200 million Swiss francs from the Swiss Government to the Bank became effective on 1st January this year.

ECONOMIC FALLACIES

WE recollect some years ago seeing the late Charles Matthews, the comedian, give a humorous description of the method by which a variety of characters might be impersonated by one actor with a change of disguise in the wig only. The success of the performance resulted really from the individual cleverness of the actor and not from the change of wig, but some other aspirants to histrionic honours, believing that it was the latter that had drawn the applause of the audience, attempted to make fame by an exaggeration of the method exhibited. Unfortunately, when changing their wigs, they forgot to suit their voices and expressions to the change, and the result, although laughable, was not of that appreciative kind which a good artist should desire. In some critical essays, "An Occasional Correspondent" of the Englishman has quoted a number of extracts from casual speeches or writings of various persons, and instead of suiting his criticism to interpret them on their merits, he has interpreted them with the sole object in view of suiting bimetalism. In his anxiety to uphold bimetalism by criticising monometallists, he seems generally to have got the wig on hind part before, and the result, though amusing, is probably not that which he is desirous of producing. Much as we admire the industry and prolixity exhibited in these essays, we do not think it necessary to follow at any length in order to review them. Sir William Harcourt is quoted as saying: "An experienced friend of mine writes me that the fall in exchange rises from the fall in silver rather than the rise in gold." This is interpreted as "a fall in silver in relation to gold is something quite different from a rise in gold in relation to silver." We do not know whether this is the interpretation which Sir William Harcourt's friends would consent to, but it is certainly not that which is expressed in his words before us. But even if the interpretation were correct, we do not see what use our critic intended to make of it. It is seldom that any two commodities rise and fall simultaneously and in exact ratio one to the other, and we see no reason why gold and silver should not fluctuate on their respective merits just as any other commodity. If they did not fluctuate we might have bimetalism tomorrow. We always thought that the foremost object of bimetalism was to fix a ratio between gold and silver in order to prevent fluctuation.

FROM
CAPITAL

14th April, 1897.

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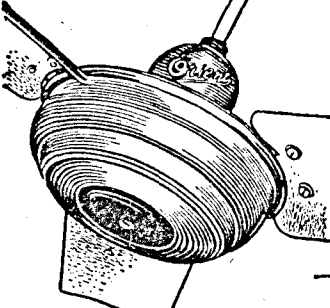
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COAL POLICY IN INDIA

By
Andrew Farquhar

This booklet consists of reprints of articles written by Mr. Andrew Farquhar, former Coal Adviser to the Tata Iron and Steel Co. Ltd., which have appeared in *Capital* in recent years. As expert analyses of India's coal problems and policies, they have attracted widespread interest since they were originally published. The articles are now conveniently gathered in a 120-page publication, priced at Rs. 4.

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MAKING AN APOLOGY FOR MISTAKES

JUDICIAL RULING ON PRESS PRIVILEGES

(FROM OUR LEGAL CORRESPONDENT)

THIS case has to do with the law of libel by newspapers. But it also gives the writer a long awaited opportunity of lodging a protest against the constant use of a most irritating, common form expression in Governmental and, latterly, commercial correspondence. The expression is: "The error is regretted." That is the nearest approach bureaucracy will ever condescend to make towards an apology. Mr. Tite-Barnacle of the Circumlocution Office may have wasted your time and money for months through some blundering mistake in the correspondence and eventually he has to admit the fact. Then, at the end of his letter comes the famous phrase: "The error is regretted."

Suppose a man libels you. You write him, demanding the withdrawal of the allegations and an apology. He replies, withdrawing the charges, and concludes: "The error is regretted." Would you consider that an apology? It is nothing of the kind. It adds cool insolence to injury. A bland, patronising apostrophe addressed impersonally to the world at large, expressing vexation felt by some anonymous person or persons at a mistake having been made by someone who may or may not be himself or themselves. That is how a certain police officer of the Nagpur district looked upon it, and when, refusing to regard the expression as an apology, he sued for libel, the High Court supported his view, which view therefore we may assume that the ex-editor and printer of the *Hindustan Herald* now, albeit reluctantly and at some cost, share. The case was one in which the publication of a short, complete, manly apology would have settled the whole issue. Instead, the editor, while admitting that the story he published in his journal was untrue—and it was about as serious a libel on a policeman in his profession as could be—contented himself and expected the officer to be contented with the grandiloquent, impudent four-word expression: "The error is regretted."

This was the libel, headed "Alleged High-handedness of Police." "According to a Chhindwara report, Mt. Godubai, an 18-year-old married woman

who had attempted to commit suicide by drowning herself and was rescued by her father and brother-in-law, has made an application to the District Superintendent of Police, Chhindwara, alleging that for three days she was called to the police station and questioned as to whether her husband, Nathu Kumbi, had committed a theft or not. Every day she denied the charge against her husband. On the third day, it is alleged by her, when she denied the charge made against her husband, the sub-inspector assaulted her and raped her after forcing a piece of her sari into her mouth. The woman felt disgraced and later attempted to commit suicide to conceal her shame." The plaintiff, who had been the sub-inspector at the police station concerned, through his counsel demanded (1) a full denial and an apology and that this should be published prominently in three consecutive issues of the *Hindustan Herald*, and (2) disclosure of the identity of the paper's correspondent. The paper thereupon published, in three successive issues, the following: "Report of Alleged High-handedness of Police....We are now informed that the report is incorrect. The error is regretted." Not a very effusive "apology." The editor falsely accuses a responsible police officer of, while engaged in his official duties, violently raping a young woman little more than a child, causing her to attempt suicide by drowning herself, and then finding his accusations to be false, says so, and adds: "The error is regretted." Only that and nothing more.

The defence in the subsequent suit for libel was that the newspaper published the allegations as a news item because it was in the public interest to do so and they had believed it to be true in substance and in fact; and that as such, being written without malice, it was privileged. "These defences," said the Nagpur High Court later, "are based on the ground that newspapers have a moral and social duty to perform towards the public, and that if in the discharge of that duty they publish items of news which are defamatory of others and which turn out to be untrue, they have some kind of privilege not enjoyed by the ordinary citizen and that unless it is shown that the publication is actuated by malice, no liability can arise against those who are responsible for the publication."

Let us look into this matter of newspaper privilege. There is no doubt that the times have changed. Editors have been tamed. The great Mr. Pott, justly famous editor of the *Eastonwill Independent*, would have been astounded and aggrieved if, after he had styled his rival of the *Eastonwill Independent* "that vile and slanderous calumniator", the latter gentleman had sued him for

damages for libel. In those days, it was simply not done. The remedy was to retort in kind and call Mr. Pott "a false and scurrilous rascal." It was all in the day's work. Honour was satisfied. Both parties enjoyed it; and it sold the papers. Nor was Charles Dickens—himself an editor—exaggerating. Not in the least. If you turn up as the writer has often done, old files of *The Statesman's* predecessor, the *Friend of India*, or the *Ditcher's Diary* in *Capital*, of Pat Lovett's day, you will find therein scathing comments on High Court judges, Lieutenant Governors, Governors and Ministers which, published today, would not only land the editors in punitive damages for libel but in jail. Things are different now and have gone to the other extreme. And the reason is that the public would have no more of it. And now no one dare write even a work of fiction without proclaiming on the front page that he is not referring to any living person. Mr. Pott today would not dare call Mr. Randolph Churchill a "hack journalist." If he did, it would cost the *Eastonwill Gazette* £5,000. The common law is responsible for the volte face. John Citizen does not mind the Prime Minister or the Red Dean being defamed. In fact, he enjoys it. But when he sees his own individual peccadillo reported in his Sunday paper, he resents it and scrutinises every word with an eye on damages for libel.

And the judges have backed John Citizen up. The idea of special editorial privilege still persists. But it was exploded at least as long ago as 1914 when Lord Shaw in the Privy Council said: "Their Lordships regret to find that there appeared on the one side in this case the time-worn fallacy that some kind of privilege attaches to the profession of the Press as distinguished from members of the public. The freedom of the journalist is an ordinary part of the freedom of the subject, and to whatever length the subject in general may go, so also may the journalist but, apart from statute law, his privilege is no other and no higher. The responsibilities which attach to his power in the dissemination of printed matter may, and in the case of a conscientious journalist do, make him more careful; but the range of his assertions, his criticisms or his comments is as wide as, and no wider than, that of any other subject. No privilege attaches to his position."

There is no statute law in India governing libel, slander and defamation. The courts in India, therefore, apply to these subjects the common law of England. In the latter country, a recent Act of Parliament affords some protection to the Press where a prompt withdrawal and apology are published, but that enactment, of course, does not apply to India. To the excuse of the gutter Press that it supplies what the public taste wants, the courts give a vigorous answer and this is it: "The ground on which this privilege was claimed was that the business of newspapers was to disseminate useful knowledge among the people, to publish such matters relating to current events of the day happening at home or abroad as fell within the sphere of their observation and as the public curiosity or taste demanded, and that it was impracticable for them at all times to ascertain the truth or falsehood of the various statements...." Rejecting this argument, the learned judge sardonically observed: "Undoubtedly, it is desirable to pamper a depraved public appetite or taste, if there be any such, by the re-publication of all the falsehoods and calumnies upon private character that may find their way into the Press, but that is not the business of newspapers. The dissemination of these vile and defamatory publications, culled of these vile and defamatory publications, can be found for the irresponsibility claimance in the common law. (The common law) ranks the offence with that of the receiver of stolen goods, the perjurer, the disturber of the public peace and other offenders of like character.... If (the publisher) chooses to become the retailer of private scandal without taking the trouble of enquiring into the truth of what he publishes, there is no ground of complaint if the law, which is as anxious to protect the character as the property of the citizen, holds him to this responsibility. One is glad to note that it was judicially held in this case that to say 'the error is regretted' is not tantamount to an apology. But though the defendants did not apologise prior to the suit, they did, after the close of the case, come forward with a full and handsome apology; and this had its effect, no doubt, in the reduction of the amount of damages from Rs. 7,500 in the trial court to Rs. 1,000 and costs in the appellate court."

(A.I.R. (Nagpur) 1957, p. 19.)

PAINT MATERIAL FOR HOT SURFACES

The Indian Standards Institution has issued, for eliciting comments, specification for paint material commercially known as black Japan type C, for hot surfaces. The draft standard prescribes the requirements and methods of test for the material and is intended as a heat resisting paint for application on surfaces which become hot under service conditions as is obtained in the case of locomotives. This paint can also be used as a general purpose paint where heat resistance is of prime importance. This standard is one of a series of three Indian standards on such paint material. Comments on this draft standard will be received by the Indian Standards Institution, 19 University Road, Delhi 8, up to 13th May, 1957.

A DITCHER'S DIARY

bomb in the incalculable elements, and to estimate the amount of junk under turgid waters, so very little blame attaches to the prophets proved wrong. But, then, all I set out to say is that experts are fallible—even as we are.

The British newspaper reading public are great writers of "letters to the editor", the correspondence columns forming a substantial, permanent and inexpensive feature of most London and provincial newspapers. Not infrequently, great ideas are born over such familiar pseudonyms as "Pro Bono Publico" or "Disinterested". Inevitably, the Budget brings forth a spate of such letters, of which, I presume, only a fraction get into print; for apart from considerations of space, every newspaper receives a proportion that are quite unprintable. A point which has been taken up vigorously in connection with the latest U.K. Budget is the classification, for tax purposes, of income as earned and unearned. It is claimed that the term "unearned income" no longer has any real relevance and, in fact, gives an entirely misleading description of that part of a person's income which derives from the investment of past and present savings. It is argued that, as the years go by, death duties are extinguishing large inheritances and that for the most part investments and the income therefrom arise from savings which have been made (and therefore earned) in the lifetime of their owner. Thus, to describe such income as "unearned" merely panders to the illusion that there is still a large class of idle rich who live on the ill-gotten gains of their forefathers. So runs the argument, and the suggestion is that "investment income" would be a more accurate way of describing many heads of income that are now officially designated as "unearned", especially as the British Budget this year makes some tax concessions on earned income. Such a change in nomenclature would certainly be more in keeping with reality and with the broad Conservative philosophy of the Opportunity State. But a *rentier* by any other name will still be a *rentier* and many people will feel that his savings will not be any more protected from the ravages of inflation or taxation by calling their income investment or savings income, instead of "unearned" as now.

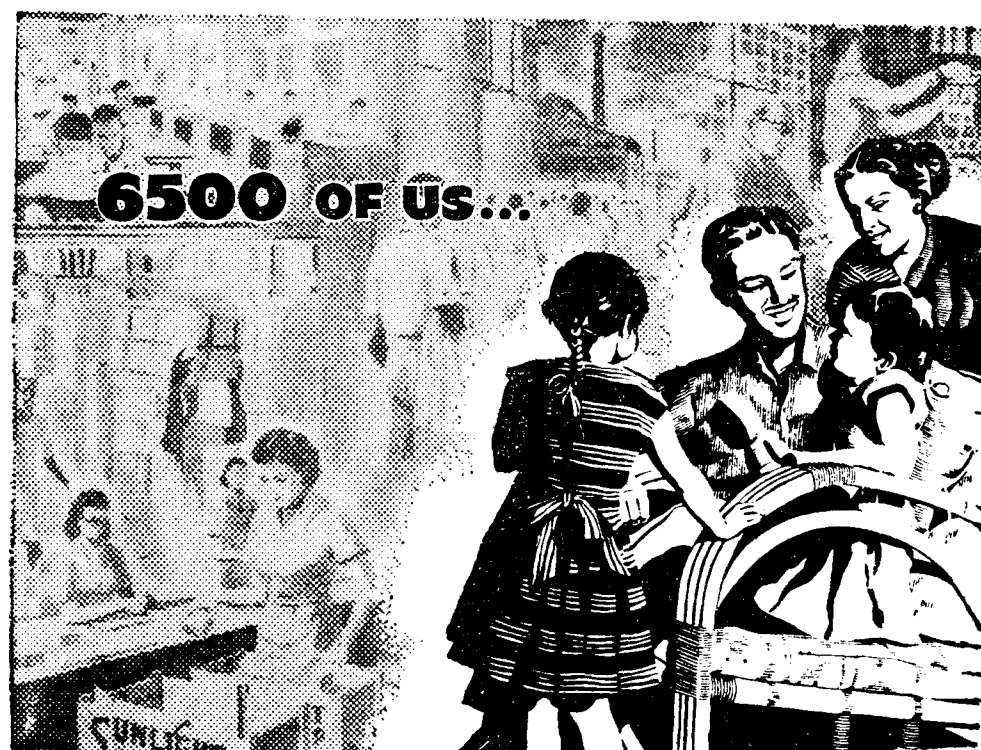
Bravely fighting off the strain of having been to a coffee party the whole morning and a mah-jong party the whole afternoon, a young lady scoffed at me wistfully before her cocktail party on Friday evening for suggesting that American women work too hard. Being unaccustomed to the quirks of feminine vanity, it was some time before I realised the cause of the offence—that for some members of the unfair sex, such as the young lady in question, a professional pride can attach even to social activities. But the basis of my remark, I explained, was a survey conducted by an independent research group in America, which shows that an average girl in U.S. schools today can be expected to hold a paying job outside the home for about 25 years of her life. This feminine imperialism in man's domain is something which not all of us would wholly welcome. But those who do not welcome it can at least have one consolation: the Americans make their women work more than one-fourth of the total hours, but pay them only one-fifth of the total wages. Of course, judging from this survey, there now seems to be hardly any occupation in America where the men can be

assured of being left to themselves. One-third of their opposite sex are still doing secretarial, clerical and sales work, but the remaining two-thirds have invaded "almost every conceivable kind of job"—which presumably covers nearly everything from scientific research on ant nutrition to writing learned theses on obscure European poets whose very existence may be doubtful. This is a trend which I expect will continue; and as men shrink and suffer, I dread to think of the ultimate consequences considering that husbands already, on an average, die about eighteen years before their wives. An interesting finding of the survey is that, compared with 1890, women in America nowadays leave school later, marry and have children earlier, live longer and are widowed later in life. It has long been something of a paradox to me that women seem to be found working hardest either in societies which are economically the most developed or in those which are the least developed. In the highly developed societies, such as America's, it is presumably the labour shortage which draws them out of their homes; in little developed ones, the driving force may be poverty, which creates the need to supplement the men's earnings. But in societies which are neither too rich nor too poor, curiously little seems to be demanded of women apart from their household chores—unless the régime is communist or matriarchal.

In one of those British comedies which made big money—by making British audiences feel how queer the foreigners were and foreign audiences how odd the British were—the famous cricketer hero scored a duck and was lustily applauded, to the complete bewilderment of an American tourist, who could not begin to understand this ovation to failure. It is by no means certain that Sir Anthony Eden's career will on a long view be considered as the *Daily Mirror* once put it, "a flop". When the dust of Suez has settled down, many of his decisions may be seen in a truer perspective than is possible today. But there is perhaps something characteristically British in the way all sections of the people are now in sympathy with the former Prime Minister, who in faraway Boston, Massachusetts, has recently undergone yet another serious surgical operation. Ill health may or may not have been the only reason why Sir Anthony relinquished office rather suddenly; few such decisions are taken for a single reason; but there can be no doubt at all that throughout his Premiership he subordinated the requirements of his health to his high sense of duty. There is not a Briton anywhere in the world who can withhold unstinted admiration for the fortitude with which Sir Anthony is bearing up his illness, aided not a little, we may be sure, by his brave wife. This astonishing strength of character may be regarded by many as a personal quality. It is, but we may be mistaken in under-estimating the relevance of personal character to political leadership. These who are now praying for Sir Anthony's early recovery include I am sure, many of his bitterest critics, and this too is a tribute to him.

Economy in the U.S. Government has long been advocated by the *Wall Street Journal*, published by Dow Jones and Co., Inc. Acting on this suggestion, the Treasury Department has made some cuts, including cancellation of its subscription to the Dow Jones news service at a saving of 1,800 dollars a year. The *Wall Street Journal* notes, according to *Reuter*, that "a little here and a little there can amount to a lot of savings in the end."

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Established in 1895

Head Office: "SHREE NIWAS", 8, UNDERHILL ROAD, DELHI.

Directors' 110th Report to the Shareholders for the Year ended 31st December, 1956.

The General Board of Directors begs to submit to the Shareholders the audited Balance Sheet and Profit and Loss Account for the year ended 31st December, 1956.

The transactions for the year under report have resulted in a profit of Rs. 90,20,272-7-8 (including Rs. 2,35,108-2-3 brought forward from the previous year's account). The following amounts have been appropriated for the undistributed purposes:—

	Rs.	A. P.
1. Transferred to Income-tax Provision	27,50,000	0 0
2. Transferred to Reserve Fund (Statutory)	27,50,000	0 0
3. Transferred to Bonus to Staff Account	13,00,000	0 0
4. Transferred to Charity Account	1,00,000	0 0
5. Transferred to Gratuity to Staff Account	1,00,000	0 0
6. Ad-interim Dividend at Rs. 2/- per share free of income-tax paid	7,00,000	0 0
Total	77,00,000	0 0

The Directors recommend that the balance of Rs. 13,20,272-7-8 be disposed of as follows:—

	Rs.	A. P.
(a) Dividend at Rs. 2/- per share free of income-tax making the total at 16 per cent per annum	7,00,000	0 0
(b) Carry forward to the next year's account	6,20,272	7 8

The Directors consider that the working of the Bank has been satisfactory.

By Order of the General Board of Directors,

S. P. JAIN,
Chairman.

March 12, 1957.

BALANCE SHEET AS AT 31ST DECEMBER, 1956.

Previous Year Rs.	CAPITAL AND LIABILITIES	AMOUNT Rs. a. p.	TOTAL Rs. a. p.	Previous Year Rs.	PROPERTY AND ASSETS	AMOUNT Rs. a. p.	TOTAL Rs. a. p.
1,00,00,000	1. Capital:			8,35,89,262	1. Cash:		9,37,86,081 7 1
87,50,000	Authorised Capital:				In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes)		
55,00,000	Issued, Subscribed and Paid-up Capital:				2. Balances with other Banks:		
5,00,000	350,000 Shares of Rs. 25 each				Current Account Deposit Account		
60,00,000	2. Reserve Fund and other Reserves:				(i) In India 15,17,745 8 8		
37,50,000	(a) Reserve Fund as on 1.1.1956	60,00,000	0 0		(ii) Outside India 85,32,885 8 6		
97,50,000	Add: Amount transferred from Profit & Loss Account	27,50,000	0 0		(Includes Rs. 3,68,714-8-6 with State Bank of Pakistan)		
39,85,53,002	(b) Share Premium Account	87,50,000	0 0	10,67,420	3. Money at Call and Short Notice:		
23,54,46,670	3. Deposits and other Accounts:				4. Investments at or below Cost:		
26,30,25,531	Fixed Deposits	48,06,76,084	1 11	43,51,80,625	(i) (a) Securities of the Central and State Governments	45,68,05,815	15 0
41,60,837	Savings Bank Deposits	28,11,78,206	5 9	50,08,065	(b) Other Trustee Securities	1,21,60,855	0 0
90,12,26,040	Current Accounts, Contingency Accounts, etc.	29,81,37,653	2 10	44,41,88,690	(Estimated Market Value Rs. 46,96,51,573-10-0)	46,96,66,670	16 0
	Employees' Security Deposits (held by the Bank itself)	38,66,257	1 9	1,06,38,58,200	12 3		
	4. Borrowings from other Banking Companies, Agents, etc.:				(ii) Shares: Rs. a. p. Rs. a. p.		
1,29,46,646	(i) In India	2,36,51,111	3 9	11,43,894	Pre-ference Paid-up Partly		
1,29,46,646	(ii) Outside India	Nil		35,80,301	Ordinary 32,61,265 1 8	1,25,000	0 0
	Particulars:—			47,24,193	(Estimated Market Value Rs. 32,14,637-8-0)		
1,29,46,646	(i) Secured by part of Govt. Securities and Usance Promissory Notes lodged	2,36,51,111	3 9	56,76,965	(iii) Debentures of Indian Joint Stock Companies		
5,99,64,599	(ii) Unsecured	Nil			(Estimated Market Value Rs. 51,72,152-0-0)		
6,62,91,666	5. Bills Payable			7,41,12,809	3 1		
34,99,280	6. Bills for Collection being Bills Receivable as per Contra:				(iv) Other Investments:		
6,97,90,946	(i) Payable in India	8,83,31,938	15 8	13,25,000	Pre-partition Punjab Rs. a. p.		
	(ii) Payable outside India	32,50,454	7 9	9,15,82,393	Bonds held in India 6,75,000	0 0	
	7. Other Liabilities:				Pre-partition Punjab Rs. a. p.		
1,24,252	Dividend and interest on Advance Calls unclaimed	1,47,814	4 3	3,62,752	Bonds and other Pak-istan Government Securities held in Pakistan	12,54,649	6 0
36,664	Rebate on Bills Discounted	5,992	10 3	1,59,806	14 6		
6,53,54,373	8. Acceptances, Endorsements and other Obligations as per Contra:			13,43,90,560	10 5		
11,99,049	9. Profit and Loss Account:			1,80,110			
7,00,000	Profit as per last Balance Sheet	9,35,108	2 3	18,67,862			
4,99,040	Less: Final Dividend at Rs. 2/- per share free of income-tax for the year 1955	7,00,000	0 0	Nil			
64,41,068	Add: Profit for the year brought from the Profit and Loss Account	87,85,164	5 5	45,64,57,712			
69,40,105	Less: Ad-interim Dividend Rs. a. p.						
5,25,000	Out Rs. 2/- per share free of income-tax paid	7,00,000	0 0	33,99,51,385			
11,00,000	Transferred to Provision for Income-tax	27,50,000	0 0	37,99,585			
80,000	Transferred to Charity Account	1,00,000	0 0	34,37,50,970			
13,50,000	Transferred to Bonus to Staff Account	13,00,000	0 0	7,10,62,962			
50,000	Transferred to Gratuity to Staff Account	1,00,000	0 0	54,06,884			
5,00,000	Transferred to Reserve Fund	27,50,000	0 0	7,64,69,766			
24,00,000				42,02,20,736			
60,05,000							
9,35,108							
35,16,878	10. Contingent Liabilities:—						
Nil	(i) Claims against the Bank not acknowledged as debts	31,56,364	9 0	6,62,91,666			
58,23,169	(ii) Guarantees given on behalf of Directors or Officers	Nil		34,99,280			
	(iii) Guarantees given on behalf of others	87,17,928	3 9	6,97,90,946			
81,013	(iv) Arrears of Cumulative Preference Dividends	Does not arise		6,53,54,373			
Nil	(v) Bills of Exchange re-discounted	3,50,315	13 3	35,52,378			
	(vi) Outstanding Forward Exchange Contracts	11,02,084	1 5	4,11,621			
3,75,000	(vii) Liability for calls on partly paid Ordinary Shares of Rehabilitation Housing Corporation Ltd., sponsored by the Central Government	3,75,000	0 0	39,63,999			
	Notes: Contingent liability exists in respect of:						
	(a) Contracts for the construction of Bank's premises and agreement to purchase building for Bank's use.			3,74,121			
	(b) Retirement gratuity to staff—amount not ascertained.			35,89,878			
				74,49,124			
				84,7,736			
				82,96,860			
				2,54,051			
				80,42,800			
				36,21,004			
				44,21,805			
1,12,88,78,628	Carried over			1,41,03,19,563	11 1		

Carried over

1,39,70,41,861 11 1

THE PUNJAB NATIONAL BANK LIMITED—Cont'd.

BALANCE SHEET AS AT 31ST DECEMBER, 1956—Cont'd.

Previous Year Rs.	CAPITAL AND LIABILITIES—Cont'd.	AMOUNT Rs. a. p.	TOTAL Rs. a. p.	Previous Year Rs.	PROPERTY AND ASSETS—Cont'd.	AMOUNT Rs. a. p.	TOTAL Rs. a. p.
1,12,88,78,628	Brought forward		1,41,03,19,563 11 1		Brought forward		1,39,70,41,861 11 1
	10. Other Assets:				(a) Interest accrued and outstanding and dividend due on investments	50,21,536	15 11
	(a) Interest accrued and outstanding and dividend due on investments	46,54,545			(b) Prepaid expenses and advance payments and amounts receivable	16,14,530	4
	(b) Prepaid expenses and advance payments and amounts receivable	9,01,254			(c) Property not used as Bank premises less depreciation	9,44,895	8 0
	(c) Property not used as Bank premises less depreciation	5,29,606			(d) Land purchased for constructing Bank premises	4,74,425	12 0
	(d) Land purchased for constructing Bank premises	3,71,926			(e) Heavy Motor Cars, Cycles and other Vehicles less depreciation	4,25,526	9 10
	(e) Heavy Motor Cars, Cycles and other Vehicles less depreciation	4,28,449			(f) Stationery and Stamps	9,76,047	8 2
	(f) Stationery and Stamps	10,20,944			(g) Deposits with Electric Supply Companies and Government Departments	35,081	11 5
	(g) Deposits with Electric Supply Companies and Government Departments	28,206			(h) Amount remitted for purchase of Trustee Securities	1,97,500	0 0
	(h) Amount remitted for purchase of Trustee Securities	96,069			(i) Cash remittances through insured post Reserve Bank and State Bank of India in transit (since received)	50,81,600	0 0
	(i) Cash remittances through insured post Reserve Bank and State Bank of India in transit (since received)	17,59,620			(j) Amount paid towards purchase of 2% U.P.Z.A.C. Bonds pending verification of endorsements	31,040	8 9
	(j) Amount paid towards purchase of 2% U.P.Z.A.C. Bonds pending verification of endorsements	22,064			(k) Fully paid shares of Companies in liquidation	46,125	0 0
	(k) Fully paid shares of Companies in liquidation	Nil			(l) Income-tax deducted at source on yield of investment 1,10,76,724 4 11		
	(l) Income-tax deducted at source on yield of investment 1,10,76,724 4 11	63,23,402			Less: Provision for Taxation Account	59,09,150	3 7
	Less: Provision for Taxation Account	1,61,26,183					
					11. Non-Banking Assets acquired in satisfaction of Claims:		
					Balance as per last Balance Sheet	1,05,125	0 0
					Less: Depreciation	20	5 0
					(The book value is less than the realisable value)		
1,12,88,78,628	TOTAL		1,41,03,19,563 11 1	1,12,88,78,628	TOTAL		1,41,03,19,563 11 1

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1956.

Previous Year Rs.	EXPENDITURE	AMOUNT Rs. a. p.	Previous Year Rs.	INCOME	AMOUNT Rs. a. p.
1,81,29,772	1. Interest paid on Deposits, Borrowings, etc.	1,92,39,943 8 10	3,43,20,205	1. Interest and Discount	4,01,61,732 14 2
	2. Salaries and allowances and Provident Fund (includes Rs. 61,90,14-9 paid to General Manager, besides payment of bonus amounting to Rs. 8,033-8-0, free residential accommodation and use of Bank's car for part of the year, and compensation and gratuity aggregating to Rs. 1,28,129-1-0 paid to the Ex-General Manager)	1,79,95,854 0 6	1,04,014	2. Commission, Exchange and Brokerage	69,21,954 7 4
1,83,06,117	3. Directors' and Local Committee Members' fees and allowances	11,92,356	Nil	3. Rents	10,21,644 7 7
	4. Rent Taxes, Insurance, Lighting, etc.	18,476 0 6	Nil	4. Net Profit on sale of investments, gold and silver land premises and other assets not credited to Reserve or any particular Fund or Account	Nil
11,92,356	5. Law Charges	12,73,741 0 6	Nil	5. Net Profit on revaluation of investments, gold and silver land premises and other assets (not credited to Reserve or any particular Fund or Account)	Nil
1,94,12,588	6. Post, Telegrams and Stamps	2,11,575 2 6	Nil	6. Income from non-banking assets and profit from sale of or dealing with such assets	Nil
8,000	7. Auditors' Fees	15,94,056 6 4	26,91,911	7. Other Receipts	26,17,818 8 8
6,67,542	8. Depreciation on and repairs to the banking company's property	7,40,057 6 3			
10,99,385	9. Stationery, Printing, Advertisement, etc.	10,56,536 13 8			
1,168	10. Loss from sale of or dealing with non-banking assets	17,46,231 3 3			
64,41,068	11. Other Expenditure	87,85,164 5 5			
4,49,80,536	12. Balance of Profit (subject to taxation)	5,27,34,130 3 9	4,48,80,536	TOTAL	5,27,34,130 3 9

M. K. PANDIT
Chief Accountant.

MOHAN SINGH
Deputy General Manager.

S. P. JAIN
Chairman

S. L. VERMA
Assistant Secretary Accounts.

A. M. WALKER
General Manager.

C. L. BAJORIA
SHITAL PRASAD
JASWANTRAI CHURAMANI
MAHARAJ KRISHNA KAPUR
J. N. BHAN
KESHAB CHANDER
KAMALNAYAN BAJAJ
Directors.

AUDITORS' REPORT

TO THE SHAREHOLDERS, THE PUNJAB NATIONAL BANK LIMITED, DELHI.

We have audited the annexed Balance Sheet of the Punjab National Bank Ltd., as at 31st December, 1956, and the year ended on that date, with the books and accounts kept at the Head Office in Delhi, in which are incorporated the unaudited returns of the Bank's Branches in Indian Union, Pakistan and Burma none of which were visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions to sub-sections (1) and (2) of Section 211 and sub-section (5) of Section 212 and 227 of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The Accounts are, therefore, drawn up in conformity with forms 'A' and 'B' of the Third Schedule to the Banking Companies Act, 1949.

We report that:

(a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;

(b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;

(c) in our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of these books and proper returns adequate for the purposes of our audit have been received from the Branches of the Bank;

(d) the Bank's Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account and the returns;

(e) in our opinion and to the best of our knowledge and information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner basis the said Balance Sheet, read along with the notes appearing thereon, gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1956, and the Profit and Loss Account gives a true and fair view of the profit for the year ended upon that date.

V. SANKAR AIYAR & CO.
Chartered Accountants.

NEW DELHI, March 11, 1957.

Schedule of Particulars Required by the Banking Companies Act 1949 (Act X of 1949) attached to and forming part of the Balance Sheet as at 31st December 1956.

Previous Year Rs.	Particulars of Advances:	AMOUNT Rs. a. p.
38,44,32,126	(i) Debts considered good in respect of which the banking company is fully secured	51,73,58,001 15 0
2,98,33,777	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	2,21,18,189 1 4
59,54,833	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	91,24,334 12 1
Nil	(iv) Debts considered doubtful or bad, not provided for	Nil
42,02,20,736	(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons:	
	Directors	Nil
3,31,740	Officers	3,23,152 9 1
3,31,740	(vi) Debts due by companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies as members	1,46,77,289 8 0
98,92,048	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the banking company or any of them either severally or jointly with any other persons	3,61,003 15 4
3,31,740	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the Directors of the banking company are interested as Directors, Partners or Managing Agents or in the case of private companies, as members	1,74,10,496 6 9
35,42,779	(ix) Due from banking companies	32,07,521 13 11

V. SANKAR AIYAR & CO.
Chartered Accountants.

March 11, 1957.

M. K. PANDIT
Chief Accountant.

S. L. VERMA
Assistant Secretary Accounts.

MOHAN SINGH
Deputy General Manager.

R. L. TULI
Secretary & Deputy General Manager.

A. M. WALKER
General Manager.

S. P. JAIN
Chairman.
C. L. BAJORIA
SHITAL PRASAD
JASWANTRAI CHURAMANI
MAHARAJ KRISHNA KAPUR
J. N. BHAN
KESHAB CHANDER
KAMALNAYAN BAJAJ
Directors.

UNITED BANK OF INDIA LIMITED

CHAIRMAN DR. N. N. LAW'S REVIEW

Extracts from the speech delivered by Dr. N. N. Law, Chairman of the United Bank of India Ltd., at the Annual General Meeting of the Bank, held at its Head Office, on the 15th April, 1957.

Gentlemen,

"Copies of the Accounts for the past year have been in your hands for sometime, and I hope you all share our pleasure in that the results depict another year of progress. The year's achievements generally have followed the pattern of most of the larger banks. The deposits of the Bank at Rs. 33.9 crores were

higher by Rs. 2.6 crores, i.e. 8.4% over the previous year's figure. This should be deemed to be very satisfactory considering that the average rise in deposits of scheduled banks for the year was 7.6%. Although our advances were correspondingly higher by Rs. 2.3 crores the increased revenue from this source was more or less absorbed by higher interest charges as also salaries and allowances resulting in a smaller rise in net profits.

Rising Trend of Interest Rate

"Despite further increase in money supply, the year under review witnessed persistent tight-money conditions. A large portion of the increase in money supply was in spheres beyond the reach of the organised banking system and the increase in bank deposits was disproportionately small compared to the increase in money supply. While this was the position in regard to banks' resources the demand on them for accommodation increased substantially, reflecting quickened pace of the economy. This resulted in a severe competition on the part of the banks for a shift in deposits from one bank to another, and the rate of interest for call and short-term deposits was forced up to a new high level. I would refer you to my observations made in this regard in my speech last year where I suggested that banks should make fuller use of existing associate facilities for making concerted efforts to combat the growing malaise of the increasing rate of interest on deposits. Although we still hold to that view, it is difficult for us to keep up a sustained resistance to a tendency which we feel not to be in our best interests.

"Very high rates of interest offered by most of the larger banks of the country have not attracted proportionately higher deposits to the banking system. That is an indication that deposits are not interest-sensitive to the extent they are supposed to be. If instead of diverting the spending power of those who have it, in the direction of payment of interest, the amount was spent in extending the banking organisation, better results could possibly have been obtained and foundation laid for ensuring a systematically rising trend in deposits. The point is a pertinent one because tight money condition and high interest charges threaten to be a permanent feature if the present pattern continues in a developing economy.

Bill Market Scheme

"With regard to the Bill Market scheme, only a few banks including ours are in a position to utilise the facility. The aggregate amount availed of by the banks is rather small compared to what the Reserve Bank is inclined to permit. It is of course for the banks to decide how far they will go. But I would like to mention here that if the intention of the 'scheme' is to provide funds to the trade and commerce and make it available at all levels, non-inclusion of a large number of banks in this facility limits the scope of its functioning. Since the bill against which such advances may be allowed would arise out of genuine commercial transactions, attempts should be made to bring in more of the banks, in so far as they otherwise qualify, within the purview of the scheme. Indeed the recommendation of the Shroff Committee was for inclusion of at least all the scheduled banks within the same scheme.

Bank Rate

"Coming back to the monetary situation which is considered paradoxical in that we have stringency of money concurrently with a rising trend in prices in certain sectors of the economy, I feel that the question of Reserve Bank's leading rate deserves more attention. It is not the money market alone which has got to be viewed in the determination of an appropriate monetary policy. In the context of an expanding economy, a higher Bank Rate, if anything, only hardens the cost structure and acts against developing a climate for investment or a favourable trend for export and also adds to the problems of resources. Therefore, stringency in the money market, under conditions of rapid economic development, demands graduated flow of less costly funds to the money market. This is not to deny the need for ensuring that such a flow does not lead to conditions of credit inflation. But such tendencies, when they persist in raising their ugly head, could be curbed by the application of qualitative control by the central bank of the country. In an economy serviced by a banking system limited in its scope both territorially and functionally, the controls would, in any case, be less effective. I, therefore, think that whatever may have been the circumstances leading to the raising of the Bank Rate, the issue demands re-examination.

Necessity of a Banking Plan

"The past year marked the initiation of the Second Five-Year Plan. Although the size of the Plan is about double that of the First Plan, it is a national endeavour and that too within the time schedule. It is also true that taxation measures, at least for some time to come, will have to be broad-based and tentatively with the social objectives. But, on the other hand, it is the duty of the Government to see that every economically active individual and organisation contributing to the Plan's fulfilment can retain a part with greater vigour and encouragement to make progressive better contributions. The whole hearted enterprise and risk capital is vital and necessary for the success of the Plan. If persistent attempts at liquidation of economic powers in the hands of the State and if the extensive measures of direct taxation are pushed to such a level as will substantially discourage the existing enterprise in the private sector, the success of the Plan will suffer from substantial limitation dissuading the entrepreneurs from being

adventurous enough to think in terms of taking upon themselves progressively larger risk of enterprise. The capital market is not in that mood.

"The need for resources in the State sector should very largely be met by borrowing, and the borrowing programme should be so geared as will make the need for various fiscal measures less urgent or necessary. But, left to the Government alone, such a programme is unlikely to produce a balanced result. In this regard the banking community can make its special contribution to the success of the Plan by ensuring that the necessary developmental climate has been created both for expansion and consolidation of banking structure. I say with all seriousness and with emphasis that this co-operative atmosphere must be brought about among banks so that they can bring in the untapped resources as grist to the economic mill and so aid the avoidance of an excessive and frustrating tax level by assisting the Government in getting larger funds through borrowings. The need for resources in the private sector is growing apace, which has to be met without much leaning on the Central Bank of the country. With these needs are again varied in pattern. With these in view, your Managing Director has tried to draw the attention of the banking community to the need for a 'Banking Plan' for the territorial and functional development of banking, in a brochure entitled 'Necessity for a Banking Plan—a tentative study'. I am glad to mention that the outlines given therein have so far been favourably received as a basis for discussion.

"At the end of 1955 there were only 1,670 places which have been covered by the offices of the commercial banks and of these only 646 places were served by a major bank including State Bank of India. It is also obvious that the need of the common man in smaller places cannot be suitably met by specialised central organisations or by larger all-India banks. It has, therefore, been further suggested in the said plan that this be taken care of through a two-pronged programme of quick extension of banking facilities by opening new offices at the rate of 1,000 per year in new places and by strengthening the existing ones, where necessary, and bringing into existence smaller unit banks set up in regions where independent units or organised and developed as independent units or as subsidiaries to the larger banks. The Union Finance Minister himself has also expressed the hope that a large number of banks will grow in the country to accelerate the rehabilitation of the unemployed. It has also been suggested that the relics of past failures should be removed quickly in a planned way and in due course positive indemnity to individual depositors will have to be arranged if deposit banking in the country is to grow as far as the economic and social requirements demand and that India, in this respect, should take a lesson from banking experience in the U.S.A. and draw up her own 'Rehabilitation of Bank Deposits'. Necessity of rehabilitation of the small banks is further emphasised by the fact that, whereas the major banks of the country were at the end of the year 1955 serving only about 2,15,000 customers by providing advances, the rest of the banks were serving about 12,00,000 customers. It is not the aggregate quantum of money advanced but the number of places and customers serviced that is important. Indeed, we are aware of a number of smaller banks in the South and elsewhere in the country which are rendering useful service by helping medium and small business and industries in their respective regions. The position with regard to employment and rehabilitation of the people can largely be improved by helping development of medium and small industries through proper and careful financing and here the necessity of rehabilitation and new growth of smaller unit banks is so acutely felt. In this regard I would further suggest that a statutory ceiling for the rate of interest that the major banks, including ours, may offer for deposits, as a measure of assistance in the growth and development of the smaller banks till they assume necessary credit maturity and immunity from neglect due to smallness in size through Insurance of Bank Deposits.

"So long as such regional banking organisations do not come into existence independently in large numbers, it is our view that it should be the duty of the larger banks to sponsor subsidiaries in different regions to be converted into independent units in due course. It has also been suggested in opening plan that the larger banks, in addition to regional new offices, should play their role in the regional development of banking by assisting the existing smaller banks in so far as that can be done with safety, in conjunction with the suggested Government sponsorship organisations. We are of the view that the able plan should be drawn up on the basis of the proposals made. Such a plan would go a long way in substantially increasing the flow of new resources into the banking system and this will in the ultimate analysis, apart from helping the lower-income group economy in general, benefit the banks in the country including this and other larger banks. It has been suggested that if the banking system is to evolve such a plan and work it out effectively, it may be useful to organise various associations amongst the banks both on the basis of regions as well as on the basis of size linked to a Federation of all such associations. As it is, the Indian Banks Association has a membership of only 39 whereas the total number of banking companies in the country is over 470. It is, therefore, felt necessary that if a bold plan like the one suggested is to succeed, participation of all the banks in the country should be ensured. Such associations and the Federation may also be found useful by the Reserve Bank of India in the matter of formulation of policies and its financial operations.

"In the matter of formulating a plan as envisaged in the brochure proposals have been made for holding, under the auspices of Indian Banks Association, a Convention of all the Banks with a view to sponsor the idea of forming a 'Banking Expansion Committee' and to appoint a 'Standing Plan Committee' of the Convention to maintain liaison with the proposed 'Banking Expansion Commission'. I fervently hope that the banking community as a whole and the leading banks in particular will be able to see the interest of their own institutions lies in the growth of the banking system as a whole and not in the attempts to acquire prosperity in isolation. I trust, therefore, that they will fully co-operate and contribute towards the formulation and working of a plan."

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.

AUTOMOBILE PRODUCTS OF INDIA LIMITED

CHAIRMAN MR. M. A. CHIDAMBARAM'S REVIEW

Speech delivered by the Chairman, Mr. M. A. Chidambaram, at the Seventh Annual General Meeting of Automobile Products of India Limited held on 17th April, 1957 at the Registered Office of the Company at Agra Road, Bhandup, Bombay.

It gives me great pleasure to welcome you all to the Seventh Annual General Meeting of the Shareholders of the Company. The Report and Balance Sheet for the year ending 31st July, 1956 have been in your hands for some time and with your permission, I shall take them as read.

During the year under review, your Company earned a net profit of Rs. 4,73,393-1-5. After adding the previous year's profit of Rs. 91,112-9-3 and excess provision for Taxation written back of Rs. 89,681-4-0, a sum of Rs. 6,54,186-14-8 has been carried forward as Profit in the current year. Out of this amount, the Directors have transferred a sum of Rs. 90,000/- to Development Reserve and have proposed to pay the balance of the arrears of dividend on Preference Shares for the years 1953, 1954 and 1955. It is also proposed to pay dividend on Preference Shares for the year which ended on 31st July, 1956. Thus, no preference dividend will be in arrears. This year will absorb a sum of Rs. 3,60,000/- and a sum of Rs. 4,186-14-8 will be carried forward as balance in the Profit and Loss Account. I hope hereafter it will be possible for the Company not only to continue payment of dividend on Preference Shares, but also to resume payment of dividend to the ordinary shareholders.

Your Company's effort to extend its activity has met with considerable success and all the Schemes are progressing on sound lines. I shall now give you a resume of the various activities in which your Company is engaged.

Brake Lining Plant

The machinery was received towards the end of 1955 and was installed and trial operations commenced towards the close of the financial year. Normal production was established from the beginning of the new financial year and as regards quality, the product has been found comparable in every respect with the American product. Selling arrangements have been concluded with Messrs. Firestone Tyre & Rubber Co. of India Private Ltd., and our experience in the few months indicates that we will have a rising volume of demand and a substantial share of the market.

Lambretta

I have indicated in my speech last year that the marketing and distribution of the Lambretta Motor Scooter had been supported by a well-planned advertising and sales promotion programme. This helped us to establish a steady and rising demand for the vehicle, which has now been recognised in India as a very economical and reliable form of transport for commercial and industrial concerns. We had indicated to the Government that we would proceed to a steady demand for the new product in the country. Orders have been placed through our Associates in Milan for all the machine tools, jigs, small, standard approved tools to implement the 1st phase of our above manufacturing programme. Shipments of the equipment will be in India in good time. We have also concluded an arrangement with Messrs. Kirloskar Oil Engines Limited to manufacture the programme period. By this arrangement, a considerable responsibility, which should have normally rested on the Company, has been shared with Messrs. Kirloskar Oil Engines Limited with a well-known firm with considerable experience in the manufacture of Engines, Machine Tools and other similar products. This arrangement has the Government's concurrence.

Meadows Diesel Engines

The Assembly Line and Test House capable of assembling and testing 20 engines per day have been installed during the year. We have been negotiating with two Primary Manufacturers of Commercial Vehicles for fitting of Meadows 330 Engines as original equipment. One of them have accepted the Engines and Vehicles fitted with our Engines are currently under test with the other. Agreements will be entered into with the primary manufacturers as soon as the tests are over and the engines approved by them. As the Meadows is a recognised engine and vehicles as original equipment on such well-known vehicles as Guy, Scammell and other vehicles in U.K., we believe that the tests will be only a matter of formality since the engine is already a proven one.

Our Director, Mr. P. Matthen, was deputed along with our Chief Planning Engineer, to order the required machinery for the first and second year manufacturing programmes. Orders for machinery for a value of about Rs. 26 lakhs have been placed in consultation with our Associates and we have already received about 40% of the machinery, which is in the course of erection. I am glad to inform you that 19 out of 25 components to be produced in the first year are under manufacture. Your Company is confident of implementing to schedule the phased manufacturing programme it has submitted to Government. In fact, we are currently ahead of schedule.

More & Beck Clutches and Lockheed Brake Systems

During the visit to U.K. of Mr. Matthen, orders were placed for machinery for manufacturing Borg & Beck Clutches. This machinery is expected to be received in the course of the next few months. Meanwhile, we have started assembly of Borg & Beck Clutches out of C.K.D. components. Manufacture of the parts in the Lockheed Brake System was approved and samples have already been approved by our Associates in U.K. The machine tools for the

Tariff Commission's Report on the Automobile Industry

By a Resolution dated 6th August, 1955, the Government of India, Ministry of Commerce & Industry had asked the Tariff Commission to enquire into and recommend the fair ex-Works and selling prices of the automobiles under indigenous development. The Commission took the opportunity to make a comprehensive review of the industry since the time of its first Report in 1953. Your Company submitted a Memorandum to the Tariff Commission and appeared before the Commission at the Public Enquiry. We were also invited to a private hearing at which the programmes of the Company were discussed. We are grateful to the Chairman and the Members of the Tariff Commission for the patient hearing they gave to us and for the sympathetic consideration of our representation.

The Commission submitted its Report on 6th October, 1956. It has estimated that the annual demand for motor vehicles is likely to increase by 1960-61 to 40,000 commercial vehicles and out of this demand about 70 to 80 per cent is expected to be for the diesel-driven type. The Commission has also observed that for the effective implementation of the Second Five-Year Plan, the number of additional commercial vehicles required would be much higher, provided the various factors hampering the demand were removed. It has also recommended that priority should be given for the manufacture of commercial vehicles rather than passenger cars and out of the commercial vehicles, the maximum demand would be for diesel vehicles and every effort should be made to meet this demand and that additional capacity required for commercial vehicles should be installed in the existing units rather than new ones.

These recommendations of the Commission were accepted in principle by the Government. The Commission has also emphasised the importance to establish within as short a time as possible the complete manufacture of the Engine, Transmission, Rear Axle, Suspension and Chassis Members. The recommendations of the Tariff Commission should go a long way in establishing the complete manufacture of the commercial vehicle in India within the Second Five-Year Plan period.

I would like to take this opportunity of tendering our grateful thanks to the Ministry of Commerce & Industry and the Development Wing (Auto), Government of India, whose help, co-operation and advice have been invaluable.

Our thanks are also due to Mr. P. Matthen, his executives and all members of the staff and factory workers for the whole-hearted efforts that they have put in for the expansion of the activities of the Company.

In conclusion I earnestly hope that the Company will maintain its progress, and will become a leading manufacturer in the Automobile Industry.

The Central Bank of India, Ltd.

(Incorporated in India, Liability of Members is Limited).
(Established—December, 1911)
Head Office—MUMBAI, CANNIB ROAD, FORT, BOMBAY-1

Authorised Capital	Rs. 6,30,00,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,02,77,122
Deposits as at 31-12-56	Rs. 1,39,01,90,571

DIRECTORS

Sir Homi Mody, K.B.E. (Chairman), Governor, Bombay, Esq. (Vice-Chairman), Dinsdag, D. Kumar, Esq., Dharansey Mulraj Khatani, Esq., Manmohandas Madhavdas Amarey, Esq., C.P. Madia, Esq., Chimanlal B. Parikh, Esq., Francisco J. Gaidar, Esq., Sir Jamsetjee Jejeebhoy Bart., His Highness Sir Jivrajji Maharaj, Esq., Mahavrat Sindhia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

Branches and pay Offices throughout India, Pakistan, Burma and in London.
London Branch—159, Leuchter Street, London, E.C.3.
New York Agents—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.

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

LOCAL BRANCHES

Calcutta—33, Netaji Subhas Road—Ballygunj—200/2C, Rash Behari Avenue, Barabazar—71, Cross Street, Howrah—8A, Russa Road, Hatkhola—100, Seva Bazar Street, New Market—10, Lindsay Street, Shambhazar—133, Cornwallis Street, Howrah—18-A, Grand Trunk Road.
Branches in West Bengal—Asansol, Bankura, Burdwan, Jalpaiguri, Kalimpong, Purulia, Raiganj and Siliguri.
Branches in East Pakistan—Chittagong, Dacca, Dinajpur, Khulna, Mirajid, Mymensingh, Narayanagar, Rangpur.
Branch in Orissa—Sambalpur.

Ship, Marine, General Engineering and Foundry work of all descriptions is undertaken at competitive rates at the RAJABAGAN DOCKYARD

of
INDIA GENERAL NAVIGATION & RAILWAY CO., LTD.
FOR ESTIMATES AND FURTHER DETAILS apply to
KILBURN & CO., PRIVATE LTD.

Managing Agents
4, Fairlie Place,
CALCUTTA.

TO SERVE YOU IN THE
LAND OF GOLDEN PAGODAS

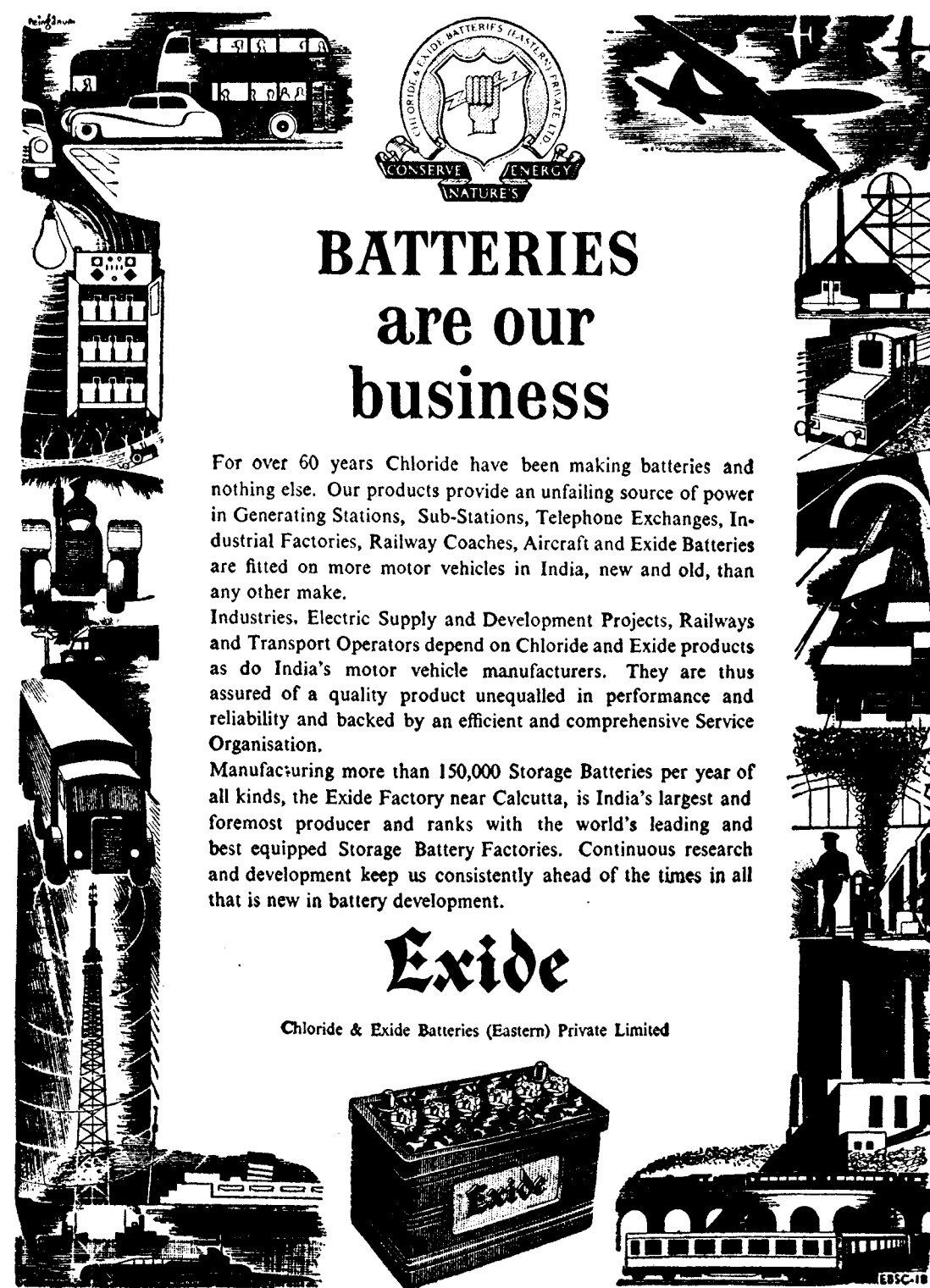
Established in August 1954, the STATE COMMERCIAL BANK is to-day the largest commercial bank in BURMA. With branches located at important trade centres in BURMA, the Bank is in the best position to look after your needs in this LAND OF GOLDEN PAGODAS. The Bank also handles the major foreign business of the country through many correspondents in all parts of the world.

STATE COMMERCIAL BANK, BURMA.

Authorised Capital	Kyats 5,00,00,000
Paid-up Capital	Kyats 2,00,00,000
Reserve Fund	Kyats 30,00,000

Head Office—Rangoon

Branches—Mandalay, Moulmein, Bassein, Akyab, Taunggyi, Pegu, Henzada and Shwebo.



BATTERIES are our business

For over 60 years Chloride have been making batteries and nothing else. Our products provide an unfailing source of power in Generating Stations, Sub-Stations, Telephone Exchanges, Industrial Factories, Railway Coaches, Aircraft and Exide Batteries are fitted on more motor vehicles in India, new and old, than any other make.

Industries, Electric Supply and Development Projects, Railways and Transport Operators depend on Chloride and Exide products as do India's motor vehicle manufacturers. They are thus assured of a quality product unequalled in performance and reliability and backed by an efficient and comprehensive Service Organisation.

Manufacturing more than 150,000 Storage Batteries per year of all kinds, the Exide Factory near Calcutta, is India's largest and foremost producer and ranks with the world's leading and best equipped Storage Battery Factories. Continuous research and development keep us consistently ahead of the times in all that is new in battery development.

Exide

Chloride & Exide Batteries (Eastern) Private Limited

(Incorporated in England)

BALANCE SHEET 31ST DECEMBER, 1956

E. J. HILL, }
G. Y. HINWOOD, } Chief General Managers.
C. B. HOWLAND, Chief Accountant.
OLIVER FRANKS, Chairman

PROFIT AND LOSS ACCOUNT FOR THE YEAR 1956.	
Dr	
Interim Dividends less Income Tax	£
General Reserve	646,495
Reserve for Future Contingencies	500,000
Final Dividend less Income Tax (subject to confirmation by the Members)	747,243
Balance to be carried forward	712,060
Note: Directors' emoluments amounted to £77,658 (1955: £75,613) including £2,549 (1955: £7,774) paid to certain Directors by subsidiary and other Companies and £2,500 (1955: £2,500) received by a Director in respect of past services as Chairman.	
	£3,696,790
By	
Balance brought forward	£568,000
Profit brought in, after providing for taxation on the profits of the year and after making transfers to the credit of contingency accounts, out of which accounts full provision has been made for any diminution in value of assets (subject to Note 1 on the balance sheet)	2,541,790
	£3,696,790

REPORT OF THE AUDITORS TO THE MEMBERS OF LLOYDS BANK LIMITED

In our opinion and to the best of our information and according to the explanations given to us, the foregoing accounts of the Bank, with the annexed statements relating to the Banks subsidiaries The National Bank of Scotland Limited and Lloyds Bank (Foreign) Limited, give a true and fair view of the state of affairs of the Bank as at 31st December 1956 and of its profit, ascertainable by reference to the corresponding note on the accounts of The National Bank of Scotland Limited and Lloyds Bank (Foreign) Limited, and of the assets and liabilities of the Bank and its subsidiaries as at that date and of the state of affairs and business of the Bank during the year ended on that date.

We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit. In our opinion the Bank has kept proper books of account and obtained proper and adequate returns from the branches and we have above accounts of the Bank are in agreement therewith. The accounts of the Eastern branches are included therein as at 31st October 1956 and the accounts of the subsidiaries are made up to 31 November and 30th September, 1956 respectively.

FREDERICK'S PLACE, LONDON E.C.2 15th January 1957.

BALANCE SHEET OF THE INDIAN BRANCHES OF LLOYDS BANK LIMITED AS AT 31ST DECEMBER, 1956.

CAPITAL AND LIABILITIES		Rs.	As. P.	Rs.	As. P.
Capital—					
Deposit with Reserve Bank of India under Section 11(2) of the Banking Companies Act 1949	...	...	...	...	...
2½% Loan 1961 Rs. 25,50,000 @ Rs. 93/5/-	...	23,32,812	8	0	...
Reserve Fund And Other Reserves					
Nil					
Deposits and Other Accounts—					
Short Deposits and Deposits at call	...	5,14,03,416	8	3	...
Fixed Deposits	...	5,87,00,870	15	2	...
Savings Bank Deposits	...	9,62,39,519	7	4	...
Current Accounts, Contingency Accounts etc	...	19,10,62,126	3	4	...
Borrowings from other Banking Companies, Agents, etc.—					
(i) In India	...	6,36,60,000	0	0	...
(ii) Outside India	...	6,164	14	7	...
Particulars:—					
(i) Secured by Central Government Securities per contra	...	Rs. 9,27,00,000	0	0	...
(ii) Unsecured	...	Rs. 9,06,164	14	7	...
	...	Rs. 6,36,06,164	14	7	...
Bills Payable					
Bills for Collection being Bills Receivable as per Contra—	...	...	...	...	...
(i) Payable in India	...	3,70,91,591	12	7	...
(ii) Payable outside India	...	76,52,745	11	6	...
Other Liabilities—					
Inter Branch Balances—Net—Head Office and Branches outside India	...	9,62,328	9	2	...
Inter Branch Adjustments—Branches in India	...	1,26,634	3	3	...
Staff Provident Fund	...	65,64,967	3	10	...
Acceptances, Endorsements and other Obligations—per Contra					
...	...	...	...	...	...
Contingent Liabilities—					
Liability on account of outstanding Forward Exchange Contracts	...	21,47,83,619	10	4	...
Carried over					
		54,70,11,077	4	4	

PROPERTY AND ASSETS		Rs.	As. P.	Rs.	As. P.
Cash—					
In hand and with Reserve Bank of India and State Bank of India (including foreign Currency Notes)	...	...	...	...	...
Balances with other Banks—					
Current Accounts—					
(i) In India	...	...	3,35,189	10	8
(ii) Outside India	...	...	19,20,106	9	8
Money at call and short Notice					
Investments—At or under Market Value					
(i) Securities of the Central and State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments (of which nominal value Rs. 6,65,05,400/- are lodged as security for borrowings from other Banks and for other accounts)	...	...	12,60,94,650	2	4
(ii) Shares	...	...	7,00,000	0	0
(iii) Debentures or Bonds	...	...	Nil	...	...
(iv) Other Investments	...	...	Nil	...	...
(v) Gold	...	...	Nil	...	...
Advances—					
(Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)	...	...	...	...	...
(i) Loans, Cash Credits, Overdrafts etc.—	...	...	...	...	...
(i) In India	...	28,27,96,918	12	9	...
(ii) Outside India	...	Nil	...	...	...
(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—	...	...	38,27,96,918	12	6
(i) Payable in India	...	Rs. 90,11,201	3	11	...
(ii) Payable outside India	...	Rs. 1,66,61,116	0	4	...
Particulars of Advances—					
(i) Debts considered good in respect of which the banking company is fully secured	...	...	23,80,39,437	5	11
(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security	...	...	4,29,12,120	5	0
(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the persons' security of the debtors	...	...	2,74,57,078	5	10
(iv) Debts considered doubtful or bad, not provided for	...	...	Nil	...	...
	...	...	30,84,09,236	0	9
(v) Debts due by Directors or Officers of the banking company or any of them either severally or jointly with any other persons	...	...	1,49,097	6	9
(vi) Debts due by companies or firms in which the Directors, Partners or Managing Agents or Interests in the case of private companies, as members ...	...	...	Nil	...	...

**THE ALKALI & CHEMICAL
CORPORATION OF INDIA,
LIMITED.**

**PROCEEDINGS AT THE TWENTIETH
ORDINARY GENERAL MEETING**

The Twentieth Ordinary General Meeting of the members of the Alkali & Chemical Corporation of India Limited was held at the Registered Office of the Company, 34, Chowringhee Road, Calcutta on Thursday the 28th March, 1957 at 3-30 p.m.

Mr. N. D. Harris the Chairman presided.

Mr. M. Cariana representing the Secretaries, Imperial Chemical Industries (India) Private Ltd., having read the notice convening the meeting and the Auditors' Report, the Minutes of the Nineteenth Ordinary General Meeting held on the 7th March, 1956, the Minutes of an Extraordinary General Meeting held on the 2nd April, 1956 at 3-30 p.m. and the Minutes of a General Meeting held on the 23th September, 1956 at 3-30 p.m., were laid on the table having been already signed.

After the Chairman had delivered his speech, which has already been reported through these columns in the 11th April, issue of Capital, two Shareholders, Messrs. A. V. Seth and K. L. Mukerji, raised the following points:— About the proposed issue they said that since the Company had been formed, it had paid a lot of money on average dividend, whereas the market prices of the Ordinary Shares had ranged as high as Rs. 60/- and averaged about Rs. 30/-. Good profits were made by the company in 1956, but nevertheless a dividend of 8% was paid, a large transfer having been made to Dividend Equalisation Reserve; it was contended that this was unfair to Shareholders. In issue, Shareholders were faced with a lot of new shares having to be paid for over five months. This it was suggested was unfair on small

LLOYDS BANK LIMITED—Cont'd.

BALANCE SHEET OF THE INDIAN BRANCHES OF LLOYDS BANK LIMITED AS AT 31ST DECEMBER 1956—Cont'd.

CAPITAL AND LIABILITIES—(Cont'd.)	Rs.	As. P.
Brought forward ...	58,70,11,077	7 4
AUDYTOR'S REPORT ON THE INDIAN BRANCHES OF LLOYDS BANK LIMITED UNDER SECTION 30 OF THE BANKING COMPANIES ACT, 1949		
We have audited the Balance Sheet of the Indian Branches of Lloyds Bank Limited dated 31st December 1956 and above set forth and the annexed Profit and Loss Account for the year ended 31st October 1956 with the (Eastern Branches) Office, Calcutta, in which are incorporated and certified returns from the ten Indian Branches and also with the books and accounts kept at the Calcutta Branch.		
In accordance with the provisions of Section 29 of the Banking Companies Act 1949, read with the provisions of Sections 217(1), (2) and (3) and Section 277(5) of the Companies Act 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in the manner required by Schedule VI of the Companies Act 1956. The accounts are therefore drawn up in conformity with the provisions A and B of the Third Schedule of the Banking Companies Act 1949.		
We report that :—		
(a)	We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit.	
(b)	In our opinion proper books of account as required by law have been kept by the Chief Managers' (Eastern Branches) Office and the Calcutta Branch so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the 9 Branches not visited by us.	
(c)	The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account and the certified returns.	
(d)	In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Banking Companies Act 1956, in the manner so required for the purpose of such audit on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Branches as at 31st December 1956 and the Profit and Loss Account gives a true and fair view of the profit for the year ended 31st October 1956.	
Calcutta 27th March, 1957.	PRICE WATERHOUSE & CO., Chartered Accountants.	
	Rs. 58,70,11,077	7 4

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED 31ST OCTOBER, 1956.

EXPENDITURE		Rs.	As.	P.	INCOME		Rs.	As.	P.
To Interest paid on deposits, borrowings, etc.	...	57,65,532	1	7	(Less provision made during the year for Bad and Doubtful Debts and other usual or necessary provisions)	...	1,57,06,162	1	7
Salaries and Allowances and Provident Fund (includes Chief Managers (Eastern Branches) Rs. 74,93,14/8)	...	87,66,687	14	8	By Interest and Discount	...	48,01,878	6	7
Directors' and Local Committee Members' Fees and Allowances	...	...	...	...	" Commission, Exchange and Brokerage	...	15,044	0	0
Law Charges	...	7,29,187	10	3	Re-its	...	...	...	...
Insurance, Lighting, etc.	...	10,929	12	10	" Net Profit on sale of Investments, Gold and Silver, Land, Premises and other assets	...	37,142	2	0
Postages, Telegrams and Stamps	...	1,32,859	10	9	" Income from non-banking assets, and profit from sale of or dealing with such assets	...	...	...	...
Directors' fees	...	10,000	0	0	" other receipts	...	...	...	...
Depreciation on and repairs to the banking company's property	...	6,26,696	8	3	" Loss	...	...	...	...
Stationery, Printing, Advertising, etc.	...	4,44,620	11	8					
Loss from sale of or dealing with non-banking assets	...	12,11,040	7	3					
Other expenditure (including proportion of Head Office Expenditure)	...	28,63,763	6	11					
Balance of Profit (subject to Indian Income Tax and Super-Tax)	...	...	...	...					
		Rs. 2,05,61,227	10	2					

J. A. BROUGH & E. S. TIBBETTS

Chief Managers (Eastern Branches),

Rs. 2,05,61,227 10 2

Our City Cable

STOCK MARKETS RISE ON
BUDGET PROPOSALSINDUSTRIALS ADVANCE
ALL ROUND

London, 17th April.

THE Chancellor's Budget was well received in the London stock markets. Initially, there was a quick response to the tax concessions. Rubbers were outstanding. Tin shares and certain other mining issues, teas and many industrial companies with overseas interests also responded well. Calculations as to the exact effects of the overseas tax concessions will, however, have to await the publication of the Finance Bill which is shortly due. After an initial burst of enthusiasm, the markets quietened down, but maintained a firm undertone. Virtually all sections benefited from the Budget. Events in Jordan subsequently created uncertainty, particularly in oil shares, but had no great effect on the general tone of the markets. Business, however, contracted appreciably in view of the approaching holiday. The Government securities had nothing directly to assist them, and prices moved accordingly. Small persistent selling developed and prices steadily lost ground to show losses extending to about one point compared with immediate pre-Budget levels. A revival in new issue activity was an adverse factor. Chinese bonds advanced on hopes of expanding trade with that country, but other foreign bonds were subdued. Among foreign rails, Antofagasta issues were prominent. Dollar stocks were firm in response to the improvement on Wall Street. An all-round advance was recorded in the industrial market under the lead of companies with interests overseas, or operating overseas. Shipping shares were strong on the doubled investment allowance, while entertainment shares went ahead with the exception of cinemas, where there was some disappointment with the amount of their tax relief. British Celanese issues advanced sharply on the proposed merger with Courtaulds. South African gold shares tended higher in advance of the quarterly reports, but best levels were not maintained. In the oil share market, there was renewed strength in Trinidad issues, and Shell Transport reached a new peak following the dividend, but a reactionary tendency developed following the deterioration in the Jordan situation. The advance in rubber shares was stimulated by the Budget proposals on tax concessions to companies operating overseas. Tea shares were also buoyant, although it is believed that tea companies will not benefit to the same extent as those of rubber.

The Money Market

The Chancellor of the Exchequer's remarks in

his Budget statement that the credit squeeze is to continue was well borne out in the London money market last week. Tight credit conditions prevailed on most days, and invariably, the authorities had to intervene to provide funds to make up shortfalls in the banking system. Day-to-day accommodation ruled at the high level of 3½ percent to 4 percent, and the market was forced twice to borrow small amounts from the Bank of England. There was a fair offtake of bills from the market with the banks buying July maturities and those at 4 1/6 percent. Despite the continued tightness of money, and in view of the need to obtain as many bills as possible, the money market at last Friday's tender adjusted its bids sharply which resulted in a drop of approximately 1 percent in the Treasury bill rate to £4 0 9.36d.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 10th April shows that the gold stock was \$1 million higher at \$22,307 million. Foreign deposits rose by \$85 million to \$334 million, while foreign investments fell by \$42 million to \$3,699 million. The Federal Reserve sold \$46 million worth of securities held under repurchase agreements. Total discounts and advances rose by \$106 million to \$1,227 million, while the aggregate excess reserves of member banks fell by \$138 million to \$397 million. The daily average of excess reserves of member banks rose by \$207 million to \$549 million, while their daily average borrowings rose by \$156 million to \$1,205 million. Business loans of the New York City banks remained unchanged at \$11,633 million compared with a fall of \$57 million to \$9,648 million in the same week a year ago.

Hongkong Gold Rises

Values on the Hongkong bullion market firmed up, particularly towards last week-end, reflecting the easier trend of sterling in New York, together with sellers' difficulty in finding spot gold when buyers proposed to take delivery. The tightness of supply in the United States was also a factor. Dealers do not expect any appreciable movements this week—barring sizeable fluctuations in sterling—in view of the Easter holiday. The official offtake totalled 1,940 taels and the unofficial 19,500 taels. Arrivals in Macao were slightly over 20,000 ounces. Forward contracts were done at \$1(US)97.73 dollars c.i.f. Macao. Carry-over charges totalled 67 cents a 10 taels in favour of sellers.

High Price of Quicksilver

The London quicksilver market appears to have settled down at a higher level, after having recently attained £86 a flask, ex-warehouse, London. Supplies of physical metal on the spot are still by no

means plentiful, trade quarters say, although they add that so far as it can be ascertained, the apparently inadequate supplies have not caused any embarrassment to buyers. Within the foreseeable future, no worthwhile relief is expected as shipments to the U.K. from both Spain and Italy are likely to remain insufficient. The Spanish and Italian producers have still a well committed position. Thus no material change from the present price level is envisaged for the time being in spite of the availability of a certain amount of Mexican metal at between £83 and £84 a flask. Mexican metal at last Friday's tender has been offering to the U.K. has been well taken up and that most of Mexico's production is presumably scheduled for the United States.

Uruguayan Exchange Rates

The Uruguayan Government has announced that the exchange rate for linseed oil will be 411 pesos to the dollar, or its equivalent in other currencies, plus a subsidy of 397 centesimos a kilo. The exchange rate for linseed cake expeller and meal has been fixed partly at the official rate of 1,519 pesos to the dollar (85 percent) and partly at the free market rate (15 percent). The export of linseed subsidy for exports of linseed oil will also be effective until that date.

Egyptian Cotton Output

The Egyptian Ministry of Agriculture's fourth and final estimate of cotton production less scarto is 7,061,000 kantars, compared with 7,253,000 kantars in 1955-56 season. Details are as follows: cotton over 13 inch 2,961,000 kantars; cotton over 14 inch 1,318,000 kantars; cotton over 14 inch 2,782,000 kantars. Scarto production is put at 169,000 kantars.

Rubber Unchanged

Lack of sufficient demand early in the past week caused a fall in prices, but small orders later brought a quick reversal of the trend. Business was retarded somewhat by the usual pre-Budget hesitancy, and even when the Chancellor of the Exchequer's secrets were made known, dealers were still disinclined to trade except where they had orders to execute. Nevertheless, the market developed a steadier undertone which indicated the existence of short positions. An enquiry from Poland contributed to the steadiness. The smallness of home trade and Continental demand was indicated by the absence of any premium for near positions. At the close, values were about unchanged on the week. Dull conditions continued in the sole crepe market. Only a few parcels changed hands, but there was no weight of offers and no change was made in the quoted prices on the basis of 42½ d a lb. for ½ inch smooth No. 1 on the spot.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

LITTLE CHANGE IN
CONDITIONS

Wednesday, 17th April.

There has been very little change in the conditions prevailing in the Calcutta money market during the past week. Advances to cotton textile and jute mills are roughly around their previous levels. Sugar credit has increased slightly, but accommodation for grain and seed storage is more or less unchanged. In the interbank market, conditions have once again been easier, and the call rate quotes 3½ percent, with lenders over.

The exchange market has had a dull session. Hardly any gunny bills have been noticed, and such few documents as have been seen relate to miscellaneous shipments. Remittance has been on a moderate scale. Sterling is steady against the dollar and Continental currencies.

Silver recovered at the close on short-covering and the price increased from the previous week's level of Rs. 178.25 to Rs. 179, quoted today. The rate for ready metal was Rs. 179.25. The London and New York prices were the same as before. Activity in gold was restricted and fluctuations were narrow. The price was Rs. 106.75. The sovereign was quoted at Rs. 69.25.

During the week ended 12th April, Government of India Treasury bills for Rs. 82,19,50,000 were sold in favour of the Reserve Bank.

The total note increased by Rs. 9.59 crores to Rs. 1,581.04 crores, according to the return of the Reserve Bank of India for the week ended 12th April, 1957. Active notes were Rs. 10.85 crores higher at Rs. 1,574.42 crores. The currency expansion has been covered by increasing rupee securities by Rs. 9.93 crores to Rs. 924.90 crores. Deposits of the Government of India declined by Rs. 6.99 crores to Rs. 53.60 crores, as did other Government accounts by Rs. 6.36 crores to Rs. 1.54 crores. Balances of commercial banks, at Rs. 68.83 crores, showed an increase of Rs. 9.33 crores. Balances held abroad declined by Rs. 1.84 crores to Rs. 104.20 crores, while investments increased by Rs. 94 lakhs to Rs. 92.91 crores. Other loans and advances declined from Rs. 106.04 crores to Rs. 104.40 crores, of which advances to scheduled banks against usance bills amounted to Rs. 59.16 crores against Rs. 58.32 crores. Such advances totalled Rs. 180.70 crores since 1st January, 1957. Ways and means advances stood at Rs. 18.74 crores against Rs. 15.65 crores.

The return of the State Bank of India for the week ended 5th April, 1957, shows a rise of Rs. 1.57 crores in total deposits to Rs. 301.47 crores. Investments in Government securities and other authorised investments are down by Rs. 1 lakh and Rs. 29 lakhs to Rs. 94.17 crores and Rs. 11.25 crores, respectively. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have declined by Rs. 2.23 crores to Rs. 182.91 crores. Cash and balances are, in consequence, shown at Rs. 24.40 crores or Rs. 2.97 crores higher.

The statement of the position of scheduled banks for the week ended 5th April, 1957, shows Demand and Time liabilities at Rs. 725.89 crores (Rs. 7.86 crores on account of borrowings from banks) and Rs. 480.31 crores (Rs. 2.09 crores), compared with Rs. 708.45 crores (Rs. 8.22 crores) and Rs. 473.16 crores (Rs. 1.97 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have increased by Rs. 5.16 crores and Rs. 7.58 crores to Rs. 39.44 crores and Rs. 62.12 crores, respectively. There is a drop of Rs. 18 lakhs in investments to Rs. 347.23 crores. Advances and bills discounted, at Rs. 898.50 crores, show a rise of Rs. 72 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.4 percent and 74.5 percent, against 7.5 percent and 76 percent.

The Indian branches of LLOYDS BANK LTD. made a profit of Rs. 28.64 lakhs for the year ended last December. Deposits were shown at Rs. 39.93 crores. Investments totalled Rs. 12.68 crores and advances stood at Rs. 30.85 crores. Cash was shown at Rs. 3.69 crores. The profit of Lloyds Bank Ltd. has amounted to £541,783 for the year ended last December, after providing for taxation and making other adjustments. Total deposits stood at £1,198,863,143. Investments were £369,578,064 and advances totalled £336,878,350.

The working of the PUNJAB NATIONAL BANK for the year ended last December has produced satisfactory results. The profit has increased from Rs. 64.41 lakhs to Rs. 87.85 lakhs. A dividend of 16 percent has been declared, including an interim provision of Rs. 27½ lakhs, reserve fund Rs. 27½ lakhs and staff bonus Rs. 13 lakhs. The carry-forward is Rs. 6,20,273 against Rs. 2,35,108 brought in. Deposits were Rs. 16.27 crores higher at Rs. 106.39 crores. Cash has improved by Rs. 3.22 crores to Rs. 12.40 crores. Investments increased by Rs. 2.65 crores to Rs. 48.30 crores, as did advances by Rs. 12.84 crores to Rs. 54.86 crores.

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	12-4-57	5-4-57	13-4-56
Liabilities—			
Notes in Banking Dept.	6,61.73	7,63.29	10,05.11
Notes in Circulation	15,74,41.50	15,63,59.94	15,15,97.99
Total Notes issued	15,81,03.23	15,71,45.19	15,26,02.71
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,12,51.91	4,12,51.91	6,31,44.72
Total of A	5,30,27.94	5,30,27.94	7,21,46.43
B Rupee Coin	1,25,65.28	1,29,29.06	1,05,37.11
Rupee Securities	9,24,90.45	9,14,97.19	6,98,09.17
Total	15,81,03.63	15,71,45.19	15,26,02.71
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	53,90.13	69,50.41	53,27.72
(b) Other Govts.	1,54.29	7,90.31	102,36.28
(c) Banks	69,83.19	59,99.65	50,95.47
(d) Others	74,34.51	74,40.09	17,09.78
Bills Payable	15,93.82	17,92.83	6,99.98
Other Liabilities	1,17,27.98	1,16,36.49	31,33.04
Total	3,58,53.91	3,63,28.31	2,12,02.91
Assets—			
Notes	6,61.73	7,63.29	10,05.11
Rupee Coin	3.33	4.47	6.75
Subsidiary Coin	5.47	5.69	8.38
Bills Discounted Int.	—	—	38.50
Govt. of India Treasury Bills	18,40.50	15,23.63	13,76.03
Balances held abroad	1,04,20.30	1,12,32.31	58,73.04
Loans to Govt.	18,74.46	15,65.46	1,20.00
Other Loans etc.	1,04,39.62	1,06,04.34	63,07.40
Investments	92,90.99	91,97.49	45,56.29
Other Assets	13,17.51	13,57.13	18,11.21
Total	3,58,53.91	3,63,28.31	2,12,02.91

SCHEDULED BANKS

(In 000's of Rupees)			
	5-4-57	29-3-57	6-4-56
Demand Liabilities—			
(a) Borrowings from Banks	7,86.06	8,22.13	6,16.78
(b) Others	7,18,03.40	7,40,22.31	6,45,03.50
Time Liabilities—			
(a) Borrowings from Banks	2,09.00	1,97.00	2,91.50
(b) Others	4,78,22.08	4,71,19.34	4,15,04.49
Borrowings from State Bank—			
(i) Demand Liabilities	10,78.85	11,48.08	14,34.31
(ii) Time Liabilities	—	—	—
Borrowings from Reserve Bank—			
Bank	81,96.37	1,03,16.08	50,37.68
Cash	39,43.65	34,28.29	38,29.09
Balances with the Reserve Bank	62,11.72	54,54.15	54,76.90
Balances with other banks in current account	11,32.73	11,22.81	11,72.73
Money at call and short notice	12,05.09	10,37.32	5,80.40
Investments in Central and State Govt. Securities	3,47,23.46	3,47,40.91	3,59,55.42
Advances	7,16,19.16	7,21,77.34	6,07,04.41
Inland Bills purchased and discounted	1,23,69.55	1,17,06.47	1,04,09.90
Foreign Bills purchased and discounted	58,60.92	58,93.74	45,65.42

CLEARING HOUSE RETURNS

	Week ended	Rs. (thousands)
	Calcutta	Bombay
12-4-57	66,63.32	—
5-4-57	66,18.63	68,28.56
29-3-57	84,82.29	88,94.23
22-3-57	76,57.51	63,38.34

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	week ended	week ended	
	29-3-57	22-3-57	
Liabilities—			
Notes in Banking Department	13,94.59	14,83.54	
Notes in Circulation	3,27,55.75	3,29,96.16	
Total Notes issued	3,41,50.34	3,44,49.70	
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	
Sterling Securities	84,71.36	85,23.82	
Government of India Securities	23,63.47	23,63.47	
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30	
B Rupee Coin	5,27.26	5,26.72	
Govt. of Pakistan Securities	1,07,02.38	1,70,09.92	
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02	
Gold Coin and Bullion	4,40.63	4,40.63	
Sterling Securities	1,00.90	1,00.90	
Govt. of India Securities	29.51	29.51	
Rupee Coin	3,41,50.34	3,44,49.70	
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	
Reserve Fund	3,00.00	3,00.00	
Deposits—			
(a) Central Government	52,29.52	48,40.16	
(b) Provincial Government	2,61.40	3,41.55	
(c) Banks	12,27.85	13,29.83	
(d) Others	9,07.76	8,56.07	
Bills Payable	11.93	26.55	
Other Liabilities	12,44.70	12,13.54	
Total	94,83.16	92,08.30	
Assets—			
Notes	13,94.59	14,83.54	
Rupee Coin	—	—	
(a) Pakistan	16	14	
Subsidiary Coin	—	—	
(a) Pakistan	—	8	
(b) India	—	23	
Bills Purchased and Discounted—			
(a) Internal	9.48	9.48	
(b) Govt. Treasury Bills	26.00	26.00	
Loans and Advances to Govt.	9,10.32	4,82.61	
Provincial Govt. Debtor Balances	14,21.03	15,81.88	
Other Loans and Advances	45,41.23	44,41.18	
Investments	11,80.27	11,83.94	
Other Assets	94,83.16	92,08.30	



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Engineering and Transport

PROMOTING EXPORTS OF
ENGINEERING GOODS
CUMBERSOME RULES FOR
IMPORT DUTY REBATES

SPEAKING at the annual session of the Engineering Export Promotion Council on Saturday, Mr. D. N. Jalan reviewed the progress the Council has made since its inauguration in September 1955. He pointed out that a detailed survey of electric motors, fans, lamps, wires and cables, batteries, conduit pipes, transformers, bolts, nuts and rivets, lanterns, buckets, builders' hardware, agricultural implements, cast iron goods, sewing machines, abrasives, bicycles, oil ghanies, razor blades, pumps and diesel engines had been completed. The survey has brought to light a mass of useful data relating to the types of goods produced and the possibility of exporting them to foreign countries. Mr. Jalan said that the Council is collecting and compiling statistical data from different sources and is making them available to different engineering units in the country. It is conducting a survey of India's potential markets in the neighbouring countries. As a result of these surveys the industry now has a reasonably comprehensive picture of the prospects of developing export markets in the region. The Council sent two trade delegations—one to Burma and the other to

British East Africa, Ethiopia, Sudan and Egypt. Their visits have created an interest in Indian goods and enquiries are being received for a number of products. The Council is participating in exhibitions and showrooms in various countries. Mr. Jalan said that this is creating considerable interest in the engineering goods manufactured in India.

Arbitration

In order to settle disputes the Council has set up two Complaints Sub-Committees—one in Calcutta and another in Bombay. "We must ensure that only quality goods are exported and complaints brought to the notice of the Council are expeditiously dealt with," Mr. Jalan said.

The working of the Council for the last eighteen months has shown that the problem of export resolves itself into two divisions—one relating to internal arrangements and the other relating to activity outside the country. At present engineering industries, big and small, are engaged in a variety of work connected with Government orders, directly or indirectly. The programme of industrial development in the second plan is so huge that the engineering industries of every description have some work or the other for supply against Government orders. As a result of this, there is a general reluctance on the part of engineering industries to take risks in foreign markets. This reluctance on the part of the industry greatly increases the task of the Council because the problem is not one of only assisting the manufacturers to export their goods, but the more formidable problem of making them export-minded.

Surveys of Foreign Markets

The activities of the Council outside the country are varied. The survey of foreign markets has to be regularly and constantly pursued. Whatever survey work the Council has done is likely to be out-of-date with the passage of time, in addition to the new countries which have to be taken in hand. It is, therefore, necessary that markets should be explored and suitable machinery created in order that this work is constantly pursued. The Council has, therefore, decided in this year to create two organisations—one in the south-east Asian countries and the other in the Middle East countries. These organisations will fill an important gap and will help foreign buyers to purchase Indian goods with confidence.

Referring to the difficulties standing in the way of export trade, Mr. Jalan said: "The first and foremost difficulty is the availability of pig iron and steel. We very much appreciate the recent decision by the Minister for Heavy Industry regarding replenishment of 100 percent of steel quota and 200 percent of pig iron quota to the exporting industries. We also welcome the Government decision to utilise this Council for certification of the requirements of individual manufacturing units in regard to the replenishment quota. I have only in request that these decisions should be implemented at an early date so that a strong fillip is given to our export trade. I would also like to take this opportunity of expressing my grateful thanks to the Government for their decision to allow fan makers to import their requirements of ball bearings for export purposes. This help, however, will remain a dead letter if the difficulties connected with drawback of duty were not solved. We have repeatedly brought to the notice of the Government the difficulty which our industries are facing on account of the cumbersome rules framed for the grant of rebate of import duty on imported raw materials used in the manufacture of engineering products which are exported. These rules are so complicated that none of our member-firms have been able to secure the benefit. We only hope that Government would not allow procedural difficulties to stand in the way and, before long, a way would be found out for giving necessary relief to the industry."

Lack of Shipping Space

For some time past the export trade in engineering products has been experiencing great difficulties on account of the lack of shipping space to some of the neighbouring countries like Ceylon. As it is, the shipping companies are not inclined to accept heavy engineering items which are not so remunerative from the point of view of freight as are other items. As a result of this, exports of certain goods have been progressively dwindling and a stage has been reached when the export of such commodities like G. I. Buckets and C. I. Pans, Bolts, Nuts and Rivets, Fans, etcetera, has almost come to a stand-still. The industry apprehends that if suitable and timely action is not taken by Government, the export trade of the country established in Ceylon after persistent endeavour and at considerable cost would be lost to competitor countries. In order to remove this difficulty, Mr. Jalan has suggested that the Government shipping corporations should engage chartered services to such countries where Conference Lines are not interested in plying their ships.

K.L.M. SUMMER SCHEDULES

The main features of the K.L.M. summer schedules, which have just come into effect, are the addition of new aircraft to the fleet and increased frequencies on a number of routes. The popular west-bound service from Calcutta on Mondays is not only maintained but leaves 15 minutes earlier, namely at 12-25 p.m. via Karachi, Rome and Frankfurt to Amsterdam. The second west-bound flight departing from Calcutta on Wednesday at 5-50 p.m., and flying via Karachi, Cairo, Rome and Basle arrives in Amsterdam at 7-20 p.m. on Thursdays. The third west-bound flight from India, leaving New Delhi on Mondays at 8-15 p.m. and flying via Karachi, Beirut, Rome and Geneva, arrives in Amsterdam at 7-45 p.m. on Tuesdays.

New Delhi

PROSPECTS OF GETTING U.S. ECONOMIC AID

INDIA CONCERNED ABOUT EUROPEAN

COMMON MARKET SCHEME

(FROM A NEW DELHI CORRESPONDENT)

THE testimony given by the U.S. Secretary of State, Mr. Dulles, before a special Senate Committee on foreign aid, has attracted considerable interest in Planning Commission circles here. It seems to hold out the promise of bigger American loan assistance. A large loan at Governmental level from the U.S.A., over and above the normal development aid, has been expected by the planners for implementing India's second plan. The need for large-scale external assistance, particularly from the U.S.A., has been felt since the time the plan-frame was drawn up. The possibility of special American assistance for meeting the foreign exchange gap was discussed informally between the former U.S. Ambassador, Mr. Sherman Cooper, and the Deputy Chairman of the Planning Commission, Mr. V. T. Krishnamachari. But while the size of the gap has increased steadily with the progress of the plan and with the rise in world prices of machinery and equipment, there has been no signs of a corresponding increase in U.S. aid.

Late last year, when the Prime Minister, Mr. Nehru, visited the U.S.A., the need for a substantial increase in American economic aid was being felt more keenly. This was despite the Russian offer of Rs. 60 crores of credit, the prospects of greater World Bank assistance and the Indo-American agreement for the purchase of surplus U.S. commodities against Indian rupees. Great expectations had been roused by the Prime Minister's visit, so there was corresponding disappointment when as a result of the Nehru-Eisenhower talks, no special aid offer was announced. If the new scheme of foreign aid, which Mr. Dulles has commended to the U.S. Senate Committee and which is to be backed by a Presidential message to Congress, is accepted, the chances of a special loan to India will improve. The scheme cannot permit the advance of a loan, at one stroke, of the order of between \$700 million and \$800 million (which has been privately mentioned as the sum the planners would like to secure for the second plan's success). The annual rate of global lending suggested by Mr. Dulles is only \$750 million. But this may be a marked improvement. Development assistance offered by the U.S.A. on a loan-cum-grant basis has been running at a level of only about \$250 million a year. Of the latter sum, India has been receiving about one-fifth, largely in the form of long-term loans, repayable at India's option in rupees or dollars. Assuming that the share of this country remains more or less constant, she stands to benefit by the proposed increase in the U.S. loan assistance scheme for underdeveloped countries.

Economic Development Fund

The concept of a distinct economic development fund, now being canvassed in the U.S.A., has also been well received. Mr. Dulles urged Congress to "break away from the cycle of annual authorisations and appropriations" in favour of long-term loans which would "break foreign exchange bottlenecks and be a key factor in stimulating a country to a more effective development programme of its own." This agrees with the approach of Indian planners to the problem of industrial development. How Congress will treat the Dulles proposals finally remains to be seen. But apart from Mr. Dulles, a variety of non-official committees and institutions have made similar recommendations. The citizens' group on foreign aid headed by Mr. Benjamin Fairless, which visited India last January, has urged in its report to President Eisenhower that aid programmes should be on a two-yearly rather than annual basis. Another body, the International Development Advisory Board set up by President Eisenhower in 1955 and headed by Mr. Eric Johnston, has in its report, recommended the establishment of an international development fund to administer U.S. economic aid for Asia, the Middle East, Africa and Latin America.

Another feature of the development fund suggested by the U.S. Secretary of State is that its activities will supplement and not substitute those of the World Bank and the American Export-Import Bank. Some observers in India have wondered why the Government has turned almost exclusively to the World Bank and shown little interest in the U.S. Export-Import Bank. While the loan terms of the World Bank explain the preference, the fact is that little more of loan assistance can be expected by approaching both the institutions since their operations are regarded, as mutually balancing. The more a country draws from one institution, the less it is likely to get from the other. Only a new source of loan assistance with a more liberal lending policy, such as the proposed economic fund, can expand the scope for obtaining further U.S. credit.

European Common Market Scheme

The Union Cabinet considered the possible effect on India's foreign trade, present and prospective, of the European common market scheme proposed by France, Italy, West Germany and the Benelux countries and of the free trade area proposed by Britain (as a milder variant of the

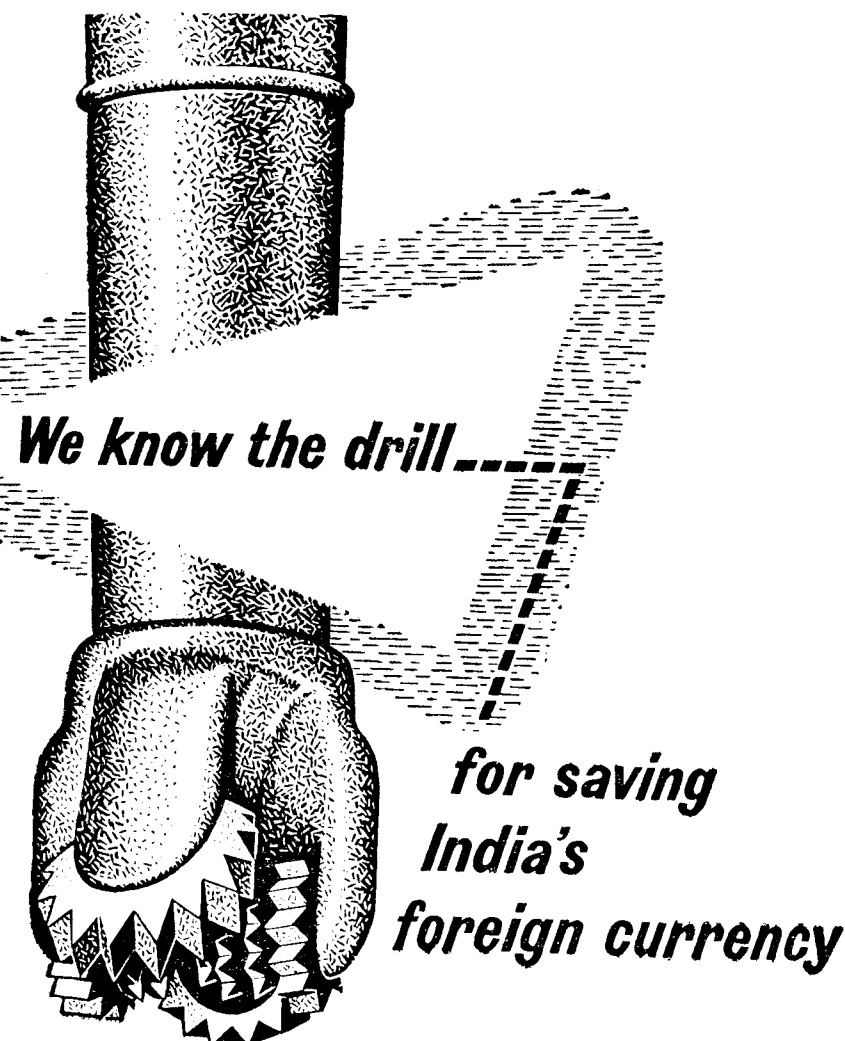
scheme). The conclusions drawn, it is said, are tentative, since neither of the proposals has yet taken final shape. The move towards "the economic integration" of Europe, it is felt, is legitimate in principle, and is even likely to benefit world trade in so far as it promotes economic activity and raises the standard of living in the participating countries. Competing exporters from within the common market or free trade area will no doubt enjoy an advantage over outsiders, but this is conceded to be a natural concomitant of regional integration. Besides, it is open to countries in other regions to come together on similar lines. What has caused concern is the proposal to include the overseas colonial territories of the participating countries in the European common market scheme. This is inconsistent with the principle of regional integration, and will give rise to unfair competition against non-European nations, including developing countries such as India. The hope is entertained in official circles that this threat will be removed. It is also hoped that the implications of the European common market scheme or free trade area for the future of imperial preferences and G.A.T.T. will be examined, when the sponsors of the scheme discuss it with others at the next G.A.T.T. Conference.

India's concern about the African market is based on the immediate problems it will have to face, and not merely on its prospective ability to

export light machinery and industrial products. This was brought out during the talks, which opened last week in the capital, with the visiting Sudanese trade delegation, led by Sayed Mohamed Al Mekki Mustafa. India has an adverse balance of trade with the Sudan, which is one of her principal suppliers of long-staple cotton. The Sudan's exports to India during 1955-56 amounted to Rs. 12.68 crores, against imports from this country worth only Rs. 5.63 crores. Between April and December, 1956, the respective figures were Rs. 8.43 crores and Rs. 6.85 crores. In addition to the traditional items of export to the Sudan such as textiles, jute manufactures and tea, Indian lathes, agricultural machinery and bicycles are now available.

Plan Resources for States

The White Paper on the Union Budget for the current year placed the resources that are likely to be available to State Governments for their second annual plans at a total of about Rs. 415 crores. This included Rs. 140 crores which the States are expected to find from their own resources (including the additional taxation to be levied during the year), Rs. 70 crores of Central assistance on revenue account, and Rs. 208 crores as loans from the Centre on capital account. As against this, the States have drawn up second annual plans which will cost Rs. 435 crores. The figures for the 14 States are as follows: Andhra Pradesh Rs. 34.2 crores; Assam Rs. 11.1 crores; Bihar Rs. 35 crores; Bombay Rs. 72.8 crores; Kerala Rs. 17.5 crores; Madhya Pradesh Rs. 35.4 crores; Madras Rs. 32 crores; Mysore Rs. 28.2 crores; Orissa Rs. 19.1 crores; Punjab Rs. 34.8 crores; Rajasthan Rs. 21 crores; Uttar Pradesh Rs. 52.8 crores; West Bengal 34.8 crores; Jammu and Kashmir Rs. 5.9 crores. That the size of the State plans for 1957-58 exceeds the estimated resources by only Rs. 20 crores shows that the States' tendency to over-budget has been restrained in comparison with earlier years, but not fully curbed. Still, how much they will be able to raise from their own resources is problematical.



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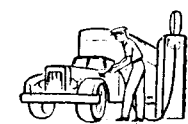
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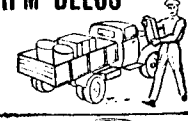
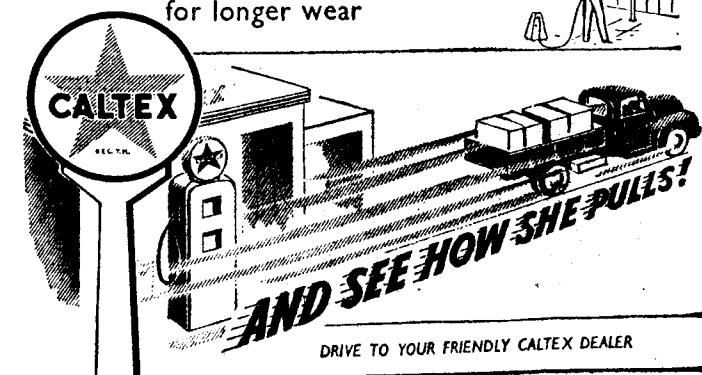
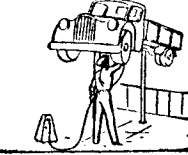
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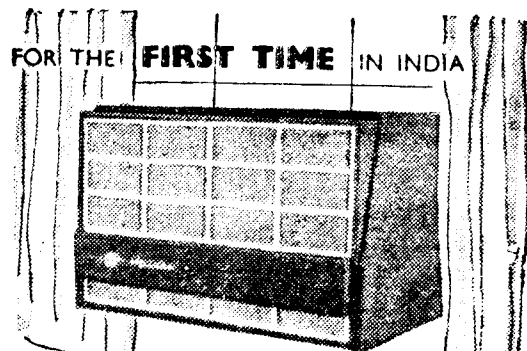
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London

**PERSONAL INCENTIVES IN THE
U.K. BUDGET**

**ENQUIRY INTO WORKING OF
MONETARY SYSTEM**
(FROM OUR LONDON CORRESPONDENT)

THERE just cannot be such a thing as a "good" Budget, for it is obviously impossible for the framers to satisfy all the claims pressed upon them. Mr. Peter Thorneycroft's difficulties were further complicated by the uncertainties of the economic outlook, the spate of pending wage claims facing the country, the revival of inflationary tendencies, and the clear warning of recent by-elections that support for the Government is waning and the repercussions that this has had on Conservative backbenchers. Keeping these difficulties in mind, the new Chancellor of the Exchequer can certainly be said to have made a promising, if not a particularly dramatic, start. Having decided that he could risk making concessions to a total value of about £100 million, he gives roughly half to the family man and to old people and the other half to surtax payers and certain sections of business. There is only one fresh imposition of any consequence, a £1 excise duty on television licences to bring in £6½ million.

What may be called the general reliefs include the halving of purchase tax from 30 percent to 15 percent on domestic kitchenware, tableware, cutlery, floor coverings and such furniture as now bears that rate at a cost of about £18 million; the abolition of entertainment tax on sport and the theatre and its reduction in the case of cinemas (which now produce about £28 million a year); the lifting of the 1s a gallon "Suez surcharge" on petrol; and income tax concessions, including an extended earned income allowance of two-ninths from the present level of £2,000 up to £4,000 and then at the rate of one-ninth up to £10,000 (cost about £17 million and applicable to about 230,000 people); increased children's allowances, at present £100, to £125 in the year in which a child becomes 12 and to £150 in the year in which a child receiving full-time education becomes 17; (applicable to about 4 million children, cost about £17½ million); increased age relief from an income limit of £600 to £700 for people aged 65 and over; and two special exemptions, for single persons, aged 65, of £250 for married couples where either husband or wife is 65 of £400 (cost £4 million).

Incentive Proposals

More purposeful than the above proposals, which will cost about £56 million in the current year, are the "business incentive" concessions on which the Chancellor expects to spend a further £48 million. The "room at the top" concession to surtax payers (Labour's main talking point) takes the form of relief for family men in that the married allowance and the child and housekeeper's and dependent's allowances shall rank for surtax as well as for income tax. Thus, for a married couple, the surtax starting point will be £2,100. For those with children, it will vary in accordance with the new scales of allowances for children of different ages. This will cost almost £10 million in a full year. Even more important, however, and less controversial, are the doubling to 40 percent of the investment allowance for capital expenditure on the construction of new ships, and the freeing of British firms operating abroad (though not banks or insurance companies) from income tax and profits tax on their trading profits overseas to help them to "plough back" profits. So far as general policy is concerned, the credit squeeze is to continue, with one measure for tightening it up. The Capital Issues Committee has been given more power over long-term borrowing from the banks, and a loophole for evading death duties has been closed. Finally, we have the long overdue decision for an enquiry into the whole monetary and credit system.

Of the Exchequer figures themselves, little need be said here. Even after reducing taxes by about £100 million, or 2 percent of the total revenue, the Budget estimates show a much larger surplus than was realised last year. It is large enough to finance the great bulk of the Treasury's capital outlay, such as loans to local authorities and advances to nationalised industries. Only £125 million is to be met by borrowing. On the face of it, therefore, the Budget seems unlikely to add to inflationary pressures or to burden the balance of payments. But there is another aspect to consider. The Chancellor assumes a large rise in the yield of income tax; and he says himself that this shows the effect of increased wages and salaries. Savings last year were good. Will they be still better this year, without further incentives for them? Mr. Thorneycroft obviously thinks his concessions will go that way, but it remains to be seen.

Money and Credit Enquiry

The decision that there should be an enquiry into the working of the monetary and credit system—a commission for which is being set up with Lord Radcliffe as chairman—is a move in the right direction. This has come in response to a growing volume of support for a reassessment of present-day needs. Bank rate, active participation by the Government in the Stock Exchange, all the paraphernalia of the credit squeeze, were part of an old machine which the Conservative Government gradually put back into operation from 1951

onwards. It was surprising that it worked as well as it did because it had not been used since 1932. The present enquiry will make it possible to bring it up to date and to relate it to the very different problems which the country faces now compared with those of the depression years.

The last report of this kind was produced by the "Macmillan Committee" in 1931 and was a model. But as the Chancellor said, the "problem then was how to find a way to pump more credit into the system." Now it is a matter of keeping the creation of credit down. The Chancellor also mentioned that the banks had become "less susceptible to monetary pressure." This is presumably a reference to the way the Government is continually having to undo the work of the squeeze by providing the banks with Treasury bills. As they have been working to a rule of thumb whereby these bills form at least 30 percent of their assets, an increase has meant that they could lend more. This has only been stopped by directives which are called "control." This is the kind of problem that the enquiry will have to deal with.

Exports Reach New High

It is only natural that the Budget should have got a mixed reception, according to whether the interest concerned has succeeded or failed in achieving the specific reliefs that it had sought. The real test of its value to the economy will depend largely on the accuracy of Mr. Thorneycroft's estimates, anticipating as they do that the recent period of economic stagnation is over; and the realisation of his obvious belief that the reliefs he has granted will boost savings and not personal expenditure, for the inflationary danger is becoming increasingly evident in the new wage claims and the revival of consumer demand apparent in increased hire purchase finance, the growth of bank advances, and the absence in the City this year of the usual pre-Budget caution.

Steel Output and Supply

First repercussions of the engineering strike come from the steel industry, which reports that output of about 20,000 tons of steel was lost in the last week of March as a result of it. The month's production was at a weekly average of 431,000 tons, against 432,100 tons in February and 425,700 tons in March last year. According to the Iron and Steel Board, production in the first quarter of this year was at an annual rate of 22,127,000 tons, compared with 21,651,000 tons in the corresponding period of 1956. Pig iron production in the first quarter of this year was at an annual rate of 13,856,000 tons, against 13,630,000 tons in the same period last year. There have been considerable changes in the pattern of steel supplies to consumers this year. Percentage changes between the first two months of 1957, and the first two months of 1956 included: Up: shipbuilding and marine engineering 15.6; coal mining 9.9; railways and rolling stock 8.7; building and constructional engineering 7.9; general engineering 4.9. Down: motors, cycles and aircraft 32; wire and wire manufacture 7.3; drop forgings, rivets, bolts and nuts 7.5.

Sterling Balances

The Balance of Payments White Paper, referred to briefly last week, throws some interesting light on the position of the sterling balances, which represent the "deposits" so far as Britain acts as an international banker. With the gold and dollar reserves still rather precariously placed, and serving the double purpose of a cushion for our own trade as well as the cash reserve for our bank customers, it is pertinent to remember that the end-1956 total of sterling balances of £4,094 million represents roughly the value of 15 months' exports from Britain. At the same time, the record of the past three years is not too bad. The total of the balances at the end of 1953 was £4,004 million—only 3 percent less than they are now (excluding the International Monetary Fund's holdings of sterling, the figure at the end of 1953 was £3,493 million, against £3,425 million at the end of 1956), although all sorts of divergent trends have operated. The Colonies have increased their deposits from £1,093 million to £1,286 million, while other countries, both within and outside the sterling area, have run down their balances. The real trouble is that in the last part of 1956, the picture was less healthy; customers withdrawing their balances from London outnumbered those who were putting in fresh money to the extent of a net drop in the total of £151 million. The fall in the foreign exchange reserves had a lot to do with this. We are faced with the question now as to whether this can be allowed to continue, and, if so, to what extent? Temporarily at least, the trends look as though they should cancel each other out: Australia and South Africa are increasing their balances, while countries like Ghana and Malaya are tending to run theirs down. A large part of the total sterling liabilities are not "quick assets" liable to sudden withdrawal but are fairly permanent fixtures. Sterling area currencies in particular have often kept their currency backing money and all sorts of miscellaneous funds here. But there are signs that this "hard core" may diminish. It is possible that countries like India, Ghana and Malaya may "dilute" the backing for their currencies and repatriate the money for development. Potential drains on London such as these will have to be offset by fresh deposits from elsewhere if there is not to be a strain on British resources or upon the foreign exchange reserves.

Bombay

**DOMESTIC DEMAND FOR
TEXTILES IMPROVES
EXPORT TRADE HOPING FOR
BUSINESS WITH BURMA**
(FROM OUR BOMBAY CORRESPONDENT)

A BURMESE trade mission is expected to visit India some time in May to negotiate the purchase of cotton textiles. Trade circles here expect that substantial business will result. This optimism is justified as cloth imports into Burma have been negligible recently pending the formation of the Government-sponsored trade corporations. Meanwhile, the possibility is there that trade with the Sudan will also be stepped up in the near future. It is believed that this country will be able to export printed and processed goods on a larger scale than she did before to the Sudan, in addition to the traditional grey varieties. Apart from these possibilities, export activity has been negligible of late and prices of popular varieties normally sold abroad have declined during the past fortnight or so. On the other hand, there has been a revival in domestic markets after a long period of inactivity. Moderate business has been reported and the centres which have shown interest are Calcutta, Delhi, Kanpur, Madras and Andhra. The demand for superfine qualities including mulis, and voiles has been good. Fine poplins and medium shirtings have also attracted attention while coarse counts have been neglected. Prices remain steady.

The cotton market has been steady, although operators adopt a cautious attitude. Both the futures and the spot markets moved within narrow limits. It is not likely that trading will resume its earlier briskness until the Government clarifies its policies on prices. The Cotton Advisory Board believes that there is likely to be a shortage of short staple growths. It has, therefore, decided to recommend to the Government that fresh import licences be issued for about 100,000 bales of American cotton falling within the 1½ in. and 1½ in. group. It has also suggested that 50,000 bales of cotton stapling 1½ in. and above and 25,000 bales of staple length above 1½ in. be imported immediately from the soft currency areas and an equal quantity at a later stage.

Cotton Crop Lower

The present situation has been brought about by the fact that the domestic cotton crop is now expected to be lower by 600,000 bales than the original estimate. A shortage of tenderable cotton and a reduction in the output of Surti and Vijay growths are now apparent. There have been suggestions that imports of American cotton corresponding to the Vijay, Surti and Jaydhar varieties should also be permitted and a subsidy of about Rs. 250 a candy be given on condition that the cloth manufactured from such cotton will not be exported. In the futures market, Jarilla May last week moved between Rs. 701 and Rs. 713 a candy, while Vijay April was quoted between Rs. 852 and Rs. 863 a candy. Operators were reluctant to push up prices in the fear that the Government would intervene and freeze stocks. Tenders against the Vijay April contract have amounted to only 1,700 bales so far. In the spot market, transactions were limited following the Textile Commissioner's advice to mills to confine their purchases to immediate needs only.

Yarn Market Inactive

The recent improvement in the offtake of rayon piecegoods has had no effect on the yarn market. The 120 dull cone April delivery contract last week moved between Rs. 800 and 807 a case and slightly closed at Rs. 806. The June contract fared Rs. 19. In the case of staple fibre, 40s were neglected while 20s continued to be in moderate demand. The 2/40 April delivery contract moved between Rs. 610 and Rs. 617, while June delivery commanded a premium of Rs. 5. The cotton yarn market was dull and in the absence of upcountry demand, 20s lost about 1 anna a lb while the higher counts were neglected.

Castor seeds Better

The oilseeds market was somewhat dull with the exception of castor seeds which showed a moderate improvement. Although export business in castor oil was small, it is believed that substantial new business is in the offing with communist countries. The trade seems confident that the U.S.A. will re-enter the Indian market shortly. Although the market opened the week at Rs. 171.75 for May delivery and rose to Rs. 177.50, it closed lower because operators preferred to take the immediate profit rather than wait for a further rise in the event of castor oil exports broadening. The spot section, too, was moderate and ready castor seeds improved from Rs. 33.14 to Rs. 34.2. Arrivals of the new crop were satisfactory and readily taken up by mills to fulfil outstanding orders for castor oil. Groundnuts moved in sympathy with castor seeds, but the improvement was not sustained because of the belief that the stock position of groundnut oil is satisfactory. The May delivery contract moved between Rs. 169.12 and Rs. 170.75. The linseed market was hit by large arrivals of the new crop and the absence of export demand. The May delivery contract moved between Rs. 29.87 and Rs. 29.19. Prices of spot linseed moved around Rs. 28.50, while linseed oil was weak at Rs. 14.75.

Madras

**COMMUNITY PROJECTS MAKE
POOR PROGRESS
INDUSTRIAL LOANS FROM STATE
FINANCE BODY**
(FROM OUR MADRAS CORRESPONDENT)

THE seminar on community development in Kodakanal agreed that the poor had got little benefit out of the Government's community development schemes. Higher production and better prices did not help those without property, and the "new life" did not extend any opportunity to the landless labourer—this was the opinion of Mr. M. Bhaktavatsalam, former Minister for Community Projects, Madras. It seems that village uplift by official pressure has failed to make much progress. What passes for popular co-operation is purely formal. Few cottage industries have sprung up; but the pathetic contentment of the masses with the existing state of their lives remains undisturbed. The Chief Secretary in his talk spoke about the need for self-reliant panchayats. He pointed out that in Madras, which has few industries and where agriculture depends largely on expensive irrigation, things would have to be put right not only by the Government, but by the people themselves.

There is a proposal to introduce mutual benefit funds in the villages to support a savings drive. There is also talk of social education to prevent the people relapsing into their old ways. Sir Malcolm Darling's visit to India to review co-operation efforts may yield some results. But, in any case, co-operatives in rural areas should take on a multi-purpose character. As women have to take a leading part in village development, they should mostly work as village level workers. The Madras Government has a welfare department to look after women and to provide part-time employment for them, but its work is concentrated in towns. It must shift its activities to the village.

Indo-Australian Trade

The Australian Trade Mission has been in Madras. Secondary industries in Australia may find a market in India, it is thought. The manufacture of automobile spares has made significant progress in Australia. The impression has been created that India could get supplies of automobile accessories from Australia rather than from the U.S.A. The fear that grain gifts from the U.S.A. might spoil the market for Australian wheat in India

has been voiced by the leader, Mr. Hurley. It is hoped, however, that India will buy more milk and dairy products from Australia in the future. The relaxation of import restrictions may increase the volume of trade between the two countries. The chances of half-tanned Indian leather finding a market in Australia are regarded as bright.

Aid to Industries

The report of the Madras Industrial Investment Corporation, for the year ended June 1956, suggests that it had to offer large loans to industries. The State Bank of India provided an advance to supplement its resources. Bonds have been issued and the Corporation has decided not to accept deposits for less than one year. The bonds issued at 4½ percent a year for Rs. 36,14,400 have enabled the Corporation to increase its loans. Further, the Government advanced the Corporation a sum of Rs. 20 lakhs on Bank rate terms. The Madras Corporation's resources were reduced by the division of assets. Andhra got its share of the capital to start its own Corporation. But the latter still owes the Madras Government a sum of Rs. 6.12 lakhs towards dividends due. The business of the Corporation increased as loans were sought by many new enterprises. For example, the Corporation advanced over Rs. 39.98 lakhs. The textile industry was the biggest client. Eight mills availed of loan assistance from the Corporation. Electric supply companies also relied on it for financing their expansion programmes. Small industries sought its help; a new paint factory got a loan for Rs. 50,000.

Leather Manufactures

The Central Leather Institute has been giving attention to the production of good leather from poor hides for use in footwear. At its recent discussions, mention was made of the need to step up exports to the U.S.A. and to produce tanning extracts from local barks. The cultivation of wattle is now well established in the Palni hills. The use of hair from hides for druggist-making is common in Andhra. A new use has been found for leather waste compressed into boards. Instead of being used as manure, it can be turned into board which, like split pieces, can be used for making fancy articles. Visiting trade delegations have made it clear that the demand for kips is not going up. The use of rubber for soles is now common in the U.K., which will have its effects on the export trade in this country. Better methods of flaying and dressing of hides are demanded by overseas buyers, so the points referred to in the Hides Cess Enquiry Report have acquired special relevance after the emergence of Pakistan as an exporter of hides and skins to Europe.

How banking serves the PLYWOOD INDUSTRY



TIMBER suitable for plywood and tea chests is plentiful on the south-western coast, and the plywood industry in India is expanding every year. Production capacity has doubled since 1948, rating over 150 million square feet per annum now. Out of India's 53 plywood factories, more than half are in Malabar, Cochin, Travancore and Bangalore.

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A LEADING BANK IN SOUTH INDIA

INDUSTRIAL TRENDS IN THE UNITED KINGDOM

LABOUR DISPUTE AND INFLATION (FROM A SPECIAL CORRESPONDENT)

IN SPITE of the shipyard and engineering strikes, a favourable view continues to be taken by British industrialists. This is mainly so because it is believed that industry, as a whole, can stand quite substantial advances in wages without suffering a serious injury. It is an opinion which has received support from the disclosure that the shipbuilding industry has contracts in hand to keep it fully employed for five years, while, as is well known, the engineering industry can hardly keep pace with the work coming to it as an outcome of nuclear developments. The motor car industry seems to have fully recovered from its own labour troubles and the effect of the shortage of petrol. Indeed, the chairman of motor manufacturing companies have had little to say on these matters at the recent annual meetings, and their stories mainly related to the considerable orders which their salesmen were able

to collect from overseas while the strike was on, and of the now promising outlook in many directions. Surprises may be in store, and perhaps it might be as well not to forget entirely the Shakespearean warning that it is the bright day that brings the adder forth. But it is certain that current labour disputes stand in strange contrast with those which were so persistent in prewar days. Then, it may be recalled, two to three million workers were unemployed for a decade, and the atmosphere was bleak and bitter. The fight was to get some kind of a job at almost any wage. It is very different now, when the job is certain and the wages are high, and the question is simply whether the workers can extract the largest possible addition to add to an already generous share of industrial profits. The argument that the satisfaction of their demands means further inflation is still heard, as are also warnings that Britain must be reducing her power to compete in foreign markets. But there is no real conviction in the words. Foreign contracts are still being obtained—and the U.S.A. is wealthy and now once more a friend. Inflation has proved the truth of the adage that familiarity breeds contempt. Moreover, it has to be granted that with the surge of new wants and fresh ways

of meeting them, dangers of inflation seem inescapable.

Increase in Overdrafts

The revelation, in certain companies' balance sheets, that in spite of the "credit squeeze" policy substantial bank overdrafts have been granted during the past 12 months has led to the question of whether the policy is being thoroughly and equitably pursued after all. The answer given to criticisms has been that the increase in overdrafts has been only for the purpose of financing export trade, and has not in any way swelled the purchasing power of the home market. As some of the credit thus obtained must have gone for the payment of wages, this contention can hardly hold good. It would also seem probable that the necessity has had to be faced of providing foreign customers with long-term credit in order to get their orders—the actual borrowers for this purpose being British companies which have tendered. Banks still continue to receive communications from the Treasury reminding them to be stringent, and there is no doubt that, under protest, the banks reluctantly put pressure upon individuals and small firms. Nevertheless, the bankers appreciate that trade expansion is dependent upon credit expansion. Assured of the soundness of the object in view, credit facilities should be accorded without invidious distinctions between small and large, and home and overseas trade. In the modern world each type of trade reacts to the other's benefit and no protective measure can be as efficacious as a judicious inter-action of this kind.

Entertainment Tax

The entertainment industry is one of those where unemployment is in evidence. Proprietors of the theatres which have been the most severely affected blame the entertainment tax entirely. One young lady, now unemployed, shares their view; for she has imitated Lady Godiva's feat by riding in the West End of London (until interrupted by the police) similarly "tax" the tax will have to be modified, but the stubborn fact remains that home television is attracting audiences and this tendency will grow. Under these circumstances, the outlook is for more theatres to close. So far, the cinemas are much less affected, aided perhaps by their continuous programmes.

Metallurgical Courses

Metallurgy and metal working processes and equipment are among the subjects most frequently dealt with by British technical journals, as far present time inspiration being provided, as far the ferrous metals are concerned, by Britain's record output of iron and steel. Additional metallurgical courses are announced by the Birmingham College of Technology, where new gas-fired furnaces are being installed. The college, by now claims to be a pioneer, at least in Britain, by fuel having four women students of metallurgy. And the related subjects of heat and power are also prominent in the journals. Articles on nuclear engineering tend often to reflect much publicised official descriptions of reactors, and are recognisable as having emanated from the common source of Harwell. Electrical engineering, including "electronics", offers a wider range.

Technical Publication

The task of those who wish to build up files of articles to help develop their own contemplated industrial projects is not easy. So much that appears in the Press is superficial. A precaution that should be taken is to ensure that the articles selected are of a fair length. Articles of less than three pages (unless the journal has an exception—large page) can usually be ignored by the serious student, who is not interested in glorified news items or "write-ups." He should, of course, include in his subscription list either the patent journals or one which features summaries of patents bearing upon the industries with which he is closely connected. Articles on technical subjects in popular journals, with their undue stress on this or that, should be avoided, it being essential to cultivate a well-balanced and deliberate view. Some publications contain "abstracts" with but the barest details. It is better to have abstracts of a minimum length of 300 words or so, for then an assessment can be made of the probable merits of the original article and whether it is worth obtaining in full. It is wise to subscribe to a journal, although a little more expensive, where the abstracts are likely to be made by a person with knowledge of the subject than by one who can do little more than record an entry. Complaints are made by those who have formed research libraries during the past few years that they are unable to keep pace with the matter that comes to hand, and that they have anticipated the attempt a larger staff than was anticipated as necessary. This difficulty can be much reduced by exercising greater discrimination at an early stage along the lines indicated above.

New Electronic Device

Electronic engineering has scored a further notable success in inventing a machine for the sorting of letters. The machine is handled by an operator who uses code alphabetical letters which are related to various geographical areas, according to the addresses he reads upon the envelopes. The letters, thus controlled by the pressing of keys, disappear on to roller tracks and are approximately diverted into the different boxes appropriate to the various sorting divisions. The post office is experimenting with other electrical devices for stamps and parcels, and the news has given yet another fillip to the electronics industry.

Jute

POOR RAILWAY FACILITIES FOR JUTE TRANSPORT

MEASURES TO IMPROVE EFFICIENCY NECESSARY

FOR some months past, commercial offices have been receiving bulletins describing many phases of the activities of the railways and the innovations they are introducing. Now this is Railway Week and there is a flood of publicity in the daily Press and on the screen to enlighten us as to what the railways do for passenger and goods movement. Some of the things we are told about are quite impressive, but those who use the railways for the transport of goods would be more pleased to hear of what is being done to improve the handling of goods and the documents covering them. A great deal of time is wasted and much annoyance caused in jute offices by railway receipts not being properly made out, freight being wrongly calculated, goods being sent to wrong destinations, and consignments being mixed up. Much of the trouble probably arises from the low standard of education of the staff at upcountry stations but it is believed that a great improvement would result from better supervision.

One of the chief causes of complaint is the mixing up of consignments at points of transhipment from narrow gauge to broad gauge lines and on the ferries across the Ganga. The organisations there are so bad that it is seldom that a consignment of jute reaches a mill intact. Usually, bales of different consignments are mixed up in the same wagon and often a number of bales in a wagon belong to a consignment booked to a different destination. Frequently, bales arrive at mills without tickets. It is alleged that this is because, when a few bales of a consignment cannot be found to complete the loading of a wagon at a re-loading point, it is the practice of the station staff to put in any bales that may be at hand from any consignment, after removing the tickets from the bales. It is certainly true that a large number of bales reach the mills minus tickets. As the tickets will not accept bales without tickets, the bales must have been removed en route and the only places where that could have been done is at transhipment stations. Another frequent occurrence is that when wagons arrive at mills they are found to contain bales which do not correspond to the railway receipts. In these cases it usually happens that, after much trouble and delay the bales which should have been in the wagon are found to have gone to another mill. This is the result of the clerk responsible for labelling the wagons having got the labels mixed up. In other cases, wagons are sent to wrong mills or to wrong stations.

Then there is the question of calculation of freight. The percentage of railway receipts in which the freight has been wrongly charged must be very large, and much time is wasted on claims and counter-claims. The usual practice is that mills pay freight charges by the debit note system. When there is an undercharge, they are simply informed that their account has been debited, and they claim the amount from the seller who is responsible for payment of the freight. In many cases, however, the alleged undercharge is incorrect and the seller has to reclaim from the railway. This causes more trouble because the railways very often delay informing the mills of the debit until more than six months after the consignment was booked. When the seller makes his claim for a refund, the railway takes shelter behind a provision of the Railway Act which makes claims time-barred unless made within six months of the booking of the goods. Many sellers believe that this is a deliberate policy.

A somewhat similar thing happens when mills receive consignments short by one or two bales. Goods clerks are extremely reluctant to issue "short certificates", and this also results in such delay that when claims are made on the basis of the short certificates, the claimants are told that their claims are time-barred. These are some of the ways in which the railways are deficient in their service to the raw jute trade and which result in a great waste of man hours and of money. As this is Railway Week and the railways are busy claiming how well they serve the public, it seems appropriate to tell them how they could improve their service through more care, diligence and supervision.

THE JUTE MARKETS

All sections of the market, except Cossipore, have had a quiet week. Prices have been sustained. It would appear, mainly because of the lack of rain in the jute districts, which has held back sowings. It is true that sowings are behind those of 1956 but they are ahead of those of 1955 at the corresponding date. It should also be kept in mind that, last year, after early sowing because of early rain, there was a drought which retarded growth. Later, excessive rain and floods came which damaged the crop in many areas. Nor should we forget the old saying "late sown, well grown." which is based on generations of experience and the vicissitudes of climate. If, indeed, it is the lack of rain and nothing else which is keeping gunny prices up, we may look for a drop as soon

as rain comes, especially if it falls heavily in Clive Row!

Manufactured Goods: Very little business has been reported. Early in the period, some overseas business was done in sacking and there have been enquiries on a small scale for both hessian and sacking for early shipments. There has also been business in odd sizes and weights, but no large-scale business has been reported. In the middle of the period, the fatka market dropped under selling pressure by a large speculator and false reports of rain in the jute districts. On Tuesday afternoon, it was reported that there was an enquiry in the market for a fair quantity of heavy sacking.

Quotations on Wednesday morning were as under:

	April	May	June	July-Sept.
Rs.	Rs.	Rs.	Rs.	Rs.
40m. 8oz.	34	33.94	33.50	33.50
40m. 10oz.	41.37	41.62	41.69	41.75
B Twills	111.25	111.75	111.87	112
Heavy Coes				
(Plain)	111.90	111.50	111.87	112
A Twills	134	134.25	134.50	134
Liverpools	124	126	126	125.50
Cornacks	111.50	112.62	112.75	113

Raw Jute: Mills have not shown very much interest and the turnover has been small. But business has been enough and fairly widely spread to keep the market steady. Sellers tend to be reserved because of the delay in sowings for want of rain and because of the lack of imports in up-country markets. Business has been reported in Assam White at Rs. 28.25 to Rs. 28.75. Desal mesta at Rs. 25.50, Northern mesta at Rs. 26. Daissee jute at Rs. 30.50 and Murshidabad Tossa at Rs. 30, all basis Bottoms. Bimli has been done at Rs. 23.50 f.a.q. and New Crop Assam at Rs. 27.25 basis Bottoms for August-September. There are buyers at slightly under the quoted prices, and throughout the week, one group has been offering Rs. 29.75 basis Bottoms for Daissee and Rs. 24.75 basis Bottoms for Desal mesta, without being able to secure a substantial quantity. In Cossipore, mill buyers have been active and sellers report business at prices well above the parity of the prices for contract jute in Calcutta. Arrivals during the week have been 503 wagons, compared with 491 wagons in the previous week.

Quotations on Wednesday morning were as under:

Indian Jute:	Land-d at Mills Rs. and basis	Shipment.
Northern	28.80	April-May
Assam	28.50	"
Jungh	26	"
Assam Tossa	31	"
Murshidabad Tossa	30	"
Daissee Jute	30.50	One month
Daissee Mesta	25	"
Northern Mesta	26	April-May
Desal Mesta	25.50	"
Murshidabad Mesta	24	"
Northern ex Calcutta	22	One month
Local Packing	26.50	"
Bimli	23 F.A.Q.	April-May
Pakistani N.C's	102 a bale	"

Mofussil: Imports are scarce and, in some places, have practically ceased.

General rain is now needed to enable sowings to be made, but the weather has been hot and dry nearly everywhere. In a few districts, sowing is still being done in anticipation of rain, but reports say that where sowing was done some time ago in expectation of rain the germination will be poor if the rain does come.

I. J. M. A. Production

The March production of mills reporting to the I.J.M.A. was 84,700 tons, of which 36,000 tons was hessian, 43,100 tons sacking and 5,600 tons other kinds. The hessian output was 42.5 percent of the total, compared with 50.9 percent in February, while the sacking output was 50.9 percent compared with 49.4 percent. This is interesting as being the first time for some months that the hessian percentage has not increased. Does it indicate a reversal of the recent trend?

The total production for the nine months, July 1956 to March 1957, was 771,000 tons, of which 324,200 tons or 42.1 percent was hessian, 394,700 tons or 51.2 percent sacking and 52,100 tons or 6.6 percent other kinds. In the corresponding period in 1955-56, the total production was 800,500 tons, of which 299,300 tons (37.4 percent) was hessian and 451,000 tons (56.3 percent) sacking.

I. J. M. A. Consumption of Raw Jute

On the basis of the reported production of manufactures, the mills consumed in March 494,600 bales of raw jute, bringing the consumption up to 4,496,200 bales for the nine months July 1956 to March 1957. In the corresponding nine months of 1955-56, the mills consumed 4,663,200 bales.

GUNNY SHIPMENT STATISTICS

The following figures include coastal shipment relating to manufactured jute goods for shipment

from the port of Calcutta. These are gross figures based on shipping bills presented:

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 10th April, 1957	507.8	8,074.6	8,582.4
1st to 10th March, 1957	720.3	16,579.1	17,299.4
1st to 10th February, 1957	764.7	14,047.0	14,811.7
Sacking			
1st to 10th April, 1957	6,269.8	645.8	6,915.6
1st to 10th March, 1957	17,752.0	2,487.1	19,839.1
1st to 10th February, 1957	8,486.9	1,535.2	10,022.1

I. J. M. A. PRODUCTION FIGURES FOR MARCH

The Indian Jute Mills Association reports that the total production of jute goods during March were as follows:

Description	Quantity
1. Gunny Bags	
(a) Hessian	2,176 tons
(b) Sacking	41,447 tons
2. Gunny Cloth	
(a) Hessian	33,847 tons
(b) Sacking	11,694 tons
3. Other manufactures	5,617 tons
4. Total production (above figures combined)	84,661 tons
(a) All kinds	14,014 lakh yds.
(b) Hessian (both bags and cloth)	14,014 lakh yds.
(c) Sacking (both bags and cloth)	10,130 lakh yds.

Summary		(000 Yds.)			(000 tons)		
		Mar. 1957	Feb. 1957	Mar. 1956	Mar. 1957	Feb. 1957	Mar. 1956
Hessian		14.01	13.50	13.50	36.0	35.0	34.8
Sacking		10.18	9.30	13.95	43.1	39.6	57.8
Others					5.6	5.6	6.7
Grand Total					84.7	80.2	99.3
Hours worked					200.5	192.0	206.0

N.B. These statistics are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

THE PAKISTANI JUTE MARKETS

FIBRE PRICES RISE AGAIN

(FROM A NARAYANGANJI CORRESPONDENT)

THERE is no doubt that the current season will go down in history as one of the worst which the trade has suffered, and as one of the best which the cultivator and the smaller middle man has enjoyed. With early sowings and good weather, and possibly, even an excess of it this season, there was every reason to believe that jute prices



The South East Asian market — a problem?

Businessmen interested in trade with South East Asia couldn't do better than to consult the Indian Overseas Bank. The bank has extensive experience in trade with South East Asian countries through its chain of branches strategically located all over South East Asia. Before you invest in trade in this area it would be wise to consult the Indian Overseas Bank.



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should have receded in April. Instead, the continued lack of rains has given stockists the needed impetus, so prices are once again beginning to rise and rumours are current that a drought in East Pakistan is imminent. A drought may not eventually materialise, but once again here is proof of the primary seller's strength. The present lack of rain is not particularly unreasonable; it has been only a few days late, but this reason has been sufficient for the market to rise. Jute, which continues to arrive in small quantities, is now quoted at the ghats at about Rs. 31 for B Bottoms, Rs. 29 for C Bottoms and Rs. 27 for X Bottoms. Kutchi bales from the mofussil which are dry command a premium of about 3 annas. There is a premium of a further one rupee for Mill Standards. Kutchi bale contracts from reputable local balers command a premium of another rupee. Pucca bales, which had receded to as low as Rs. 179 for Export Firsts, stand once again at Rs. 189, with a slight premium for Export Lightnings at Rs. 190. Export Hearts go at a slight discount at Rs. 163. The enquiry is mainly for Export Lightnings but the real shortage in loose jute and kutchi bales is to be found in the higher qualities.

E.P.C. registrations for the last half of March at 88,000 bales were lower than expected. India's purchases once again dropped off to 6,000 bales. Poland came to the market for 12,000 odd bales, but as this buying has been done through the London agents, it had no effect here. France and America have been the only buyers in quantity. France should still buy about 175,000 bales, compared with its last year's purchases. But since the production of her jute industry has fallen off, it may be reduced to only 130,000 bales. America, compared with last year, has still to buy 120,000 bales, and Belgium about the same quantity. Judging, therefore, from the figures available and general market conditions, it is probable that not more than 400,000 or 500,000 bales remain to be bought by overseas buyers before the end of June. Subject to rains falling within next two or three weeks, there is no reason why the present price levels should be maintained.

Total Exports

Exports during March were slightly better than expected and amounted to just over 300,000 bales, bringing the total exported to 3,600,000 bales. It is quite probable that during April, there will be more freight tonnage than jute offering. Overseas buyers, as can be seen from the above figures, have once again reduced their purchases, and as far as possible, bought selectively from better bales. Present prices indicated are about £105 for Export Firsts with a £3 or £4 discount for May-June shipment. Reports of business in the new crop indicate that less has been done this year than last year. Prices paid have been about £92 for Export Firsts, but new crop business done within East Pakistan has been at slightly higher prices. The local jute goods market remains unchanged at Rs. 130 for B Twills and Rs. 56 for 45in. 11oz. Pakistan jute mills, once again, have a short supply of jute. Adamee, Latif Bawany and Crescent have sufficient stocks, the others, however, are short and in one case, seriously short, which can be rather unfortunate at this time of the season. Difficulties over labour and food procurement continue to be serious obstacles.

THE FOREIGN JUTE MARKETS

FIBRE PRICES RISE

(FROM OUR DUNDEE CORRESPONDENT)

CONTRARY to expectations, prices for raw jute have become firmer during the past few days. It is reported that Continental spinners have been buying quite freely, Belgium, West Germany and France being in need of supplies for shipment, April-May. Most members of the trade have been waiting for values to fall, as in the opinion of many, they are higher than they ought to be. Sales have been made of new crop jute at £102 for Mill Firsts and at £94, £93 and £92 for Mill Lightnings for August-September shipment, c.i.f. U.K. or Continent. The old crop value is down to £113 for Mill Firsts and £103 for Mill Lightnings although it is still about £20 a ton above the minimum fixed rates. Good marks of Daissee-2/3 have been raised to £165, and grade is obtainable at £102, grade Tossa 2/3 at £112 and Grade Tossa 4 at £105, all April-May or May-June, c.i.f. U.K. Mill Hearts are offered at £99 and grade Hearts at £94, but, as in the case of other qualities, sellers are asking as much as £3 to £4 a ton more.

The Jute Control has just issued allocations for the balance of the strategic raw jute stocks it has been holding. Spinners can take up their share of the 50,000 bales between 12th April and 30th November. The balance of the strategic stocks of imported goods will be sold against orders received from now on. Jute yarns here are still very low, although the carpet trade is buying steadily. The cut in purchase tax on carpets and also on linoleum hessians should help the local jute industry. Already there are reports of an improvement in sales since the Budget was issued. Prices for all qualities of yarns are firm. There has been no weakening in the values of cloth or bags, in spite of the extreme quietness in trade.

Calcutta goods were easier at first but the tendency has again become firmer. Hessian has advanced by 9d or 1s for 40in. 10oz. to 62s 9d, for April, and May, 63s for June and 63s 3d for July-September, with 71 oz. 47s 9d for April to June, and 47s 6d for July-September. B Twills are offered at from 168s 10d April, and 170s May to September, all f.o.b., Calcutta. There is very little business.

Plantation Topics

CALCUTTA TEA AUCTIONS IN MARCH

LOWER OFFERINGS AND EASIER PRICES

THE March offerings were again smaller than in February and averaged a little below 60,000 chests a week. Although there was a fair general demand throughout the month, prices continued to decline, and withdrawals were fairly heavy, say Messrs. Carritt Moran & Co. Private Ltd. in their monthly tea market review. Fannings grades were the weakest feature, but stylish O. Ps and Pekoes were in favour again and appreciated in value, while tippy teas sold well, generally above brokers' valuations, and any really clean black leafed sorts were well supported. Comparatively little tea from Darjeeling was on offer during the month, and most of it was of a very ordinary description. At Sale 36 there were a few quite useful liquoring invoices of Assams, but thereafter quality fell away and the liquors of the bulk of the offerings were plainish and "end of season" in character, although leaf appearance was of a comparatively high standard, and above average for the time of year. Doars cup quality showed a progressive decline throughout the month, and leaf appearance also showed some falling away, stalk and fibre becoming more noticeable. Cachar leaf appearance was inferior to recent sales, although, on the whole, it was still above average for the time of year. A few sweet liquoring invoices were on offer, but most of the teas from this district were comparatively plain in cup.

Quotations

	1956-57	1955-56
Sale No. 36 Plain B.P.	Rs. As. P.	Rs. As. P.
Sale No. 37	1 15 0	1 5 0
Sale No. 38	1 12 6	1 4 3
Sale No. 39	1 11 0	1 4 9
Sale No. 39	1 10 6	1 8 0

Internal Market

Leaf offerings amounted to approximately 19,300 chests. The increased offerings met with a fair demand. The C. T. C. teas were of a residue description and together with the other stalky kinds were generally sold in buyers' favour. The few clean leaf teas were well supported. Dust offerings amounted to approximately 72,800 chests. Quality from Assam showed some improvement. Prices were generally slightly easier and were sometimes up to 1 anna lower. The best bright liquoring C. T. C. Assams continued to meet keen competition and sold well. The remaining offerings of this description with plain liquors were a weak feature and were easier. Demand for black leaf types from all districts improved and during the final sale, they were selling at a premium. Renewed interest was shown in the cleanly sorted powdery kinds. Commons and Doars followed the general trend of the market. The few flavoured invoices from Darjeeling realised very satisfactory prices.

Quotations

	1954-57	1955-56
Sale No. 36 Clean Common Dust	Rs. As. P.	Rs. As. P.
Sale No. 37	1 12 0	1 7 6
Sale No. 38	1 11 9	1 9 6
Sale No. 39	1 11 3	1 13 6
Sale No. 39	1 11 6	1 13 0

Export sales up to No. 39 totalled 2,076,220 chests at an average price of Rs. 2-6-3, compared with 1,378,851 at an average price of Rs. 2-1-6 during the corresponding period of the 1955-56 season. Internal sales at 79,920 chests of Leaf and 676,717 chests of Dust (Rs. 1-9-9 and Rs. 2-2-2) go against 96,232 and 587,241 (Rs. 1-4-3 and Rs. 1-15-11) for the same period last year.

The price of Export Quota declined in the first three weeks of the month from 60 to 45 pias a lb. Business closed on 20th March to the end of the month, some special export licence changed hands in forward business at rates which declined from 39 to 24 pias a lb.

The Government of India has issued a notification fixing the price of tea for the purpose of determining the export duty, at Rs. 2.74 a lb. against Rs. 3.38 a lb. in force from 1st March, 1957. The export duty, therefore, remains unchanged at As 6 a lb. (37.50 nP).

Arrivals (in chests) in Calcutta warehouses during the period 24th February, 1957 to 23rd March, 1957, with the corresponding figures of the previous year in parentheses were as follows: by steamer 9,370 (180,923), by rail 6,023 (53,075), by air 4,071 (13,474) making a total of 18,464 (247,472) chests. Since the beginning of the season, 1st April, 1956 to 23rd March, 1957, arrivals have been: by steamer 2,995,130 (3,390,263) by rail 1,055,828 (929,288) and by air 164,364 (204,109), making a total of 4,215,322 (4,523,660) chests.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop reports has been received for the month of March:

Upper Assam: The weather is generally seasonable though in Naharkatya it is too hot and rain is wanted; tipping and manufacture have begun in most areas.

Central Assam: The weather is generally seasonable, though in Jorhat and Nazira it has been very dry; manufacture has begun in Moran and in all areas the prospects are fair.

Lower Assam: The weather is abnormally hot and dry and rain is wanted in Borsola and Nowgong;

manufacture has begun at Mangaldai and general prospects are fair.

North Cachar: The weather is unusually dry and hot and unless rain falls soon the leaf prospects will be poor; manufacture has begun but the dry weather is upsetting it; blister blight is lifting.

South Cachar: The weather is unusually hot and dry and rain is needed; manufacture has commenced but the outturn is being upset by the dryness; red spider blight is prevalent in some districts.

Eastern Doars: The weather is dry; manufacture has begun.

Central Doars: The weather is hot and dry and rain is wanted to prevent poor leaf prospects.

Western Doars: Hot and dry weather conditions were relieved by rain and there have been some hailstorms, although little damage is reported; manufacture has begun and the crop prospects are favourable; red spider blight is prevalent in some districts.

Darjeeling: The weather is favourable; outturn normal; red spider blight prevalent in some districts.

Tera: Weather conditions dry and rain is badly needed; red spider blight prevalent.

COCHIN TEA SALES

At Sale No. 8, 9,600,000 lbs of tea were on offer. The quality showed a decline. There was a fair general demand, but prices were again easier. Low Grown and Mediums were ten to 15 nP lower. Good Mediums and High Grown were weakened by 15 to 20 nP. There was more demand for Whole Leaf teas.

DRIVE TO INCREASE DOMESTIC COIR CONSUMPTION

(FROM A SOUTH INDIAN CORRESPONDENT)

Reviewing the activities of the Coir Board, its Chairman said recently that the show room and the sales depot opened in New Delhi last year as a first step to promote the internal market, had proved very useful. Till the end of March 1957, goods worth about Rs. 82,000 were consigned to the sales depot by 11 manufacturers, and Rs. 33,000 worth of goods were sold out. The average sales for the past six months were Rs. 4,700 a month. Besides the actual sale of coir goods, the show room has helped create wide interest in coir products among north Indians. The Board proposes to start similar show rooms and sales depots in Calcutta, Bombay, Madras and Jullundur. It has also taken steps to run a publicity mobile van which will exhibit representative varieties of coir products. Publicity for improving the market for coir being a very important function of the Board, it has allotted for this purpose more than 50 per cent of its budget for 1956-57. Publicity takes the form of participation in fairs and exhibitions in and outside India, advertisement through newspapers, wall posters, hoardings, cinema slides, etcetera. The Board has so far participated in 18 fairs and exhibitions outside India, and eight exhibitions in this country. The possibility of bringing out a documentary film on coir is being considered. A brochure on the coir industry and a catalogue of representative varieties of coir and coir products are now in the press.

The Chairman hopes that coir will shortly get a new market in Russia and in east European countries. The Russian trade representatives who visited the Coir Board's show room in Delhi showed great interest in the exhibits there and were provided with samples and quotations which they have sent to their country. Representative samples and illustrations of coir products have also been supplied to the State Trading Corporation of the India to enable it to negotiate with some of the foreign buyers who have shown a good deal of interest in coir goods. There were no marked fluctuations in coir prices during 1956. The price of Anjengo Superior coir yarn, corresponding to which the prices of other yarns moved more or less, was fairly steady, ranging between Rs. 308 and Rs. 339 a candy of 6 cwt. Since the beginning of 1957, prices of both raw and retted husks have gone up a little, compared with those of the same period last year.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers' Association:

	Closing Prices on 5-1-57 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1.	1.26	1.26
No. 2.	1.23	1.23
No. 3.	1.20	1.20
No. 4.	.96	.96
No. 5.	.91	.91
Sheet cuttings	1	.95
do	2	.90

Crepe:		
Water White		1.14 per lb
R.M.A. No. 1X	1.15 Nom	1.10
R.M.A. No. 1	1.10/12	1.00
Crepe No. 2		.97
No. 3		

Scrap Crepes:		
Sc. Crepe No. 1	.90 Nom	.90
do No. 2	.85/87	.86
do No. 3	.75/85	.80
Flat Bark.	.70/72	.71
Sc. Crepe 3X		.83

To arrive at f.o.b. Colombo prices add 53.53 cents a lb. for crepe other than scrap crepe and 31.53 cents for scrap crepe to the above market prices.

Calcutta Markets

DUST TEAS EASIER

AT Sale No. 42, held on 16th April, Dusts on offer were 18,821 chests. The market was again generally easier. Black leafy exportable kinds were well supported, but the poorer C.T.C. Assams were a weak feature. Mediums with bright liquors and a clean leaf appearance sold at dearer rates, while the remaining offerings were from 4 to 8 nP easier, although orthodox Assams with useful liquors did not generally share the same decline.

Quotations

	1957	1956
Rs.	Rs.	Rs.
Medium Doars Dust	1.50 to 1.60	1 8 0 to 1 9 0
Medium Assam Grassy Dust	1.65 to 1.70	1 10 0
Medium Assam C.T.C. Dust	1.75 to 1.85	
Best Assam C.T.C. Dust	Not quotable	2 10 0 to 2 12 0

There was no internal Leaf sale.

QUIET CONDITIONS IN FREIGHT MARKETS

CONDITIONS in the freight market still remain comparatively quiet, particularly in trans-Atlantic business. There has been more activity in the eastern markets. One fixture was made at 66s for an American vessel Hampton Roads-Antwerp or Rotterdam, but owners generally are holding off in the hope of a rise in rates. In the ore trade, Calcutta-Gdynia-Gdansk was fixed at 129s f.i.o.t., and a 7,500-tonner and a 8,500-ton vessel were taken at 126s f.i.o., Masulipatam-Japan, June shipment. Bombay-Constantza was fixed at 115s 6d 5,000-ton f.i.o. April-May shipment. In the grain trade, two vessels were fixed for wheat U.S.-North Pacific-East Coast India with two ports' discharge at 165s and 166s 6d. In the time charter market, a British motor ship was fixed at 54s 6d for a trip charter India-Japan, while a 4,000 d.w.t. Danish motor-ship was chartered at \$ (U.S.) 37.00 for 12 months' trading with delivery East Coast, the U.S.A.

LINSEED FIRMER

After a rather quiet opening in the past week, a firmer undertone set in due to keener enquiries from buyers. Forward prices have come more into line with ready ones. New crop supplies were moving very slowly, and ready goods were very scarce. Trading has been competitive, although the actual turnover was small. The oil section has improved because of fresh export business. A fairly good demand from shippers for ready goods has resulted in fair activity at better prices. Latest quotations were as follows: Ready Rs. 21-12 a maund, and April-May Rs. 21-6 a maund.

SUGAR UNCHANGED

During the week ended 17th April, sugar sales in the Calcutta market averaged 5,000 bags daily. Arrivals a day were 6,000 bags and stocks totalled 85,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31.12 for ordinary grain and Rs. 33.25 for big grain. The market was unchanged.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 9th April and 15th April, 1957)

Cowhides: Wet salted (Ord.) 31,000 pcs on the basis of Rs. 7.25 to Rs. 9.75; Wet salted (Slaughtered) 21,500 pcs on the basis of Rs. 12.50 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 53,800 pcs on the basis of Rs. 300 to Rs. 310, Rs. 325 to Rs. 350 and Rs. 370 to Rs. 385; Assam-Dinajpur 56,200 pcs on the basis of Rs. 242 to Rs. 300; Punjab-Kissengani-Malda 39,200 pcs on the basis of Rs. 280 to Rs. 325; Pakur-Patna 3,700 pcs on the basis of Rs. 260 to Rs. 270; Muzaffarpore-Patna-Darbhanga 51,200 pcs on the basis of Rs. 275 to Rs. 325.

SHELLAC MARKET DULL

During the week ended 16th April, the market was steady at the beginning, and dull at close. The range of quotations was as follows:

Pure Buttonlac	Rs. 101.00, 100.00 buyers; Rs. 100.00 value; 98.00 buyers.
Lemon No. 1 Shellac	Rs. 103.50, 102.50, 101.00 buyers.
Lemon No. 2 Shellac	Rs. 98.00 to 95.00 buyers.
F.O. Std. 1 Shellac	Rs. 90.50, 90.00 buyers.
Pure TN Shellac	Rs. 87.00 basis buyers; Rs. 86.00 buyers; Rs. 86.00 basis done buyers; 85.00 buyers.
4% I.T.N. Shellac	Rs. 76.50 to 75.00 buyers.
No. 1 Kusmi Seedlac	Rs. 94.00, 92.50, 94.00 buyers.
No. 2 Kusmi Seedlac	Rs. 89.50, 88.50, 87.00 buyers.
Fine Bysaky Seedlac (Manbhumi)	Rs. 86.50, 85.00 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 84.00, 84.50, 83.50 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 77.50, 76.00 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 72.00, 70.00 buyers.
Kireelac	Rs. 30.50, 31.00, 30.50 buyers.

Shipments during April until the 11th were 9,540 packages comprising shellac 5,963 packages, seedlac 2,633 packages, buttonlac 161 packages, and others 783 packages.

COMPANY AND PUBLIC NOTICES

THE WESTERN INDIA MATCH COMPANY, LIMITED. NOTICE.

NOTICE is hereby given that the Thirty-fourth Annual General Meeting of the Shareholders of the abovementioned Company will be held at the Registered Office of the Company at Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay at 4 p.m. on Wednesday the 8th day of May, 1957 to transact the following business:—

- To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1956.
- To declare a dividend and a bonus.
- To elect a Director in the place of Sir Rahimtoola M. Chinoy who retires by rotation and is eligible for re-appointment and to consider and if thought fit, to pass the following resolution, of which special notice as required by section 281 of the Companies Act 1956 has been received by the Company:—
"RESOLVED that Sir Rahimtoola M. Chinoy who has attained the age of 75 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit of 65 years prescribed by section 280 of the Companies Act 1956 shall not apply to him."
- To elect a Director in the place of Mr. Dinshaw D. Romer, who retires by rotation and is eligible for re-appointment and to consider and if thought fit, to pass the following resolution as a Special Resolution, of which special notice as required by sections 261 and 281 of the Companies Act 1956 has been received by the Company:—
"RESOLVED that Mr. Dinshaw D. Romer who has attained the age of 82 years and who is an associate of the Managing Agents of this Company, and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit of 65 years prescribed by section 280 of the Companies Act 1956 shall not apply to him."
- To appoint Auditors for the ensuing year and to fix their remuneration.
- To consider and if thought fit to pass the following resolution as a Special Resolution:—
"RESOLVED that the Company hereby sanctions the borrowing of an aggregate sum of Rs. 60 lakhs on Cash Credit account from the Bank of India Ltd. and the Central Bank of India Ltd. (to the extent of Rs. 30 lakhs from each Bank) and as security for the said borrowing the Directors be and they are hereby authorised to hypothecate and charge all the movable property and assets of whatsoever nature (exclusive of uncalculated capital) of the Company so as to create a floating security and charge on all such property and assets and to execute all such documents as may be required by the said Banks in connection therewith."

The Transfer Books of the Company will be closed from the 22nd day of April, 1957 to the 10th day of May, 1957, both days inclusive.

By Order of the Board,

A. HYDARI,

Executive Director.

2nd April, 1957.
Indian Mercantile Chambers,
Nicol Road, Ballard Estate,
Bombay.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

The dividend and bonus when sanctioned will be payable at the Central Bank of India Ltd., Bombay and Calcutta on and after the 14th day of May, 1957 to those shareholders whose names stand on the Register on the 10th day of May 1957 and warrants will be posted in due course to each shareholder at his registered address.

Explanatory Statement issued under section 173 of the Companies Act 1956 in connection with the items of special business to be transacted at the Thirty-fourth Annual General Meeting to be held on the 8th day of May, 1957.

As required by section 173 of the Companies Act 1956 the following explanatory statement is issued with the Notice of the Thirty-fourth Annual General Meeting of the Company and sets out all material facts relevant to items 3, 4 and 6 in the Notice.

Item 3: Your Director Sir Rahimtoola M. Chinoy is retiring by rotation. He has attained the age of 75 years and as such he cannot be re-appointed unless the shareholders pass a resolution specifically declaring that the age limit of 65 years prescribed under section 280 of the Companies Act 1956 shall not apply to him. As required by section 281 of the Act a special notice has been received by the Company proposing that Sir

Rahimtoola M. Chinoy be re-appointed a Director of the Company and that the age limit of 65 years prescribed under section 280 of the Act shall not apply to him.

Sir Rahimtoola M. Chinoy is a businessman of great and varied experience. He has been a Director of your Company for nearly 20 years and has rendered valuable services to the Company. It is in the interests of the Company that he should be re-appointed a Director.

Item 4: Your Director Mr. Dinshaw D. Romer is retiring by rotation. He has attained the age of 82 years. He cannot be re-appointed unless the shareholders pass a resolution specifically declaring that the age limit of 65 years laid down by section 280 of the Companies Act 1956 shall not apply to him. Furthermore, since Mr. Romer is an associate of your Managing Agents, the Swedish Match Company, being a Director of the Assam Match Company Ltd., which is a subsidiary Company of your Managing Agents, and since your Managing Agents are authorised to appoint a Director or Directors on the Board of your Company, Mr. Romer's re-appointment also requires a Special Resolution under section 261 of the Act. Special notice as required by sections 261 and 281 of the Act has been received by the Company proposing that Mr. Dinshaw D. Romer be re-appointed a Director of the Company and that the age limit of 65 years shall not apply to him.

Mr. Romer is a well known Solicitor and Director of several companies. Having been associated with your Board for the last 18 years, he has rendered valuable services and it is in the interests of the Company that he should be re-appointed a Director.

Item 6: In September 1938 your Company arranged to obtain Cash Credit loans from the Bank of India Ltd. and the Central Bank of India Ltd. to the extent of Rs. 10 lakhs from each of the said Banks against hypothecation of all the movable property and assets (exclusive of uncalculated capital) of the Company. Thereafter the Cash Credit arrangement with the Banks was being utilised as and when necessary. For some years however this Credit has not been utilised, but it has been kept alive in case of need. Now it has become necessary to increase our Cash Credit particularly because of the expenses to be incurred in connection with the establishment of the Company's new paper mill. The aforesaid Banks have agreed to grant a total Cash Credit loan of Rs. 60 lakhs (inclusive of the aforesaid earlier loan of Rs. 20 lakhs) against the same security, namely hypothecation and charge of all the movable property and assets of whatsoever nature (exclusive of uncalculated capital) of the Company. Each of the aforesaid Banks will grant Cash Credit to the extent of Rs. 30 lakhs. The terms on which the loan is offered by the Banks are fair and reasonable. Your Directors therefore recommend to the shareholders to sanction the necessary borrowing. Shareholders' sanction is required under Article 67 of the Company's Articles of Association.

The following Directors are interested in item No 6:

Sir Cowasjee Jehangir as a Director and shareholder of the Bank of India Ltd.

Mr. Dinshaw D. Romer as a Director and shareholder of the Central Bank of India Ltd.

Sir Chunnilal V. Mehta and Mr. Maneklal Premchand as shareholders of both the Bank of India Ltd. and the Central Bank of India Ltd.

By Order of the Board,

A. HYDARI,

Executive Director.

The Company Meetings and Dividends Table appears on page 557

MACNEILL & BARRY LTD.

NOTICE is hereby given that the Board of Directors of this Company has sanctioned payment of

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 17-4-57	A year ago	Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations 17-4-57	A year ago
	BANK.							BANK.					
1901	Allahabad Bank (May Nov.)	15.00	6	100	114/99	131	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	70/00	77 1/2
	COAL.							COAL.					
1907	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85/90	100	1935-39	Bombay Steam Navigation (July)	15.00	6 1/2	250	14/00	15 1/2
1896-97	Boree (June Dec.)	4.00	6 1/2	100	103/00	117	1935-39	Britannia Biscuit (Feb. Aug.)	15.00	8	10	14/00	15 1/2
1901-20	Burrakur (June Dec.)	22.38	7	100	112/00	122	1909-11	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	8/50	10
1945	Burra (June Dec.)	4.50	6 1/2	10	77/5	83	1937	British India Corporation (Feb. Aug.)	13.00	7	100	120/00	121
1935	Equitable (May Nov.)	4.00	6	100	99/00	116 1/2	1937	Burns Engineering (Feb. Aug.)	15.00	6	100	109/75	114 1/2
1931	Khas Kajora (Mar. Sept.)	2.00	7	100	117/00	133	1938	Calcutta Electric Supply (Mar. Sept.)	11.900	5	10	55/00	55
1920	New Beerboom (Jan. July)	2.00	7	100	104/00	113	1938	Calcutta Silk Manufacturing (July Jan.)	2.50	6	100	7/75	8 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	104/00	113	1935-24	Calcutta Tramways (Jan. July)	42.50	6 1/2	100	99/00	106
	COTTON MILLS.							COTTON MILLS.					
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	108/75	110	1937	Cawnpore Sugar Works (Feb. Aug.)	19.00	8	100	119/00	144
1884	Bangalore (Jan. July)	6.00	5	100	120/00	123 1/2	1937	Chrestion Mica Industries Ltd.	30.00	5 1/2	100	53/00	66
1938	Basanti (Oct.)	5.00	6 1/2	10	77/5	83	1937	Dacca Electric Supply (July)	6.00	6	10	97/50	99
1899	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	98/00	110	1945	Dalmia Cement (Bharat)	3.500	6	100	34/00	39
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	125/50	134	1945	Dalmia Flour Mills (Oct.)	2.372	7	100	101/00	133
1900	Bowreah "B" (Apr. Oct.)	6.00	8	100	125/50	134	1916	Deshergarh Power Supply "A" (Jan.)	12.00	5	100	91/00	93
1919	Bradbury "B" (Jan. Dec.)	6.00	7	100	63/50	72	1935	Deshergarh Power Supply "B" (Jan.)	9.00	4 1/2	100	84/00	87
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	142/75	133 1/2	1948	Dunlop Brothers & Co. Ltd.	45.00	4	100	58/00	67
1928	Cambodia (July)	1.00	7	100	115/00	125	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	119/00	129
1912	Central India (Apr. Oct.)	50.00	5	500	551/25	511	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	92/50	97
	JUTE MILLS.							JUTE MILLS.					
1912	Elgin (May Nov.)	11.00	8	100	124/75	135	1928	East India Distilleries (Jan. July)	22.00	7	100	17/00	17 1/2
1947	Elgin "B"	4.20	5	10	9/00	9 1/2	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	61/00	66
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	90/00	87 1/2	1946	General Investment & Trust (Feb. Aug.)	1.00	5	100	70/00	76
1919	Kesoram (June Dec.)	20.00	7	100	116/00	124	1946	Gillanders Arbuthnot (Feb. Aug.)	1.00	6 1/2	100	61/00	71 1/2
1925	Khatun Malani (Nov.)	10.00	6	100	116/00	124	1947	Gladstone Lyall & Co. Ltd.	2.500	5 1/2	100	60/75	66
1937	Kothari (Nov.)	12.00	6	10	79/00	88	1948	Godfrey Phillips India Ltd.	15.00	6 1/2	100	62/00	73
1909	Muir (Feb. Aug.)	30.00	6	100	87/00	88	1946	Gwalior Sugar (Redeemable) (Dec.)	30.00	5 1/2	100	67/00	68
1912	New Great Eastern (Mar.)	2.00	7	100	180/00	185	1940	Gwalior Sugar (Dec.)	5.00	7	100	67/00	68
1929	New Victoria (Apr. Oct.)	26.05	6	5	4/50	4 1/2	1940	Humayun Properties Ltd. (Nov.)	12.00	6	10	9/06	10 1/2
1933	Punjab Andavar (Mar.)	3.00	5 1/2	200	180/00	185	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	68/00	76
1945	Swadeshi (Bombay) (May)	15.00	5	100	105/00	115	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	69/25	80
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90/00	90	1899	Indian General Navy & Railways	22.44	6	10	30/00	31
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	111/25	120	1936	Indian Cable Co. (Nov.)	12.88	6	100	127/00	140
1938	Vishnu (Apr.)	16.00	7	500	557/50	550	1936	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	98/00	110
	JUTE MILLS.							JUTE MILLS.					
1927	Agarpara (Jan. July)	10.00	7	100	99/00	118	1945	James Wright (Jan. July)	1.30	6	50	36/00	40
1905	Alexandra (Feb. Aug.)	9.00	7	100	99/00	98	1937	Jardine Henderson Ltd.	50.00	5 1/2	100	69/00	77
1896	Alliance (Mar. Sept.)	15.00	6	100	79/00	98	1946	Jessop & Co.	10.00	5	100	95/00	106
1917	Anglo-India (May Nov.)	40.00	7	100	102/00	114 1/2	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	..	..
1909	Auckland (July Jan.)	10.00	5 1/2	100	78/00	93 1/2	1916	Kumardhul Engineering (June)	12.00	5	100	100/00	106
1945	Auckland (July Jan.)	10.00	5 1/2	100	78/00	93 1/2	1915	Do Fireclay & Silica (June)	2.00	7	100	113/00	116
1913	Bally (Jan. July)	20.00	7	100	58/00	74	1915	Martin Burn Ltd.	30.00	5	100	97/50	105 1/2
1896	Barnagore (Oct. Dec.)	22.00	5 1/2	100	103/00	116	1946	McLeod & Co.	10.00	5 1/2	100	56/00	69
1906	Belvedere (Jan. July)	7.00	7	25	38/00	48	1930	McLeod & Co.	40.00	6	100	68/50	76
1940	Bengal (June Dec.)	10.00	5 1/2	100	97/00	119	1936	Mettur Chemical & Industrial (Sept.)	20.00	6 1/2	100	97/50	88 1/2
1919	Birla (June Dec.)	23.64	7 1/2	100	96/00	101	1949	Metal Box Co. of India Ltd.	30.00	6 1/2	100	92/00	96
1896	Budge Budge (May Nov.)	9.00	7	100	102/00	119	1938	Mysore Zemindari (Feb.)	8.76	5	100	92/00	92
1934	Calcutta (Jan. July)	6.00	6 1/2	100	78/00	90	1930	National Insulated Cable	10.00	5 1/2	100	69/00	80
1919	Caledonian (June Dec.)	10.00	7	100	100/00	119	1942	National Tobacco (June Dec.)	25.00	5	100	61/00	69
1919	Cheviot (June Dec.)	10.00	7	100	100/00	101	1946	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	40/00	48
1928	Chitavalah (Mar. Dec.)	5.00	7	100	100/00	101	1946	Northern India Oil (Jan. July)	2.00	6	100	40/00	48
1900	Clive (First) (May Dec.)	8.00	6	100	71/00	91	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	111/25	103 1/2
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	81/00	101	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	94/00	99 1/2
	JUTE MILLS.							JUTE MILLS.					
1897	Delta (June Dec.)	5.00	5	100	82/50	115	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	88/75	96
1912	Empire (Jan. July)	10.00	7	100	102/00	114	1936	Purtalpor (Sugar) (Oct.)	6.00	10	10	100/00	108
1890-98	Fort Gloster (Jan. July)	14.00	7	100	102/00	114	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	122/50	132
1945	Fort Gloster (2nd)	7.00	5	100	67/50	73	1936	Rohas Industries (April)	30.00	4 1/2	100	63/00	64
1916	Ganges (June Dec.)	10.00	7	100	102/00	119	1936	Rohas Industries "B" (Apr.)	30.00	4 1/2	100	63/00	64
1895-04	Gouropore (Jan. Dec.)	25.50	8	100	113/00	105	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	67/50	72 1/2
1935	Hastings (Aug. Feb.)	6.25	6	100	79/00	105	1937	Shree Gopal Paper	7.50	6	100	116/00	125
1913	Houghly (July)	11.00	10	10	85/00	107 1/2	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	87/00	96
1890	Howrah (Jan. July)	8.75	7	100	8/19	14 1/2	1936	Shree Krishna Gyanodaya Sugar "B" (Oct.)	12.00	5	100	62/00	65
1903-06	Hukumchand (June Dec.)	17.50	7	100	102/00	121	1936	South Behar Sugar (Oct.)	5.00	10	50	36/00	161 1/2
1898-04	Kamarihaty (Apr. Oct.)	40.00	7	100	101/50	113 1/2	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	9/00	10 1/2
1900	Kankarnah (Apr. Oct.)	10.00	6	100	83/00	100	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.00	8 1/2	10	10/37	84
1935	Kedarnath (Jan. July)	2.00	7	100	68/00	95	1936	Star Paper (Apr. Oct.)	10.00	5	100	74/00	131
1907	Kelvin (Mar. Sept.)	7.00	7	100	103/00	115	1936	Surat Electricity (Apr.)	5.00	6 1/2	100	115/00	117 1/2
1895-09	Khardah (May Nov.)	9.00	6	100	86/00	104	1925	Tata Chemicals (Nov.)	60.00	5	100	98/50	117 1/2
1900-13	Kinnison (July Jan.)	15.00	7	100	102/00	112	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	110/00	121 1/2
1910	Lansdowne (July Jan.)	15.00	7	100	102/00	112	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	100	115/25	129 1/2
1912	Lawrence "A" (July Jan.)	5.00	7	100	102/00	112	1910	Tata Iron & Steel (Second) (May)	69.82	7 1/2	100	115/00	129 1/2
1906-07	Lawrence "B" (July Jan.)	5.00	7	100	102/00	112	1918	Tata Power (May Nov.)	86.97	7 1/2	100	114/00	127 1/2
1905	Naihati (July Jan.)	10.00	5 1/2	100	69/00	113	1918	Tatapore-Balipara Tram (1) (June Dec.)	2.25	6	100	139/00	150
1945	Naihati (July Jan.)	10.00	7	100	104/00	123	1917	Tatapore Paper Mills (Mar. Sept.)	11.50	8	100	139/00	150
1917	National (May Nov.)	7.50	4 1/2	100	59/00	79	1917	Tatapore Paper Mills "2nd" (Mar. Sept.)	15.00	4 1/2	100	90/00	95
1939	Nellimarla (Apr. Oct.)	5.00	6	100	104/00	124	1917	Vizagapatam Electric Supply (July)	1.00	6 1/2	100	82/50	89 1/2
1913	New Central (Jan. July)	33.00	7	100	91/00	102		TEA.					
1908-09	Northbrook (July Jan.)	15.00	5 1/2	100	99/50	113 1/2	1903	Amluckie (May Nov.)	75	7	100	400/00	550
1935	Rameshwara (Jan. July)	7.00	6	10	10/00	91 1/2	1901	Banarhat (Jan.)	4.00	6 1/2	100	119/00	118
1906-12	Reliance (Jan. July)	7.00	6	10	10/00	91 1/2	1901	Brooke Bond Estate India Ltd.	1.00	8	100	115/00	118
1901	Sannugger (Feb. Aug.)	21.50	7	100	79/00	112	1901	Choomabhatti (Jan.)	35.00	6 1/2	100	84/00	119
1928	Shree Ambica (Mar. Sept.)	11.70	7 1/2	100	sh 21/6	sh 21/6	1901	Damakus (June Dec.)	2.00	6 1/2	100	12/50	14
1920	Shorah (Feb. Aug.)	10.00	7	100	76/00	106	1901	Uniseri	119	8	3	3/00	86
1895-01	Standard (July Jan.)	9.00	6	100	100/00	112	1901	Hantana (Jan.)	2.00	6	100	82/50	140
1897	Titagarh (Feb. Aug.)	21.50	6	100	70/00	85	1901	Hasimara (Mar.)	50	8	100	127/00	135
1901-02	Union (July Jan.)	6.00	6	100	102/00	112	1904	Kingsley Golaghat (Dec.)	3.00	7	100	125/00	108
1898	Victoria (Feb. Aug.)	6.00	7	100									

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Profit Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until				
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs	A year ago
25,30,000	27,30,500	25,05,000	3,69,797	Amalgamated	3-9	236	2,92,399	28,619	31-4	61-74	5-...	100	17/62	17/62	23
1,00,00,000	1,96,15,288	1,40,49,225	18,95,659	Bengal P	4-10	2	26,18,984	7,31,565	74-74	83-83	...	100	215/00	221/00	536
4,49,350	4,08,192	4,00,000	2,24,405	Bengau Bhatdee	6-12	2	15,149	4,951	11-11	...	...	100	6/00	6/00	7
2,25,000	2,48,198	5,30,654	3,64,478	Bengau Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil	Nil-Nil	...	100	15/00	15/00	16
15,37,000	14,16,665	5,91,472	13,32,767	Bhailgarat	3	152	3,13,895	39,978	...	...	...	100	4/75	4/75	7
40,00,000	68,91,474	20,23,235	32,65,421	Bharat Collieries P	6	335	2,52,221	27,435	61	61	...	100	6/13	6/13	7
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,810	1,87,446	Nil-Nil	Nil-Nil	...	100	13/87	13/87	13
16,00,000	18,81,275	16,18,636	7,106	Bhakar & Rangur	6-12	315	1,21,936	79,197	...	...	...	100	11/75	11/62	14
7,50,000	18,56,889	24,29,024	11,80,066	Borner P	6-12	106	2,14,682	94,207	10-10	10-10	...	100	20/31	20/31	26
90,92,488	2,39,17,614	1,75,02,136	28,93,839	Burrakur P	6-12	21	7,43,658	36,168	24-34	34-34	34-...	100	21/65	21/25	13
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	24	24	5	100	6/12	6/00	6
8,00,000	16,87,572	13,30,519	15,752	Central Kurkand P	6-12	323	34,743	82,768	...	...	...	100	12/50	12/50	11
6,00,000	1,43,674	1,43,674	7,32,356	Churulia	6-12	106	6,374	2,129	...	...	...	100	1/94	1/94	34
16,30,000	24,00,428	Nil	50,309	Chennai Main	6-12	106	6,374	2,129	...	...	...	100	1/94	1/94	34
2,240,000	2,239,116	2,313,125	2,140,349	East Indian	6-12	106	6,374	2,129	Nil-Nil	Nil-Nil	...	100	5/75	5/75	87
29,63,760	1,15,25,711	33,55,049	24,17,696	Goindale P	6-12	106	6,374	2,129	...	...	...	100	21/00	21/00	30
10,00,000	6,74,708	2,07,481	3,32,377	Goindale & Muslia	6-12	106	6,374	2,129	74-74	74-74	...	100	15/75	15/75	17
6,50,000	5,08,854	3,35,156	4,95,344	Juzdar Kajora	6-12	20	24,159	2,494	...	...	...	100	1/50	1/50	47
8,00,000	1,17,786	1,25,000	7,92,425	Huriladih	6-12	106	20,574	45,985	74-10	124-124	...	100	22/12	22/12	23
3,50,000	6,31,200	5,68,816	1,407	Kalapahari	6-12	2	1,38,130	2,21,237	Nil-Nil	Nil	...	100	20/00	20/00	20
15,30,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	Nil-Nil	...	100	12/32	12/68	25
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	6-12	21	2,26,982	6,985	Nil	Nil	5	100	88/50	88/50	145
5,00,000	10,29,548	16,60,000	11,25,332	Katras Jheriah	6-12	2	5,92,344	1,33,475	28-28	25-30	35	100	53/00	53/00	56
1,30,400	6,75,000	95,000	11,89,294	Khas Kajora P	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
5,65,756	10,84,977	85,000	9,599	Mundulpur	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
7,48,241	3,46,939	2,00,000	10,14,803	Nazira	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
7,00,000	5,13,418	26,611	61,941	New Bandeenpur	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
17,76,230	31,15,787	20,01,762	3,78,339	New Beerboom P	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
6,00,000	11,11,645	75,000	46,881	New Manbhoon	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
2,50,000	7,69,622	1,75,504	10,12,916	North Damuda	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
1,15,000	4,42,488	2,85,195	1,53,245	North West	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
1,57,300	...	...	...	...	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
7,50,000	1,20,000	12,19,982	23,26,751	Onal P	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
6,34,000	9,21,342	10,982	1,95,011	Parasara P	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
15,75,000	13,39,144	16,59,999	13,39,443	Penet Valley	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
2,30,000	2,92,406	...	11,500	Pure Sitalpur	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
23,40,000	36,99,424	20,17,105	67,898	Raneegunge	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
8,88,001	10,45,115	15,51,591	14,29,642	Rewa	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
20,00,000	23,74,261	7,52,021	1,01,421	Samia	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
2,50,000	1,56,194	1,34,374	11,356	Seasole	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
4,80,000	10,92,183	6,36,598	7,87,728	Seepore P	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
8,00,000	1,17,786	3,29,406	5,32,757	Sendra	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
17,50,000	22,79,233	10,89,993	25,093	South Karanpura	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
8,00,000	1,42,050	14,01,052	23,89,817	Standard	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
10,00,000	15,58,085	15,375	7,911	Talcher	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
49,48,000	33,66,551	50,000	2,17,164	Western Bengal	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	326	49,776	1,918	...	...	...	100	3/75	3/75	94

N = Nominal

COTTON MILLS

Paid up Capital Ordinary	Number of		Net Block Account	Reserve & other funds Premiums & Profit Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until	
	Spindles	Looms									Rs	Rs	Rs		Rs	Rs
Rs			Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs
15,00,000	14,106	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	..	..	..	10	5/00	5/00
32,72,344	22,197	905	17,69,670	23,18,909	24,351	Benares P	3-9	120	1,27,187	4,79,347	..	..	..	10	0/87	0/87
7,11,286	36,000	932	17,17,120	2,20,369	30,842	Bengal Luxmi	6-12	27	3,66,176	47,818	..	..	..	10	40/75	38
27,30,000	11,476	324	23,33,000	15,50,060	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	Nil	..	..	40	17/75	95
15,00,000	18,764	992	28,31,200	88,48,588	31,22,417	Birla Cotton	1	22	16,69,225	2,76,936	30	30	15	10	35/00	185
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Bowren P	6-12	138	84,028	23,47,378	Nil-11	Nil-11	..	100	120/00	120/00
3,27,42,000	1,01,898	2,762	9,94,616	7,74,438	2,94,833	Cawnpore Textiles	3	25	6,73,253	36,767	Nil-5	Nil-5	..	100	6/18	6/12
1,00,000	1,01,898	2,762	9,94,616	7,74,438	2,94,833	Delhi Cloth & Genl P	6	236	1,81,41,278	82,759	9	9	..	25	37/75	37/75
19,00,000	12,944	518	14,12,181	25,71,925	1,53,894	Dunbar	6-12	138	9,92,376	1,37,951	Nil-11	Nil-11	..	100	174/00	175/00
63,00,000	94,000	1,200	18,99,962	47,07,056	71,13,555	Elgin P	9	25	45,81,868	78,754	Nil-11	Nil-11	..	100	24/00	24/00
1,20,00,000	59,250	1,872	2,38,99,578	1,60,53,952	47,29,288	Kesoram P	3	22	37,41,719	2,45,435	81	81	123	10	24/00	17/75
12,00,000	15,864	804	17,48,143	3,75,679	14,08,855	Mohini P	12	45	3,53,314	5,158	..	..	..	20	13/75	..
33,96,288	30,00,000	18,000	1,826	14,44,344	32,19,601	Muir P	12	208	18,77,941	7,77,290	..	..	..	25	..	..
22,89,382.00	18,848	1,367	43,25,977	28,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	..	..	..	16	..	..
3,07,395.00	23,196	795	22,37,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	64	10	..	100	1/81	1/81
19,47,150.00	5,93,900.00	11,436	2,077	2,83,77,688	2,65,04,931	Swadeshi (Cawnpore) P	12	333	13,71,838	7,09,029	74	74	..	100	1/94	1/94
5,93,900.00	11,436	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	13,71,838	7,09,029	74	74	..	100	16/25	16/25
1,57,50,000	11,436	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	13,71,838	7,09,029	74	74	..	100	3/00	3/00
Po	11,436	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	13,71,838	7,09,029	74	74	..	100	12/50	12/50
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
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											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
											114	114	..	100	12/31	12/31
						</										

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue Interest	Outturn and Average Price per lb. realised for crop	Estimated	NAMES	Accounts closed	Managing Agents	Dividends per cent	Paid-up Share	Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.	1954	1955				1952	1954	1955	Rs.	Rs.	Rs.	Rs.
CACHAR															
3,00,000	1,40,887	1,75,000	862	2,89,040	39-11	..	..	..	..	..	..	12/00	12/00	12/00	12
4,00,000	2,26,259	49,878	465	..	..	..	..	..	..	..	..	12/00	12/00	12/00	100
10,00,000	18,22,881	5,88,800	1,486	4,90,262	10-10	8,40,392	32-4	8,12,443	12/12	..	..	12/00	12/00	12/00	100
2,50,000	57,753	Nil	994	1,91,321	38-4	7,07,748	4-0	7,44,000	12/12	..	..	12/00	12/00	12/00	116
7,00,000	1,07,190	11,300	794	2,00,454	4-2-2-5	3,91,440	28-6	4,40,000	12/12	..	..	12/00	12/00	12/00	91
12,00,000	17,92,487	11,50,000	2,152	17,59,321	15-0	16,36,400	24-1	16,00,000	12/12	..	..	12/00	12/00	12/00	31
4,50,000	2,91,000	1,65,222	586	..	..	..	..	..	12/12	..	..	12/00	12/00	12/00	25
3,60,000	3,12,914	3,24,391	603	4,40,507	16-6	3,48,445	27-6	3,36,000	12/12	..	..	12/00	12/00	12/00	111
7,00,000	1,26,000	5,50,000	1,368	7,33,267	17-6	7,86,038	26-7	8,00,000	12/12	..	..	12/00	12/00	12/00	204
2,50,000	1,18,608	Nil	500	3,68,960	38-0	4,86,080	23-11	1,80,000	12/12	..	..	12/00	12/00	12/00	194
2,50,000	4,34,515	3,56,392	821	3,76,801	11-11	5,76,240	25-11	6,40,000	12/12	..	..	12/00	12/00	12/00	221
5,25,000	8,87,291	10,42,956	682	4,76,801	11-11	1,25,980	29-3	6,00,000	12/12	..	..	12/00	12/00	12/00	194
4,00,000	6,88,316	5,52,313	688	1,49,338	36-7 1/2	..	..	..	12/12	..	..	12/00	12/00	12/00	194
3,75,000	5,02,307	4,31,250	1,056	1,63,321	..	..	..	..	12/12	..	..	12/00	12/00	12/00	101
DARJEELING															
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	1,76,000	12/12	..	..	2/00	2/00	2/00	31
2,79,900	3,07,500	1,25,000	407.5	1,41,174	92-0	1,44,772	46-81	1,76,000	12/12	..	..	15/12	15/12	15/12	17
3,79,900	1,74,906	1,11,928	991	..	..	..	..	..	12/12	..	..	15/12	15/12	15/12	290
2,00,000	1,84,414	1,62,639	488	1,35,760	52-5	1,27,760	38-9	1,28,000	12/12	..	..	15/12	15/12	15/12	250
2,00,000	5,08,900	3,44,549	500	2,84,204	19-11	2,35,761	33-9	2,64,000	12/12	..	..	15/12	15/12	15/12	250
2,00,000	6,59,000	2,60,770	1,049	6,53,740	18-31	6,13,739	42-31	6,72,000	12/12	..	..	15/12	15/12	15/12	301
10,32,000	1,76,776	11,111	761	1,26,515	18-84	..	..	..	12/12	..	..	15/12	15/12	15/12	301
4,00,000	3,12,081	4,00,225	816	3,29,040	57-11	3,53,320	36-7	3,68,000	12/12	..	..	15/12	15/12	15/12	301
1,50,000	2,06,770	3,50,239	465	1,77,704	32-3	1,65,440	30-6	1,84,000	12/12	..	..	15/12	15/12	15/12	301
2,99,900	3,67,500	2,95,000	682	4,35,016	33-4	4,34,342	36-0	4,40,000	12/12	..	..	15/12	15/12	15/12	301
1,00,000	2,23,710	97,647	505	1,81,181	55-3	1,68,126	38-4	1,80,000	12/12	..	..	15/12	15/12	15/12	301
3,00,000	4,02,668	2,61,118	776	3,83,067	50-8	3,68,697	37-11	3,76,000	12/12	..	..	15/12	15/12	15/12	301
2,05,000	3,85,067	4,09,567	570	4,30,000	58-8	4,27,341	35-11	4,30,000	12/12	..	..	15/12	15/12	15/12	301
1,49,900	1,69,062	4,65,653	341	1,89,720	10-4	1,67,840	41-4	1,76,000	12/12	..	..	15/12	15/12	15/12	301
3,00,000	3,32,822	1,86,462	389	1,77,704	32-3	1,59,385	35-0	1,68,000	12/12	..	..	15/12	15/12	15/12	301
6,25,000	9,98,413	1,459	741	1,05,335	..	..	..	..	12/12	..	..	15/12	15/12	15/12	301
9,00,000	9,08,557	1,54,418	683	2,64,900	30-4	..	..	..	12/12	..	..	15/12	15/12	15/12	301
3,00,000	3,24,400	4,10,000	584	2,89,738	30-4	2,90,650	41-11	2,96,000	12/12	..	..	15/12	15/12	15/12	301
6,25,000	12,36,873	5,74,585	392	1,76,000	34-5	3,74,800	39-34	3,84,000	12/12	..	..	15/12	15/12	15/12	301
3,00,000	4,70,000	10,35,284	7184	4,40,947	14-83	3,70,473	41-11 3/5	4,00,000	12/12	..	..	15/12	15/12	15/12	301
9,01,350	11,54,000	2,62,417	1,666	7,11,945	50-51	7,09,403	34-43	8,80,000	12/12	..	..	15/12	15/12	15/12	301
DUARS															
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,366	31-9	33,20,000	12/12	..	..	270/50	282/00	276	376
6,00,000	20,30,782	19,29,000	1,108	13,31,370	43-7	14,32,132	32-1	14,00,000	12/12	..	..	23/69	23/69	491	491
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	12/12	..	..	24/10	25/37	192	192
9,00,000	14,52,896	11,61,304	1,367	11,96,609	52-8	11,04,658	32-3	12,80,000	12/12	..	..	160/00	160/00	252	252
6,00,000	8,48,764	7,74,645	902	10,58,495	19-10	10,10,033	29-7	5,60,000	12/12	..	..	166/00	166/00	371	371
3,00,000	6,91,678	10,50,000	600	10,82,888	31-11	11,60,000	30-7	4,48,000	12/12	..	..	144/00	144/00	262	262
1,20,000	4,47,806	3,00,102	500	4,01,294	43-7	4,24,267	30-7	2,40,000	12/12	..	..	15/06	15/06	291	291
3,50,000	1,95,171	2,64,000	265	2,24,800	19-1	2,12,726	26-9	2,40,000	12/12	..	..	15/06	15/06	291	291
5,00,000	7,97,433	3,00,000	447	4,75,349	49-4	4,65,428	30-3	5,40,000	12/12	..	..	15/06	15/06	291	291
10,00,000	7,87,046	8,00,000	1,253.6	7,87,046	49-4	7,87,046	35-9	..	12/12	..	..	15/06	15/06	291	291
10,00,000	17,49,500	10,35,284	7184	12,26,097	47-11	12,26,100	27-11	..	12/12	..	..	15/06	15/06	291	291
22,00,000	37,95,527	49,07,736	4,421	30,88,832	47-11	30,88,832	29-0	31,20,000	12/12	..	..	15/06	15/06	291	291
32,00,000	53,65,929	64,68,285	12,361	53,71,277	47-11	53,71,277	36-2 3/5	62,56,000	12/12	..	..	15/06	15/06	291	291
8,25,000	10,98,000	17,14,718	1,452	10,76,367	47-11	10,76,367	28-7	12,00,000	12/12	..	..	15/06	15/06	291	291
7,00,000	9,18,809	5,15,000	601	1,46,841	49-4	1,46,841	30-10	0,00,000	12/12	..	..	15/06	15/06	291	291
9,00,000	12,59,526	13,23,848	937	11,46,814	49-4	11,46,814	28-1	10,00,000	12/12	..	..	15/06	15/06	291	291
2,00,000	2,12,000	5,00,000	620	2,12,000	49-4	2,12,000	31-2	16,00,000	12/12	..	..	15/06	15/06	291	291
9,00,000	15,71,067	18,15,032	1,132	15,71,067	49-4	15,71,067	27-1	6,40,000	12/12	..	..	15/06	15/06	291	291
14,00,000	8,81,962	18,45,000	1,163	15,71,067	49-4	15,71,067	27-1	6,40,000	12/12	..	..	15/06	15/06	291	291
3,20,000	6,26,920	4,80,000	578	6,26,920	49-4	6,26,920	27-1	2,56,000	12/12	..	..	15/06	15/06	291	291
2,50,000	3,14,964	3,59,800	348	3,14,964	49-4	3,14,964	27-1	2,56,000	12/12	..	..	15/06	15/06	291	291
7,65,000	1,29,497	1,31,034	764	1,29,497	49-4	1,29,497	27-1	2,56,000	12/12	..	..	15/06	15/06	291	291
7,46,100	8,77,189	11,43,550	1,632	8,77,189	49-4	8,77,189	27-1	2,56,000	12/12	..	..	15/06	15/06	291	291
3,46,400	2,28,485	31,20,000	1,766	2,28,485	49-4	2,28,485	27-1	2,56,000	12/12	..	..	15/06	15/06	291	291
..	4,45,381	6,97,500	663	4,45,381	49-4	4,45,381	27-1	2,56,000	12/12	..	..	15/06	15/06	291	291
TERAI															
4,50,000	10,63,145	1,64,527	607	3,99,840	14-7	..	..	..	12/12	..	..	8/62	8/62	45	45
2,50,000	1,59,000	10,41,345	430	1,23,610	29-8	1,17,643	25-3	4,00,000	12/12	..	..	8/62	8/62	45	45
8,40,000	14,86,540	10,79,795	1,589	13,20,702	28-0	12,79,861	28-0	14,24,000	12/12	..	..	8/62	8/62		

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid up per Share	Latest Market Quotations as available until	Quotations as available until			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	17-4-57	10-4-57	A year ago
SUGAR BREWERIES ETC.															
11.00.000	6,45,722	3,75,906	10,90,561	New Savan Sugar and Gur	3	140	95,437	52,205	..	..	..	10	5/75	5/75	64
9.00.000	12,45,157	19,64,817	1,62,839	Purtabpur Sugar P.	10	25	2,04,625	20,705	74	74	..	10	17/62	17/62	174
16.59.820	26,32,127	35,30,000	4,84,39	Ramnuzgar Cane & Sugar P.	3	1	18,11,594	20,350	15	20	..	10	25/25	25/25	241
19.99.600	25,62,562	39,84,219	13,92,915	Raza Sugar P.	10	92	10,78,193	3,144	..	..	..	10	21/00	21/00	201
8.00.000	6,07,233	7,72,778	3,77,840	Rvam Sugar P.	5	25	4,21,432	13,264	6	Nil	173	10	25/00	21/00	201
11.99.000	21,07,973	19,42,074	40,372	Samastipur Central Sugar	3	25	37,553	3,554	5	Nil	..	10	11/50	11/50	144
40.00.000	72,49,554	19,09,009	1,12,477	Shree Krishna Gyanodaya Sugar P.	7	335	8,85,387	16,381	15	174	10	10	10/37	10/50	111
7.94.500	13,34,858	11,85,171	11,16,364	Shree Sitaram Sugar	3	146	1,90,367	7,991	..	..	..	10	13/00	13/00	44
9.99.950	14,54,274	1,54,204	1,42,896	Sitalpore Sugar	5	94	-1,39,515	-1,39,515	Nil	Nil	..	10	4/37	4/37	44
16.00.000	8,07,804	7,99,775	4,22,572	United Provinces	3	341	4,23,880	39,061	124	..	..	10	14/00	14/00	191
8.00.000	47,67,069	29,24,348	3,58,383	Upper Ganges Sugar P.	3	316	12,95,211	32,829	25	25	30	10	70/00	70/00	944
14.00.000A	14,24,740	23,14,426	10,72,924	Upper India Sugar	1	302	16,80,986	86,393	15	20	..	100AC	280/00	280/00	127
7.00.000B												121BC	28/50	28/50	15
MISCELLANEOUS															
8.00.000	2,20,232	1,56,209	9,53,5261	A Firpo (Restaurants)	10	85	84,518	4,475	..	..	..	10	4/19	4/19	44
1.50.00.000	1,40,80,594	6,21,715	3,61,961	Air India Ltd.	12	269	-6,02,786	-14,30,401	..	..	..	100	..	..	..
2.00.00.000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,349	30,205	..	..	..	100	..	..	..
47.50.000C	3,08,51,695	17,00,000	16,26,711	Aluminium Corp. P.	1	132	25,21,116	1,16,199	Nil	Nil	5	100	9/00	9/31	104
20.00.000	42,38,502	14,50,000	94,97,330	Anderson Wright Ltd. P.	12	..	-89,042	18,284	74	74	..	24Dd	2/62	6/06	26
80.00.000	11,39,552	29,18,823	14,94,091	Angelo Bros.	12	268	15,15,199	3,35,874	124	20	20	10	11/50	11/50	221
30.00.000	17,54,434	27,66,265	3,49,874	Assam Match	12	274	3,35,902	1,18,395	124	124	..	10	19/00	19/00	221
13.99.998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	-97,045	-5,14,537	Nil	Nil	..	3	2/95	2/87	5
80.00.000	61,61,507	23,00,000	61,84,007	Associated Hotels of India P.	1	204	8,82,990	32,683	2	4	..	10	10/75	10/75	61
80.01.400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	124	..	100	147/00	153/00	177
12.00.000	2,55,654	89,890	4,52,019	Bararee Coke	3-9	128	2,19,706	45,399	74-74	74-74	6	100	16/25	16/25	104
6.00.000	76,414	Nil	30,72,417	Bengal Limber Trading P.	3	128	-6,34,164	-1,19,103	..	..	..	100	41/00	41/00	44
50.00.000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	3	22	-3,19,589	-3,19,229	..	..	..	100	5/25	5/25	104
20.00.000	7,25,715	..	68,68,934	Birds Investments P.	1	160	4,59,013	37,312	124	124	10	10	14/37	14/37	164
45.97.020	31,11,814	..	2,09,476	Britannia Biscuit P.	5	50	8,14,261	1,79,277	10	10	10	10	13/25	13/06	114
22.56.700	13,98,766	43,18,775	3,38,372	British Ceylon Corporation P.	12	3	27,75,295	1,85,955	..	..	..	74	8/31	8/31	114
8.25.000	59,89,738	1,18,60,524	2,50,83,850	British India Corporation P.	12	33	-30,23,938	-27,36,584	13	Nil	..	5	7/00	7/00	104
92.50.000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	3	235	60,996	1,550	5	6	5	10A	6/75	6/75	81
32.50.000B	5,92,780	2,40,684	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	4/31	4/31	44
5.00.000	17,81,146	80,09,268	2,06,11,689	Dunlop Rubber & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	..	10	109/00	104/00	119
90.00.000	3,06,30,528	3,40,86,174	35,55,133	Dunlop Rubber Co. (India) P.	12	96	1,02,44,457	13,24,595	15	15	15	100	24/00	24/75	311
16.12.000	54,10,811	1,72,19,436	1,02,21,271	Eastern Investments Ltd. P.	12	21	1,20,034	3,27,916	9	9	9	10	107/00	106/50	1534
75.00.000	13,79,387	4,33,826	1,02,21,271	F & C Osler (India) Ltd. P.	3	84	-4,26,249	-5,26,954	..	..	..	10	6/75	6/06	124
80.00.000	12,38,300	21,97,641	86,55,3604	French Motor Car	3	51	8,97,594	1,26,757	124	124	..	20	21/87	21/87	204
14.00.000	14,92,000	10,02,000	11,394	Ganges Rope	3-9	19	89,571	27,194	74-74	74-74	..	100	186/00	186/00	179
2.25.000	55,893	54,893	53,17,330	General Investments Trust P.	3	357	13,384	12,435	24-24	24-24	33-24	75	43/00	43/00	144
65.00.000	33,54,049	1,08,48,711	12,84,357	Gillanders Arbuthnot & Co. Ltd. P.	3	105	30,03,640	89,541	74	14	16	10	10/95	10/87	144
20.00.000	27,68,043	5,09,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	21/50	21/50	204
40.00.000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	226/00	226/00	240
30.00.000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	..	..	..
10.00.000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	3	..	43,377	24,274	..	..	..	5	1/25	1/25	14
35.20.000	30,42,899	20,00,000	19,08,953	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	7/18	7/81	144
15.16.000	7,42,66,399	7,88,86,798	5,59,32,187	Imperial Tobacco	12	325	3,65,59,515	24,94,274	..	..	..	10	13/27	13/62	144
1,52,39,220	2,01,10,000	55,27,599	8,89,214	Indian Aluminium Co., Ltd. P.	12	293	42,79,225	7,97,410	10	8	10	10	13/25	12/56	212
5.00.000C	1,27,87,878	1,37,00,000	1,18,408	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	124	15	10	27/37	25/00	74
83.75.000	22,07,269	2,21,286	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	10PO	8/12	8/12	51
1,25.000D	8,27,970	7,44,398	17,07,8761	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	..	..	100	6/75	6/75	51
8.27.970	7,44,398	5,38,000	18,15,487	Indian Wood Products	3	98	17,28,039	2,76,619	1Dd	..	..	10	00/50	00/50	111
5.00.000	4,64,735	2,55,728	12,78,254	Investments and Finance P.	2-8	21	27,880	51,001	274	30	..	10	26/25	26/25	40
2.40.000	15,362	4,46,244	1,39,321	Ivan Jones Ltd.	3	194	1,39,321	36,496	24-24	33-24	33-24	100	40/25	40/25	65
5.87.500D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	6	..	50	65/00	65/00	24
1,17.500D	51,37,813	57,00,000	1,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	74	Nil	74	1Dd	3/00	3/06	24
2.00.00.000	3,17,363	6,02,956	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	..	..	50	00/56	00/56	111
6.34.000C	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	74	74	11	100	00/56	00/56	111
68.00.000D	35,89,193	69,62,796	2,07,03,941	Martin Burn Ltd. P.	3	309	93,42,590	2,70,207	133	184	214	10	22/19	22/19	240
1,43.96.500	37,46,232	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17	224	..	1000	240/00	240/00	240
40.00.000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608	16,24,249	10	124	164	10	27/25	27/25	28
40.00.000	22,27,953	74,50,000	7,78,329	National Insulated Cable P.	3	7	58,72,160	1,44,444	10	15	20	10	20/00	27/50	221
79.97.000	72,01,992	15,00,000	33,353	National Rollins & Steel Ropes	6	7	3,79,123	75,726	514	514	..	10	10/00	10/00	

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds Premiums & forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Results including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	16-4-57	9-4-57	1 year ago Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8 1/2	10	10	100	159/50	137/25	215 1/2
ELECTRICITY & POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6 1/2	5	6 1/2	100	93/25	92/75	101 1/2
2,92,83,500	4,18,62,358	52,34,507	65,30,589	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	7 1/2	1,000	1,185/50	1,187/50	1,270
1,74,99,700	2,14,85,127	39,32,48	5,79,434	Bombay Suburban Elec. Sup.	3	146	19,21,73	45	7	7	7	100	106/00	110/00	115 1/2
38,08,200	17,49,057	4,75,323	14,87,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	130/00	128/75	146
1,34,45,225	3,37,65,356	63,92,045	58,39,877	Tata Hydro Elec. Power sup. P	6	267	37,75,587	21,171	7 1/2	7 1/2	7 1/2	100	121/50	120/00	129
6,02,78,750	3,98,37,405	1,41,56,518	1,29,22,545	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	7 1/2	1,000	1,192/50	1,185/00	1,352 1/2
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,556	1,35,820	12 1/2	..	..	100	262/50	252/00	352 1/2
6,00,000	29,341	4,43,904	59,330	East Engineering	3	115	62,291	1,580	15	5	5	50	66/00	66/00	96
40,95,100	11,26,513	16,00,000	9,74,864	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	100	14/50	15/31	101 1/2
40,95,100	31,25,753	2,02,500	49,133	Machinery Mfgs. Corp. Ltd. P	3	330	2,02,006	64,876	..	..	..	100A	76/00	76/00	98 1/2
1,10,00,000	15,00,978	16,66,194	7,06,261	McKenzie	7	283	1,49,085	64,938	..	..	..	100	76/00	76/00	98 1/2
2,50,000	5,834	1,00,53,052	1,79,32,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	28 1/3	300	164/75	159/50	185 1/2
1,31,250	..	..	..	..	..	..	..	..	..	..	..	31F	..	..	..
4,20,00,000	5,90,52,365	1,17,73,382	23,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	..	..	..	100	140/50	136/50	159 1/2
6,63,75,000	32,44,07,755	16,63,05,536	12,83,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	171/00	164/75	247 1/2
INSURANCE COMPANIES															
80,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13/37	13/37	13 1/2
5,15,000	..	11,04,84,687	3,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/00	350/00	675
8,46,120	..	36,33,998	46,36,602	Indian Mercantile	12	75	..	..	..	..	..	100	45/50	45/50	91 1/2
18,74,940	25,01,134	2,68,61,155	4,01,49,442	Jupiter General P.	12	55	98,351	1,13,109	..	..	..	60	6/50	6/50	39
1,06,81,500	..	1,08,81,793	17,25,18,457	New India	12	179	43,58,659	71,250	16 2/3	..	..	15	38/75	39/25	39
6,00,000	..	67,83,74,430	63,45,53,12	Oriental Life	12	298	..	..	..	..	..	200	3,775/00	3,775/00	3,900
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	10	15/62	15/62	15 1/2
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,990	Air Service of India	6	336	-15,61,405	37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	226/50	223/00	225
50,00,000	2,20,64,302	4,12,86,155	2,67,27,639	Bombay Burmah Trading	6	285	47,93,172	61,990	18	21	..	125	586/00	569/00	623 1/2
42,00,000	1,21,04,053	1,14,43,431	1,14,43,431	Bombay Steam Navigation P	6	256	4,54,215	30,135	..	..	..	50	217/00	211/00	217 1/2
43,00,000	3,087	19,47,396	1,23,00,992	Industrial Investment Trust	6	299	5,81,908	2,83,136	..	..	..	25	76/00	75/50	72
99,99,250	13,82,957	7,34,142	14,05,2234	Kemur (Chemists)	12	352	68,232	16,942	..	..	..	200	197/50	197/50	215
11,99,900	5,74,05,778	1,81,13,445	33,19,604	National Rayon Corp.	6	198	38,40,882	3,72,076	10	..	..	100	228/00	228/75	213 1/2
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	12	352	33,19,604	2,861	..	..	..	20	19/20	18/65	17 1/2
4,00,000	27,45,055	37,30,000	11,27,081	Shivrajpur Synd. (Manganese)	6	146	35,49,058	21,661	..	..	..	80	91/75	89/00	109
1,39,95,990	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	11	269	16,84,488	34,425	..	..	..	10	16/10	15/80	17 1/2
70,07,471	73,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	..	..	..	25	42/75	42/25	48 1/2
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,35,281	5,61,984	11	11	..	100	170/00	170/00	203 1/2
*1956 tLiquid Assets															

*1956

†Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & Other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	17-4-57	10-4-57	A year ago Rs.
CALCUTTA														
17,24,000	20,82,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,387	..	2 1/2	2 1/2	2 1/2	100	60/00	60/00	59 1/2
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67/50	67/50	73 1/2
34,00,000	41,30,202	3,11,949	Bankura Damodar River S.S.G.	3	165	46,807	..	2 1/2	2 1/2	2 1/2	100	58/75	58/75	58 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10/00	10/00	11
17,80,000	21,78,786	2,20,871	Burdwan Cutwa S.S.G.	3-9	165	78,839	..	..	..	..	100	10/00	10/00	11
31,00,000	35,46,011	..	Jhaparmukh Sighai S.S.G.	3-9	32	62,834	10,849	1 1/2-1 1/2	1 1/2	1 1/2	100	51/00	52/87	60 1/2
4,75,000	3,20,040	4,75,000	Cherra Chhatrak Roadway	3-9	32	7,071	9,917	1 1/2	..	..	100	7/50	7/50	7 1/2
2,47,650	2,75,015	85,226	Jarjeeling Roadway	3	88	18,097	4,549	1 1/2	..	2 1/2	100	7/37	7/37	6 1/2
22,50,000	62,20,813	13,52,000	Jehri Robter	3-9	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	100	10/50	12/81	13
11,49,700	20,10,843	1,88,140	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	98-98	10-12 1/2	100	63/37	63/37	59 1/2
16,00,000	50,82,188	1,77,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	51/00	51/00	72 1/2
6,00,000	13,87,138	4,43,410	Howrah Shekha D.B.G.	3-9	32	28,827	20,122	3-3	3-3	3-3	100	65/00	65/00	72 1/2
19,50,000	27,95,889	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	58/00	58/00	61 1/2
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	..	..	..	100	72/00	72/00	69 1/2
13,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	115/00	129/50	140 1/2
1,75,000	5,41,779	2,04,841	Lexpore Bailpara Tramway	3-9	165	-43,574	5,944	..	..	..	100	..	..	..
Managing Agents Managing Directors and Secretaries														

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

W. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329	Sri G. D. Bhagat—15 Shib Thakur Lane Calcutta	330	M. G. Investment Corp. Ltd.—127, Mahatma Gandhi Road Fort Bombay	349	Chandmull Batia—7, Canning Street, Calcutta
F. C. Williams—14 Old Court House St. Calcutta	330	Manindra & Mahindra Ltd.—Gateway Building Apollo Bunder Bombay	340	C. J. Jherian—Travancore, James Street Calcutta	350	K. K. Agarwal—Empire House, Hornby Road Fort Bombay
Messrs. Pata Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Rd. Fort Bombay-1	331	V. Roy & Sons—Canning St. Calcutta	341	James G. G. & Co. Ltd.—2 Netaji Subhas Road Calcutta	351	L. & J. (Management) Private Ltd.—J. K. Building Douglas Road Ballard Estate Bombay
Anderson Wright & Co.—1, Wellesley Place Calcutta	332	M. Paspattil—21 Javelin Street Fort Bombay	342	U. N. Chatterjee—2 Royal Exchange Place Calcutta	352	G. Mahant—Ewart House, Bruce Street Fort Bombay
Indo Corporation Private Ltd.—5, Swinhoe St. Calcutta-19	333	Jaispuris Bros. Ltd.—33 Netaji Subhas Road Calcutta	343	Eastern Smelting & Refining Co. Ltd.—10 Olive Row Calcutta	353	N. K. (Rathor)—14 Netaji Subhas Road Calcutta
John Rutherford—Blakie—Virginia House, 2, Bowringhee Calcutta	334	S. Kumar—2, Fairlie Place Calcutta	344	The National Tea Corporation—130, Cotton Street Calcutta	354	L. C. Kanol—P. S. Mission Row Calcutta
Berwal Bros.—63 Netaji Subhas Rd., Calcutta	335	Sahu (Sd.) Ltd.—Jaimanagar, Pundarik. Chitband—Scindia House, Douglas Road Bombay	345	Seahazree Brothers (Travancore), Ltd.—Elloor factory Alwaye	355	J. J. Robertson—16 Strand Road, Calcutta
Marwar Textiles (Agency) Ltd.—Waudby Road Fort Bombay-1	336	John Taylor & Sons (India) Ltd.—Mysore, Oorgram South India	346	Associate Commerecia Co. Ltd.—181/1 Harrison Road Calcutta	356	S. B. Jorjia—10, Olive Row Calcutta
	337		347	Sahu (Sd.) Ltd.—Hornby Road, Fort Bombay	357	D. P. Dunderdale—Chartered Bank Buildings, Calcutta

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THERMAL INSULATION ENGINEERS

MOBILISING RESOURCES FOR THE BANKING SYSTEM

VALUE OF BRANCH EXTENSION SCHEMES: NEED TO PROMOTE SAVINGS

NO concrete evidence is available yet to show that the slightly easier supply of funds in the money markets which has been reported during the last two or three weeks is much more than a temporary phenomenon. There has been a small decline in the advance-deposit ratio of scheduled banks, but it is still at the high level of 74.3 percent. Demand for advances from the major industrial and trade borrowers shows no signs of slackening. Such easing in the supply of funds as has taken place may be due partly to payments made by Government departments at the turn of the financial year; to a much more limited extent, it may reflect the impact of the drastic cuts in imports made recently. Neither of these factors, however, promises to place banks in a much more comfortable position to meet the large requirements of borrowers in the future. The later months of 1957 could bring new strains if the tempo of industrial production is maintained in spite of the foreign exchange shortage, and if, as is expected, agricultural output increases. The scratching of heads which is now going on in banking circles is timely if the growing credit requirements of the economy are to be properly met. Two bank chairmen have made notable contributions to the debate during the past few days—Dr. N. N. Law in his address from the chair to shareholders of the United Bank of India, and Mr. G. D. Birla in a statement circulated at the annual general meeting of the United Commercial Bank. Both have stressed that the fundamental problem is to secure a more rapid increase in deposits, the rise in which has lagged far behind the rise in money supply. For the time being, some temporary expedients may be necessary, such as increased borrowing from the Reserve Bank and special measures to bring about prompt payments of bills by Government departments. But, on a longer view, none of these expedients seem likely to go to the root of the problem in such a way as to enable the banks to fulfil their proper functions in a climate of healthy independence.

Broadly speaking, there are two main considerations in planning for an expansion in deposits. The first, which both Dr. Law and Mr. Birla stress, is the need to maintain confidence in the future of private enterprise. The second is the importance of greater resourcefulness and initiative on the part of the banks themselves to attract the money which is not at present coming to them. Concentrating on the second, Dr. Law has drawn attention to an interesting scheme for launching a vigorous campaign of branch extension. Not all his proposals will meet with ready approval in view of the practical difficulties which are likely to arise, but taken together they constitute a useful basis for discussion. As concrete suggestions, they should do much to put in abeyance the charge that bankers are barren of ideas in dealing with the monetary stringency—a charge which has in any case been hollow to the extent that many of the causes of the banks' recent worries have been outside their control. With new money flowing to banking, with signs of developing inflation, and with a general lack of confidence in the Government's economic policies, it is not surprising that resources available to the banking system should have shown an inadequate increase. However, in meeting the new situation, the banks have

AMERICAN POLICIES IN THE MIDDLE EAST

THE ROLE INDIA AND THE COMMONWEALTH CAN PLAY

(BY AN INDIAN CORRESPONDENT LATELY IN U.S.A.)
THOSE who thought that the Eisenhower doctrine constituted an entirely new and comprehensive scheme to set the Middle East right—and there are too many such men in Washington—may well have been surprised by the U.S. President's recent reference, in relation to Jordan, to the 1950 declaration. So, after all, the United States has not arrived on the treacherous sands of the Middle East with a scheme to end all schemes. There is need for continuity, and there is room for Anglo-French co-operation, even if the character of that co-operation will of necessity be different. To rake up a dead past is futile, but if only to get the perspective right, it is necessary to record that it is American co-operation which had been lacking in the Middle East and which in its turn made a significant contribution to the whole chain of events leading to the crisis we have not yet seen the end of. The existence of a power vacuum in the Middle East, which is the starting point of the Eisenhower doctrine, is an observable fact. American omissions and commissions can be causally related to the creation of a not very small part of the vacuum. But what is far more important is that the United States is now ready to play its rightful part in the Middle East.

The part will not be played rightly without Washington ridding itself of some of its cherished assumptions, for the simple reason that they are either untrue or irrelevant. The first of these may be the idea that the world is a gadget, with which much is wrong but which can either be "fixed" in a sec. with America's famous "know-how" or scrapped and replaced by something of a later model. This is, admittedly, a crude and rather unfair way of describing American thinking on foreign affairs, but the first reactions in the United States to the Eisenhower doctrine suggested this analogy. Leader-writers almost asked the average American to accept the doctrine much as a high-powered advertising agency might have recommended on the radio a new highway code. As it happens, the world has more lanes and by-lanes, some of them blind ones, than it has express ways; and an American tail-fin automobile may not be the best thing in which to negotiate them. This is only another way of saying that American impatience with problems may occasionally retard their solution.

The second lesson America now has an opportunity of learning, without repeating the error Britain and France recently fell into. Russia is too formidable an enemy to face alone—even for the United States—and the President's perhaps casual reference to the three-Power declaration of 1950 is welcome but inadequate evidence that the need for co-operation among these three democracies is understood in Washington as widely as it should be. In the recent past, Britain and France permitted themselves to forget or ignore this fundamental—that, to be effective, the democracies must act together or not at all. But it is already admitted in the better informed circles in the United States that America had not done all that could fairly have been expected of her, even as Britain and France are recognising anew the indispensability of the American alliance. Mr. Richards's interim report on the number of countries in the Middle East to which he has "sold" the Eisenhower doctrine is something on which comment will be premature, but to use an analogy again—a bazaar in this part of the world has very little in common with an American supermarket.

Another point that must have struck many who were present in Washington at the time of Mr. Dulles's testimony before the Foreign Relations Committee on the Eisenhower doctrine was the excessive emphasis placed upon the fear of Communism. The Middle East can indeed be a region

Russia would like to penetrate with that insidious ideology, and the danger is obvious from the propaganda offensive Moscow has been carrying out for some years. The Administration probably has to overdraw the threat of Communism to persuade a parochially-absorbed Congress to take notice of anything farther than Guatemala, so that the visitor from abroad may not have appreciated the domestic significance of the apparent obsession with Communism. But it may still be necessary for Washington to remind itself that, whatever the truth in the global picture as a whole, Communism is not necessarily the only, or the most immediate, evil in every area in the free world. Certain sections in Britain and France may really be inadequately appreciative of what is described as Arab nationalism: certain sections in the United States may have over-simplified the Middle Eastern crisis in ascribing it all to a conflict between nationalism and what is still called colonialism.

It may not be inappropriate to bring India into the discussion at this point, for here, too, there is a tendency to reduce the complex Middle Eastern tangle into a few simple and popular formulae. That the Anglo-French invasion of Egypt would be unpopular in India, whose Government had not even been consulted, must have been foreseen in London. It was unpopular in the United States, too, which has begun to repair the Atlantic alliance instead of brooding on what had caused a temporary breach therein. It may be submitted that, even as Britain and America are now engaged more in charting a course for the future than in apportioning blame for what has gone before, similar re-thinking should begin in London—and in New Delhi. The coming Commonwealth Prime Ministers' conference will achieve little if it is not preceded by a re-discovery of the ties between this country and the other democracies of the world, Britain in particular. And these ties are stronger than all democracies always remember.

India's spontaneous sympathy for countries, especially those Asian, which have gained their independence recently is what entitles her to a position of near-leadership in the continent. On the other hand, it is an insult to her mature nationalism to place it on the same footing as all agitations elsewhere; indeed, it is this superiority in mellowness which led to the pre-eminence she rightly enjoys in the world today. It was the responsibility that comes with leadership which was evident when Mr. Nehru publicly disapproved Egypt's nationalisation of the Suez Canal by saying that this was not India's way. It has sometimes appeared since that India was being led by the extremism of other parties into positions she might not otherwise have taken. A country pledged to friendship with every other will naturally be friendly with the Arab peoples; and Pakistan's intransigence probably adds something to the need for that friendship. But it may be an error to think of Pan-Arabism as only anti-West. To take an anti-colonial stance in every situation is to fall into the fallacy of polarisation which presents a false view of the world we live in—a world which is divided into two camps and no more. Communism is not the only alternative to colonialism, as India has shown. Nor is Pan-Arabism the only alternative to colonialism, as India may yet have to recognise more clearly. India's political genius has been at its best in its discovery of a large world between that seen by Washington and the other one by Moscow. In consolidating this third area, to which the Commonwealth belongs, India has a supremely important part to play. The chance is hers to seize.

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, *Capital's* Index of Indian Industrial Activity shows an advance of 3.0 points for November 1956. Mainly contributing to the increase were jute manufactures, paper and coal. Cheque clearances improved.

Expansion in Automobile Products.—The development of the automobile industry depends to a large extent on the growth of ancillary industries, which supply the component parts for a motor vehicle and spare parts for its maintenance. Mr. M. A. Chidambaram, addressing the annual general meeting of Automobile Products of India Ltd. in Bombay last week, pointed with satisfaction to the success of the company's efforts to extend its activities. The brake lining plant has started normal production. The quality of the products is comparable in every way to the American types and selling arrangements have been concluded with the Firestone Tyre and Rubber Co. of India Private Ltd. The Lambretta motor scooter, which is not an ancillary product but a vehicle in its own right, seems assured of a rising demand from those who want an economical and reliable means of transport but cannot afford a motor-car. The company has worked out a phased programme for the manufacture of Lambrettas. Orders have been placed, through the Milan associates, for machine tools, jigs, small standard tools and special tools; shipments have commenced. The assembly line and the test house for Meadows diesel engines

have been installed. They are capable of assembling and testing 20 engines a day. The assembly of Borg and Beck clutches out of c.k.d. components has started, and orders have been placed for the machinery needed for their manufacture. Progress has been made in the manufacture of rubber parts in the Lockheed brake system, and machine tools for master cylinders, wheel cylinders, hose, sleeves, etcetera, will be received in Bombay before the end of this year. The loan of Rs. 12½ lakhs offered by the Industrial Finance Corporation for the brake lining plant was subsequently reduced to Rs. 9 lakhs to cover the actual cost of the plant, but a further loan of Rs. 21 lakhs has been granted to meet the requirements of other programmes. With the annual turnover expected to go up to Rs. 3 crores, the company feels the need to increase its liquid resources. It is, therefore, proposed to approach shareholders and the public shortly for Rs. 20 lakhs of further capital. Mr. Chidambaram recalled that the Tariff Commission report on the automobile industry, submitted in October 1956, has estimated that the annual demand for motor vehicles is likely to increase by 1960-61 to 40,000 commercial vehicles, out of which 70 percent to 80 percent will be of the diesel-driven type. It is considered necessary that the manufacture of commercial vehicles should be given priority over passenger cars, that the output of diesel vehicles in particular should be increased to meet the growing demand, and that the additional capacity required for commercial vehicles should be installed in existing units rather than in new ones. The Commission has also emphasised the importance of establishing, as soon as possible, the complete manufacture of the engine, transmission, rear axle, suspension and chassis members.

Kerala Plantation Prospects.—There has been a steady decline in the values of plantation shares quoted on the Madras Stock Exchange. The Plantation Labour Award which was published last October brought about a crisis which compelled the authorities of the Stock Exchange to fix minimum prices for the ordinary shares of plantation companies. The downward trend which has recently set in is due to the installation of the Communist Ministry in Kerala. The market prices of several shares are now well below the minima fixed on 8th November, 1956. The main anxiety springs from the pronouncements of Communist leaders in Kerala suggesting that they intend to nationalise foreign-owned plantations there. The Central Government is opposed to the nationalisation move, but investors remain worried because the Kerala Ministry seems determined to press it. A mild recovery has taken place in selected shares during the past week, mainly because the low levels were considered attractive. But the outlook is still obscure. Plantation dividend announcements have so far been encouraging. The dividends which are yet to be announced also seem likely to be fairly satisfactory, if crops, price realisations and the generally more liberal distribution policies of management are any guide. However, the scope for capital appreciation seems limited and a further decline in values is considered likely in many cases; current yields may go up if capital depreciation takes place. Many think that the plantations in Kerala will not be nationalised, considering the economic, administrative and constitutional difficulties which will arise. But it is feared that the labour policy of the Kerala Government, coupled with its pressing need to increase its own revenues, will push up the cost of production. Plantation shares do not suffer the full impact of the dividend supertax because of the partially agricultural nature of the companies' income. As a result, investors fear that the agricultural income-tax may be raised further in Kerala, Mysore and Madras.

Andhra Ideas on Nationalising Mines.—The Andhra Pradesh Government will seriously consider nationalising certain mines in the State after the formation of its proposed State Trading Corporation for minerals. This was announced in the Andhra Legislative Assembly last week by Mr. V. B. Raju, Minister for Industries, while replying to the debate on the Andhra Pradesh Mica Bill. According to him, it is not an easy decision, the Government has to examine several aspects, such as the compensation to be paid to proprietors, lease-holders and others. The Government also has to see whether it has enough money to pay as compensation. Mr. Raju does not agree that the nationalisation of mica mines will bring profits to the Government; profits are an uncertain factor, as they depend on demand in foreign markets. But he thinks that the nationalisation of iron ore mines might be more useful as iron is essential for the industrial development of the State. That, the intention of the Government to widen the public sector in mines and other industries, according to Mr. Raju, is a logical corollary to accepting the principle of a planned socialist economy. The Andhra Pradesh Mica Bill has been passed with certain amendments to a clause relating to the disposal of mica in the possession of a licensee or a certificate holder whose licence or

certificate has been cancelled by the Government. The original Bill provided for the introduction of a system of licensing for the possession and sale of mica, and for a system of permits to control its removal and transport. It aimed at checking the smuggling of mica from non-royalty-paying areas to royalty-paying areas.

Insurance and Foreign Exchange.—In his address from the chair at the annual general meeting of the Indian Insurance Companies Association in Calcutta this week, Mr. D. Das Gupta states that general insurance companies can help increase foreign exchange earnings. Invisible earnings form an appreciable proportion of total foreign exchange receipts; in 1950, a committee estimated the proportion at 25 percent. General insurance, banks and shipping are an important source of these earnings. It was impressed on the committee "that the Government should provide in the licensing procedure that those importers who made use of the services of Indian shipping, banking and insurance companies, should be allotted an additional monetary quota for licensable imports equivalent to the difference between c.i.f. and c. and f. price, as the case may be, and the f.o.b. price of imports." In support of this claim, Mr. Das Gupta points out that while most exports are on an f.o.b. basis, most imports are on c.i.f. contracts. The committee agreed in principle to such a system being introduced, but, according to Mr. Das Gupta, nothing has so far been done. The Government, he thinks, should consider the matter seriously. Indian insurers have opened a number of branches in foreign countries, and earnings from these branches have increased considerably in recent years. But more can still be done. According to Mr. Das Gupta, the Government should grant permission for opening new branches and provide facilities which serve as an incentive for insurance companies to venture abroad. He also suggests that Indian insurers should be permitted to write life assurance business in foreign countries.

Planning in Pakistan.—The National Economic Council in Karachi has just approved Pakistan's five year plan covering the period 1955-60. In doing so, it has reduced the figure for the proposed outlay from Rs. 1,160 crores to Rs. 1,080 crores. Because of this reduction, the increase in national income is expected to be 15 percent, instead of the 20 percent envisaged in the draft. Over the five year period, the population is likely to rise by 7½ percent, so the increase in per capita income is placed at 7 percent. The public sector has been assigned a fairly important rôle. Its share of the proposed investment is Rs. 750 crores, compared with Rs. 330 crores in the case of the private sector. Water and power development will be the largest single item of investment in the former, the allocation for it being Rs. 269 crores. Transport and communications come next (Rs. 166 crores), followed by industry, fuels and minerals (Rs. 160 crores), village development and agriculture (Rs. 151 crores), housing and settlement (Rs. 86 crores), education and training (Rs. 58 crores) and health (Rs. 29 crores). Social services have been given a relatively unimportant place, with only Rs. 5 crores, as the Council considers it unrealistic to provide more for them. Of the Rs. 330 crores which the private sector is expected to find for itself, investment in industry is estimated at Rs. 140 crores. Capital formation in other sectors of private activity such as building construction, transport equipment and mineral development is expected to be of the order of Rs. 80 crores, Rs. 45 crores and Rs. 55 crores, respectively. It will be interesting to watch the progress of efforts to raise resources for the plan. One reason for reducing its size, it is said, is "lower resources due to the delay in the implementation of the plan and inadequate tapping of new sources of public revenue". If the aim is to prepare the base for quicker industrialisation, the order of priorities seems to be fairly rational. Yet it cannot be overlooked that the plan shows a lack of appreciation of the importance of agriculture. The final version has raised the proposed outlay on agriculture and village development to Rs. 151 crores, from Rs. 115 crores provided in the draft. But the new allocation may still prove inadequate. There has been some academic discussion of the need for land reforms. The idea of fixing ceilings for landholdings has been favoured, but the planners have realistically postponed concrete measures until "a scientific basis" is found on which to determine the ceilings appropriate to different regions. The immediate programme is to expand production by utilising lands which are not being cultivated at present.

Protection for Tyre Inflators.—The Tariff Commission is considering the question of continuing protection to the automobile hand tyre inflator industry beyond 31st December, 1957. The industry was granted protection in 1954 and the protective duty was fixed at 45 percent *ad valorem*. The scope of the last enquiry undertaken by the Commission was confined to hand-operated tyre inflators of all types which could be adapted for use as accessories of motor vehicles. Opening the public enquiry into

the question of continuing protection to the industry, Mr. K. R. Damle, chairman of the Tariff Commission, said the Development Wing has suggested that the scope of the present enquiry should be enlarged to cover hand tyre inflators used for motor cycles, scooters and bicycles as well. Five units were engaged in the manufacture of hand tyre inflators in 1954. The Tariff Commission estimated that the rated capacity of these five units was 140,000 for hand tyre inflators and 183,000 for pump connections. The rated capacity claimed by the same units in connection with the latest enquiry is 91,200 and 159,600 respectively. Referring to these figures, Mr. Damle said: "We have not received any satisfactory explanation for this reduction in capacity. The capacity figures furnished by the Development Wing also differ in some cases from the figures furnished by the firms. We would like to reconcile these discrepancies and arrive at the correct position in regard to the capacity of various firms." The production of hand tyre inflators and pump connections has steadily increased since 1954. The Commission has, however, received varying estimates of domestic demand from manufacturers and distributors. There is no definite information on imports of automobile hand tyre inflators; but the import policy indicates that they cannot have been large during the last three years.

Preservation of Pension Rights.—A problem which has baffled solution for a long time, even in India where pensionable employment carries a social status not accorded to it generally, is the frustration of an employee who continues in a job which has grown uncongenial solely to preserve the pension rights which have accrued in earlier years. Many committees of enquiry have reported on this vexed question, and the latest of these reports comes from a working party of actuaries, entitled *Preservation of Pension Rights*, to aid discussion of the subject by fellow members of the profession in London and Edinburgh recently. The report says that there is no technical reason why arrangements should not be made in any type of pension scheme to preserve the accrued pension rights of outgoing members. Such arrangements exist for school teachers, for employees of the National Health Service, including doctors, for university staff, Merchant Navy officers, and in the flour milling industry in Britain. All these are able to serve different employers within their particular profession and yet maintain continuity of membership for pension purposes. Apart from arrangements of this type, accrued rights can be preserved on a change of employment in two ways. The first is the transfer value method, under which a sum representing the value of the member's interest in the old scheme is paid over to the scheme associated with his new employment, where it is used to buy pension rights for him. The second is the cold-storage method, whereby the outgoing member retains the right to the accrued pension based on his actual service and this is placed in cold-storage until he reaches the retiring age. Arrangements for preserving rights in these ways are common within the public services, but there are no facilities for persons who transfer from the public service to private employment. In the latter, it is still the exception for an employer to arrange for the transfer of rights when an employee leaves him—which seems wrong, for the retention of an unhappy employee merely because of this can hardly enhance the value of his work.

STRINGENCY IN MONEY MARKET

ACCORDING to Voltaire, the man who invented palmistry was the first rogue who met a fool. But if the art of divination had been applied to the prospects of the money market during the last few months, we are not quite sure that the rogue would have the best of it, more especially if payment was to be made by results. Anything more contradictory than the condition of the money market in India ever since November last it is difficult to conceive. That money should be scarce and interest high in a year of famine is natural enough. But what is unusual and contradictory is that there should be evidence of very considerable sums of money hanging round the skirts of trade all the time without actually touching them or even affecting the value of money in the Presidency towns. The way private capital has played round just outside the radius of ordinary trade influence may be seen in the large imports of silver and Government paper, and in the absorption of the Port Trust 4 percent loan the other day at the unexpectedly high average of Rs. 105-12. Why should so little money be available for trade when there is apparently so much forthcoming for other investments at comparatively low rates of interest and in the case of silver of no interest at all? Why should solid institutions like banks, including the Presidency banks, be starved of deposits which afford comparatively high interest when so much money is lying idle in the hands of local capitalists? We think we shall not be far wrong in attributing this contradictory state of affairs partly to want of elasticity in trade and partly to native custom.

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COAL POLICY IN INDIA

By
Andrew Farquhar

This booklet consists of reprints of articles written by Mr. Andrew Farquhar, former Coal Adviser to the Tata Iron and Steel Co. Ltd., which have appeared in *Capital* in recent years. As expert analyses of India's coal problems and policies, they have attracted widespread interest since they were originally published. The articles are now conveniently gathered in a 120-page publication, priced at Rs. 4.

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Without Prejudice

ENFORCING THE PROVISIONS
OF A CONTRACTCLASH BETWEEN EQUITY
AND LAW

(FROM OUR LEGAL CORRESPONDENT)

THIS note has to do with a branch of the law concerning Government tenders. A, in response to a general invitation by the Government so to do, submits a tender to the Government for the supply to it of certain goods on certain terms, set out in the conditions relating to the tender prepared by the Government and accepted by A. A's tender is accepted, and by such acceptance, a concluded contract is arrived at between the two parties. And further emphasising the obvious in order to grasp fully the implications of an informative decision, of which perhaps more may be heard, one may point out that the obligation of contract is an obligation created and determined by the will of the parties to it; and that, generally speaking, apart from considerations of criminality, fraud, misrepresentation, disability, illegality and the like, the business of the law is to give effect to the intentions of the parties as expressed in the contract, by enforcing the performance and observance of the contract's terms. Contractor A may think the terms and conditions of the tender harsh, one-sided, arbitrary, unreasonable. But he is at arm's length with the opposite party, has every opportunity of obtaining legal advice, is not obliged to tender at all, and if, knowing the prescribed conditions, he does tender, you may think he is obliged to comply with them. Well, let us see.

This claim was for the recovery of Rs. 34,063-73 from the Government of India as the owner of the

Madras and Southern Mahratta Railway, represented by the General Manager of that railway. The plaintiff claimed that amount as damages consequent on a breach of contract alleged to have been committed by the Government as owner of the railway. The plaintiff's case was that in pursuance of an invitation by the railway administration for tenders for the supply of jaggery to the railway grainshops, he submitted on 27th January, 1948, a tender in the prescribed form offering to supply 14,000 imperial maunds of cane jaggery, Chittoore variety, first sort, during the months of February and March 1948, at the rate of Rs. 11-4 an imperial maund. The defendant, in a letter addressed by the Deputy General Manager of the railway dated 20th January, 1948, accepted the plaintiff's tender and called upon the plaintiff to remit a sum of Rs. 7,900 in cash to the paymaster and cashier of the railway in Madras on or before 7th February, 1948, as security deposit for the proper fulfilment of the contract, and intimated that on the receipt of advice of such remittance the official order would be placed with him. The plaintiff duly paid the amount and the railway by a letter dated 16th February, 1948, placed an order with the plaintiff for the supply of the entire quantity of 14,000 maunds, to be delivered in four instalments of 3,500 maunds each, on 1st March, 1948, 22nd March, 1948 and 21st April, 1948. The programme of delivery was altered later as follows: 3,500 maunds between 1st and 4th March, 1948; 3,500 maunds between 22nd and 25th March, 1948; 3,500 maunds between 5th and 8th April, 1948; and 3,500 maunds between 21st and 24th April, 1948.

The plaintiff supplied the first instalment of about 3,500 maunds as required by the railway, and the railway accepted it. But on 8th March, 1948, the Deputy General Manager of the railway addressed a letter to the plaintiff running as follows: "Please note that the balance of the

quantity of jaggery outstanding on date against the above order is treated as cancelled and the contract closed." The plaintiff protested, saying that he had invested more than a lakh of rupees to enable him to perform the contract, and that he was ready and willing to supply the goods according to the terms of the contract. But the railway refused to reconsider the matter, and said that it was well within its rights in cancelling the contract.

The railway administration at no time deemed it necessary to explain its reason for the cancellation of the contract. It had one trump card which it played with success in the trial court. The tender contained the following clause: "This Administration reserves the right to cancel the contract at any stage during the tenure of the contract without calling upon the outstandings on the unexpired portion of the contract." A hard condition, no doubt, and one conferring or purporting to confer on one of the parties power to act oppressively and arbitrarily to the great detriment of the other party. But there is nothing ipso facto illegal in hard conditions in a contract. I may let you my tumbled-down house at a rack rent with a clause in the lease that at the expiry of it, you shall deliver up the house to me in good and substantial repair and condition, with the result that you will have to rebuild it. But you have signed on the dotted line with your eyes open and the contract binds you.

The reader is invited to stop here, and give his own answer to this particular problem. One fancies that he will go wrong, as the writer did, and with great respect and diffidence, persists in so doing, believing that in matters of contract once one starts talking about such matters as good conscience, equitable considerations, natural justice and the like, one is in danger of losing sight of the clear principles of law and of being bogged down in a morass of abstract morality. The defendant railway did not hold all the trumps. The plaintiff had a good hand, too, and it included the ace. He claimed that the cancellation clause was null and void and that no effect should be given to it, as the clause, he said, was entirely repugnant to the existence of a valid contract between the parties, and was against public policy, justice, equity and good conscience. The plaintiff further submitted that even assuming that the railway had a right of cancellation, it could be exercised only for sufficient and valid reasons and not arbitrarily, which latter submission, you may agree with the writer, amounts to saying that words must be by implication added to the cancellation clause which are not actually in it and which, if added, would substantially vary its meaning as it stands.

There was some authority in favour of the latter proposition. In a Bombay case, decided in 1923, the plaintiffs had agreed to sell 25 bales of Japanese yarn to the defendants. The contract contained this clause: "To cancel or not to cancel the sold goods for any of the reasons, solely depends upon you (plaintiffs)." The learned judge (Mulla J.) held that this stipulation conferred upon the plaintiffs the power to determine the contract only if they could assign good reasons for so doing, and went on to add that "if the plaintiffs refused to deliver the goods without assigning any reasons, they would, I think, be liable to the defendants for breach of the contract unless they assigned some reason which would justify their refusal to give delivery." But the reader will note that the clause with which Mulla J. was dealing, unlike the one with which we are now concerned, did refer to "reasons" for cancellation, and it was largely on account of the plaintiffs in that case being impliedly obliged to assign a reason for so doing, if they decided to determine the contract, that Mulla J. held that the contract was a valid one. In the present clause, there is no indication that the railway need give any reasons for the cancellation of the contract. The right to cancel was or purported to be absolute, peremptory and unqualified.

In the Madras High Court, the trial judge, Ramaswami Gounder J., before whom Mulla J.'s Bombay decision was cited, held that there was nothing in it to warrant the proposition that an absolute power of cancellation of a contract cannot be validly reserved in favour of one of the parties to it. The learned judge held that the power conferred on the railway by the clause was absolute and unfettered by any qualification and could be exercised at any stage, that the clause was valid and enforceable, and that there was nothing to compel the railway to exercise the power of cancellation only for valid and sufficient reasons. On these findings, he dismissed the suit with costs. The plaintiff appealed. The appeal was successful. The Appellate Court held that there was in law a concluded contract between the parties, but that the cancellation clause was not a limiting provision only providing for contingencies subject to which the contract was enforceable. The effect of the clause was that there was an enforceable contract subject to the condition that it was open to one of the parties to say that it was unenforceable, that the clause did not indicate that the railway should give any reasons, still less, valid and sufficient reasons, for the cancellation of the contract. The clause purported to confer an absolute and arbitrary power on one of the parties to cancel the contract and was, therefore, void and unenforceable. The appeal was, therefore, allowed, and the suit was remanded back to the trial court for assessment of damages, if any.

[M. Thathiah v. Union of India, A.I.R. 44 (1957) Madras 82.]

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A DITCHER'S DIARY

IN spite of Mr. Nehru's reported, and very probably sincere, desire to see new incumbents in "positions of high responsibility," it cannot have been expected that the desire extended either to himself or to the majority of his trusted colleagues. The growing age of the Cabinet, together with the "leadership vacuum" just below, may well be the cause of some justifiable concern, but changes for their own sake have little to commend themselves. The fact that nobody ever thought of having a new Prime Minister is testimony that the country's zest for five-yearly jolts in political life is limited, although Mr. Nehru's overwhelming personality must also have been a significant determinant in the welcome choice. Contrary to forecasts, Maulana Abul Kalam Azad has not been made Deputy Prime Minister, not yet, and Pandit Pant's age and ability entitle him to serious consideration if the post be created at all. Mr. Krishna Menon's appointment as Defence Minister has not been universally popular, for he has been a controversial person, but, with Mr. Nehru at the helm, it seems unlikely that India's gallant armed forces will be radically different in the next few weeks. Mr. S. K. Patil's emergence as Cabinet Minister is recognition of his great organising ability, which has hitherto been used chiefly in the service of the Congress Party. Law and health are now in the charge of Ministers of State, but it would be surprising if this indicated any loss of their importance. As was expected, finance remains with Mr. T. T. Krishnamachari and, whatever one's views may be on the character of the present Cabinet, that of the next will be determined largely by the extent of his success in making the limited financial resources of the country go a long way—long enough to fulfil the five year plan. Mr. Krishnamachari's ability and energy are justly famous, and he has before him many helpful suggestions to make his difficult tasks slightly less so. Why, even we have made made not a few now and then—although we can well imagine Mr. Krishnamachari say with a smile, "Too many, in fact."

The economist may be said to have really come into his own during and since the war, with the result that his place in the scheme of things has become a matter of widening public debate, to which the latest contribution is made in an article in the April issue of *Lloyds Bank Review* entitled "The Economist in Whitehall". The author, Dr. I. M. D. Little, is himself an economist and for a time was deputy director of the Economic Section of the U.K. Treasury. More recently, Dr. Little has been at Nuffield College, Oxford, and is therefore familiar with both the administrative and academic setting in which the economist is called upon to do his work. From his article, as far as I can judge, Dr. Little would continue to keep both fields—academic and administrative—as separate as possible, but would have them establish a closer relationship for purposes of advising the Government. He compares British and U.S. practice, and notes approvingly the superior organisation of American statistics which are the raw material out of which the professional economist fashions his advice. But the real difference between the two countries, says Dr. Little, is that the U.S. political climate is such as to tolerate greater unemployment than could be the case in the United Kingdom. Because of this, the Americans take more risks with deflation and the British more risks with inflation. The net result is that since 1948 U.K. levels of employment have been relatively higher than those of the United States, but U.S. prices have been the more stable of the two. About economists themselves, Dr. Little says that

in the United Kingdom the requirement is for practitioners who are willing to go into Government service for limited periods, say three to five years. "Permanency would be wrong," he says, "for no one can remain an up-to-date professional economist for very long in Whitehall". Most British economists of the right personality and qualifications appear to prefer an academic career to work in Government service, and are therefore in permanent and secure posts, from which temporary release is difficult to arrange. I imagine that, given the choice, most Indian economists would opt for Government service in preference to an academic environment, if only because teaching is usually so wretchedly paid in this country. But in a planned economy the influence of the professional economist is bound to be considerable and, indeed, New Delhi is beginning to proliferate its own breed of economic advisers. Dr. Little seems to suggest that Governments, by and large, get the economists they deserve, and on the face of it there would seem to be a good case for seeing that such of India's economists as are in the service of the various Ministries are given opportunities to enlarge their experience and the frontiers of their knowledge.

The Indian correspondent lately in the United States who contributes a piece on page 578 of this issue of *Capital* is, I take it, among the not many who are trying to dot a few i's and cross a few t's in Mr. Nehru's foreign policy, hitherto passed *nem. con.* by every Indian. This is not to say that I agree with him on every point. In fact, I don't; but Mr. Nehru, I am sure, will be the first to welcome dissent and debate on his policy instead of its passive acceptance. On one point, however, the correspondent makes what seems to me an important omission; he does not even mention the United States' current phase of being "sent" by the United Nations. (In case you don't know, this is how bobby-soxers used to describe their condition on hearing Mr. Frank Sinatra; now it is Mr. Elvis Presley.) To have respect for the world organisation is one thing—as India and Britain have; it is quite another to delude oneself that the U.N. by itself is able to ensure peace. It was kind of Mr. Dulles to refer, on Monday, to "a distressing and unprecedented conflict of loyalties," to "historic ties"; but his devotion to the United Nations smacked of unreality, not to say hypocrisy. The United Nations can be an instrument of peace; it can also be impotent, as in Hungary. Nor am I sure just what part of the United Nations Mr. Dulles was proclaiming his devotion to—the General Assembly or the Security Council? In the former, the virtually assured majority of the United States may soon be a thing of the past; in the latter, of course, the United States has a veto—a very useful thing to have with which to be devoted to the U.N.

A foreign observer newly arrived in this country asked me last week whether India was the only place in the world where Communist leaders were not on talking terms with one another. Had the question been put a couple of months ago, one might have considered it too facetious to warrant a serious reply. But the evolution of Indian Communist policies since the general elections has provided a fascinating spectacle of pendulum politics, as these policies have swung

first to the left, then to the right, then to the left, then again to the right. The most remarkable of these swings have taken place on the question of nationalising foreign-owned plantations in Kerala; while one worthy has recommended nationalisation, another has implicitly pointed to its foolishness, a third has threatened to force the Centre to agree to it, and a fourth has invited American capital to that State. The contradictions are not confined only to particular issues; on much broader questions also, such as whether the use of violence is justified in securing power, the Communists seem to have not yet made up their minds. One of their Andhra sect, blissfully oblivious of what happened to his Party because it tried to engineer a rebellion in Telengana, has hinted that it will try the same sort of thing if the Kerala Government is not allowed to function. Mr. Ajoy Ghosh, the C.P.I. General Secretary, has promptly denied any such intention, and reflected in passing on his compatriot's mental calibre by commenting that "you must credit us with sufficient intelligence not to think along those lines." Contradictions such as these emphasise once again the dilemma of a Party whose extremism is becoming difficult to reconcile with the responsibilities of office. From this dilemma, it seems, is springing an opportunism whose blatancy in the present is likely to be matched only by its insidiousness in the future. The adjustment, if such it is, may be mostly verbal in nature, and will need to be watched with care and cynicism by the rest of the country. Words emanating from Communist caucuses carry meanings different from those to which one is accustomed; only a few days ago, Mr. William Gallacher gave an interesting glimpse into his private dictionary when he said that the Communist Party in Britain is the most democratic of all Parties in that country.

Nothing further has been heard lately about the discussions which were in progress some months ago on the final destination of the India Office Library. As we know, both India and Pakistan have claimed it as representing part of their historical archives, and the British Government has maintained as emphatically that it is essentially a record of British activity in India and collected largely by the gifts or loan of papers from individual administrators at various times. It has now been transferred to, and forms part of, the Commonwealth Relations Office, and there is much to be said in favour of it remaining there permanently with an arrangement that its records and facilities are made available to research scholars or other interested parties from all three countries. The latest annual report of Mr. S. C. Sutton, the Librarian, affords ample support for this argument by recording four recent acquisitions on permanent loan of important collections of papers relating to India and Burma, which probably would not have been possible had the library been dispersed overseas. Lord Powis has deposited a total of 11,042 folios dealing with the administrations of Clive and of his lesser-known son, the first Earl of Powis, Governor of Madras from 1793 to 1803. Sir Reginald Dorman-Smith, Governor of Burma from 1941 to 1946, has also lent his papers. Lord Halifax has sent those of his grandfather, the first Viscount, who as Sir Charles Wood was Secretary of State for India from 1859 to 1866. The fourth of these valuable collections is of the first Earl of Lytton, Viceroy from 1876 to 1880. These papers have been lent by his grand-daughter, Lady Hermione Cobbold, wife of the Governor of the Bank of England.

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THE UNITED COMMERCIAL BANK LIMITED

CHAIRMAN MR. G. D. BIRLA'S REVIEW

Statement of Mr. G. D. Birla, Chairman of The United Commercial Bank Ltd., circulated to the shareholders at the Fourteenth Ordinary General Meeting of the Bank held on 18th April, 1957, Gentlemen,

The Balance Sheet and Profit & Loss Account for the year ended 31st December, 1956 have been in your hands for some time and they bear testimony to the brisk activity of the bank's business in the past year.

Profit & Loss Account

We have been able to show the substantially increased profit of Rs. 56,51,658-8-9 in respect of last year's working. This result is naturally a matter of considerable gratification to the Board as it would be to you and the Directors would like to see that it is maintained, and if possible, improved upon. It is, however, necessary, in view of the uncertainties of the monetary outlook and of trade, to sound a note of caution. The resources of banks are not expanding as fast as we would wish with the result that competition for deposits is very keen, and the rate of interest allowed on deposits has risen. But the rise in the rate of interest charged on advances is not adequate to offset the higher cost of deposit money. Borrowings from the Reserve Bank of India are progressively costing more. Operating costs, of which salaries are the largest item, continue to rise. In these conditions the maintenance of future profits at the higher level now attained is dependent on increase in business, greater volume of deposits and prevention of rise in working expenses through the achievement of greater efficiency.

Shareholders will observe that we have considered it prudent in these circumstances to utilise a substantial part of our additional profit to increase our allocation to the Reserve Fund which now stands at Rs. 1.15 crores. At the same time we have been mindful of the shareholders and the staff in that we have increased the dividend payable to shareholders and the bonus disbursed to staff.

Deposits

Turning now to the main features of the Balance Sheet, you will notice that the total of current, savings and fixed deposits and other accounts at the end of 1956 stood at Rs. 52.15 crores as compared with Rs. 47.69 crores at the end of 1955. The increase in deposits of Rs. 4.46 crores represents a rise of 9.3 per cent in 1956 against 17.9 per cent in 1955 and compares with the rise of 7.8 per cent in the deposits of scheduled banks as a whole for the year 1956.

Cash

Cash on hand and with banks was Rs. 7.51 crores

and represented 14.4% of our deposit liabilities.

Investments

The investments of the bank in Government and other approved securities stood at Rs. 19.43 crores which is a reduction of Rs. 2.74 crores from our holding at the end of 1955. In that year we invested in Government securities the bulk of our increase in deposits but we have now corrected that position and have effected a more even spread over advances and bills. The cash resources and unencumbered investments, together amounting in the aggregate to Rs. 22.03 crores, give a ratio of 42.2 per cent to total deposits.

In view of the bill market scheme of the Reserve Bank of India our liquid assets are not confined merely to cash and government securities but also include eligible bills which augment our liquidity.

Bills

The amount of bills discounted and purchased increased during the year from Rs. 9.74 crores to Rs. 15.92 crores. A good percentage of these are sight bills which are continually falling due while usance bills are available as collateral for advances from the Reserve Bank of India. You will be gratified to note that this self-liquidating asset forms 30.5 per cent of the deposits of the Bank.

Liquidity Ratio

The total of our liquid assets—cash on hand and with banks, unencumbered investments and bills—represents 66 per cent of our deposit liabilities, which you will agree is a very satisfactory liquidity ratio.

Advances

Our advances have risen from Rs. 17.85 crores to Rs. 22.54 crores and they form 43.2 per cent of our deposits. We have endeavoured to meet all legitimate demands of our customers for increased accommodation and, for this purpose, have freely drawn upon the facilities available with the Reserve Bank of India for advances against bills and government securities.

Foreign Exchange Business

The foreign exchange business of our Indian and Overseas Branches has shown a gratifying expansion. Owing to the increase in its activity our London branch was moved to more spacious premises at No. 12, Nicholas Lane, E.C. 4.

The credit for the excellent results of the working of the Bank goes primarily to the General Manager, Mr. S. T. Sadasivan and his able deputies and assistants, to whom I take this opportunity to record the thanks of myself and of the Board of Directors. I wish also to record our thanks to the other members of the staff of the Bank for their contribution in achieving these results. I also look forward to greater

co-operation from them in the current year and the years to come.

Bank Rate

The official bank rate of the Reserve Bank of India remained unchanged at 3½ per cent but the cost to commercial banks of borrowing from the central banking institution has been progressively increased. In the first place the rate of interest chargeable to commercial banks for loans against usance promissory notes under the bill market scheme was put up in two stages from 3 per cent to 3½ per cent and the concession that the Reserve Bank of India would bear half the stamp duty on usance promissory notes was withdrawn. Early this year, the stamp duty on bills of exchange and usance promissory notes was raised ten-fold to two annas per cent for three months or part thereof. This has enhanced the cost of half per cent against usance bills by a minimum of 1½ per cent and when allowance is made for the fluctuations in the debit balances of customers over a period and of the bank's borrowings against bills, the rise in the real cost is very much more than half per cent per annum. At the same time the Reserve Bank rate for advances to scheduled banks against Government securities was put up to 4 per cent. For all practical purposes, therefore, the bank rate has effectively risen from 3½ per cent to 4 per cent. The working of the bill market scheme will, however, be much facilitated if the Government would annul the recent enhancement of the stamp duties on bills of exchange and usance promissory notes, leaving it to the Reserve Bank to charge the same rate of interest to scheduled banks for loans against bills as against Government Securities.

While money rates in India are hardening there is a retreat from dear money in other international money markets. The Bank of England rate has gone down from 5½ per cent to 5 per cent while the open market rates in London are more akin to the still lower bank rate. The bank rate in Germany has been brought down in two successive stages from 5½ per cent to 4½ per cent.

Monetary Conditions

For the past six months conditions in the money market have been very stringent and the demand for funds has continued unabated. Short and long-term factors have been at work in creating these conditions. Among the short-term factors may be mentioned the deflationary effects of adverse balance of payments caused by excessive imports. Imports of machinery have imposed a heavy drain on bank finance and import of iron and steel, which has been exceptionally heavy, has been a new factor in the demand for funds. There has been a seasonal character of which has been blurred on account of financial requirements of industry being spread evenly throughout the year. Secondly, inventories of trading, manufacturing and engineering companies stood at a very high level. The long-term trend has been the rising demand for money from industries to meet the increased needs of a developing economy. The resources of commercial banks have not risen proportionately to the increased demand. The further tightening of money during the conventional busy season as a result of the requirements of crop finance and of the sugar industry being superimposed on the more stable pattern of industrial demand.

The problem for the monetary authorities is, therefore, how to meet the legitimate demands for accommodation while at the same time keep inflation in check during a period of substantial development expenditure under the Second Five-Year Plan.

It is gratifying to note that the Finance Ministry and the Reserve Bank of India have taken measures to remedy the situation in good time and liberalised the bill market scheme so as to make Central Bank credit freely available to scheduled banks for the legitimate purposes of credit expansion during the current busy season. Another welcome step is the open market policy of the Reserve Bank as regards its open market operations in Government securities. The sale by banks of Government securities during the busy season was a normal method of providing themselves with funds during periods of stringency but the Reserve Bank discontinued buying securities since the middle of 1951 save in exceptional cases and banks had therefore to put themselves in funds by borrowing from the Reserve Bank. During the current busy season the Reserve Bank has changed its policy and has bought securities freely from banks. The only unsatisfactory feature is that bank deposits have not registered a growth commensurate with the growth of economy. Conditions have to be created under which there may be a revival of real savings and encouragement to domestic capital formation.

Medium-term Credit

The problem of medium-term credit has to be tackled urgently. What should be the organisation or institution that should disburse medium-term credit to private industry and how should the large resources required for the purpose be raised? There is already an appreciable element of medium-term financing included in the advances of scheduled banks and their investments. There is an increase in investments by banks in ordinary and preference shares of industrial companies and in their debentures. The banks have also subscribed to the capital of institutions like Industrial Finance Corporation, Industrial Credit & Investment Corporation of India and State Finance Corporation, which have been organised to extend medium-term credit to industry. Advances have been made by banks against stocks and other approved securities but in reality the money so raised has been utilised for the purpose of expansion of bank.

With the ratio of advances to deposits well over 70 per cent and, in individual cases, topping even the 80 per cent mark, it is clear that commercial banks now lack the credit base to carry the load of medium-term finance to industry. 60 per cent of bank deposits are payable on demand, another 30 per cent are, probably, repayable within three to six months and the bare 10 per cent of deposits have a grant out of term loans ranging from five to seven years out of the resources of this nature conflicts with financial sound banking. Whether medium-term institutions should be the responsibility of special undertakings or whether commercial banks should undertake this additional responsibility, and if the latter the well established better course, to what extent the well established practice of commercial banks should be modified and what protection should be given in the event of the loans getting frozen, are all matters which

have to be carefully enquired into. Banks may legitimately employ a part of their capital and resources not represented by fixed assets in such loans and this they have already done.

A wider incursion in the field of medium-term loans to industry would require the previous development of long-term deposits from the public. Swiss banks are known to have raised funds through the issue of bonds with a maturity of three to six years and if Indian banks could issue such bonds successfully, a base for medium-term credit to industry would have been established. In Switzerland the stamp duty on such bonds is a nominal 1.2 per mille per annum, whereas by virtue of the recent Finance Act, the stamp duty in India has been stepped up to one per cent. If on the analogy of the debentures issued by Industrial Finance Corporation of India and the Co-operative Central Land Mortgage Banks, the Bonds to be issued by Commercial Banks are exempted from stamp duty, and the interest thereon is made payable after deduction of income-tax at source, as in the case of Government Securities, the ground would be well prepared for an interesting experiment.

Such an experiment would, however, take a long time to produce results whereas the medium-term credit needs of industry are urgent. In view of this, the U.S.A. funds arising from the sale of wheat which are earmarked for assistance to the private sector of industry, could well be handed over to the Commercial Banks and utilised for medium-term loans to existing industries for the purpose of expansion, such loans to be repaid out of subsequent earnings of the borrowing companies.

Finance for starting new industries and permanent capital required by existing industries should be left to be raised by issue of new capital to the public through the normal channels and it is here that the Stock Exchange comes into the picture. The Stock Exchange does not create or destroy the prosperity of the country. But it does act as the barometer of the conditions obtaining in industry and, as such, the present low level of activity in the Stock Exchange clearly indicates how confidence in the stability of industry has been shaken among the investors, and how impossible it is for companies, now, to raise any new capital. It is, therefore, necessary to bring about an amelioration in the condition of the middle classes and a revival of the confidence of investors in order that companies might be able to raise new capital through the customary channels.

Success of the First Five-Year Plan

The execution of the First Five-Year Plan has been acclaimed as a success on all hands and the targets of development and production have been fully achieved and in some cases surpassed. In the field of agricultural production the output of foodgrains rose from about 44 million tons to 65 million tons; cotton from 2.9 million bales to 4.9 million bales; jute from 3.3 million tons to 4 million tons; oilseeds from 5.1 million tons to 5.5 million tons. In the field of industrial manufactures the production of cotton textiles increased from 418 million yards to 685 million yards; sugar from 1.1 million tons to 1.7 million tons; paper from 114 thousand tons to 200 thousand tons; cement from 27 million tons to 4.3 million tons; fertilisers from 46 thousand tons to 380 thousand tons and automobiles from 16,500 units to 25,000 units. The First Plan was a modest one which did not strain the available resources. The total investment was very roughly Rs. 3100 crores of which the investment in the private sector accounted for a little more than half the total. The net borrowing from the Central Banking Institution, which is the extent of deficit financing, was only Rs. 250 crores. As a result of the financial operations during the First Plan period and the economic development during the period bank deposits went up from Rs. 882 crores to Rs. 1042 crores and the currency Notes in circulation from Rs. 1247 crores to Rs. 1467 crores. Thus the total money supply during the First Plan period increased by Rs. 380 crores.

Achievement of the Private Sector in the First Plan Period

Another factor to be noticed during the execution of the First Plan is the very substantial contribution made by the private sector for the success of the Plan. In the First Plan period, though the overall investments by the public and the private sectors were about equal, the investment outlay in the large and medium industries by the public sector was Rs. 148 crores as compared with Rs. 340 crores by the private sector. The private sector was able to mobilise the resources required and contributed in such a spectacular manner to the rise of industrial production during the First Plan period.

Wide Scope for Private Enterprise in the Second Plan

Turning to the Second Five-Year Plan the industrial development by the public sector in the field of large and medium industries and minerals envisages an investment of the order of Rs. 700 crores whereas the investment allocated to the private sector is Rs. 575 crores over new projects and Rs. 150 crores on replacement and modernisation. It will thus be seen that from the financial point of view, the private sector is invited to play as important a part as the public connection in the field of industrial development. In this of the investment in the public sector relates to the three steel projects, heavy electrical machinery, machine tools and fertilisers, all of which, in any case, could not be developed by private enterprise without a very substantial backing from the Government. The wide range of industries awaiting development and expansion on a big scale in the private sector are the iron & steel, ferro-manganese, refractories, aluminium, cables, heavy and light engineering industries, industrial machinery, bicycles, motors, transformers, chemicals, industrial explosives, dyestuffs, rayon, sugar, cement, plastics, paper and a host of medium-sized industries too numerous to mention. It is, therefore, expansion of industries is placed and the private sector has, therefore, plenty of scope for initiative and resourcefulness. There is, therefore, no need to emphasise the demarcation between the public and private sectors or to harp upon any imaginary conflict between the two.

Foreign Exchange Gap

We are, however, faced with the most serious problems when we turn to examine the resources available to both the public and the private sectors for the execution of the various tasks allotted to them. In my speech last year, I drew your attention to the

seriousness of the inadequacy of foreign exchange resources to carry through the Plan. I, then, estimated that the foreign exchange required would be anything between Rs. 1600 and Rs. 2000 crores and that, even on the basis of the lower figure, there would be a deficit of Rs. 800 crores to be found. This gap has turned out to be wider than anticipated. But if I had foreseen serious difficulties in respect of foreign exchange, I admit I had not expected similar difficulties in the availability of internal capital which has now suddenly become so scarce. Even if we had adequate external finance, without its rupee counterpart, obviously, no industry could be built up. Internal finance has, at present, become so scarce that even the best industrial series are selling on 8 to 10 per cent yield basis. With the interest rates so high, who would invest his savings in a new venture with all its concomitant uncertainties? If none, then how is the Plan to be implemented? The external and the internal finances are the two main rocks on which the Plan may wreck and, therefore, we cannot afford to ignore the danger.

Voluntary Savings

The plain truth of the matter is that the resources for the Plan can come only from savings, whether forced or voluntary. Forced savings can be effected through direct and indirect taxation and such measures as compulsory deposit of reserves. Voluntary savings emerge from the profits of companies and personal savings, and it is these that form the sources of funds for capital investment in new companies in the private sector. With individual taxation at a very high level, there is very little money with the private investor to subscribe to new issues, and the middle class investor, who formed the backbone of every flotation of capital in the past, has ceased to exist. Since the advent of independence, we have looked after the rural and industrial areas very well, but have neglected the middle class, a fact which is perhaps reflected in the recent elections. We must hence-forward lay greater emphasis on the prosperity of the urban areas—the cities—if the middle classes are to be rehabilitated and reconstituted as a source of support for industrial flotations.

Industrial Profits

As regards corporate savings, there has, unfortunately, been a sudden change in the pattern of industrial profits in recent months. The Jute industry is in a bad way and had a record of disastrous losses during 1956. The Textile industry, which was doing well a few months back and was expanding production enormously, is now finding it difficult to sell its products. I venture to hope that this is only a passing phase. If not, it is a real danger to production. Tea prices have gone down and the profit of tea companies and the foreign exchange earnings arising out of the export of tea have declined. The coal industry has its own special problems. It is only cement, steel, paper, engineering and a few other miscellaneous industries, which are really enjoying prosperous conditions. I do not mean to say that there is anything in the nature of an industrial crisis brewing but I certainly feel that the present net earnings of industry are not conducive to large-scale investments and quick expansion of production.

The Finance Minister has rightly remarked in some of his speeches that he was not against earnings but that he desired these earnings to be utilised for the benefit of society. This objective is undoubtedly one which will find echo from every quarter but rather than have the earnings put to good use through compulsion, it would be better to achieve the desired result through methods of persuasion.

Incentive for Savings

The experience in all democracies has been that without a friendly climate and expectation of reward, there has been no industrial expansion either in the private or in the public sector. Even the public sector can only thrive upon profits. It appears to me that for development of internal finance, the first and foremost action that we have to take is to revive confidence and create conditions conducive to the greater earnings by industrial concerns to be ploughed back for expansion schemes.

Private Foreign Investments Should Be Encouraged

As for external finance, the search for foreign credits and extended terms of payment goes on and may afford some relief and so also the borrowing from the International Monetary Fund and the World Bank. The time has now, however, come to revise our attitude towards private foreign investment which, if freely encouraged, could go a long way to solve our problem of the exchange gap. History teaches us that all backward countries have been built up with the help of foreign capital and we cannot afford to ignore the lessons of history. We must appreciate the fact that we can build up India quickly only through the help of foreign capital and, since we are an independent nation, I do not see why we should be afraid of it. I feel therefore that not only should we allow foreign investment without any restriction but we should welcome it, improve the climate for it and make the investor feel that the opportunities for profitable utilisation of capital here compare favourably with those available anywhere else in the world. Some time ago the Finance Minister stated that he was not against foreign capital but that it had to make peace with Indian capitalists. I hope Indian industrialists will not take a narrow view of the situation but, in the higher interests of the country, make it absolutely clear that they welcome foreign capital.

I have tried to deal at some length with the question of internal and external finance required for the Second Five-Year Plan and have also suggested measures which may lead to the establishment of a better atmosphere. I am sure the Hon'ble Finance Minister is already aware of these considerations. Mr. T. Krishnamachari is no novice in the field of finance. As Minister for Commerce & Industry, he gave a great fillip to production and trade during his brilliant record of achievement. He may, therefore, be trusted to apply his talents to the financial problems of the Second Five-Year Plan and achieve greater success in his new sphere of responsibility. The Commerce Ministry is now presided over by an equally able Minister, but like the Finance Minister he is also faced with great problems. I am, however, confident that he would solve the difficulties in such a way that production and trade expand during his stewardship. With these two key portfolios in the hands of such distinguished Ministers, I look to the future with faith and optimism.

P & O

Peninsular and Oriental Steam Navigation Company

THE EFFECTS OF SUEZ

THE LIFELINE OF

EAST/WEST TRADE

WHO would have thought a year ago that a few months later the greatest international shipping highway in the world would be blocked? Stockholders may well ask what the closing of the Canal has cost the P. & O. Group. It means the re-routing of ships engaged in trade to Australia, Persian Gulf, India, Pakistan, Malaya, China and Japan, and by the time we reach the end of the chapter we will have re-routed the ships normally using the Canal no less than four times. Each re-routing loses revenue and increases costs for the change-over voyage, but the computation goes much further than that. The price of oil, one of the major costs in a liner voyage, rose enormously. The ships are out of their carefully constructed programmes, and have lost some voyages altogether. Some traverse a longer route between the same points; some reduce their ports of call and shorten their voyage; some are transferred to different routes to maintain an emergency service. It will be many months after the Canal is being used again before the ships can once more be properly spaced out on their normal services. It is impossible to evaluate the net loss to the Group through the seizure of the Canal by Egypt in July 1956, simply because much of it has been indirect and will continue for long after the ships are passing through the Canal again.

It is almost an article of faith that the Shipping Industry does not indulge in politics. But when politics impinge in a dangerous degree on the fortunes of the Shipping Industry, then in self-defence it must make its views heard.

This is so in the case of the seizure of the Canal on 26th July last and of the Canal Company's assets in Egypt, followed, for no practical reason, by the blocking of the Canal in November and by the destruction of many of its assets.

To the citizens of this country in their personal lives, to the commercial community, as well as to shipping, this act of sabotage has caused grievous loss. And not only to the West but also to the East.

There can be no confidence in the future in the administration of the Canal unless it is responsible to an international body on which users will be strongly represented. In 1955 154½ million gross tons of shipping passed through the Canal; it is unlikely that this figure will be maintained but it gives one an idea of the magnitude of the undertaking and of the necessity for representation of the users. I hope all stockholders will use their influence to see that this highway of international trade between East and West never lie in the unfettered control of one Government.

Port Delays

One of the difficulties which shipping has to face is that of delays at ports, these, due to congestion and to strikes, in the financial year covered by the accounts under review have totalled for the Group 2,805 days; representing 27½ million d.w.t./days and costing, inclusive of depreciation, £1,048,000. These are formidable figures and have to be covered by the freight. Contrariwise, I should, however, make mention of the successful steps which the East African Railways and Harbour Board administration have made to obviate delays in their main ports, in particular Mombasa.

Our Earnings

Rates of freight current at the time when the plans for a ship are being prepared are not infrequently below what is required to show a reasonably return on the investment. But fortunately signs are not lacking of an appreciation amongst importers and exporters that if new ships are to be built to keep open the lifelines of trade in the Commonwealth and elsewhere, rates of freight must rise to a level which will allow for the current cost of replacement in addition to providing reasonable interest on the capital invested in the ship. In the long term, unless this simple economic fact is recognised, the money to pay for new ships will not be forthcoming.

If you are interested in these extracts from Sir William Currie's speech at the 117th Annual General Meeting please write for a full report to the Secretary, P. & O. Steam Navigation Co. 122 Leadenhall Street, London, E.C.3.

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- PORCELAIN SANITARY WARES Indian and European closets, wash-basins, urinals etc.
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GOVERNMENT OF WEST BENGAL DURGAPUR COKE OVEN PLANT COKE AND COKE BREEZE FOR SALE

The following types of Coke and Coke Breeze from the Coke Oven Plant at Durgapur are expected to be available for sale with effect from September/October, 1958.

- | | |
|---|-----------------------|
| (1) Sized Coke above 1½" | 770-800 tons per day. |
| (2) Coke-Rubble and Smithy between 1½"-1" | 60-75 tons per day. |
| (3) Coke Breeze, below 1" | 60-75 tons per day. |
- Screened Rubble and Smithy Coke will also be available.

All parties interested in purchasing are advised to communicate with the Administrator, Durgapur Project, New Secretariat Buildings, Block 'A', 1st Floor, 1, Hastings Street, Calcutta-1, stating quantity and quality required and the respective destinations.

UNITED BANK OF INDIA LIMITED

Registered Office: UNITED BANK BUILDINGS: 4, CLIVE GHAT STREET, CALCUTTA.

BALANCE SHEET AS AT 31ST DECEMBER, 1956.

Previous year Rupees	CAPITAL AND LIABILITIES	Rs. a. p.	Rs. a. p.	Previous year Rupees	PROPERTY AND ASSETS	Rs. a. p.	Rs. a. p.
	1. CAPITAL—				1. Cash :		
	Authorised Capital :				In hand and with Reserve Bank and State Bank (including Foreign Currency Notes) ...	3,16,35,963	3,16,35,963
	1,99,000 A Shares of Rs. 50/- each ...	99,50,000 0 0			2. Balance with other Banks in Current Accounts :		
	3,20,000 B " " Rs. 25/- " ...	80,00,000 0 0			(i) In India ...	3,37,835 13 11	
	6,05,000 C " " Rs. 20/- " ...	1,21,00,000 0 0			(ii) Outside India ...	77,70,151 9 5	81,07,987 7 4
	10,40,000 D " " Rs. 10/- " ...	1,04,00,000 0 0			3. Money at Call & at Short Notice ...		5,00,000 0 0
		4,00,90,000 0 0			4. Investments : at or below market value		
	Issued Capital :				(i) Securities of the Central and State Governments and other Trustee Securities ...	10,21,56,135 9 8	
	40,000 A Shares of Rs. 50/- each ...	20,00,000 0 0			Treasury Bills of the Central and State Governments ...	Nil	
	3,20,000 B " " Rs. 25/- " ...	80,00,000 0 0			(ii) (a) Shares Preference Rs. a. p. fully paid-up ... 7,81,628 0 0		
	6,05,000 C " " Rs. 20/- " ...	1,21,00,000 0 0			(b) Shares Ordinary fully paid-up ... 40,31,729 14 11		
	10,40,000 D " " Rs. 10/- " ...	1,04,00,000 0 0			(c) Shares Ordinary partly paid-up ... 4,36,657 7 0		
		3,25,00,000 0 0			(d) Shares Deferred fully paid-up ... Nil		
	Subscribed Capital :				(iii) Debentures or Bonds ...	52,50,015 5 11	
	39,022 A Shares of Rs. 50/- each ...	19,51,100 0 0			(iv) Other Investments	47,93,353 14 6	
	2,08,963 B " " Rs. 25/- " ...	52,24,075 0 0			(a) Pakistan Central and Provincial Government Securities ...	2,67,57,225 9 0	
	6,00,155 C " " Rs. 20/- " ...	1,20,03,100 0 0			(b) Foreign Securities ...	47,500 0 0	
	10,35,454 D " " Rs. 10/- " ...	1,03,54,540 0 0			(c) Capital Redemption Policy ...	1,15,477 8 0	
		3,17,83,315 0 0			(d) Gold ...	Nil	
	Called & Paid-up Capital :				5. Advances :		
	8,054 A Shares called at 50/- per share ...	4,02,700 0 0			(Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)		
	30,968 B " " " 25/- " ...	7,74,200 0 0			(I) Loans Cash Credits, Overdrafts, etc. :		
	2,07,955 C " " " 20/- " ...	41,59,100 0 0			(i) In India ... 15,61,66,944 0 7		
	91,228 D " " " 10/- " ...	9,12,280 0 0			(ii) Outside India ... 1,45,04,319 15 10	17,06,71,264 0 5	
	1,87,563 E " " " 5/- " ...	9,37,815 0 0			(II) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments) :		
	4,12,582 F " " " 2 1/2% " ...	10,31,455 0 0			(i) Payable in India ... 2,31,35,340 9 11		
	10,35,454 G " " " 10/- " ...	1,03,54,540 0 0			(ii) Payable outside India ... 79,28,077 7 5	3,11,13,418 1 4	
	(Reserve Liability of Shareholders Rs. 49,00,120/-)	2,66,55,625 0 0			(Particulars required by Act X of 1949 as per separate schedule annexed and forming part of this Balance Sheet)		
		74,10,000 0 0			6. Bills Receivable being Bills for Collection as per contra :		
	2. Reserve Fund and other Reserves :				(i) Payable in India ... 2,68,71,340 8 0		
	Fixed Deposits and Cash Certificates ...	5,83,92,353 4 4			(ii) Payable outside India ... 73,50,287 2 2	3,42,21,627 10 2	
	Staff Security Deposits ...	8,81,365 12 7			7. Constituents' Liabilities for Acceptances, Endorsements & other obligations per contra ...		
	Savings Bank Deposits ...	13,58,49,196 9 2				1,37,55,946	
	Current Accounts Contingency Accounts, etc. ...	14,29,77,008 12 10			8. Premises less Depreciation :		
		33,50,99,926 6 11			At cost as per last Balance Sheet ...	15,89,931 4 5	
	3. Deposits and other Accounts :				Add: Additions during the year ...	2,929 6 0	
	Fixed Deposits and Cash Certificates ...	5,83,92,353 4 4			Less: Sales or deductions made during the year ...	Nil	
	Staff Security Deposits ...	8,81,365 12 7			Total cost to date ...	15,92,860 10 5	
	Savings Bank Deposits ...	13,58,49,196 9 2			Less: Depreciation written off to date ...	1,62,979 14 0	
	Current Accounts Contingency Accounts, etc. ...	14,29,77,008 12 10				14,29,880 12 5	
		33,50,99,926 6 11			9. Furniture & Fixtures less Depreciation :		
	4. Borrowings from other Banking Companies Agents, etc. :				Cost as per last Balance Sheet ...	30,73,335 14 8	
	(i) In India ...	1,90,83,996			Add: Additions less deductions during the year ...	4,59,995 1 2	
	(ii) Outside India ...	Nil			Total cost to date ...	35,33,330 15 10	
		1,90,83,996			Less: Depreciation written off to date ...	12,32,261 7 11	
	5. Bills Payable ...					23,01,069 7 11	
	(i) Payable in India ...	2,68,71,340 8 0			10. Other Assets including Silver :		
	(ii) Payable outside India ...	73,50,287 2 2			Interest accrued on Investments ...	13,54,444 12 7	
		3,42,21,627 10 2			E.P.T. Deposits and Tax paid in advance and deducted at source ...	61,48,087 15 6	
	6. Bills for Collection being Bills Receivable as per contra :				Stores, Stationery and printed materials ...	4,72,528 1 0	
	(i) Payable in India ...	2,68,71,340 8 0			Land & Buildings not used as Bank's Premises less depreciation ...	19,27,978 15 3	
	(ii) Payable outside India ...	73,50,287 2 2			(Cost Rs. 25,02,001-5-3 less depreciation Rs. 5,74,022-6-0)	13,53,956 12 3	
		3,42,21,627 10 2			Sundries (Temporary Advances, Suspense, Security Deposits, Outstanding Rents, Stock of Stamps, adjusting Accounts, etc.) ...	25,52,782 13 5	
	7. Other Liabilities :					1,24,55,822 9 9	
	Branch Adjustments ...	1,03,41,938 11 7			11. Non-Banking Assets acquired in satisfaction of Claims ...		
	Unclaimed Dividends ...	2,98,966 6 1			(Immovable property at Book Value)	9,41,037 5 1	
	Staff Gratuity Fund ...	1,35,000 0 0				45,17,99,803 0 2	
	Capital Redemption Fund ...	1,15,477 8 0				43,40,18,601	
	Sundry Liabilities for expenses ...	2,33,201 14 0					
	Rebate on Bills Discounted ...	Nil					
		1,11,24,734 7 10					
	8. Acceptances, Endorsements and other obligations per contra ...	1,69,46,572 14 8					
		1,69,46,572 14 8					
	9. Profit & Loss :						
	Balance of Profit & Loss Account as per last Balance Sheet ...	9,69,174 5 0					
	Less: Appropriation for Dividend ...	7,99,378 8 0					
		1,69,795 13 0					
	Add: Profit for the year brought from the Profit & Loss Account ...	15,58,020 1 9					
	Less: Appropriations—						
	Transfer to Reserve Fund under Section 17 of the Banking Companies Act Rs. 3,15,000 0 0	3,15,000 0 0					
	Transfer to Provision for Taxation Rs. 4,40,000 0 0	4,40,000 0 0					
		7,55,000 0 0					
		1,64,29,814 4 9					
	10. Contingent Liabilities :						
	(i) Claims against the Banking Company not acknowledged as debts ...	44,61,589 0 9					
	(ii) Money for which the Banking Company is contingently liable :						
	(a) Liability for partly paid up shares held by the Bank in investment account ...	4,41,805 7 0					
	(b) Guarantee given on behalf of Directors or Officers ...	Nil					
	(c) Guarantee on behalf of others (includes Rs. 1,58,705/- in respect of guarantees given to Government Departments secured against part of Bank's Investments)	4,59,950 10 9					
	(iii) Liability on Bills of Exchange re-discounted ...	49,398 5 9					
	(iv) Liability on account of outstanding Forward Exchange Contracts ...	2,41,40,258 3 7					
		1,36,85,864					
		43,40,18,601					
		45,17,99,803 0 2					
		43,40,18,601					
		45,17,99,803 0 2					

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1956.

Previous year Rs.	EXPENDITURE	Rs. a. p.	Previous year Rs.	INCOME (Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)	Rs. a. p.
33,13,377	1. Interest paid on Deposits Borrowings etc. ...	41,35,188 13 9	1,02,43,704	1. Interest and Discount ...	1,19,45,736 13 10
68,23,923	2. Salaries and Allowances and Provident Fund ... (of which payment to Sri B. K. Datta as General Manager Rs. 16,27-5-6 up to 26-8-56 and as Managing Director up to 31-12-56 Rs. 9,692-2-6 total Rs. 27,949-8-0)	78,55,251 6 4	29,29,255	2. Commission, Exchange and Brokerage ...	32,50,941 10 7
(21,412)	3. Directors and Local Committee Members' fees and allowances ...	34,566 0 0	1,55,165	3. Rents ...	1,49,300 0 0
35,090	4. Rent Taxes Insurance Lighting etc. ...	8,31,136 8 1	Nil	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account) ...	608 0 1
7,58,883	5. Law Charges ...	1,63,195 1 11	2,620	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credit to Reserves or any particular Fund or Account) ...	Nil
1,45,158	6. Postage Telegrams, Telephones and Stamps ...	3,86,228 14 5	10,08,832	6. Income from non-banking assets and profit from sale of or dealing with such assets ...	2,476 11 1
3,30,023	7. Auditors fees ...	26,700 0 0		7. Other Receipts ...	10,75,160 6 2
26,325	8. Depreciation on and repairs to the Banking Company's property ...	4,48,762 0 2			
4,55,337	9. Stationery, Printing Advertisement etc. ...	5,37,744 2 9			
5,33,138	10. Loss from sale of or dealing with non-banking assets ...	755 7 0			
2,699	11. Other Expenditure ...	4,45,651 13 9			
4,57,566	12. Balance of Profit ...	15,58,020 1 9			
14,61,418					
1,43,42,937		1,43,42,937			

UNITED BANK OF INDIA LIMITED—Cont'd.

Schedule of Particulars required under the Banking Companies Act, 1949, attached to and forming part of the Balance Sheet as at 31st December, 1956.

Previous year Rupees	PARTICULARS OF ADVANCES	Rs. a. p.
15,54,90,843	(i) Debts considered good in respect of which the Banking Company is fully secured ...	19,09,74,168 3 9
1,63,98,289	(ii) Debts considered good for which the Banking Company holds no other security than the debtors' personal security ...	1,63,39,241 5 1
94,43,972	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors ...	51,74,272 4 11
Nil	(iv) Debts considered doubtful or bad not provided for ...	Nil
18,13,42,104		20,17,94,682 1 9
Nil	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	Nil
37,40,923	(vi) Debts due by Companies or Firms in which the Directors or the Banking Company are interested as Directors, Partners or Managing Agents or in case of Private Companies as Members ...	72,03,002 5 6
22,389	(vii) Maximum total amount of advances including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons ...	31,537 15 3
38,64,185	(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of Private Companies as Members ...	89,27,026 13 5
6,06,235	(ix) Due from Banking Companies ...	2,94,002 3 2

AUDITORS' REPORT

We have audited the annexed Balance Sheet of United Bank of India Ltd. as at 31st December, 1956 and also the annexed Profit & Loss Account of the Bank for the year ended upon that date in which are incorporated the Returns from the Branches audited under Section 228 of the Companies Act, 1956 by other Auditors.

In accordance with the provisions of section 29 of the Banking Companies Act, 1949 read with the provisions to sub-sections (1) and (2) of section 211 and to sub-section (5) of section 212 and section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be audited and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that :

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.

(b) The transactions of the bank which have come to our notice, have been within the powers of the Bank.

(c) In our opinion proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the bank.

(d) The Bank's Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account and the returns.

(e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Bank as at 31st December, 1956 and the Profit & Loss Account gives a true and fair view of the Profit for the year ended upon that date.

Dated, Calcutta, 7th March 1957. RAY & RAY, Chartered Accountants

N. N. LAW Chairman
S. B. DUTT
J. M. DUTT
B. K. DATTA Managing Director
K. G. M. FAROQUI
N. C. DATTA
A. K. ROY Secretary
K. C. DAS



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(ESTD: 1919)
HEAD OFFICE: FORT, BOMBAY I.
Cal. Office: 43, Ezra St., Calcutta-I.

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THE HONGKONG AND SHANGHAI BANKING CORPORATION

(INCORPORATED IN THE COLONY OF HONG KONG)

The liability of members is limited to the extent and in manner prescribed in Chapter 70 of the Laws of Hong Kong

BALANCE SHEET AT 31ST DECEMBER, 1956.

	Hong Kong Dollars (\$)	Sterling Equivalent (£)	Hong Kong Dollars (\$)	Sterling Equivalent (£)
Share Capital				
Authorized and Issued 200,000 Shares of HK\$125 each, fully paid	25,000,000	1,562,500		
Reserve Liability of Members				
HK\$125 per share on 200,000 Shares	25,000,000			
Reserve Fund	128,000,000	8,000,000		
Profit and Loss Account	11,039,578	689,574		
Hong Kong Currency Notes in Circulation				
Authorized Note Issue	36,000,000			
Excess Note Issue	645,742,000	42,233,875		
Current Deposit and Other Accounts, including Reserves and Provisions for Contingencies and Taxation	2,564,287,832	161,907,382		
Amounts Due to Subsidiary Companies	378,395			
Acceptances on behalf of Customers	16,130,379			
Proposed Final Dividend in respect of the year ended 31st December, 1956	9,721,519			
Notes:				
1. Confirmed Credits, Guarantees and Endorsements amount to HK\$582,571,778 in addition to which there are commitments in respect of outstanding Forward Exchange Contracts.				
2. Foreign Currency Balances have been converted into Hong Kong Dollars at approximately the rates ruling at 31st December, 1956. The Sterling equivalents of the figures shown in the above Balance Sheet have been converted at the rate of HK\$1=1/2d.				
3. Investments having a market value of HK\$4,677,304 are deposited with The Crown Agents to cover the liability in respect of the Authorized Note Issue to the extent of HK\$23,593,333.				
Total	\$ 3,430,299,703	£ 214,393,731	\$ 3,430,299,703	£ 214,393,731

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1956.

	Hong Kong Dollars (\$)	Hong Kong Dollars (\$)
Interim Dividend of 62 per Share, paid 13th August 1956, £400,000 at 1/2-13/16	6,481,013	10,606,689
Appropriations recommended by the Directors:		
Amount to be written off Bank Premises	\$ 4,000,000	
Final Dividend of 53 per Share £600,000 at 1/2-13/16	9,721,519	20,635,421
Balance carried forward to next year	11,039,578	
Total	\$ 31,242,110	\$ 31,242,110

Special Administrative Expenses, including Chief Manager's emoluments Directors' Fees and London Committee Fees amounted to HK\$964,015.

MICHAEL W. TURNER, Chief Manager. J. A. H. SAUNDERS, Chief Accountant. C. BLAKER, J. A. BLACKWOOD, H. D. M. BARTON, Directors.

REPORT OF THE AUDITORS TO THE MEMBERS OF THE HONGKONG AND SHANGHAI BANKING CORPORATION

We have examined the above Balance Sheet with the books of the Corporation kept in Hong Kong, with the audited Accounts of the London Office and with the Returns received from the other Offices. We have obtained all the information and explanations we have required for the purposes of our examination. The above Balance Sheet gives the information required by the United Kingdom Companies Act 1948 in the manner prescribed for a Banking Company and on that basis, in our opinion, is a full and fair Balance Sheet properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs at 31st December, 1956, according to the best of our information and the explanations given to us and as shown by the books kept in Hong Kong and the Returns received from the other Offices.

Hong Kong, 25th February 1957.

PEAT, MARWICK MITCHELL & CO., LOWE, BINGHAM & MATTHEWS, Chartered Accountants, Auditors.

BALANCE SHEET OF THE INDIAN BRANCHES AS AT 31ST DECEMBER, 1956.

	Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.
CAPITAL AND LIABILITIES			PROPERTY AND ASSETS		
1. Capital—			I. Cash—		
Deposit with Reserve Bank of India under Section 11(2) of the Banking Companies Act 1949	22,05,045 0 0		In hand and with Reserve Bank and State Bank of India (including Foreign Currency Notes)	59,02,599 9 4	
2. Reserve Fund and Other Reserves			2. Balances with Other Banks—		
3. Deposits and Other Accounts—			Current Accounts:		
Fixed Deposits	4,43,65,691 7 9		(i) In India	30,027 14 6	1,59,768 7 4
Savings Bank Deposits	Nil		(ii) Outside India	1,24,740 8 10	Nil
Current Accounts, Contingency Accounts etc.	5,74,72,228 15 7	10,17,77,920 7 4	3. Money at Call and Short Notice		
4. Borrowings from Other Banking Companies, Agents, etc.—			I. Investments—At under Market Value—		
(i) In India	1,34,00,000 0 0		(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments of which Book Value Rs. 1,49,38,599-2-0 are lodged with the Reserve Bank of India and the State Bank of India as security for borrowings and for other accounts; and against this, borrowings of Rs. 17,00,000-0-0 were outstanding at 31st December 1956)	1,59,82,989 4 0	1,64,82,989 4 0
(ii) Outside India	39,371 14 7	1,34,39,371 14 7	(ii) Debentures or Bonds	5,00,000 0 0	
Particulars—	Rs. a. p.		(iii) Other Investments	Nil	
(i) Secured	17,00,000 0 0		(iv) Gold	Nil	
(ii) Unsecured	1,17,89,371 14 7		5. Advances—		
5. Bills Payable			(Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)		
6. Bills for Collection being Bills Receivable—As per Contra—			I. Loan—Cash Credits, Overdrafts, etc.—		
(i) Payable in India	1,02,30,722 4 3		(i) In India	Rs. a. p.	
(ii) Payable outside India	43,40,793 4 11	1,45,71,515 9 2	(ii) Outside India	10,74,03,744 12 0	10,74,03,744 12 0
7. Other Liabilities—			II. Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)		
Staff Retirement Funds	19,53,845 12 9		(i) Payable in India	1,69,12,216 10 9	2,86,51,912 8 10
Branch Adjustments	1,23,958 12 0		(ii) Payable outside India	1,17,39,705 14 1	13,60,55,657 4 11
Due to Head Office and Branches outside India	4,82,58,212 10 2	3,03,36,021 2 11	Particulars of Advances—		
8. Acceptances, Endorsements and Other Obligations—As per Contra			(i) Debts considered good in respect of which the Banking Company is fully secured	11,27,21,341 8 2	
9. Profit and Loss—			(ii) Debts considered good for which the Banking Company holds no other security than the debtors personal security	2,06,06,107 4 0	
Profit as per last Balance Sheet	4,57,866 12 7		(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	27,28,208 8 3	
Less: Appropriations	4,57,866 12 7		(iv) Debts considered doubtful or bad not provided for	Nil	
Add: Profit for the year brought from the Profit and Loss Account	7,60,513 5 5	4,77,662 1 7	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons	72,038 9 1	
Less: Remittances during the year	7,60,513 5 5		(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or in the case of private companies as members	Nil	
Appropriations	2,62,851 3 11		(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers severally or jointly with any other persons	1,56,520 9 8	
10. Contingent Liabilities—			(viii) Maximum total amount of advances including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents, or in the case of private companies as members	Nil	
Guarantees	1,36,92,509 0 9		(ix) Due from Banking Companies	Nil	
Letters of Credit	2,39,03,028 0 0				
Bills of Exchange discounted by or debited to our other office	1,07,19,333 0 0				
Forward Exchange Contracts	9,28,74,549 0 0				
	14,71,89,419 9 9				
Carried over	18,15,66,186 15 3		Carried over	30 13 9	15,86,01,014 9 6

THE HONGKONG AND SHANGHAI BANKING CORPORATION—Cont'd.

BALANCE SHEET OF THE INDIAN BRANCHES AS AT 31ST DECEMBER, 1956—Cont'd.

	Rs. a. p.	Rs. a. p.		Rs. a. p.	Rs. a. p.
CAPITAL AND LIABILITIES—Cont'd.			PROPERTY AND ASSETS—Cont'd.		
Brought forward	18,15,66,186 15 3		Brought forward	15,86,01,014 9 6	
6. Bills Receivable being Bills for Collection—As per Contra—			(i) Payable in India	1,02,30,722 4 3	1,45,71,515 9 2
(i) Payable in India	1,02,30,722 4 3		(ii) Payable outside India	43,40,793 4 11	Nil
7. Contingent Liabilities for Acceptances, Endorsements and Other Obligations—As per Contra			8. Premises, Less Depreciation—		
At Cost as at 31st December, 1955	39,71,907 5 10		Additions during the year	39,71,907 5 10	
Less: Sales during the year	Nil		Less: Depreciation to date	39,71,907 5 10	31,54,598 3 10
9. Furniture and Fixtures, Less Depreciation—			At Cost as at 31st December, 1955	23,58,617 0 5	
Additions during the year	1,34,021 0 8		Less: Sales during the year	24,92,628 1 5	
Less: Depreciation to date	24,92,628 1 5		Less: Depreciation to date	12,31,357 14 7	11,74,323 3 1
10. Other Assets—			11. Interest, Accrued on Investments	55,897 2 6	
Stamps, Sundry Deposits and Accounts Receivable	40,00,000 0 0	40,00,000 0 0	12. Non-Banking Assets Acquired for Satisfaction of Claims	Nil	Nil
Total Rs.	18,15,66,186 15 3		Total Rs.	18,15,66,186 15 3	

AUDITORS' REPORT ON THE INDIAN BRANCHES OF THE HONGKONG AND SHANGHAI BANKING CORPORATION UNDER SECTION 30 OF THE BANKING COMPANIES ACT 1949.

We have audited the above Balance Sheet and the annexed Profit and Loss Account of the Indian Branches of the Hongkong and Shanghai Banking Corporation with the books and accounts of Calcutta Branch and with certified returns from Bombay Branch.

In accordance with the provisions of Section 29 of the Banking Companies Act 1949 read with the provisions of Section 21(1), (2) and (3) and Section 22(3) of the Companies Act 1956, the Balance Sheet and Profit and Loss Account are not required to be and are not drawn up in accordance with Schedule VI of the Companies Act 1956, but are in conformity with Forms A and B of the third schedule of the Banking Companies Act 1949.

We report that—

(a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for our audit.

(b) In our opinion proper books of account as required by law have been kept by Calcutta Branch so far as appears from our examination of those books and proper returns adequate for our audit have been received from Bombay Branch which was not visited by us.

(c) The above-mentioned Balance Sheet and Profit and Loss Account are in agreement with the books of account and certified returns.

(d) In our opinion and to the best of our information and according to the explanations given to us, such Balance Sheet and Profit and Loss Account give the information required by the Companies Act 1956, in the manner required for Banking Companies, and on such basis give respectively a true and fair view of the state of the affairs of the Indian Branches as at 31st December, 1956 and their profit for the year ended on that date.

Calcutta, 12th April, 1957.

P. H. WATERHOUSE, PEAT & CO., Chartered Accountants.

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED 31ST DECEMBER, 1956.

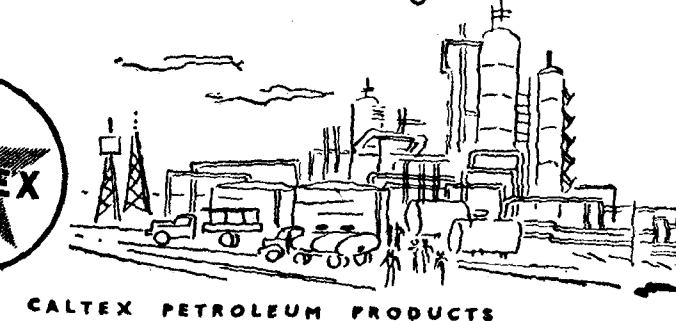
	Rs. a. p.		Rs. a. p.
EXPENDITURE		INCOME	
1. Interest paid on Deposits, Borrowings, etc.	41,16,615 12 10	1. Interest and Discount	68,77,224 14 7
2. Salaries and Allowances and Provident Fund—		2. Commission Exchange and Brokerage	25,30,060 8 10
Manager	102,030 2 0	3. Rents	1,27,403 5 0
Others	21,03,354 0 5	4. Net Profit on sale of Investments, Gold and Silver, Land, Premises and other Assets	Nil
3. Directors and Local Committee Members Fees and Allowances	Nil	5. Net Profit on Revaluation of Investments, Gold and Silver, Land, Premises and other Assets	Nil
4. Rent, Taxes, Insurance, Lighting, etc.	2,38,920 0 5	6. Income from Non-Banking Assets and Profit from sale of or dealing with such Assets	Nil
5. Law Charges	36,669 0 4	7. Other Receipts	20,000 0 0
6. Postage, Telegrams and Stamps	1,23,696 8 4	8. Loss	Nil
7. Auditors' Fees	10,000 0 0		
8. Depreciation on and Repairs to the Banking Company's Property	5,90,178 12 6		
9. Stationery, Printing, Advertisements, etc.	1,27,335 8 4		
10. Loss from sale of or dealing with Non-Banking Assets	4,45,375 9 9		
11. Other Expenditure	7,60,513 5 5		
12. Balance of Profit (Subject to Taxation)	96,54,688 12 5		
Total Rs.	96,54,688 12 5	Total Rs.	96,54,688 12 5

D. L. MILNE-DAY, Manager Calcutta Office.

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THE BANK OF TOKYO LIMITED

(Incorporated in Japan—Liability of Members Limited.)

5, CLIVE ROW, CALCUTTA.

CONSOLIDATED

BALANCE SHEET AS ON 31ST DECEMBER, 1956.

CAPITAL AND LIABILITIES		Rs.	As. P.	PROPERTY AND ASSETS		Rs.	As. P.
1. Capital:				1. Cash:			
Investments Deposited with the Reserve Bank of India Sec 11(2) of the Banking Companies Act, 1949		22,64,304	5 7	In hand and with Reserve Bank and State Bank (including foreign currency notes)		18,12,410	2 9
2. Reserve Fund and other Reserves			Nil	2. Balances with other Banks on Current Account:			
3. Deposits and other Accounts:				(i) In India		4,50,226	0 4
Fixed Deposits		4,24,825	0 0	(ii) Outside India		Nil	
Savings Bank Deposits		Nil		3. Money at call & Short Notice			19,00,000 0 0
Current Accounts & Contingency Account etc.		52,96,977	0 11	4. Investments (at cost):			
4. Borrowings from other Banking Companies, Agents, etc.			57,15,802 0 11	(i) Securities of the Central & State Governments and other Trustee Securities including Treasury Bills of the Central and State Governments		42,11,054	5 7
(i) In India		25,00,000	0 0	(ii) Shares (classifying into preference, ordinary, deferred and other classes of shares and showing separately shares fully paid up and partly paid up)		Nil	
(ii) Outside India		Nil		(iii) Debentures or Bonds		Nil	
PARTICULARS:			25,00,000 0 0	(iv) Other Investments (to be classified under proper heads)		Nil	
(i) Secured (Stating the nature of Security)		Nil		(v) Gold		42,11,054	5 7
(ii) Unsecured		25,00,000	0 0	5. Advances (other than bad and doubtful debts for which provision has been made to the satisfaction of the Auditors)			
5. Bills Payable			3,73,327 8 10	I. Loans, Cash Credits, Overdrafts, etc.			
(i) Payable in India		2,65,993	10 3	(i) In India		3,90,54,822	11 6
(ii) Payable outside India		54,822	4 6	(ii) Outside India		Nil	
6. Bills for Collection being Bills Receivable as per contra			3,20,815 14 9	II. Bills Discounted & Purchased (excluding Treasury Bills of the Central & State Governments)			
7. Other Liabilities:				(i) Payable in India		1,46,19,723	10 6
Suspense Receipts		13,85,695	2 0	(ii) Payable outside India		46,80,749	6 6
Income-Tax payable on Staff salaries		34,822	6 6	Particulars of Advances:			
Inter-Office Balance		5,56,77,981	11 3	(i) Debts considered good for which the banking company is fully secured		4,03,47,844	15 9
Interest unpaid		8,16,272	8 0	(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security		1,84,07,450	12 3
Rebate on Discount Prepaid, etc.		1,22,382	0 0	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors		Nil	
Reserve for Income-Tax		6,69,000	0 0	(iv) Debts considered doubtful, or bad not provided for		Nil	
8. Acceptances, Endorsements & other Obligations per contra			5,87,05,953 11 9	(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons		Nil	
9. Profit & Loss			11,68,16,508 8 7	(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in case of private companies as members		Nil	
Profit as per last Balance Sheet		86,652	2 8	(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors, managers or officers of the banking company or any of them either severally or jointly with any other person		Nil	
Less: Adjustment with Head Office A/c.		96,652	2 8	(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in case of private companies, as members		Nil	
Add: Profit for the year		5,15,692	0 5	(ix) Due from banks		Nil	
Less: Adjustment with Head Office A/c.		5,15,692	0 5	6. Bills Receivable being Bills			
10. Contingent Liabilities:			1,10,406 4 1	For collection as per contra			
(i) On Letters of Guarantee on behalf of Constituents		95,77,969	7 0	(i) Payable in India		2,65,993	10 3
(ii) On account of outstanding Forward Exchange Contracts		3,62,436	3 7	(ii) Payable outside India		54,822	4 6
Total Rs.			18,45,95,507 0 11	7. Constituents' Liabilities for acceptances, endorsements and other obligations per contra			11,68,16,508 8 7
				8. Premises Less Depreciation			Nil
				9. Furniture and Fixtures:			
				Less: Depreciation:			
				At cost upto 31st December, 1955		2,42,354	9 8
				Additions at cost during the year		44,947	4 6
				Less Sold during the year		3,27,301	14 0
				Less Depreciation written off to date		4,901	0 0
				10. Other Assets including Silver:			
				Accrued interest & Others Receivable		61,376	1 5
				Security Deposit		1,100	0 0
				Suspense Payments		19,469	2 6
				11. Non-Banking Assets Acquired			
				In satisfaction of claims (stating mode of valuation)		Nil	
				12. Profit & Loss		Nil	
				Total Rs.		18,45,95,507 0 11	

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31ST DECEMBER, 1956.

EXPENDITURE		Rs.	As. P.	INCOME (Less: Provision made during the year for bad and doubtful debts and other usual or necessary provisions)		Rs.	As. P.
1. Interest paid on Deposits, Borrowings, etc.				1. Interest & Discount			
(Including Rs. 13,11,748-3-1 to Inter-Office Advances)				2. Commission, Exchange & Brokerage			
2. Salaries & Allowances and Provident Funds			13,66,922 9 1	3. Rents			
(Including Salary & Allowances of Manager of Principal Office in India Rs. 46,890-0-0)				4. Net Profit on Sale of Investments, Gold & Silver, Land Premises and other Assets (not credited to Reserves or any particular Fund or Account)			
3. Directors' & Local Committee Members' Fees and Allowances			6,21,537 9 6	5. Net Profit on revaluation of investments (gold and silver, land premises and other assets (not credited to Reserves or any particular Fund or Account))			
4. Rent, Taxes, Insurance, Lighting, etc.			7,80,039 6 9	6. Income from non-banking assets and Profit from Sale of or dealing with such Assets			
5. Law Charges			1,500 0 0	7. Other Receipts			
6. Postage, Telegrams & Stamps			36,070 5 11	8. Loss (if any)			
7. Auditors' Fees			290 0 0				
8. Depreciation on and Repairs to the Banking Company's Property			43,725 10 6				
9. Stationery, Printing, Advertisement, etc.			50,661 0 3				
10. Loss from Sale of or Dealing with Non-Banking assets			43,725 10 6				
11. Other Expenditure			1,06,594 4 2				
12. Balance of Profit			5,15,692 0 5				
Total Rs.			35,23,032 14 7				

REPORT OF THE AUDITORS.

We have audited the above Balance Sheet of THE BANK OF TOKYO LTD. as at 31st December, 1956 and the annexed Profit & Loss Account for the year ending on the same date with the books of account as kept in the Head Office (Calcutta) in which have been incorporated the information and explanations we have required and have found them to be satisfactory.

(a) The transactions of the Bank which have come to our notice have been within the powers of the Bank.

(b) The audited accounts received from the Bombay Branch have been found adequate for the purpose of the audit.

(c) The Balance Sheet and the Profit & Loss Account are drawn up in conformity with the law.

(d) Such Profit and Loss Account shows a true balance of profit for the year.

(e) Such Balance Sheet exhibits a true and fair view of the state of affairs of the Bank according to the best of our information and explanations as given to us and as shown by the Books of the Bank.

(f) In our opinion the Books of Account have been kept by the Bank as required by Section 130 of the Indian Companies Act, 1913; and

(g) The accounts have been drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

PAL & POY,

NEDERLANDSCHE HANDEL-MAATSCHAPPIJ, N.V.

(Netherlands Trading Society)

Incorporated in the Netherlands with Limited Liability

CONSOLIDATED BALANCE SHEET

In respect of all business transacted through the branches in the Provinces of India, i.e. at Bombay and Calcutta, for the year ended 31st December, 1956.

CAPITAL AND LIABILITIES				PROPERTY AND ASSETS				
	Rs.	a. p.		Rs.	a. p.		Rs.	a. p.
1. CAPITAL	Rs. 20,41,200	0 0	Nil			1. CASH		
2. Reserve fund			20,865	4 3		In hand and with Reserve Bank and State Bank (including foreign currency)		46,41,795 9 8
3. Deposits and other Accounts:						2. Balances with other Banks (on current account)		
Fixed Deposits	77,84,984	10 6				In India	80,639	11 1
Savings Bank Deposits	1,46,242	3 3				Outside India	34,09,188	0 5
Current Account-Contingency Account etc.	1,91,36,435	3 7	2,70,67,602	1 4		3. Money at call and short notice		6,00,000 0 0
4. Borrowings from other Banking Companies, Agents, etc.						4. Investments at market value	21,43,066	4 0
(i) In India	66,00,000	0 0				(i) Securities of Central and State Governments		
(ii) Outside India	94,64,118	1 10	1,60,64,118	1 10		(ii) Shares (classifying into Preference, Ordinary, Deferred and other classes of Shares and showing separately Shares fully paid up and partly paid up)	Nil	
Secured	Nil					(iii) Debentures or Bonds	1 0 0	
Unsecured	Rs. 1,60,64,118	1 10				(iv) Other Investments	8,000	0 0
5. Bills Payable			6,13,141	11 9		(v) Gold	Nil	21,51,067 4 0
6. Bills for collection being Bills receivable as per contra			55,62,433	0 0		5. Advances		
7. Other Liabilities						(other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors).		
Inter Branch Balances and Branch Adjustments	1,80,72,228	7 4				I. Loans, Cash Credits, Overdrafts, etc.		
Taxes, Pension fund, etc.	4,46,865	2 11	1,85,19,093	10 3		1. In India	Rs. 2,82,26,401	14 9
8. Acceptances, Endorsements and Other Obligations as per contra			39,67,887	14 6		2. Outside India	Nil	2,82,26,401 14 9
9. Profit and Loss						II. Bills discounted and purchased (excluding Treasury Bills of The Central and State Governments).		
Profit as per last Balance Sheet	Nil		Nil			1. Payable in India	Rs. 1,03,08,068	2 3
Less: Appropriations	Nil					2. Payable outside India	Rs. 1,11,06,899	12 10
10. Contingent Liabilities						Particulars of Advances		
On Bills rediscounted	38,81,202	2 1				I. Debts considered good in respect of which the banking company is fully secured	3,98,72,801	5 10
Forward Exchange Contracts outstanding:						II. Debts considered good for which the banking company holds no other security than the debtors' personal security	73,93,443	14 7
Purchase Contracts	Rs. 4,22,46,599	0 9	8,27,84,393	12 1		III. Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors	23,74,361	3 7
Sale Contracts	Rs. 4,05,37,794	11 5	8,66,65,595	14 3		IV. Debts considered doubtful or bad not provided for	763	5 10
							4,96,41,369	13 10
						V. Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons	Nil	
						VI. Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members	Nil	
						VII. Maximum total amount of advances, including temporary advances granted at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons	15,447	0 0
						VIII. Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or in the case of private companies as members	Nil	
						IX. Due from banking companies	24,534	15 5
						6. Bills Receivable being Bills for collection as per contra		55,62,433 0 0
						7. Constituents' Liabilities for Acceptances, Endorsements and Other Obligations as per contra		39,67,887 14 6
						8. Premises	4,11,000	0 0
						Less Depreciation	34,567	8 0
						9. Furniture and fixtures	3,27,759	7 0
						Less Depreciation	1,65,191	3 6
						10. Other Assets including Silver		
						1. Branch adjustments	6,69,875	12 2
						2. Sundry debtors	3,90,408	12 9
						3. Expenses, Interest prepaid, etc.	1,61,335	2 5
						11. Non-banking Assets acquired in satisfaction of Claims	Nil	
							7,18,15,201	12 4

Rs. 7,18,15,201 12 4

Rs. 7,18,15,201 12 4

BRANCHES :	Patiala, Amritsar, Jullundur, Ambala, Delhi, Kanpur, Banaras, Lucknow, Patna, Jaipur, Ujjain, Nagpur & Raipur.
AGENCIES :	Dhanbad & Jharla : Rooyal Basawatia. Asansol : West End Motors. Jalpaiguri : Utility Stores & Agency. Tinsukia : Steelworth Stores.

On April 24

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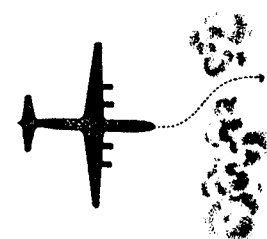
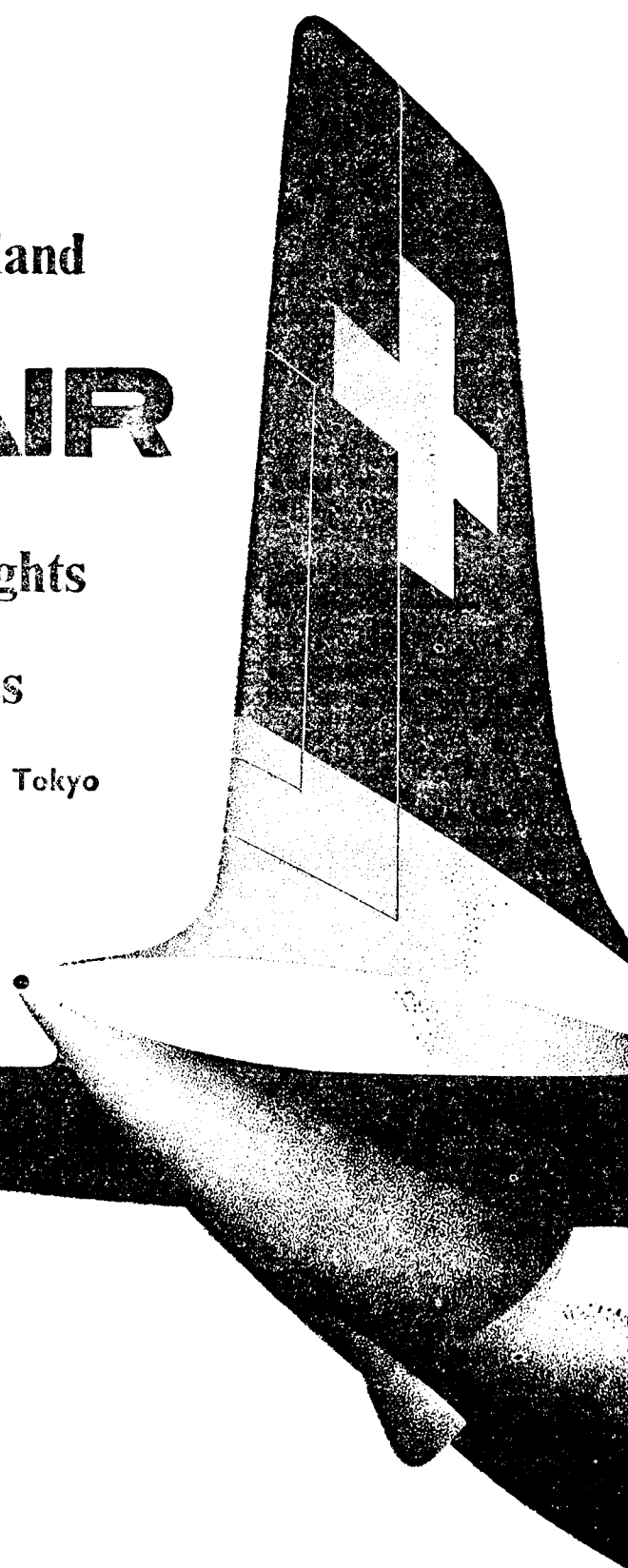
Westbound from Bombay every Saturday evening, arriving in Geneva and Zurich Sunday morning. Additional departure, from Calcutta every Tuesday evening, beginning July 8.

Eastbound from Bombay every Wednesday evening, arriving in Tokyo Thursday evening, via Bangkok and Manila. Additional departure from Calcutta every Saturday evening, arriving in Tokyo Sunday evening via Bangkok and Hong Kong, beginning July 5.

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Stocks and Shares

TRADING ENDS ON MORE CHEERFUL NOTE

FAVOURABLE REACTION TO RE-FINANCE CORPORATION SCHEME

Wednesday Evening.

PRICES in the stock market have remained fairly steady during the past week, although trading has been on the quiet side. A certain amount of optimism seems to have prevailed since the announcement about setting up the Re-Finance Corporation, with money secured from the sale of American surplus commodities in this country. Operators think that the Corporation will play a useful rôle in providing medium-term finance for various industries. Surprisingly, there has not been very much reaction to the report that the Government intends to issue an ordinance compelling industrial units to pay retrenchment compensation to their workers even when they are closing down permanently.

In individual sections, few notable movements can be reported. Jutes remained subdued, although Ganges Jute have reacted to rumours of a change in the management of the company. Engineerings are steady in sympathy with Indian Irons, but coals have been neglected. Miscellaneous issues have been moving narrowly, and teas remain dull. Gilt-edged are steady.

Details of the week's trading follow.

The Government securities market remained steady and the enquiry for selected short-dated and medium-dated loans was fully maintained. The 3% 1966 improved further to Rs. 74.47 but closed with sellers at this price, while Non-terminable Paper was nominally quoted at Rs. 73. In short-dated loans, 3% 1957 was steady at Rs. 99.75 and 3% 1958 had buyers at Rs. 99.65; 2½% 1961 was traded at Rs. 93.50 and 2½% 1960 was on offer at Rs. 90.50. The 3% 1959-61 was asked for at Rs. 97.75 and 3½% 1961 had buyers over at Rs. 99.50. In the medium-dated group, 2½% 1962 changed hands around Rs. 93.82 and 3% 1963-65 continued on offer around Rs. 94.19; 3½% 1964 was marked at Rs. 98.45 cum-voucher and was later done at Rs. 98.35 ex-voucher, while 3½% 1965 was steady at Rs. 98.30. Business was also reported in 3½% 1967 at Rs. 98.50. Sellers continued to predominate in long-dated loans but prices were unchanged; 3% 1966-68 was marked at Rs. 92.12, 3% 1970-75 at Rs. 87.12, and 3½% 1974 at Rs. 98.50. In provincial loans, enquiry for U.P. issues was maintained but was centred on the 4% 1963 and 1964 issues; 4% West Bengal 1967 changed hands at Rs. 99.37 and 4% West Bengal 1968 had buyers over at Rs. 99 without attracting sellers.

Preference shares continued to suffer from lack of business and prices showed little variation. In jute, Auckland 4½% changed hands at Rs. 57.50 and Barnagore were reported early in the week at Rs. 35. A small lot of Hooghly Mills was transacted at Rs. 8.31 and Naitati 2nd came to hand at Rs. 58.50. Among miscellaneous preference shares, Alkali and Chemical were wanted at Rs. 96.50, and Burn 6% were sold around Rs. 109. Calcutta Electric were better at Rs. 9 and a small lot of Indian Aluminium was done at Rs. 68. Business was reported in India General Navigation at Rs. 68. Indian Iron and Steel were taken at Rs. 99 and Indian Standard Wagon were wanted at Rs. 126. Richardson and Cruddas were crossed at Rs. 85 and Rohtas Industries B changed hands around Rs. 62. A solitary transaction was reported in Smith Stanistreet at Rs. 78 and Ryam Sugar at Rs. 9.

In the banking section, Bank of Bikaner came to hand at Rs. 18.25 and Central Bank at Rs. 48. Hindustan Commercial were quoted at Rs. 9.75 while United Bank of India D shares were unchanged at Rs. 4.25, as were Punjab National at Rs. 49. United Commercial were steady at Rs. 53.

The only share dealt in the railway section was Dehri-Rohtas at around Rs. 10.42.

With the exception of Kesoram Cotton, which were shaded at Rs. 13.50, all other issues were unchanged. Business was reported in Cawnpore Textiles at Rs. 6.12, Dunbar Mills at Rs. 175 and Elgin at Rs. 21.50. Jay Shree were subdued at Rs. 5.50.

Business in coal shares was of a retail nature, with prices moving narrowly. Amalgamated were offered at Rs. 16 and Bengal were reported at their previous quotation of Rs. 216. Bharat Collieries slightly better at Rs. 21.60. Central India were marked at Rs. 6.06 and New Churulia were crossed and were marked down from Rs. 15.50 to Rs. 14.87. South Karanpura were quiet at Rs. 8.25 while Western Bengal were slightly better at Rs. 5.44. Equitable rose from Rs. 21.50 to Rs. 23 during trading hours today.

Standard and Ganges were prominent in the jute section, the former improving from Rs. 56.50 to Rs. 63 with further buyers at the closing rate, and the latter from Rs. 45 to Rs. 51 on rumours of a possible change in management. Barnagore were easier at Rs. 87, while Chitavalah improved from Rs. 11.75 to Rs. 12.25. Gondalpara were offered at Rs. 7.25 without attracting buyers and Howrah were marked down from Rs. 15.75 to Rs. 15.37. Kinnison were slightly better at Rs. 128, and Megna, on rumours of a higher distribution, were enquired for at the improved rate of Rs. 78 against an opening price of Rs. 70. New Central were quietly

steady at Rs. 12.12 as were Northbrook at Rs. 20.31 and Union at Rs. 112.

In the electric supply section, Calcutta were neglected at the lower rate of Rs. 12.69 and Patna were easier at Rs. 10.75. Mirzapore were quoted at Rs. 6 and Muzaffarpore at Rs. 6.66. Shahjahanpur Electric changed hands at Rs. 5.87.

In the sugar section, Belsund were better at Rs. 10.87 x.d. and Cawnpore were marked at Rs. 16.25 x.d. Champaran were lower at Rs. 19, and Darbhanga, on interested buying, improved sharply from Rs. 21.25 x.d. to Rs. 23. Dyer Meakin were wanted at Rs. 6.19 and Ramnugger were better at Rs. 25.

In the engineering section, Indian Iron and Steel hovered around Rs. 19.75 and have kept steady around this rate during the past week; tonight's closing quotation was Rs. 20.15. Guest, Keen, Williams had buyers at the higher rate of Rs. 26 and Jessop were better at Rs. 25.50. Bhartia Steel improved from Rs. 15.37 to Rs. 15.62 while Braithwaite were slightly lower at Rs. 24.50. Burn were unchanged at Rs. 310 and Kumardhubi Engineering were higher at Rs. 9.44. Marshalls were steady at Rs. 4.75 x.d., as were Richardson and Cruddas at Rs. 18. Textile Machinery were quietly steady around Rs. 19.

In paper, Orient were lower at Rs. 30.50 but Shree Gopal recovered from Rs. 15 to Rs. 15.12. It is believed that the response to the issue of second preference shares has so far been quite satisfactory. India Paper Pulp were unchanged at Rs. 21.50 while Titagur reacted from Rs. 34 to Rs. 33.50. Sirpur Paper, after being enquired for up to Rs. 9.50, turned easier at the close at Rs. 9.19.

In cement, Dalmia Cement deferred were done at Rs. 2.19 and Jaipur Udyog at Rs. 12. Orissa Cement was steady at around Rs. 13.25 while Sone Valley were depressed at Rs. 6.31.

In insurance, New Asiatic came to hand at the higher rate of Rs. 3.97 and Ruby General were unchanged at Rs. 5.50.

In shipping, Calcutta Steam Navigation were done at Rs. 15.94 while India General Navigation closed one point lower at Rs. 66. India Steamship fluctuated narrowly around Rs. 10. There was some enquiry for Port Shipping at Rs. 16.25.

In the miscellaneous section, Alkali and Chemical were steady at Rs. 11.56 but the rights gradually declined from 25 nP to 10 nP. It is rumoured in the

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FIRM CONDITIONS IN STOCK MARKETS

INDUSTRIALS RISE: TIN AND RUBBER SHARES HIGHER

London, 24th April.

THE London stock markets have given a satisfactory performance during the past week. Despite the Easter holidays, general conditions have remained fairly active and very firm. The markets re-opened on a quieter note, but the tone soon became firm, and the fact that the Middle East uncertainties have persisted has not affected the markets at all. The main feature is the firmness of industrial equities due to persistent though selective buying. Earlier, the gilt-edged securities lost ground steadily on small but persistent selling. But the decline was arrested last Thursday when it became known that the Treasury bill rate had fallen below the 4½ mark. Prices promptly responded and made further headway after the holidays, helped by the talk of a reduction in Bank rate. Foreign bonds were subordinated with interest centred mainly on Chinese issues which reacted on the statement that there is very little chance of a substantial increase of trade with that country. Foreign rails were neglected, but dollar stocks, particularly Canadian issues, have been higher. The industrial market presented a very firm appearance with extensive but small gains, with most groups participating in the upward movement. Overseas issues were quieter pending

the publication of the Finance Bill. Leading oils showed very little change, but there were good features among the more speculative issues. Rubber shares continued their recent advance on renewed buying, and further widespread gains were established. Tea shares were also very firm, but demand was rather more selective. South African gold shares were slightly weaker on the week. Coppers showed very little change. Tin shares continued to respond to Budget tax concessions to concerns with overseas interests.

The Money Market

In view of a shorter working week and a heavier bill take-up by discount houses, short loan conditions in the London money market last week were again rather difficult. The supply position, however, was better as a result of disbursements of the Government's departmental money and the rate for day-to-day loans was on the easier basis of 3½ percent. The authorities, in continuing their open market policy of smoothing out operations, gave their usual assistance when the supply of money was short of demand, but during the week, it was on a small scale. At last Thursday's tender, there was a further sharp fall in the Treasury bill rate, the discount houses again raising their bids in order to secure as many bills as possible against keen competition from outside sources. This has led to the revived talk in some quarters of a possible further reduction in Bank rate.

Stock Market Prospects

The Investors' Chronicle market newsletter writes: "Despite good savings figures and a lower Treasury bill rate, the London gilt-edged securities drifted lower on scattered selling and some switch-

ing. The rise in industrials continued although the momentum was lessened by Middle-East developments. The barometer was fair. Among Kaffirs, good activity continues in selected financials. The remainder have rallied after failing to penetrate the previous low points. Selected oils and lead and zinc shares reflect tax hopes following the Budget. After rallying, Wall Street will pause to consolidate unless it gets further incentives. Some irregularity in London markets is natural in the Easter holiday season, and after the recent sharp advance. Middle East uncertainties also conduce to quieter trading. But the market should consolidate easily as there is evidence that the Budget has tempted institutional investors back to the market. In some cases, the rise may have been overdone for the moment, but the markets should soon be able to advance further as the new bull market is still young."

Activity on Wall Street

Activity in the U.S. bond market in the past week has been limited, with prices tending to fall. Long-dated U.S. Government obligations and investment quality corporates softened fractionally in dull dealings. Rails showed a narrow and mixed change. Convertibles were mostly lower under the lead of General Dynamics and Dow Chemicals. Foreigners ruled quiet. German Nationals, Italians and Norwegians were fractionally mixed. Denmark 4½ percents and Serbs were a shade higher, while Greeks weakened slightly. Australians were mixed. The Union of South Africa 4½ percents declined. Japanese issues were firm under the lead of Government 6½ percents. Chile 3 percents were fractionally lower.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 17th April shows that the gold stock rose by \$10 million to \$23,317 million. Foreign deposits rose by \$26 million to \$360 million, while foreign investments rose by \$50 million to \$3,749 million. Total discounts and advances fell by \$418 million to \$809 million, while the average excess reserves of member banks fell by \$155 million to \$242 million. The daily average excess reserves of member banks fell by \$1 million to \$548 million, while their daily average borrowings rose by \$14 million to \$1,219 million. Business loans of New York city banks rose by \$115 million to \$11,748 million, compared with a fall of \$60 million to \$9,588 million in the corresponding week a year ago.

World Rubber Statistics

Advance statistics issued by the International Study Group shows that world production of natural rubber in the month of February totalled 125,000 tons. Consumption amounted to 157,500 tons including estimated imports into Russia of 5,600 tons and into China of 8,850 tons. Stocks at the end of the period totalled 802,500 tons of which producing areas held 257,500 tons, consuming areas 372,500 tons and floats were 172,500 tons. The stock figures exclude those not available to industry in the U.K., the U.S.A. and France. Synthetic rubber production during the month was 95,000 tons and consumption 100,000 tons, while stocks held at the end of the period were 245,000 tons. The Group estimates exports from Indonesia during the month at 35,545 tons. U.K. consumption of natural rubber for the month of February was 14,453 tons. Imports were 14,900 tons and re-exports 6,550 tons. Stocks held by manufacturers and in warehouses (exclusive of U.K. Government stocks) at the end of the month totalled 33,637 tons.

I.C.I. SCIENTIFIC ESSAY COMPETITION

As a contribution to the meeting of the British Association for the Advancement of Science to be held in Dublin from 4th to 11th September, 1957, Imperial Chemical Industries Limited, publishers of the quarterly scientific review *Endeavour*, have offered the sum of 100 guineas to be awarded as prizes for essays submitted on a scientific subject. As the primary purpose of these awards is to stimulate younger scientists to take an interest in the work of the British Association and to raise the literary standard of scientific writing, the competition is restricted to those whose 25th birthday falls on or after 1st June, 1957. Five prizes will be awarded. A first prize of 50 guineas, a second prize of 25 guineas, a third prize of 15 guineas and two special prizes of 5 guineas each for competitors who have not passed their eighteenth birthday on 1st June, 1957. The subjects for the essays are: (1) The International Geophysical Year, (2) Science Fiction, (3) Irritation, (4) Chemistry and the Conquest of Disease, (5) Particles in Plant and Animal Cells. The essays, which must be in English and typewritten, should not exceed 4,000 words in length, and only one entry is permitted from each competitor. All entries should be addressed to the Assistant Secretary, British Association for the Advancement of Science, Burlington House, Piccadilly, London, W.1. The envelope should be clearly marked "Endeavour Prize Essay." The latest date for receipt of entries is 1st June, 1957. The essays must be submitted without signature. The competitor's full name and address and date of birth should be disclosed in a sealed covering letter attached to the essay. In judging the essays special attention will be paid to the originality of the approach to the subject, and great importance will be attached to literary style. The competitor's age will also be taken into account. The essay winning the first prize will be published in *Advancement of Science*, journal of the British Association.

New Delhi

REORGANISATION OF CENTRAL GOVERNMENT

PORTFOLIOS

ALLOCATION OF FUNCTIONS AMONG ECONOMIC MINISTRIES

(FROM A NEW DELHI CORRESPONDENT)

THE reorganisation of portfolios, effected simultaneously with the formation of the new Union Cabinet last week, has affected primarily the Ministries dealing with economic affairs. The consensus of opinion in the capital is that the changes are in the right direction, namely, a rational distribution of functions. A weakness of the Governmental set-up during the last five years was the overlapping of responsibilities which existed in the same field of more Ministry than one. This not only hampered co-ordinated planning but led, not infrequently, to inter-ministerial jealousy, which, in turn, clouded the Government's policy relating to the public and private sectors of industry. An outstanding example was the controversy that developed towards the close of 1954 over the Durgapur steel project, between the Production Ministry representing the public sector and the Ministry of Commerce and Industry which at that time was concerned with the private sector exclusively. A way out was ultimately found through the creation of a single Ministry of Iron and Steel in 1955. But this barely touched the fringe of the problem. Overlapping still remained; for instance, the responsibility for the textile policy continued to be shared by both the Production Ministry and the Ministry of Commerce and Industry, and the shipping policy was as much the concern of the Transport Ministry as of the Production Ministry.

The reorganisation announced last week may not have been as rational as some critics would like it to be, but it has, at least, the merit of removing a complicating factor which existed with the Production Ministry. Its functions have been distributed among the Ministry of Commerce and Industry, the amalgamated Ministry of Transport and Communications, and the newly created Ministry of Steel, Mines and Fuel. Likewise, the Ministry of Natural Resources and Scientific Research has been abolished. Its two wings have been transferred to the Ministry of Steel, Mines and Fuel, and the Ministry of Education and Scientific Research. This step, together with the separation of the work relating to oil and petroleum products from the Ministry of Works, Housing and Supply, has resulted in the unification of the responsibility for oil policy which was formerly widely diffused. Finally, the Finance Minister has been relieved of the direct responsibility for iron and steel. This accords with the convention that he should not normally hold the additional charge of any spending Ministry. The separate Iron and Steel Ministry has been abolished, and its work transferred to the newly created Ministry of Steel, Mines and Fuel. The allocation of business in the three principally affected economic Ministries, as they emerge from the reorganisation, will be as follows.

Ministry of Commerce and Industry

The Ministry of Commerce and Industry, incorporating the formerly separate Ministries of Commerce and Consumer Industries and Heavy Industries, will have three departments: (1) Department of Commerce and Light Industries (dealing with all items formerly handled in the Ministry of Commerce and Consumer Industries, the National Instruments Factory, the Khadi and Village Industries Board, the Handicrafts Board and the Silk Board); (2) Department of Chemical and Pharmaceutical Industries (dealing with all fertilisers, caustic soda, soda ash and other chemicals including the D.D.T. Factory, the penicillin plant and pharmaceuticals, fine chemicals, and salt); and (3) Department of Heavy Industries (dealing with all items formerly handled by the Ministry of Heavy Industries, all State-owned heavy engineering projects, the heavy electrical equipment project, the Hindustan Machine Tools Factory, and the manufacture of heavy engineering equipment for all industries, including coal-mining equipment).

Ministry of Steel, Mines and Fuel

The new Ministry of Steel, Mines and Fuel is likewise divided into three departments: (1) Department of Iron and Steel (dealing with the steel plants in Rourkela, Bhilai and Durgapur and the Mysore Iron and Steel Works, all steel plants in the private sector and the office of the Iron and Steel Controller); (2) Department of Mining (dealing with all mines and mining, the Indian Bureau of Mines, the Indian School of Mines and Applied Geology, and special mining projects); and (3) Department of Fuel (dealing with fuels including coal, lignite, gas and oil, the last comprising exploration, drilling, existing and future refineries, distribution and pricing).

Transport and Communications

Also divided into three departments is the new Ministry of Transport and Communications: (1) Department of Transport (dealing with major and minor ports, maritime shipping and navigation, lighthouses and light ships, road transport including the Delhi Road Transport Authority, inland water transport, tourism, road development includ-

ing national highways, the Central Road Fund, co-ordination of transport, and the Hindustan Shipyard); (2) Department of Communications (dealing with wireless planning and co-ordination, posts and telegraphs, overseas communications, railway inspection, the Indian Telephone Industries, and meteorology); and (3) Department of Civil Aviation (dealing with Air-India International, the Indian Airlines Corporation, the operation and maintenance of aerodromes, important capital works connected with civil aviation, flying clubs including the Delhi Gliding Club and other gliding centres, and international and bilateral agreements relating to the operation of air services).

Co-operative Farming

Co-operative farming is to be discussed by State Development Commissioners who will meet in Mussoorie on 26th April. It is interesting to note that the discussion of this controversial subject will be on the basis of a modest target of development. The target now proposed is one co-operative farm in each community development block when it has attained the "post-intensive stage". Some 300 blocks are now in this stage. During 1952-53 and 1953-54, they were taken up for intensive development under the community projects scheme. Of the 900 N.E.S. block inaugurated during the first plan period, 400 have been converted into community project blocks. Under the second plan, it is proposed that 3,880 more N.E.S. blocks will be started so as to cover the entire country, and that 1,120 of these will be converted into the intensive community project type. However, only the 450 N.E.S. blocks converted into the community project pattern will have attained the "post-intensive" phase in 1960-61. The target of new co-operative farms under the second plan, as now visualised, is therefore, only 1,150. This represents a mere doubling of the number of co-operative farms, only 1,000 of which existed in the country at the start of the second plan.

Chinese Model

The modest scale of development which is now envisaged is in striking contrast to the call issued by State Ministers when they met, also in Mussoorie, last July, for the establishment of 500 co-operative farms during 1956-57. This was recommended as the first experimental step towards the target, recommended by the conference, of "at least one co-operative farming society" in each of the 5,000 community development blocks to be formed by 1960-61. Later in October, Mr. P. N. Thapar, then Secretary of the Union Ministry of Food and Agriculture and a member of the Krishnappa delegation which studied agricultural development in China, expressed the view on return from Peking that "we should organise the starting of agrarian co-operative societies as experiments on the scale of, say, two for each national development block. This will give us about 10,000 such societies in the first year (1960-61). If the experiment proves a success and if we find we can get the necessary co-operation of the people, we can develop the programme in the second and subsequent years".

From 10,000 to 1,150 in the target for co-operative farms under the second plan is a steep fall. The downgrading is attributable to practical as well as ideological reasons. For one thing, the 500 co-operative farms it was proposed to establish during 1956-57 have not materialised. Though the precise figure is not available, the number of agrarian co-operatives newly formed during the year is placed at below 50. Secondly, the developments in Poland and Hungary since last October have demonstrated the failure of the forced development of agrarian co-operatives. No less a person than the new Polish Communist Party leader, Mr. Wladyslaw Gomulka, has admitted that co-operative farms, despite the many advantages conferred on them by the State, showed poorer yields and entailed higher costs than individual farms. "A quantitative development of producer co-operatives cannot be planned," he told the Central Committee of the Polish Communist Party last October, "because, on the basis of voluntary entry into a co-operative, this would amount to planning the growth in human consciousness, and that cannot be planned." Thirdly, and this is perhaps the most important among the factors which have induced the new realism in official proposals for the development of co-operative farming in India, the members of the delegation sent by the Planning Commission to China for the exclusive study of agrarian co-operatives have found themselves irreconcilably split on the fundamental question of the relevance of the Chinese example to India.

Five out of the seven members of the delegation were not only highly impressed by the virtually "complete co-operativisation" of agriculture which they saw in China, but also came away with

the belief that a similar movement could be successfully launched in India despite the vast difference in the two political and social systems. The majority group comprises Mr. R. K. Patil, leader of the delegation; Mr. Dev Kanta Borooah and Mr. H. V. Tripathi, two prominent Congress legislators; Mr. M. P. Bhargava, adviser on co-operation to the Union Ministry of Food and Agriculture and Mr. H. D. Malaviya, editor of the *A.I.C.C. Economic Review*. Their report contains the views already expressed by some of them individually in public, to the effect that coercion played but a small part in the spread of the agrarian co-operative movement in China, and that a similar programme should be undertaken in India.

Dissenting Minority

The dissenting minority consists of Mr. B. J. Patel, a co-operator of long standing and honorary general secretary of the All-India Co-operative Union, the national federation of State co-operative bodies, and Mr. F. N. Rana, Registrar of Co-operatives in Bombay, which State is the most advanced of all in the field of co-operation. They refuse to grant the name of "co-operatives" to the present agrarian producers' organisations in China, and regard them rather as collectives which have been brought about by organised violence and coercion by the State. Whereas the majority of the delegation have ascribed "a small part of the increase in production in 1954, a fair part of it in 1955 and a large part of it in 1956" in China to the formation of agricultural co-operatives, the minority trace the increase not to this factor, but to the application of steadily better techniques and more finance to agriculture. "In our view," the two members say in their dissenting report, "the organisation and working of the so-called co-operatives in China is neither voluntary nor democratic...When the State has a complete monopoly of the purchase of agricultural produce, when it imposes prohibitory taxes and delivery quotas on individual farmers and denies them essential supplies and credit, which are again in the hands of the State, the so-called freedom of the peasants to continue individual farming can only be illusory and temporary...Our colleagues have admired the system of norms, but the system of norms devised in China goes beyond the capitalist piece-rate system, for a man not fulfilling the norms would not merely get proportionately less remuneration for less work, but would actually be punished for doing less work." The two members are not against joint farming in principle, and would welcome it "if this is brought about in complete freedom, through the understanding and free will of the people themselves. We however consider that the development of co-operative farming should not be the subject of a governmental programme as the launching of a governmental programme of co-operativisation would ultimately mean coercion in one way or another."

U.P. Minister Opposes

The majority and minority reports, together with a reply to the dissenters by the leader of the delegation, are now being studied by the Planning Commission. In considering the extent to which the State can stimulate co-operative farming, the planners may also be expected to take into account the critical comments on joint farming offered by a study group of the Indian Co-operative Union and the vigorous plea against the pooling of land advanced by Mr. Charan Singh, Agriculture Minister of Uttar Pradesh, in a privately printed book which he has circulated to those interested in the subject. The book contains impressive statistical material drawn from different countries to prove the superiority of family farming over co-operatives in terms of production and costs and carries an appreciative foreword by Dr. Sampurnanand, Chief Minister of Uttar Pradesh. Meanwhile, the keen interest displayed by India in the Chinese pattern of joint farming has stimulated the curiosity of the U.N. Food and Agriculture Organisation. A recent visitor to the F.A.O. headquarters in Rome found that copies of the report of the Krishnappa team on Chinese agricultural development were in hot demand. It is gathered that this specialised agency of the U.N. is planning to organise in the coming winter a seminar of agricultural experts from different lands on the subject of co-operative farming. The experts are likely to visit various countries stretching from Israel to Japan to study the operation of different types of agrarian co-operatives, and compare their results with those obtained from efficient family farming based on co-operative services only.

Deposit of Company Profits

While publishing the draft rules governing the scheme for the deposit of a percentage of the current profits of companies with the Reserve Bank, the Finance Ministry announced last week that the comments of the interests concerned should reach the Department of Revenue by the end of April. Though the interval is short, it is pointed out in official circles that the Government had the benefit of informally hearing the views of industry even before the draft rules were framed. The Associated Chambers of Commerce, it is stated here, sent the Finance Ministry a memorandum setting out its views soon after the scheme was announced. Similarly, a group of prominent Indian industrialists including Mr. G. D. Birla, Mr. Dharamsey Khatau and Mr. Kasturbhai Lalbhai, discussed the subject at an informal meeting with the Finance Minister and the Minister for Commerce and Industry in New Delhi. The draft rules, as now published, will be discussed by the Committee of the Federation of Indian Chambers of Commerce and Industry when it meets in Bombay on 26th April.



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Bombay

NO RELIEF IN EXCISE DUTY ON TEXTILES

MILL OUTPUT CONTINUES TO INCREASE

(FROM OUR BOMBAY CORRESPONDENT)

THE announcement by Mr. Morarji Desai, Union Minister of Commerce and Industry, that there will be no relief in excise duty on textiles has brought an end to the long period of uncertainty. Although this decision by the Government of India has come as a disappointment, it is believed that the market will gradually settle down and a new equilibrium between demand and supply will come into being. The trade has confined itself so long to purchases for immediate needs, but with the excise duty situation now clear, it is possible that the offtake will broaden for it is known that stocks in upcountry centres are at a low level. The revival is, however, likely to be of a short duration because the monsoon period is a traditionally slack season for textiles. It is estimated that stocks of piecegoods with mills now amount to 292,000 bales or approximately one month's production. In addition, mills are also holding approximately 250,000 bales which have been sold forward to dealers although the latter have not yet taken delivery. These stocks can be appreciably reduced only if offtake increases considerably between now and the beginning of the monsoon season. Meanwhile, production continues to increase. The output for the first quarter of this year is estimated at 1,375 million yards compared with 1,258 million yards in the corresponding period of last year and 1,352 million yards in the last quarter of 1956. The export trade has remained somewhat quiet. Fair business was reported with Ghana. There were

some enquiries for medium greys from the United Kingdom. Although the Indonesian Government has not yet issued fresh import licences, it is believed that these will not be long delayed. On this basis some provisional business has been transacted.

The decision of the Government of India to allow further imports of sterling area cottons has been welcomed. It is pointed out that had this permission been given earlier, it might have been possible to obtain supplies cheaper. Import licences—valid for shipment till the end of June—will now be issued for a total quantity of 50,000 bales on a "first come first served" basis. These cottons will range in staples from 1-1/32 inch and 1/3-16 inch and the varieties permitted are African growths like Jinja, Bukhedi, BP 52, West Nile and Busoga. For the first seven months of the current season 392,000 bales of cotton have been imported against a quantity of 607,000 bales licensed. Imports from the U.S.A. have been higher at 248,919 bales. Imports of Sudans, East Africans and Egyptians have amounted to 37,397, 56,255 and 33,746 bales respectively.

Futures Trading in Cotton

Trading in cotton futures was suspended for a short while but resumed under stringent conditions. Special deposits in the futures section have been doubled. It has also been decided not to permit futures trading in Jarilla July and Vijay August contracts for the current season's crop. Ceilings for Jarilla May and Vijay June have been fixed at Rs. 745 and Rs. 978 a candy respectively. Higher margins and low ceilings are expected to restrict trading in these contracts. The results have been immediate with the Vijay June contract dropping from Rs. 882 to Rs. 860 and Jarilla May from Rs. 759 to Rs. 730. It is possible, of course, that traders will make an attempt to push these contracts to a level approaching the ceilings. Most varieties in the spot market have dropped by about Rs. 10 a candy but the undertone continues to be strong because of increased demand and limited stocks. This is reflected in the Vijay April contract, which has continued to rise and now stands at

Rs. 910. Tenders against this contract have not exceeded 5,450 bales so far.

Yarn Market Stagnant

The cotton yarn market remained stagnant. There was hardly any turnover in spite of the fact that some mills offered to dispose of their stocks at reduced prices. Rayon yarn was equally dull. In the future section, 120d cones April delivery opened at Rs. 807 and improved to Rs. 811 but there was no support at this level and prices dropped again. The June delivery contract was quoted at a premium of Rs. 13 over the current month's contract. The spot market was somewhat better because some deniers were reported to be in short supply but most qualities eased because of adequate stocks with dealers and mills. In the case of staple fibre yarn, the 2/40s April delivery dropped to Rs. 617 but the June contract commanded a premium of a rupee. The spot market continued weak due to the decline in demand from weavers.

Castor-seeds Firm

The temporary suspension of trading in cotton futures has its effect on the oilseeds market. Trading in castor futures opened at Rs. 178.50 and after an initial decline rose to Rs. 182 for May delivery; but operators feared that the Government might intervene in the seeds market in addition to the cotton market, so this gain was wiped out. But fears subsided and the market recovered during the week to close firm at Rs. 182.50. The firm tone is attributed to the belief that the export prospects for castor oil are good. Although buyers in the United Kingdom and the U.S.A. are not still showing much interest, it is believed that the communist countries are preparing to make fresh purchases on a substantial scale. Furthermore, arrivals from Gujarat have slowed down. This could have contributed to the firm tone. The linseed market also continued firm although actual business was somewhat slow. The May contract opened at Rs. 29.50 and rose to Rs. 31.25 during the early part of the week. This optimism is based on substantial enquiries from Australia and the Continent for linseed oil at favourable prices; but a difficulty is the freight position.

Jute

PROSPECTS FOR THE NEW JUTE CROPS

ANXIETY ABOUT WEATHER CONDITIONS CONTINUES

THIS is a year when, more than in any other, anyhow, much more than in most, hopes have been centred on growing an early and big crop of jute in India. But, the weather god has disappointed us and rain, so far, has been late and patchy. Except in the Daissee districts, sowings should have been completed or nearing completion two or three weeks ago. The crop is, therefore, going to be late in coming to maturity and that may affect the mills' position, as far as raw material is concerned, by widening the gap between old crop and new crop. We may, of course, still get a big crop because, individual holdings of jute lands being small, the whole crop can be sown in a few days after rain. It is not as if each grower had hundreds of acres to sow, as is the case in other countries, but that there are millions waiting to sow the crop as soon as rain comes. And, as was pointed out last week, a late-sown crop frequently gives a bigger yield and better quality. In Pakistan, sowings are also later than usual, and though we are hoping to be independent of Pakistani jute, the size of the crop in Pakistan has an influence on prices in India. It is reported from across the border that some lowland areas which were not sown when there was rain a few weeks ago have been abandoned because it is unlikely that the plants would reach maturity before the rise in the river levels enforces cutting. It is also expected that the rivers will rise early because recent high temperatures will accelerate the melting of the snows.

What faces the industry, therefore, is the possibility of a shortage of Indian jute before the 1957 crop becomes available. Up to now, arrivals of Indian jute and mesta have been very satisfactory and have exceeded those of last season by 640,400 bales. Some people are of the opinion that, because the high prices of Pakistani jute forced Indian mills to concentrate on the purchase of Indian jute, the Indian crop came forward more quickly than usual and will also be exhausted earlier than usual. The figures available do not, however, fully confirm this view. In the current season, the peak of arrivals of Indian jute was reached in December when 691,600 bales arrived. Since then, there has been a slow but steady decline, and arrivals last month were only 440,700 bales, which is less than the mills' monthly consumption. This decline is, however, seasonal. Last season, the peak was reached in November, when arrivals from Indian sources were 680,500 bales and the seasonal decline followed month by month, the arrivals in March 1956 being 485,100 bales, or only slightly higher than last month's arrivals. There is, as yet, therefore, no indication of exhaustion of the current crop even though arrivals may be running rather below those of the corresponding period last year. Reports are now coming in, however, that there is little fibre of any kind left in some districts but, on the other hand, there appear still to be good supplies of mesta in certain areas. In fact, it is the mesta crop which has saved the situation for India. Taking the estimated percentage of mesta now used by mills it seems to be highly probable that they have already consumed more mesta than the total crop estimate given by the Government and there are still supplies coming forward with three months of the jute year still to run.

That is the fibre position as it stands at present. With a late crop in prospect, the mills will have to buy sufficient fibre to carry them on for, say, nearly a month more than normal before they can get supplies of new crop in quantity. The question is, therefore, whether there will be enough fibre in India to enable them to do so or whether they will have to buy old crop from Pakistan at uneconomic prices. Some people think that the latter course will be forced on the mills; others think that they will just scrape through. No one seems to be optimistic enough to believe that supplies will be ample.

THE JUTE MARKETS

Continued lack of rain has been an important factor in maintaining steadiness in the markets during the past week. Showers have been reported from many places, but more rain is needed generally throughout the jute-growing districts. Sowings are not yet much behind what they were two years ago, but the seriousness of the position is that an early crop this year was very desirable. Gummy speculators seem to base their operations on weather conditions for jute sowings more than do jute dealers. When rain fell in Calcutta on Monday the gummy fatka market turned easier but jute sellers remained steady.

Manufactured Goods: There have been reports of fairly general enquiries for heavy sacking for overseas destinations, but it is not known whether it is fresh business or shippers covering business they already had in hand. Most people seem to be inclined to the latter opinion and think that shippers have been covering because of the fear that continued lack of rain will cause prices to rise. It was reported that the Government of Burma called for an increased quantity against its recent order, and that the Government of India had placed a sizeable order for fertiliser bags.

For the nine months, July-March, total arrivals of jute were 5,108,800 bales, of which 4,584,700 bales came from Indian sources and 524,100 bales from Pakistan. These figures compare with a total import in July-March, 1955-56, of 5,224,400 bales, of which 3,944,300 bales were Indian jute and 1,280,100 bales were Pakistani. It may be noted that the figures for imports from Pakistan in February 1957 have been amended and also that the Indian figures include mesta.

GUNNY SHIPMENT STATISTICS

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

	Bags (Tons)	Cloth (Tons)	Total (Tons)
1st to 15th April, 1957	602.1	9,254.1	9,856.2
1st to 15th March, 1957	930.1	18,395.3	19,325.4
1st to 15th February, 1957	1,308.1	17,371.3	18,679.4
Sacking			
1st to 15th April, 1957	8,759.6	882.0	9,581.6
1st to 15th March, 1957	21,204.8	3,367.4	24,572.2
1st to 15th February, 1957	11,276.2	2,211.6	13,487.8

THE FOREIGN JUTE MARKETS

FIBRE PRICES FALL

(FROM OUR DUNDEE CORRESPONDENT)

THE tendency of raw jute prices during the past week has again been downward. For the past few days, some sellers have reduced their terms by 20s a ton. The buying by the Continent, so prominent in the previous week and the reason for an advance of about £3 a ton, has subsided and sellers are not so firm in their ideas. Reports state that jute imports from upcountry in Pakistan are quite good, but the quality is not so good now. There have not been reports of any probable scarcity before the new crop comes along, although it is recorded that new jute will be late in arriving this season. Sowings have been held up due to the lack of rains in many areas, but beneficial showers, it is reported, have fallen lately. All over Europe and in Dundee, business in productions continues quiet, and it is amazing how long buyers can keep out of the market at times. There is, of course, always something doing in Dundee, but the quantities are usually small and for follow-on delivery. Spinners are not much interested in offers of raw jute for shipment. They usually content themselves with picking up any parcels afloat or on spot, for which they pay much the same prices as those quoted for shipment. Mill Firsts have reverted to £112 and Mill Lightnings to £104, with Mill Hearts available at from £101 and grade Hearts from £95, May-June shipment, c.i.f. Daissee-2/3 is offered very sparingly at £105 and grade from £101, with grade Tossa-2/3 from £111 and grade Tossa-4 from £104, August-September, c.i.f., U.K. Shippers are very reluctant to name any prices for new crop this year. They got their fingers badly burned last year by selling early at around the minimum prices. Buyers would no doubt be interested in new crop at the rates done a week or two ago, namely, £102 for Mill Firsts and £92 for Mill Lightnings, August-September, but there are no sellers. Jute yarns are quiet so far, particularly weaving qualities, but carpet yarns still enjoy a good demand. Prices remain firm and unchanged on the basis of 15.72d a lb. for common hessian weft, and 16.29d for 8 lb. spools. Manufacturers are selling little cloth bags. Considerable quantities of sugar and pulp bags have been placed for home trade for delivery June to September. Prices are firm and unaltered all round.

There were rumours that the Argentine was showing interest in hessian. Burlap consumption in the U.S.A. in March was more than one million yards higher than in February while spot and afloat stocks were down by about 3 million yards. This had a steadying effect on the market, which has been maintained with little change throughout the week.

On Wednesday morning, the market was steady but quiet and quotations were as follows:

	April Rs.	May Rs.	June Rs.	July-Sept. Rs.
40in. 8oz.	34	34	34	33.87
40in. 10oz.	41.62	41.87	41.94	42
B Twills	112	112.37	112.50	112.62
Heavy Ceers (Plain)	111.50	112.25	112.50	112.62
A Twills	134	134	135	135
Liverpools	126	126	126	125.50
Corn sacks	111.50	112.50	113.12	113.62

Raw Jute: There has been more activity in raw jute than in the preceding week and, except on holidays, there has been business daily. Northern Middles alone have been in demand at Rs. 31 to Rs. 31.50 and the discount on prices for Middles alone has disappeared. Good business was done in Northern and Assam qualities in fairly high assortments at Rs. 28.50 basis Bottoms and Daissee jute was bought at Rs. 30.50 to Rs. 31.25 basis Bottoms. Desal mesta was done at Rs. 25.75, Northern at Rs. 26 and Daissee at Rs. 25. Bimbi was reported done at Rs. 23 for F.A.Q. Mills have continued to be active buyers in Cossipore and it is reported that stockholders have been able to dispose of fair quantities of jungle jute under Northern tickets at good prices. Imports in Cossipore were 476 wagons, compared with 503 wagons in the previous week. Indian Mill Firsts were sold at Rs. 210 along with Lightnings at Rs. 190. Pakistani N.C.'s were done at Rs. 102.

Quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Northern	29	April-May
Assam	29	"
Purnea	28	"
Jungli	26	"
Murshidabad Tossa	31	"
Daissee Jute	31.50	One month
Daissee Mesta	25	"
Murshidabad Mesta	24	April-May
Desal Mesta	26	"
Northern Mesta	26.50	"
Northern ex Calcutta	28	One month
Local Packing	27	"
Bimbi	23.50 F.A.Q.	April-May
Pakistani	104 N. C.'s	"

Mofussil: Moderate quantities of mesta are reported to be coming forward in the Bihar districts, but imports of jute are very small everywhere.

Fairly widespread showers have been reported and sowings have been done in these areas but much more rain is now urgently needed.

Arrivals of Raw Jute

During March, 479,400 bales of raw jute were received in Calcutta and at mills in the Calcutta area, compared with 644,900 bales in March 1956. Arrivals from Indian sources were 440,700 bales, against 525,200 bales in February and 485,100 bales in March 1956. Arrivals of Pakistani jute were well down compared with those of March last year, being only 38,700 bales compared with 159,800 bales. It is thus the fall in imports from Pakistan which accounts for most of the fall in the total arrivals.



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Plantation Topics

FALL EXPECTED IN NEXT COFFEE CROP

RAIN CAUSES EXTENSIVE DAMAGE

(FROM A SOUTH INDIAN CORRESPONDENT)

INDIA'S coffee crop prospects for the 1957-58 season are not very bright. The recent showers and storms have done extensive damage to coffee blossoms in some of the principal producing areas such as Coorg and Mysore. The preliminary estimate of the Coffee Board places the next season's crop at 32,000 to 35,000 tons. In view of this, the Government's coffee policy should require a revision next year. The Indian consumer has been getting a subsidy from export earnings at the rate of 3 annas a point in 1953 and 1954, and 2 annas a point from 1955. With very little coffee to spare for export out of the next season's crop and with declining prices, earning from exports will be too small to maintain this subsidy at the present rate. The Government may even be forced to drop the subsidy altogether. Pool receipts from the current season's crop show a substantial increase over the previous season's. To the end of March, receipts amounted to nearly 35,000 tons. The current season's output is estimated at over 40,000 tons. The low percentage of cherry to plantation is being maintained this year also.

Rising Home Consumption

Consumption in the internal market for the quarter ended 31st March, 1957, was 6,194 tons.

At this rate the year's consumption would amount to very nearly 25,000 tons, or over 1,000 tons more than what the home market absorbed in 1956. India will have about 14,000 tons of coffee for export this year, according to the latest estimates, but export sales are not progressing well to cope with such a big allotment. Another disquieting factor is the steady decline in export prices. The Board, at a special meeting recently, considered the export position, the fall in prices, and the best way of marketing the surplus stocks. It is sticking to its policy of clearing coastal stocks first. Enquiries for Indian coffee received recently from Russia and Egypt have not materialised into business. The Coffee Board held discussions with the trade delegations from the U.S.A., Australia and Finland on the prospects of exporting Indian coffee to those countries. The Board is considering the question of establishing a soil testing unit at its Balehonnur research station under the Technical Co-operation Mission Programme.

Indo-Australian Trade

Mr. L. R. K. Miller, a member of the Australian trade delegation, had discussions with the representatives of the cashew trade of Kerala. During the talks the representatives of the cashew trade urged that Australia buy more cashew kernel from India. Mr. Miller pointed out two limiting factors in Australia's import trade with India: they were the import restrictions in Australia and the disparity in the levy of import duty and other taxes. For instance, while cashew imported from British East Africa is subject to a tax of 3d a lb. and an import duty of 5 percent *ad valorem*, that from India is subject to 6d a lb. as tax and 10 percent *ad valorem* as import duty. Pepper imported from India also is subject to a duty of 10 percent *ad*

valorem. Whereas no duty is levied on dry ginger imports from Africa, a duty of 12 percent *ad valorem* is imposed on Indian ginger.

Mr. Miller gave the assurance that the Australian trade delegation intended to raise these matters with the Government of India. He felt that there was need, to reconsider the present policy of the Indian Government on the exports of these commodities to Australia. He further suggested that it would be a good thing if a high-level conference of the representatives of the Indian and Australian Governments was held to strengthen trade relations between the two countries.

Activity in Pepper Market

There has been some activity in the pepper market for the past few days. It is understood that some exporters in Cochin have received orders for shipment of about 1,200 tons of pepper to Russia and east European countries during May. American buyers are also showing some interest. Pepper exports during the first three months of this year amounted to about 6,000 tons.

Record Lemongrass Oil Output

India's lemongrass oil production and exports touched new peaks during the 1956-57 season, which is about to close. Production, according to trade estimates, amounted to 1,250 tons compared with last season's 1,000 tons, which itself was a record. Shipment in 1956 amounted to 1,055 tons against 733 tons in 1955. Another 155 tons were exported during the first two months of the year. Stocks as on 31st March, 1957, are estimated at about 100 tons. Crop prospects for the next season are equally bright. Lemongrass oil prices have come down to Rs. 80 a dozen bottles (194 lbs.) in Cochin. At this time last year, it was selling at over Rs. 130. This heavy fall in price is due to oversupply caused by an indiscriminate expansion of lemongrass cultivation. It is estimated that there were about 40,000 acres under lemongrass during the 1956-57 season.

Plantation Wages Agreement

The wage agreement reached between the plantation workers of Madras State and the management represented by the United Planters Association of Southern India has been formally ratified by the parties concerned with certain slight modifications. One of the changes effected stipulates that in no case will the wages paid be less than those notified by the Government for plantation workers.

Research on Coir

Calcutta will shortly have a small coir technical institute. This has just been announced by the Chairman of the Coir Board. This institute will have a small coir factory attached to it. Training will be given here to those who are interested in the manufacture of coir and coir products generally, and coir ropes of different varieties in particular. The main technical and research institute of the Coir Board will, however, be located in Kerala. Steps are already being taken to acquire a site for this. This institute will assist the trade by providing the necessary scientific and technical advice for improving the standard of production of the coir fibre, which in turn will help improve the quality of coir products. A technologist of the Coir Board is now conducting research on coir fibre in the National Chemical Laboratory in Poona. His experiments are directed principally towards ensuring the pliability of coir fibre without losing its strength.

COCHIN TEA SALES

At Dust Sale I, 575,000 lbs. of tea were on offer. There was a fair general demand, but the market was irregularly 10 to 15 nP lower all round except for coloury mediums which were firm to dearer. High-grown were neglected.

COMPETITION BETWEEN NATURAL AND SYNTHETIC RUBBER

The steady increase in the use of rubber presented a challenge to the natural rubber growing industry and also to the synthetic rubber producer, and it also offered great opportunities to both, said Mr. G. E. Beharrell, managing director of the Dunlop Rubber Company, when addressing an international symposium on synthetic rubber in London. Mr. Beharrell estimated that within the next 10 years, total rubber consumption was likely to exceed 4 million tons a year. Last year, consumption was about 3 million tons, of which about 1,850,000 tons was natural rubber. He added that the use of natural rubber last year was just that about in balance with production. Saying that recent advances in polymer chemistry suggested that the synthetic-rubber industry was only at the beginning of its development, Mr. Beharrell added that this did not mean that the plantation industry was likely to experience a progressive recession in the foreseeable future. Science and technology would be applied to improve the uniformity and quality of natural rubber, as well as to reduce its cost of production. Sir David Eccles, President of the Board of Trade, in officially opening the symposium said that he did not think there was "a great conflict" between the natural and synthetic products. "What we need is that the world should grow richer. Healthy competition between natural and synthetic rubbers is in the true interests of everyone", he said.

Engineering and Transport

EXPANDING EXPORTS OF ENGINEERING GOODS

REPORT OF TRADE MISSION

A FIVE-MEMBER trade delegation, sponsored by the Engineering Export Promotion Council of India, recently visited British East Africa, Ethiopia, Sudan, Egypt and Aden to explore the export possibilities for Indian engineering goods. The general conclusions and recommendations of the delegation's report are as follows:

The countries visited by the delegation are the traditional markets for India. She has been exporting mainly cotton textiles and jute goods to these countries. It is necessary to develop new lines. These countries have a potential market for many of India's engineering goods. Some engineering goods are now being exported, but the volume must be increased, and this can only be achieved if export is organised and developed on proper lines. The countries are agricultural, but their economies are developing fast. Their requirements are increasing, so the present is an opportune time for India to increase her exports. The pattern of development in these countries is similar to India's. Some of the engineering products manufactured in India, that is, diesel engines, pumps, etcetera, are particularly suitable for tropical conditions, and will meet the requirements of these countries.

While there is good scope for developing this country's exports, it must be remembered that markets everywhere are highly competitive and the buyers are getting discriminative. Indian manufacturers should, therefore, be prepared not only to compete with other manufacturers on the basis of price, quality and delivery, but also to cater for the particular requirements of foreign markets. It is necessary to establish connections with reputable importers or appoint suitable agents to maintain a proper flow of exports. In the case of machinery, items such as diesel engines, pumps, rice mill machinery, etcetera, it is necessary to have agents who have good distribution arrangements and can render effective after-sales service. It is also important that Indian manufacturers should as far as possible afford training facilities in their own factories to their agents. Such facilities are necessary not only to enable the agents to render effective after-sales service, but also as a step towards market expansion. The manufacturers are advised to carry out survey of market requirements periodically. All complaints should be promptly and sympathetically attended to, and suggestions for alterations or improvements carried out. Business depends on contacts and the creation of confidence and the business that can be done by visiting the markets personally cannot be done through correspondence.

Display of Goods

Display of goods is an important part of modern salesmanship. It is all the more necessary in markets where products of various other countries are comparatively better known than the Indian goods. The delegation considers that show rooms should be organised in all the important places where sales are to be promoted. To begin with, the delegation feels that sales organisation is necessary in Nairobi, Mombasa, Addis Ababa, Khartoum and Cairo. In Mombasa and Cairo, the Government is shortly opening trade centres. These may have a section set apart for the engineering goods. The Engineering Export Promotion Council should have a salesman in charge of these sections. He should not only be a good salesman but should also have general technical knowledge about engineering goods available for export from India. In Addis Ababa and Khartoum, there are at present no commercial sections attached to the Indian missions. It is necessary that commercial sections should be organised in these places under a commercial secretary who may be of the First Secretariat or Second Secretary rank. There are good prospects for the development of India's exports to these countries and the efforts of the manufacturers and exporters are likely to be hampered if there is no Government organisation to back their efforts. Attached to the commercial sections in these places there should be sample rooms where all the engineering goods available for export should be displayed.

Government Purchases

Large purchases are made by Government departments in these countries, and they want to see samples of goods before deciding to place orders. It should be an important part of the duty of the commercial sections to keep a watch on tender notices issued by Government departments for purchases and communicate these notices, or requirements which are to be met without asking for tenders, to the Engineering Export Promotion Council. This work may be done by the Council's employee in places where there is one. The Council should circulate such information immediately to all interests concerned. Manufacturers will be well advised to keep some stocks of their rates, deliveries and other particulars about their products, in order that the agents may be able to offer goods for quick delivery, or may be in a position to put in tenders in response to notices as soon as these are published in newspapers.

Press Publicity

The delegation feels that general publicity by the Council and publicity by individual manufac-

turers through the medium of the Press is necessary to enable the importers and consumers know the range of engineering products which can be imported from India. Publicity to be effective should be in a planned manner. Advertisement in newspapers published in local languages is necessary so that the largest possible number of people may get the opportunity of knowing about Indian goods. Haphazard advertisements in the Press are not likely to serve any useful purpose. Manufacturers should publish illustrated catalogues and attractive leaflets giving full information about the specifications, types, and the variety of their products, and they should be available with their agents and at show rooms for sales promotion.

Standardisation of Products

It is very necessary that the goods exported from India should be of uniform quality and according to international standards. A great deal of damage to India's export can result, and has in some cases resulted, from unscrupulous exporters sending sub-standard goods. The Indian Standards Institution, through its certification marks scheme, can play an important part in gaining the confidence of the overseas buyers. The delegation would suggest that the goods exported from India should bear the I.S.I. mark. This certification mark should also be given for those goods which are according to specifications other than I.S.I. In case of goods where neither I.S.I. nor B.S.S. or other international standards are available, manufacturers will have to see that the goods supplied by them conform to the requirements of the buyers and according to specifications laid down by them. In export promotion, the importance of inspiring confidence in the overseas buyers cannot be too highly emphasised. The Council must study ways and means of ensuring that the quality of goods exported satisfies customers in every way. One way of making a beginning in this direction may be for the Council to maintain a list of reputable and reliable manufacturers and exporters, which

should be supplied to overseas buyers. Through Government commercial representatives, the Council's own representatives and advertisements, the Council can publicise such list to overseas buyers. Only those manufacturers and exporters should be put on to this list who give an undertaking to the Council that in case of dispute, they will abide by the decision of the Council and will be prepared to abide by such other conditions as the Council may impose to ensure quality.

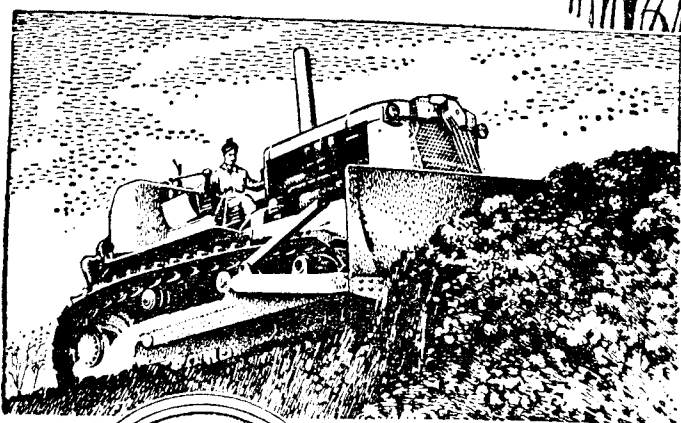
Improvement in Packing and Finish

Indian manufacturers should further improve their packing. The packing should be attractive, sturdy and seaworthy. A great deal of attention has also to be given to standard marking methods. The delegation feels that if Indian packing is improved and brought to the international standard, Indian goods will have not only much greater appeal to buyers but might also fetch better prices. Clumsy and defective packing makes an article look inferior although in quality and workmanship it may be second to none. The markets are highly competitive and Indian manufacturers can greatly increase their chances of competition with foreign products if they can continue to improve their finish. A better finish has a better sales appeal.

Shipping Facilities

White adequate shipping facilities are available between Bombay to East African ports, the existing shipping facility between Calcutta and East African ports is far from adequate. There is only one shipping company plying one service a month. To remove the present difficulties, it is necessary that another shipping company should provide one more sailing in a month. The delegation heard complaints that the payment of commission to agents abroad was very much delayed in some cases. In order to avoid such complaints and create a sense of security and confidence in the minds of agents, arrangements should be made for expeditious payment of commission.

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Commodity Markets

SEARCH FOR SYNTHETICS

THE THREAT TO PRIMARY PRODUCERS

THE news that the American General Electric Company had created in its laboratories a new material harder than diamond came within a few days of the news that British and American scientists were to co-operate more closely in the development of fusion energy—the energy that is released by the fusion of light elements, as in the hydrogen bomb. These items remind us that investigation into the nature and properties of matter is progressing rapidly, and that it is being directed towards practical uses. The economic significance of this development cannot be precisely assessed, but it is certainly profound. Last year, the General Electric Company startled the world by announcing that it had made synthetic diamonds—not substitutes with similar characteristics, but substances which were virtually the same as natural diamonds, having the same physical structure. Some people questioned whether the achievement was worth the effort, since the natural substance is obtainable much more cheaply and supplies of it are not nearly exhausted. To go a step further and produce a "super-diamond" however opens up important industrial possibilities.

It may be, of course, that General Electric's so-called "Borazon", which can withstand much higher temperatures than diamond, does occur in nature, but has not yet been discovered. It may, on the other hand, be an entirely new substance, made by man. If so, it is in a sense comparable with the "transuranic" elements, of which plutonium is now familiar though these elements are

primary, whereas Borazon is a compound substance. If Borazon does exist in nature, its creation by man can be compared with the fusion of light elements, in that both require special physical conditions which in certain circumstances nature provides, but which have not previously been made. We are, rightly, concerned at present with the practical problems of increasing production, with particular emphasis on increasing power. But many scientists, and even Governments, are convinced that the results of long-term policies are not necessarily so remote that such policies need not concern us. The idea of simulating the conditions in which the sun releases energy by fusion of light elements is practical enough to justify substantial expenditure on research and development of the process. Not many years ago many people thought it a waste of time and money to attempt to develop fission energy—the energy that is released by the fission of heavy elements; but nuclear power is now an accomplished fact and capable of saving countries such as Britain from a serious deficiency of power in the next generation.

Widespread Use

While new modes of power are being developed and new substances are being created, we continue with the practical task of making substitutes for the products of nature, and of finding new ways of using nature's products. The use of synthetic materials is now widespread, and the synthetic that is familiar that the public accepts them as "natural". Plastics—materials formed of man-made chemical combinations—appear everywhere. Synthetic fibres, made of chemicals from coal or oil, are rapidly extending their share of the total trade in textiles—though that share is still small. Synthetic rubber has caused apprehension in Malaya for years, and the true character of the threat has lately been investigated there. West Africa has lately learned with some consternation that Unilever has evolved a substance with proper-

ties similar to those of cocoa-butter; so we shall doubtless be eating synthetic chocolate before long, as we have been eating synthetic butter (margarine) for years.

These reactions in the primary-producing countries are characteristic. Australian wool-growers have, it seems, been persuaded that synthetic fibres can increase consumption of wool, because blends of wool and synthetics have special qualities that neither can attain individually. In general, however, the increase in supplies of synthetic substances encroaches on demand for natural substances. The first impetus to the development of synthetics may be actual or prospective scarcity of the corresponding natural product but at a later stage a successful synthetic acquires a momentum of its own. Few primary producers can be absolutely sure that no synthetic substitute for their product will be found, and some of them recognise that it is in their long-term interest to keep their prices low. Even the free play of the market can make prices that embarrass producers. When copper seemed too dear, one big copper-mining group fixed its prices "below the market", in the hope of warding off the threat of substitution by other materials, including plastics.

Warning Light

At the same time, natural materials are fighting back with the weapon of economy. Technical advance is not merely in the substitution of "new" materials for "old" ones, but also in the more efficient use of the "old" ones. Organic substances can be disintegrated and reformed differently. Rayon uses some "waste" products as well as primary woodpulp. New forms of manufactured timber—in some respects far superior to natural timber—are made of small pieces that had until recently no economic value. Wasteful practices in the use of raw materials and food belonged to the age of relative abundance—in the sense that the richest

resources were still available. Now technologists work on the assumption that the increasing population of the world will satisfy its needs with increasing difficulty, and that concentrated effort is needed to make wider use of the substances that are still and will remain plentiful—including the hydrogen of the oceans that can be the "fuel" of fusion energy. The countries of advanced technology are manufacturing more of their own materials; the distinction between materials and manufactured products is becoming blurred. The natural materials of the less industrially developed countries will still, generally, be needed in increasing quantities for a long time yet. But the cocoa-growers and the diamond-miners and many others have perhaps seen the warning light.

WHOLESALE PRICE INDEX UNCHANGED

THE official wholesale price index (base: year ended August 1939=100) was unchanged during the week ended 6th April at the previous week's level of 420.7. The index was lower by 0.2 percent when compared with the corresponding week of the previous month, but was higher by 7.3 percent than that of last year. The index for Food Articles rose by 0.9 percent to 405.1 as a result of an increase in the prices of gur (+3.5%), rice in Calcutta, wheat and gram in Hapur (+2.5% each), and tea for internal consumption (+1.5%) although dal arhar (-2.5%) and wheat in Amritsar (-1.5%), exhibited declines. The index for Industrial Raw Materials declined by 1.0 percent to 514.7 compared with 519.9 (revised) for the previous week due to a fall in the prices of manganese ore (average export price) (-34.5%), rapeseed in Kanpur (-5.5%), gingellyseed (-2.5%), raw silk, raw wool, linseed in Bombay and copra (-1.5% each); prices of castor-seed in Bombay (+2.5%), rapeseed in Bombay and lac (+1.5% each), however, showed an advance. The index for Semi-Manufactures also moved down by 0.4 percent to 398.8. Items which witnessed significant variations during the week were: sheepskins (-17.5%), cowhides (-5.5%), zinc (-4.5%), gingelly oil (-3.5%), goatskins, coconut oil and mustard oil (-2.5% each), copper in Calcutta (+7.5%) and gingelly cake (+3.5%). The index for Manufactures moved down from 384.1 to 383.9 during the week due to a fall in the prices of tyres and tubes (-2.5%) and a slight decline in the prices of cotton manufactures. The prices of cigarettes (+3.5%) and jute manufactures (+1.5%), however, moved up. Lower prices of chillies in Patna (-6.5%), betelnuts in Calcutta (-4.5%) and Cashewnuts (-2.5%) were responsible for a decline of 0.5 percent to 564.6 in the index for the Miscellaneous group compared with 567.2 (revised) for the previous week in spite of an increase in the prices of chillies in Calcutta (+6.5%) and black pepper in Cochin (+1.5%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-Groups	6-4-57	Week Ended 30-3-57	9-3-57	7-4-56
I Food Articles :	405.1	401.4	402.4(R)	364.9
Cereals	539*	535*	524(R)	457
Pulses	431	432	446	387*
Others	240*	236*	245(R)	240*
II Industrial Raw Materials :	514.7	519.9(R)	519.3(R)	472.9
Fibres	508	508	502(R)	460
Oilseeds	555	558(R)	563	524
Minerals	514	558	569	451
Others	418	417(R)	415	402*
III Semi-Manufactures :	398.8	400.6	403.7(R)	374.4
Leather	391	410	410	410
Mineral oils	210	210	210	208
Vegetable oils	559	569	579	515
Cotton yarn	485	482	484	452
Metals	328	328	328	282
Oilcakes	409	403	421	411
Others	375	376	387(R)	363
IV Manufactures :	383.9	384.1	384.2	375.5
Textiles	410*	410	411	408
Jute	416	411	413	396
Cotton	412*	414*	414*	408*
Rayon and Silk	—	442*	442*	502*
Woollen	266	266	266	264
Metal products	392	392	392	371
Others	303	302	302	286
V Miscellaneous :	564.6	567.2(R)	569.7	495.5
All Commodities :	420.7	420.7	421.5(R)	392.1

R=Revised.

* = Estimated.

ACREAGE UNDER RABI PULSES INCREASES

The all-India first estimate of rabi pulses other than gram and tur for 1956-57 puts the current year's area at 9,827,000 acres against the corresponding adjusted estimate of 9,237,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Central Ministry of Food and Agriculture. This shows an increase of 590,000 acres or 6.3 percent in area during the current year compared with last year. The increase in acreage during the current year has been shared by Bihar,

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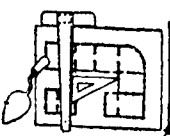
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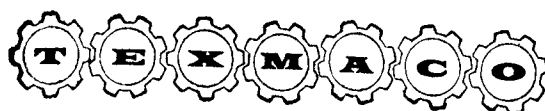
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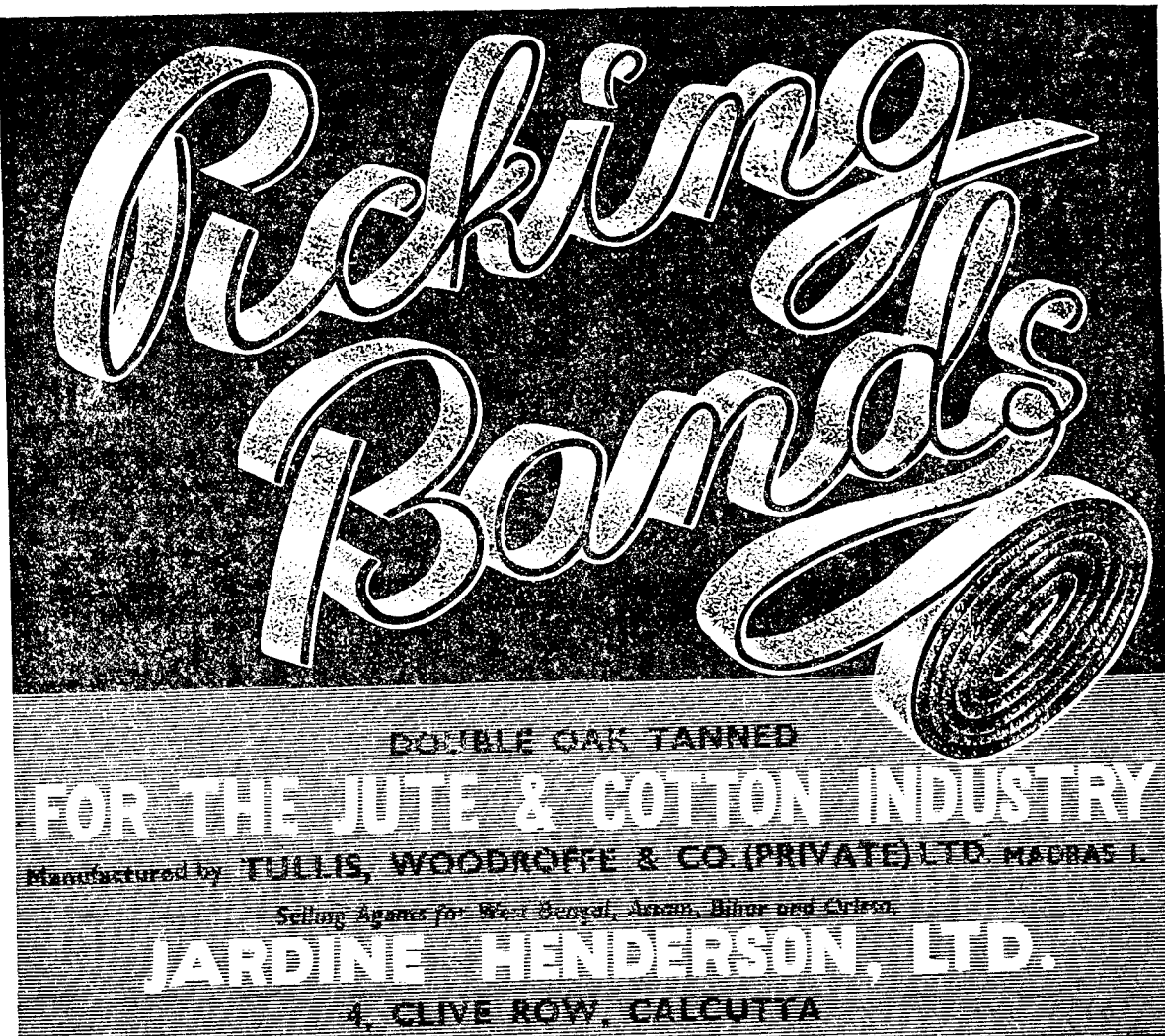
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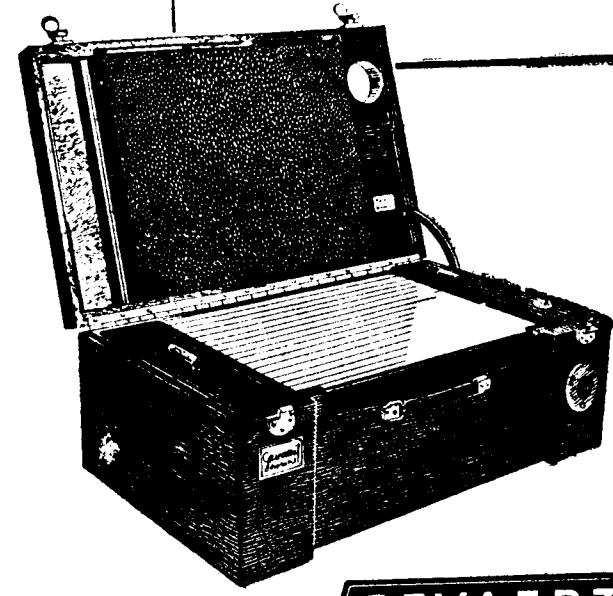
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Madhya Pradesh, Uttar Pradesh, Punjab, Bombay, Rajasthan and Delhi. The increase in acreage has, however, been attributed to favourable weather conditions at the time of sowing. The increase in acreage has, however, been offset to some extent by decreases registered in Andhra Pradesh and Mysore. As between different pulses, the increase in area has occurred mostly in the case of lakh, masur and urad. This estimate covers the period up to the end of December 1956. Till then the condition of the crops was reported to be generally satisfactory. This estimate does not cover the entire area shown to rabi pulses other than gram and tur during 1956-57. Past experience has shown that the area at the first estimate stage forms roughly 85 percent of the area finally reported.

OUTLOOK FOR U.K. CARPET INDUSTRY

PRICE FOR STANDARD GOODS RAISED

THE Federation of British Carpet Manufacturers in its latest annual report says that there has been a marked improvement in the U.K. carpet trade in recent months. Looking ahead at the prospects for 1957 it emphasises that much depends on credit restrictions in Britain and import restrictions in overseas markets, especially Australia. The withdrawal of import restrictions in Australia will assist the industry considerably, as also would expansion in other overseas markets. This, says the report, will call for a more energetic effort by manufacturers in increasingly difficult circumstances.

Imports of cheap cotton carpets into the U.K. during 1956 reached the figure of 6,727,000 square yards—a sharp increase on previous years and no less than 18 percent of the total of traditional carpeting produced and sold in the U.K. Pointing to this, the report says that if the U.K. is to compete with foreign manufacturers, it is essential that it should have an adequate home market and be

allowed to meet low cost imports on equal terms. "The carpet industry has always endeavoured, for the sake of stability, to maintain prices at a constant level, and to this end, has often absorbed additional costs, rather than increase the cost of its goods to the public. Apart from the very high capital cost which has to be faced by a carpet manufacturer in keeping his plant completely modernised, few people appear to appreciate the high costs incurred in experimenting in colour and design, a necessity if export markets are to be held. This is no hobby to be indulged in and, to be worthwhile, must be supported by a healthy demand at home," the report states. An increase of 5 percent in prices of standard carpets was announced at the meeting. Increases in costs of conversion and distribution had made this essential, the report said.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA

(Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to March, 1957. As compared with February, the March Index for Food indicates a drop of 1 point, while those for Clothing, Fuel and Lighting, and Miscellaneous remain unchanged at 543, 268 and 283 points, respectively.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living declined by 1 point during March, 1957.

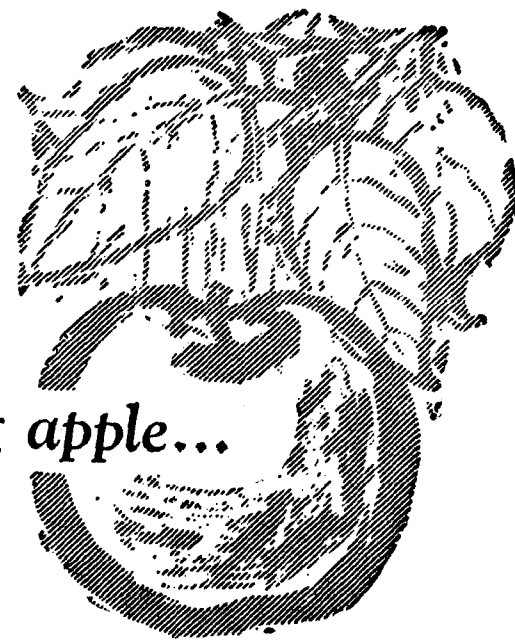
Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939 = 100

Groups	Weights	GROUP INDICES												
		March 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	Dec. 1956	Jan. 1957	Feb. 1957	March 1957
Food	53.6	453	461	470	475	480	484	484	486	482	473	468	468	467
Fuel and Lighting	4.4	239	239	239	239	259	268	268	268	266	268	268	268	268
Clothing	12.4	520	520	526	526	534	534	546	546	546	546	543	543	543
Miscellaneous	29.6	283	283	283	283	283	283	283	283	283	283	283	283	283
Combined Index	100.0	402	406	411	414	418	421	422	424	422	417	414	414	413

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FORECAST FOR KUSMI LAC CROP

The yield of the Indian Kusmi lac crop for the year 1956 is estimated at 64,000 maunds compared with 61,000 maunds in 1955 and a normal production of 90,000 maunds. The yield of this crop is below normal, mainly because of the shortage of broodlac at the time of infection. The yield of Baisakhi lac crop this year is expected to be 675,000 maunds compared with 683,000 maunds and 813,000 maunds in 1956 and 1955 respectively. The normal yield, based on the average production of 10 years preceding 1956, is 740,000 maunds. The crop has suffered some damage in Palamau district of Bihar and in western parts of Madhya Pradesh due to hailstorm. The crop is reported to have progressed satisfactorily in Ranchi and Purulia districts.

April 25, 1957.

Calcutta Markets

DUST TEA PRICES IMPROVE

At Sale No. 43, held on 23rd April. Dust offer-ings were 18,937 packages. Once again prices were sometimes up to 10 nP easier when the market opened. Demand improved as the sale progressed and most descriptions were firm to slightly dearer. Black leafed types were a strong feature while non-wither Dooras, powdery C.T.C. Assams and residue kinds sold fairly well. The very few best C.T.C. Assams on offer received only limited support and were generally easier.

Quotations	1957		1956	
	Rs.	1957	Rs.	1956
Medium Donors Dust	1.00 to 1.65	1 8 0		
Medium Assam Grainy Dust	1.70	1 9 0 to 1 9 6		
Medium Assam C.T.C. Dust	1.70 to 1.10	7 9 6		
Best Assam C.T.C. Dust	not quotable	2 10 0 to 2 12 0		

Other grades on offer met with a keen general demand for the 4429 chests. Clean well made whole leaf grades and B.O.P.'s were particularly strong features and all descriptions were dearer.

LINSEED FIRM

Very firm conditions have prevailed throughout the past week. There has been a continuous advance in prices, although the actual turnover has been disappointing. Supplies have been scarce. Ready goods were virtually unobtainable, and sellers for forward delivery were very reserved. The new season's supplies have been disappointing because of the apparent intention of upcountry merchants to withhold stocks as far as possible. The hope of a better demand for oil from abroad has encouraged local buyers to take increased interest at higher prices. Latest quotations were as follows: Ready Rs. 23 a maund and April-May Rs. 22-12 a maund.

HIDES AND SKINS STEADY

The market continued steady. Stocks were higher than in the previous week.

Bazaar Sales

(Between 16th April and 22nd April, 1957)

Cowhides: Wet salted (Ord.) 2,000 pcs. on the basis of Rs. 0.61; Wet salted (Ord.) 84.00 pcs. on the basis of Rs. 7.75 to Rs. 9.12; Wet salted (Slaughtered) 17,500 pcs. on the basis of Rs. 12.25 to Rs. 21.
Goatskins: Wet salted (Daissee, Killed) 43,870 pcs. on the basis of Rs. 255 to Rs. 280. Rs. 310 to Rs. 340 and Rs. 370 to Rs. 380; Assam-Dinajpur-Jalpaiguri 11,900 pcs. on the basis of Rs. 285 to Rs. 365; Purneah-Kissengani 6,500 pcs. on the basis of Rs. 285 to Rs. 315; Patna-Pakur (Ord.) 2,200 pcs. on the basis of Rs. 255 to Rs. 265; Muzafferpore-Patna 38,100 pcs. on the basis of Rs. 275 to Rs. 325.

Bazaar Stocks

(22nd April, 1957)

Cowhides: Wet salted 3,04,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 35,000 pcs.; Assam-Dinajpur-Murshidabad 36,500 pcs.; Muzafferpore - Patna - Pakur - Purneah - Kissengani 120,000 pcs.

SUGAR BETTER

During the week ended 24th April, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 5,000 bags and stocks totalled 120,000 bags. Rates for ready sugar ex-Kantapur delivery were Rs. 31 for ordinary grain and Rs. 33.12 for big grain. The market was weak at the beginning, but strengthened towards the close. It may rise further in the next few days if the rate of arrivals does not improve.

SHELLAC STEADY

During the week ended 23rd April, the market was dull at the beginning, steady at midweek and firm at the close. The range of quotations was as follows:

Pure Buttonlac	Rs. 98, 102, 105 buyers.
Lemon No. 1 Shellac	Rs. 101, 104.50 buyers; 110 done buyers; Rs. 109 buyers.
Lemon No. 2 Shellac	Rs. 95.50, 99, 103, 101 buyers.
F. O. Std. 1 Shellac	Rs. 90, 93, 95.50 buyers.
Pure TN Shellac	Rs. 85, 87 buyers; 90 basis done buyers.
4% I.T.N. Shellac	Rs. 75, 78, 80 buyers.
No. 1 Kusmi Seedlac	Rs. 93.50, 95.50, 97 buyers.
No. 2 Kusmi Seedlac	Rs. 87.50, 90.50, 92 buyers.
Fine Bysaky Seedlac (Manbhumi)	
Fine Bysaky Seedlac (C.P.)	Rs. 85.50, 88, 90 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 83.50, 85.50, 87.50 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	
Ordinary Bysaky Seedlac (C.P.)	Rs. 76, 87, 81 buyers.
Kireelac	Rs. 72, 73, 75 buyers.
	Rs. 31, 32 buyers.

Shipments during April until the 16th were 13,942 packages comprising shellac 8,848 packages, seedlac 3,758 packages, buttonlac 319 packages and others 1,016 packages.

Books and Publications

FINANCING SMALL INDUSTRIES

Place and Problems of Small Industries. By S. K. Basu. (Published by A. Mukherjee and Co. Private Ltd., 2, College Square, Calcutta. Price Rs. 4; pages 97.)

Dr. Basu stresses the importance of small industries in the economy. The emphasis in the second five year plan is on the development of heavy industries, but some think that small industries should be given a more significant rôle so that they may meet consumption demands and provide employment opportunities for the growing population. Dr. Basu covers fresh ground when he discusses the financial problems of small-scale industries. His analysis will prove useful in formulating a practical plan for their development. Reports of Government committees have paid little attention to the problems of financing small industries, which invariably have great difficulty in securing funds in the form of equity capital. Studying the condition of such industries in the U.K. and the U.S.A., he shows the difficulties in giving them loans from commercial banks. Dr. Basu's suggestions, especially those relating to the operation of State Finance Corporations, are constructive. The book should help research workers who may be interested in the financial troubles of small industries.

SERVICE UNDER THE STATE

The Law Relating to Service in India (Vol. III, Service under the State). By N. Barwell and S. S. Kar. (Published by Orient Longmans Ltd., 17, Chittaranjan Avenue, Calcutta. Price Rs. 12; pages 234.)

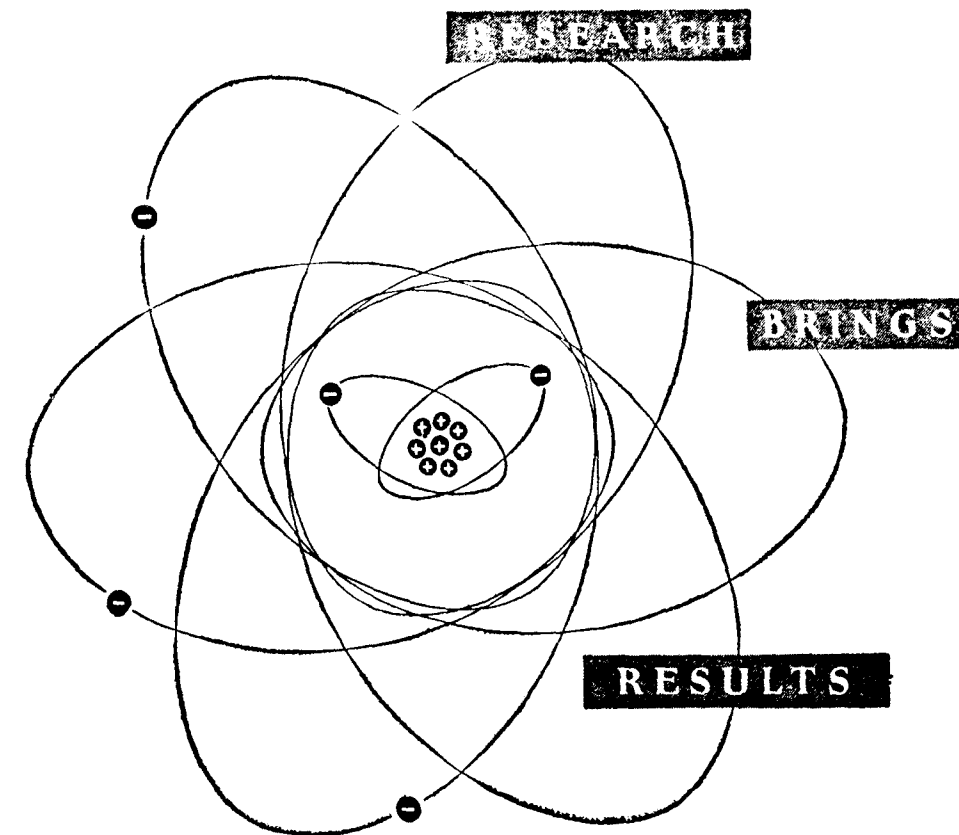
This is the third and concluding volume of a trilogy, each work being complete in itself but designed to form together one picture of the whole law of service in India. The present volume, being a symposium of the law relating to Government service and the rules and regulations applying thereto, is necessarily of much more limited interest to commercial undertakings in general than its two predecessors. Nevertheless, with various industries, for good or ill, likely to be nationalised, as the business of life assurance has already been, under the five year plan, and their employees to become Government servants, the law

as to conditions of service under the Government becomes of importance to many, hitherto, not in the least interested in it. This treatise, the first, and one believes the only one, of its kind to be published in India, therefore, fills a definite, if restricted, want. The reviewer can claim to have read the first volume of the series from cover to cover and shares Mr. Kar's touchingly expressed regret that Mr. Barwell, the co-author and designer of the composite scheme, was not spared to see its completion and has had no part in the present work. Gone is the fascinating flowing style of that master of conversation changed into the printed word. But the value of the book does not suffer on that account and its length is shortened correspondingly with the result that we have a clear exposition of the law written in terse, succinct form by an acknowledged expert. With the completion of this, the third, volume, we have now, for the first time in India, a comprehensive treatise on the whole law of service. All three works should be mastered together.

INDIAN ECONOMIC PROBLEMS

The Economic Weekly Annual Number, 1957. Edited by Sachin Chowdhury. (Published by Asian New Age Publishers Private Limited, 15, Tamarind Lane, Fort, Bombay 1. Price Rs. 250; pages 214.)

This publication is comprehensive, thoughtful and interesting; it maintains the standards of its predecessors. The subjects covered are topical. The issue begins with an analysis of the Congress Working Committee's conception of the "socialist pattern of society", while another article discusses the significance of socialism against the background of "perspective planning". But the main theme is the foreign exchange prospect for the second plan. Dr. B. N. Ganguli's analysis of trends in the balance of payments emphasises the need to hold down imports of consumer goods. Dr. Tinbergen has discussed the controversial theme of mill as against cottage industries, while Professor Shigeto Tsuru makes a searching scrutiny of the theoretical basis of economic planning in India. The other topics covered include rural development, community projects, co-operative farming, import trade control and industrialisation. There are two interesting studies by Dr. Daniel Thorner and Dr. S. A. Palekar.



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"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to November, 1956. Compared with the preceding month, there were increases in jute manufactures 3.8 points, paper 13.5 points, coal 14.4 points and

wagons loaded 8.1 points, while decreases occurred in cotton consumption 1.4 points, steel ingots 9.4 points, pig iron 0.9 point, cement 1.7 points and electricity 3.8 points.

The index for cheque clearances rose by 1.5

points, while that for notes in circulation dropped by 0.8 point.

Correlating all the factors, the Capital Index of Indian Industrial Activity advanced by 3.0 points during November, 1956.

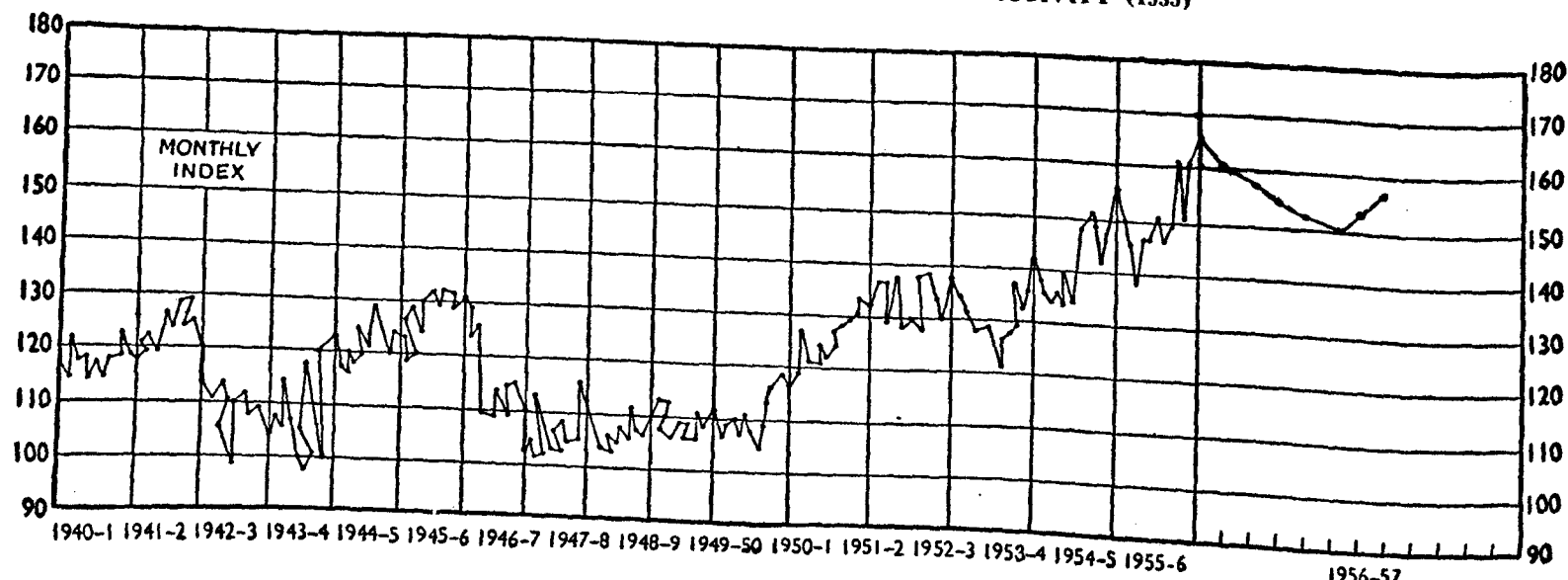
	Industrial Production						Mineral Production	Total Number of Wagons Loaded (T)	Financial Statistics	Trade: Foreign & Coastal		Trade: Foreign & Coastal		General Monthly Index
	Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper				Exports	Imports	Exports	Imports	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
1940-41*	128.2	110.8	139.1	136.5	183.6	124.5	118.9	91.2	...	...	...	...	138.1(d)	117.3
1941-42*	150.3	122.1	157.3	141.6	193.2	116.6	117.0	94.0	...	...	...	...	166.5(d)	122.7
1942-43*	154.4	117.8	144.2	130.6	153.9	114.7	103.1	70.7	...	...	...	...	...	108.8
1943-44*	167.9	97.7	149.2	136.2	148.0	109.7	104.8	71.7	...	...	...	...	...	109.2
1944-45*	159.2	103.2	128.0	125.4	155.9	112.1	112.4	95.4	...	...	...	...	...	120.7
1945-46*	161.0	106.0	151.8	95.9	151.2	127.0	112.2	112.6	...	...	...	...	...	127.8
1946-47*	127.5	100.7	139.8	95.5	141.2	123.0	101.6	104.5	...	...	...	...	...	115.0
1947-48*	126.2	102.1	140.7	105.4	125.1	127.7	96.7	92.6	...	...	...	...	...	107.0
1948-49*	149.7	101.8	138.7	99.2	100.1	136.6	126.2	98.6	...	...	...	...	...	107.6
1949-50*	123.5	82.1	165.7	116.4	143.4	146.1	146.0	114.5	...	...	...	...	...	109.4
1950-51*	113.1	82.1	165.7	116.4	143.4	146.1	146.0	114.5	...	...	...	...	...	109.4
1951-52*	126.6	93.2	175.9	112.4	168.7	155.9	154.9	125.3	...	...	...	...	...	125.7
1952-53*	141.7	91.0	184.0	115.5	207.8	170.6	169.5	134.1	...	...	...	...	...	132.4
1953-54*	145.9	88.5	178.1	115.5	251.4	166.1	170.8	137.0	...	...	...	...	...	130.4
1954-55*	152.3	97.2	196.2	112.2	275.9	206.0	179.4	144.2	...	...	...	...	...	141.3
1955-56*	157.6	105.2	193.4	122.7	281.2	221.1	184.0	156.4	...	...	...	...	...	151.2
1952-53	137.8	93.9	189.8	121.1	221.8A	159.4	165.1	150.7	97.0	157.6	150.3A	137.6	134.4	137.6
April	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	90.6	159.8	147.4A	134.4	137.6	137.6
May	146.2	83.3	179.6	130.1	242.9A	181.2	179.5	137.4	81.5	159.9	152.6A	126.2	125.2	125.2
June	148.3	88.3	169.2	107.9	239.2A	185.1	170.8	125.9	80.4	146.5	151.7A	119.4	119.4	119.4
July	148.3	87.9	142.7	87.5	252.0A	202.3	169.0	129.9	82.5	136.9	159.3A	125.2	125.2	125.2
August	145.0	76.5	135.9	83.0	230.5A	190.8	168.3	129.9	70.1	135.6	162.1A	119.4	119.4	119.4
September	144.3	89.1	144.5	83.0	230.5A	190.8	168.3	129.9	70.1	135.6	162.1A	119.4	119.4	119.4
October	148.0	79.6	181.2	120.6	247.0A	199.2	172.6	131.5	78.1	137.4	161.9A	125.2	125.2	125.2
November	138.4	82.1	204.7	131.3	253.6A	151.2	162.6	133.5	79.2	138.3	156.9A	129.9	129.9	129.9
December	150.1	91.3	200.1	127.1	277.4A	150.8	179.3	147.3	91.1	137.3	166.7A	138.9	138.9	138.9
January	148.7	78.4	206.6	133.9	272.2A	123.6	165.5	148.7	86.7	147.2	161.9A	134.3	134.3	134.3
February	146.8	89.0	189.0	128.9	264.0A	116.9	163.2	137.2	83.2	156.4	160.0A	132.4	132.4	132.4
March	147.1	95.3	205.7	125.0	291.8A	141.6	164.8	149.6	98.3	158.1	165.8A	142.1	142.1	142.1
April	150.6	97.4	185.8	117.6	269.9A	209.5	170.2	140.1	89.1	154.7	170.3A	137.7	137.7	137.7
May	150.2	81.9	183.6	124.4	280.1A	214.7	169.9	137.0	82.2	158.9	174.7A	134.5	134.5	134.5
June	150.7	90.5	192.1	120.4	264.4A	208.7	169.3	133.6	81.0	160.3	176.0A	137.7	137.7	137.7
July	154.1	90.7	195.2	117.6	273.9A	176.9	181.2	137.4	88.7	160.1	171.9A	137.7	137.7	137.7
August	152.1	88.6	200.5	122.3	256.4A	167.4	180.4	137.4	84.4	154.7	175.2A	134.7	134.7	134.7
September	152.9	96.2	187.3	115.8	271.2A	178.1	184.1	134.4	90.7	150.0	181.6A	147.6	147.6	147.6
October	145.6	89.6	195.3	120.3	279.9A	184.3	170.5	137.6	81.2	150.2	174.5A	147.6	147.6	147.6
November	156.7	105.6	199.8	126.6	275.9A	227.2	199.6	145.7	100.6	154.2	182.8A	157.7	157.7	157.7
December	157.8	110.7	207.2	130.3	298.6A	238.3	198.8	156.4	101.7	159.1	188.9A	147.4	147.4	147.4
January	149.8	98.2	211.0	127.6	282.0A	227.2	179.8	159.1	93.0	161.5	183.7A	144.2	144.2	144.2
February	149.2	105.2	196.5	123.9	272.8A	210.6	174.2	150.1	93.1	164.3	181.5A	144.2	144.2	144.2
March	158.0	111.4	208.1	120.1	285.3A	218.7	178.3	161.1	116.0	174.6	194.9A	156.7	156.7	156.7
April	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	100.6	182.3	191.9A	149.4	149.4	149.4
May	151.1	94.4	205.1	130.3	281.6A	206.3	178.3	146.0	100.0	186.0	193.2A	147.5	147.5	147.5
June	154.4	103.7	195.0	125.5	247.2A	208.4	180.7	140.2	96.7	183.3	198.2A	146.4	146.4	146.4
July	160.4	94.7	189.7	119.4	262.0A	222.2	180.7	147.0	98.5	178.5	197.3A	146.8	146.8	146.8
August	155.3	92.4	195.4	118.3	280.3A	224.3	189.6	148.4	100.6	177.1	195.7A	151.0	151.0	151.0
September	164.9	106.3	191.2	114.6	255.0A	231.8	196.0	146.9	107.8	177.1	201.5A	144.7	144.7	144.7
October	165.6	94.1	187.7	100.7	293.7A	209.3	179.9	151.6	95.1	172.4	200.6A	150.0	150.0	150.0
November	167.3	114.7	186.3	133.6	293.3A	222.2	186.7	157.3	99.7	170.1	201.9A	151.8	151.8	151.8
December	151.0	104.2	208.1	133.9	317.6A	232.2	192.2	169.9	106.4	172.4	217.3A	161.5	161.5	161.5
January	159.2	118.4	205.4	131.6	300.6A	221.2	182.3	171.8	86.9	175.1	208.3A	151.8	151.8	151.8
February	151.0	104.2	208.1	133.9	317.6A	232.2	192.2	169.9	106.4	172.4	217.3A	161.5	161.5	161.5
March	159.9	124.0	215.5	125.0	320.5A	229.9	181.3	178.3	114.8	190.6	223.1A	160.8	160.8	160.8
April	154.5	120.1	243.7	124.3	296.3A	217.3	189.8	166.9	109.7	193.3	216.8A	158.5	158.5	158.5
May	158.6	118.4	201.4	125.9	314.6A	221.9	186.4	160.6	104.5	196.8	226.3A	153.8	153.8	153.8
June	160.8	119.6	196.3	117.3	317.0A	223.5	187.1	152.4	99.4	193.4	220.5A	152.4	152.4	152.4
July	153.1	106.8	200.8	120.6	302.1A	223.2	192.7	153.8	99.1	188.0	217.6A	151.2	151.2	151.2
August	160.6	102.4	194.7	117.0	298.3A	213.9	200.5	160.2	92.4	178.8	219.2A	152.2	152.2	152.2
September	168.7	102.8	200.7	121.3	300.0A	223.9	181.3	150.0	100.7	177.1	227.4A	154.2	154.2	154.2
October	161.3	96.0	204.4	124.3	308.2A	217.5	185.2	157.3	102.4	179.6	229.3A	154.2	154.2	154.2
November	159.9	99.8	195.0	123.4	306.5A	231.0	199.6	165.4	103.9	178.8	225.5A	157.2	157.2	157.2

(a) April, 1935 to March, 1936-100
(b) Averages of eleven months, April to February
(c) Notes in Circulation
(d) Electricity Consumption

(e) Estimated.
(f) Railway Earnings before April 1952
* Figures not available
† Official year

‡ Average of February and March
§ Annual indices represent averages of monthly figures.
|| Provisional.
** For construction and earlier figure see Capital, 17th March, 1938.
A Base January 1948.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



COMPANY AND PUBLIC NOTICES

PRESIDENCY JUTE MILLS COMPANY, LIMITED

NOTICE is hereby given that the 72nd Annual General Meeting of the Members of Presidency Jute Mills Company, Limited will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company on Tuesday the 21st day of May, 1957 at 3-30 O'clock in the afternoon for the following purposes:—

- To receive and consider the Profit and Loss Account for the half-year ended 30th June, 1956, the Balance Sheet as at that date and Reports of the Directors and Auditors.
- To declare a dividend.
- To appoint Directors in place of Mr. N. B. Elias and Dr. S. C. Law, the Directors retiring by rotation at the Meeting who, being eligible, offer themselves for re-appointment.
- To appoint Auditors and fix their remuneration.

As Special Business:

To consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

- That the requirements of Articles 82, 83, 87, 121, 176, 180 and 181 of the Articles of Association of the Company be not complied with in respect of the half-year ended the 31st December, 1956.
- That the Articles of Association of the Company be altered in manner following:—

(a) Articles 82 and 83 shall be deleted and the following new Article substituted therefor:

82. In addition to any other meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors. Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. All other meetings of the Company shall be called "Extraordinary General Meetings".

(b) Article 87 shall be deleted and the following new Article substituted therefor:

87. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.

(c) In Article 121, line 1, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor.

(d) Article 176 shall be deleted and the following new Article substituted therefor:

176. At every Annual General Meeting the Directors shall lay before the Company a Balance Sheet and a Profit and Loss Account made up in accordance with the provisions of Section 210 of the Companies Act, 1956, and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 of Schedule VI to the said Act, so far as they are applicable to the Company but, save as aforesaid, the Directors shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient.

(e) In Article 180 line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.

(f) In Article 181, lines 1, 2 and 3, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing, shall be deleted and the words "Annual General" substituted therefor.

The Share Transfer Books of the Company will be closed from 7th to 21st May, 1957, both days inclusive.

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

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta.

24th April, 1957.
Note: Payment of the proposed dividend, if declared, will be made on or after 4th June, 1957, only to those members whose names are registered in the Books of the Company on 21st May, 1957, or to their Mandatees.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid-up per Share Rs.	Market Quotations	
					24-4-57	A year ago						24-4-57	A year ago
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	114/00	131 1/2	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	70/00	7 1/2
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85/00	100	1895-99	Bombay Steam Navigation (July)	15.00	6 1/2	250	14/00	15 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103/00	115	1903-50	British Ceylon Corporation (14) (Apr. Mar.)	15.00	6 1/2	5	8/50	10
1901-20	Burrakur (June Dec.)	22.98	7	100	112/00	122	1909-11	British India Corporation (Feb.)	15.00	6 1/2	100	120/00	121
1946	Burrakur (June Dec.)	4.50	6 1/2	10	7/75	8 1/2	1937	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	128/00	141 1/2
1895	Equitable (May Nov.)	4.00	6	100	99/00	116 1/2	1937	Burn Engineering (Feb. Aug.)	13.00	7	100	110/75	122
1931	Khas Kapor (Mar. Sept.)	1.93	5	10	5/00	5	1938	Calcutta Electric Supply (Mar. Sept.)	15.00	5	100	9/00	11 1/2
1920	New Beerbloom (Jan. July)	2.00	7	10	11/00	13 1/2	1938	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55/00	55
1898-99	Ondal (Jan. Dec.)	2.00	6 1/2	100	104/00	113	1905-24	Calcutta Tramways (Jan. July)	15.00	5 1/2	100	27/75	41
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	108 1/2	110	1946	Cornwall Sugar Works (Feb. Aug.)	8.00	8	100	119/00	144
1894	Bangalore (Jan. July)	9.00	6	100	120/00	128 1/2	1940	Crestion Mica Industries Ltd.	30.00	5 1/2	100	53/00	66
1908	Bengal (Oct.)	5.00	7	100	7/62	8	1937	Dacca Electric Supply (July)	6.00	6	10	94/50	97 1/2
1903	Bengal-Nagpur (Apr. Oct.)	7.00	7	100	98/00	108	1945	Dalmia Cement (Bharat)	3.50	6	100	94/50	99
1900	Bowreah "A" (Apr. Oct.)	6.00	7	100	125/50	134	1945	Delhi Flour Mills (Oct.)	2.372	6	40	101/00	133
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	63/50	72	1945	Deshergarh Power Supply "A" (Jan.)	12.00	5	100	91/00	104
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324/37	324 1/2	1935	Deshergarh Power Supply "B" (Jan.)	12.00	4	100	84/00	93
1923	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	142/75	133 1/2	1948	Duncan Brothers & Co. Ltd.	45.00	4	100	58/00	67
1923	Camodia (July)	1.00	7	100	115/00	125	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	119/00	129
1912	Central India (Apr. Oct.)	50.00	5	500	531/25	531 1/2	1897	Dunlop Rubber "Second" (Apr.)	30.00	6 1/2	100	92/50	97
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20/00	20	1923-29	East India Distilleries (Jan. July)	12.00	7	100	17/00	17 1/2
1912	Elgin (May Nov.)	11.00	8	100	124/75	135	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	..	..
1943	Elgin "B"	4.20	5	10	9/00	9	1923	General Investment & Trust (Feb. Aug.)	1.00	5	100	70/00	76
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	90/00	87 1/2	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	61/00	66
1919	Kesoram (June Dec.)	20.00	7	100	116/00	134	1947	Gladstone Mill & Co. Ltd.	2.500	5 1/2	100	60/75	66
1925	Khatu Makani (Nov.)	10.00	6	100	79/00	88	1948	Godfrey Phillips India Ltd.	15.00	6 1/2	100	61/00	73
1937	Kothari (Nov.)	12.00	6	100	79/00	88	1946	Godfrey Phillips India Ltd.	30.00	5 1/2	100	62/00	68
1900	Muir (Feb. Aug.)	30.00	6	100	141/12	104	1949	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	67/00	69
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	180/00	185	1940	Humayun Properties Ltd. (Nov.)	12.00	6	10	9/00	10 1/2
1929	New Victoria (Apr. Oct.)	26.05	6	5	4/50	4 1/2	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	68/00	73
1933	Punjab Andover (Mar.)	2.00	7	50	58/50	68	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	99/00	107
1935	Swadeshi (Bombay) (May)	15.00	5	100	105/00	115	1937	Indian General Navy & Railways	2.244	6	100	30/00	31
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90/00	90	1939	Indian Cable Co. (Nov.)	12.38	7	100	126/50	140
1941	Vasanta (Apr. Oct.)	3.30	6 1/2	100	111/25	120	1935	Indian Standard Wagon (Aug. or Sept.)	1.905	5	100	99/00	107
1904	Vishnu (Apr. Oct.)	16.00	7	500	537/50	550	1946	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	70/00	76
JUTE MILLS.													
1927	Azarpura (Jan. July)	10.00	7	100	99/00	118	1945	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	61/00	66
1905	Alexandra (Feb. Aug.)	3.00	7	100	99/00	98	1937	James Wright (Jan. July)	1.30	6	50	36/00	40
1896	Alliance (Mar. Sept.)	15.00	6	100	99/00	93	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	69/00	77
1917	Anglo-India (May Nov.)	40.00	7	100	79/00	93	1945	Jessop & Co.	10.00	5 1/2	100	95/00	106
1904	Auckland (July Jan.)	10.00	5 1/2	100	78/00	93 1/2	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	..	..
1943	Auckland (July Jan.)	15.00	4 1/2	100	57/50	74	1915	Kumardubi Engineering (June)	12.00	5	100	100/00	106
1896	Barnagore (Oct. Dec.)	23.00	7 1/2	100	103/00	116	1915	Do. Fireclay & Silica (June)	2.00	7	100	115/00	116
1906	Belvedere (Jan. July)	7.00	7 1/2	100	101/00	119	1946	McLeod & Co.	30.00	5	100	97/50	105
1940	Bengal (June Dec.)	10.00	5 1/2	100	77/00	96	1930	McLeod & Co.	10.00	5 1/2	100	97/50	105
1919	Bidai (June Dec.)	23.64	7 1/2	100	96/00	103	1936	McLeod & Co.	10.00	5 1/2	100	97/50	105
1929	Bidai (June Dec.)	9.00	7	100	102/00	119	1936	Metallurgical & Industrial (Sept.)	40.00	6	100	97/50	105
1934	Calcutta (Jan. July)	6.00	6 1/2	100	78/00	90	1949	Metal Box Co. of India Ltd.	20.00	6 1/2	100	92/00	98
1919	Caledonian (June Dec.)	10.00	7	100	100/00	116	1938	Midnapore Zemindary (Feb.)	8.76	5	100	92/00	98
1919	Cheviot (June Dec.)	10.00	7	100	100/00	101	1939	Mysore Chemical Mfg. (Sept.)	2.00	5	10	9/50	9 1/2
1928	Chitavash (Mar. Dec.)	7.00	7	100	101/00	115	1939	National Insulated Cable	10.00	5 1/2	100	69/00	70
1900	Clive (First) (May Dec.)	8.00	7	100	71/00	91	1942	National Tobacco (June Dec.)	25.00	5	100	61/00	69
1900	Clive "A" (Second) (May Dec.)	8.00	7	100	81/00	91	1944	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	40/00	48
1903-12	Dalhousie (July Jan.)	15.00	7	100	90/00	95	1946	Northern India Oil (Jan. July)	2.00	6	100	40/00	48
1897	Delta (June Dec.)	5.00	5	100	82/50	115	1936	Pona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	111/25	103 1/2
1912	Empire (Jan. July)	10.00	7	100	102/00	114	1936	Premier Construction "First" (Apr.)	10.00	6 1/2	100	94/00	99 1/2
1896-98	Fort Gloster (Jan. July)	14.00	7	100	102/00	114	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	97/50	105
1913	East Gloucester (June Dec.)	7.00	7	100	102/00	114	1922	Punjab Paper Mills (Mar. Sept.)	6.00	10	100	100/00	108
1911	East William (May Nov.)	7.00	5	100	67/50	83	1936	Ramugger Cane & Sugar (Aug.)	4.00	6	100	122/50	132
1914	Ganges (June Dec.)	8.00	7	100	102/00	119	1936	Robtas Industries (Apr.)	20.00	7	100	122/50	132
1895-94	Gangotri (June Dec.)	26.50	8	100	111/00	144	1946	Robtas Industries "B" (Apr.)	86.00	4 1/2	100	62/50	63 1/2
1933	Hastings (Aug. Feb.)	6.25	6	100	79/00	105	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	67/50	84
1929	Hawrah (Jan. July)	11.00	6	100	85/00	100	1937	Shree Gopal Paper	7.50	6	100	116/00	125
1903	Hawrah (Jan. July)	8.75	7	100	81/14	111	1937-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	87/00	80
1903-05	Hawrah "A" (Jan. July)	7.15	7	100	102/00	114	1936	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	74/00	80
1949	Hukumbhara (June Dec.)	47.99	7	100	104/00	123	1937	Smith Stanistreet (Chemists) (Nov.)	5.00	10	100	78/00	91
1899-94	Kamathbati (Apr. Oct.)	15.00	6	100	83/00	106	1936	South Bihar Sugar (Oct.)	5.00	7	100	36/00	40 1/2
1900	Kamathbati (Apr. Oct.)	10.00	6	100	84/00	102	1936	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	10	9/00	10 1/2
1907	Kamathbati (Mar. Sept.)	10.00	7	100	68/00	95	1936	Spencer & Co. "B" (Provisions) (Jan. July)	39.80	8 1/2	10	10/37	84
1895-04	Kardhi (May Nov.)	3.00	6	100	68/00	115	1937	Surat Electricity (Apr.)	10.00	5	100	115/00	131
1901-14	Kinross (July Jan.)	15.00	7	100	102/00	112	1925	Tata Chemicals (Nov.)	60.00	5	100	98/50	117 1/2
1912	Lawrence "A" (July Jan.)	15.00	7	100	102/00	112	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	110/00	121 1/2
1905-07	Lawrence "B" (July Jan.)	5.00	5 1/2	100	58/50	95	1910	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	150	153/25	160 1/2
1905	Naimati (July Jan.)	7.50	7	100	104/00	123	1936	Tata Iron & Steel (Second) (May)	69.83	7 1/2	100	115/00	129 1/2
1917	Naimati (May Nov.)	10.00	4 1/2	100	50/00	79	1918	Tata Power (May Nov.)	96.97	7 1/2	1,000	1,140/00	1,250
1923	Nellimari (Apr. Oct.)	5.00	6	100	104/00	124	1919	Tezpur-Balipara Tram (1) (June Dec.)	2.25	6	100	130/00	135
1913	New Central (Jan. July)	33.00	7	100	91/00	102	1937	Titagarh Paper Mills (Mar. Sept.)	11.50	8	100	130/00	135
1904-09	Northbrook (July Jan.)	15.00	5 1/2	100	76/00	113 1/2	1937	Titagarh Paper Mills "2nd" (Mar. Sept.)	11.50	8	100	130/00	135
1906-12	Rameswara (Jan. July)	15.00	5 1/2	100	76/00	113 1/2	1937	Vellore Electric (Sept. Mar.)	15.00	4 1/2	100	90/00	95
1901	Ranbana (Jan. July)	20.00	6	10	10/00	16	1937	Vizagapatnam Electric					

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1954 1955 1956	Rs.	24-4-57 17-4-57 A year ago
25,50,000	27,20,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,396	28,610	34-5	17/62 23
1,00,00,000	1,36,15,288	1,40,49,223	18,85,659	Bengal P	4-10	2	26,19,968	7,31,563	74-73	17/62 23
4,49,350	5,08,192	5,08,192	2,24,302	Bengal Bhaidee	5-12	2	15,145	4,951	14-13	17/62 23
2,25,000	2,48,198	5,30,654	3,61,476	Bengal Nagpur P	5-12	2	1,07,984	1,07,984	Nil-Nil	17/62 23
15,37,000	14,16,685	6,31,475	13,32,176	Bhalgorah	1	152	3,13,895	39,872	Nil-Nil	17/62 23
40,00,000	58,01,474	20,23,237	32,55,321	Bharat Collieries P	6	335	2,52,221	27,433	61	17/62 23
7,15,000	15,63,291	14,29,045	68,704	Bhilaihararee	5-12	106	20,810	1,87,446	Nil-Nil	17/62 23
16,00,000	38,87,272	16,18,636	7,128	Bokaro & Ramgur	5-12	315	1,21,932	79,194	Nil-Nil	17/62 23
7,50,000	18,56,888	24,29,027	11,60,067	Borra P	5-12	106	2,14,932	84,207	10-10	17/62 23
90,32,480	2,39,17,614	1,75,02,136	28,93,839	Burakur P	5-12	21	7,43,659	36,169	24-34	17/62 23
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	24	17/62 23
8,00,000	16,67,472	13,30,515	15,752	Central Kurkand P	5-12	323	34,743	82,762	Nil-Nil	17/62 23
6,00,000	24,00,428	Nil	7,32,536	Churulia	5-12	106	8,374	2,126	Nil-Nil	17/62 23
2,240,000	2,23,116	2,31,125	50,309	East Indian	5-12	19	1,83,318	1,83,318	Nil-Nil	17/62 23
2,53,500	1,15,25,711	83,35,045	24,17,894	Esatibor P	6-12	128	8,96,155	5,58,922	183	17/62 23
10,00,000	4,74,708	2,07,481	3,32,971	Shushtek & Mustia	5-12	19	8,87,452	32,379	74-73	17/62 23
6,50,000	5,06,856	3,31,155	4,95,444	Juzdar Kajora	5-12	20	24,157	2,401	Nil-Nil	17/62 23
8,00,000	3,17,780	7,25,000	7,32,425	Jurrahadi	5-12	19	2,70,524	45,985	74-10	17/62 23
3,50,000	6,31,200	5,66,816	1,407	Kalapahari	2-8	2	1,38,130	2,21,237	Nil-Nil	17/62 23
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	17/62 23
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	24	17/62 23
5,00,000	10,29,548	16,60,000	11,25,332	Katras Sheriah	1-7	2	5,92,347	1,33,475	25-30	17/62 23
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P	5-12	326	49,776	1,918	Nil-Nil	17/62 23
5,65,750	10,84,977	95,000	9,591	Mundulur	5-12	326	79,868	79,868	Nil-5	17/62 23
7,48,240	3,46,939	2,00,000	10,14,203	Nazira	5-12	326	92,517	31,201	5	17/62 23
7,00,000	5,13,414	26,611	61,841	New Bansdeopur	5-12	326	9,011	5,071	34-73	17/62 23
17,76,230	31,15,787	20,01,762	3,78,338	New Beerbhoom P	4-10	8	2,64,116	94,380	34-33	17/62 23
6,00,000	11,11,645	15,000	46,831	New Vanbhoom	3	202	48,201	70,222	Nil-Nil	17/62 23
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	Nil-Nil	17/62 23
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,420	15,950	Nil-Nil	17/62 23
7,50,000	1,20,000	12,19,987	23,76,751	Ondal P	5-12	106	22,101	56,646	5-5	17/62 23
8,34,000	9,21,342	10,882	1,36,011	Parasara P	5-12	207	1,08,075	8,018	34-33	17/62 23
15,75,000	13,39,443	16,50,000	13,39,443	Pencr Valley	3-9	236	3,73,734	33,734	84-74	17/62 23
2,50,000	3,52,409	1,500	11,534	Pure Sitapur	5-12	5	2,008	18,881	Nil-74	17/62 23
23,00,000	36,99,424	20,17,105	67,698	Rewah	5-12	79	3,67,448	23,188	24-23	17/62 23
8,88,001	10,45,115	15,51,501	14,29,644	Rewah	5-12	236	1,44,394	15,614	84-74	17/62 23
20,00,000	23,74,261	7,52,027	1,01,427	Samsa	12	48	1,80,666	31,543	74	17/62 23
2,50,000	1,56,194	1,34,374	1,35,364	Seepore P	5-12	1	353	89,009	25	17/62 23
2,80,000	10,92,193	8,36,598	7,87,726	Seepore P	5-12	2	2,42,112	49,293	14-14	17/62 23
8,90,000	8,31,524	5,29,304	6,32,757	Sendra	5-12	106	1,409	1,503	Nil-11	17/62 23
17,50,000	22,79,253	10,89,033	25,003	South Karanpura	8	21	73,600	10,407	Nil-11	17/62 23
8,00,000	1,42,060	14,01,053	23,80,817	Standard	12	106	70,093	17,411	74-73	17/62 23
10,00,000	15,58,085	15,075	3,910	Talcher	8	277	22,689	3,85,056	Nil	17/62 23
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	279	54,089	9,659	5-24	17/62 23
49,98,000	33,66,556	50,000	2,17,164	Western Bengal	1	166	4,00,468	1,46,650	24-23	17/62 23
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,650	Nil-Nil	17/62 23

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs.	Spindles	Looms	Rs.	Rs.	Rs.			Rs.	Rs.	1954 1955 1956	Rs.	24-4-57 17-4-57 A year ago
15,00,000	14,108	356	14,62,918	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	10	5/06 5/06 6
32,12,340	22,197	505	37,69,676	23,18,968	24,551	Benares P	3-9	120	1,27,187	4,79,347	10	0/87 0/87 1
7,11,286	36,000	932	17,17,120	2,20,368	30,842	Bengal Luxmi	4	27	3,66,176	47,818	10	40/00 40/00 38
27,00,000	11,476	624	33,33,000	15,50,000	3,84,224	Bengal Nagpur P	5-12	236	5,23,389	18,199	10	7/75 7/75 95
15,00,000	38,164	929	28,31,200	89,48,585	31,22,417	Birla Cotton	5-12	22	16,69,225	2,76,936	10	35/00 35/00 165
30,00,000	42,872	641	47,54,142	22,72,598	1,44,348	Bowring P	5-12	138	94,028	23,47,372	100	120/00 120/00 165
3,27,32,900	22,000	510	3,43,453	29,51,426	1,00,393	Cawnpore Textiles	5	25	6,73,253	36,767	10	6/25 6/18 38
1,00,563	1,01,808	2,762	3,94,63,168	2,74,48,392	2,94,83,803	Delhi Cloth & Genl P	6	238	1,81,41,278	82,759	9	37/75 37/75 301
19,00,000	12,944	518	34,12,181	25,71,925	1,53,284	Dunbar	5-12	136	9,92,376	1,37,951	100	174/00 174/00 278
63,00,000	54,000	1,290	19,99,926	71,13,555	61,910	Elain P	9	25	45,81,868	78,754	10	21/50 24/00 173
1,29,00,000	39,250	1,872	2,38,99,575	1,69,53,952	47,29,268	Kesoram P	9	22	37,41,719	2,45,435	10	13/37 13/37 107
3,00,000	15,864	864	17,48,142	3,75,679	74,08,651	Mohini P	12	45	3,53,311	3,158	25	107 107 107
30,00,000	98,000	1,825	17,44,544	52,19,601	12,65,055	Muir P	12	208	18,77,941	7,77,296	100	75/00 75/00 24
22,89,324	78,846	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	18,83,371	13,76,473	100	1/81 1/81 111
3,97,39,140	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Rampooria Cotton	6	4	6,16,936	1,094	10	16/25 16/25 111
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,026	100	12/50 12/50 102
17,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,026	100	12/50 12/50 102
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,026	100	12/50 12/50 102
40,50,000	48,754	1,310	91,31,708	1,89,73,217	43,89,978	Bangalore W. C. Silk P	12	26	56,34,938	2,38,648	100	557/00 557/00 570
4,78,47,800	1,20,012	2,770	1,20,11,600	1,89,73,217	43,89,978	Bangalore W. C. Silk P	12	26	56,34,938	2,38,648	100	557/00 557/00 570
20,00,000	28,000	1,200	1,20,11,600	1,89,73,217	43,89,978	Bangalore W. C. Silk P	12	26	56,34,938	2,38,648	100	557/00 557/00 570
12,00,000	33,664	1,200	1,20,11,600	1,89,73,217	43,89,978	Bangalore W. C. Silk P	12	26	56,34,938	2,38,648	100	557/00 557/00 570
20,76,000	72,832	407	77,91,212	1,89,73,217	43,89,978	Bangalore W. C. Silk P	12	26	56,34,938	2,38,648	100	557/00 557/00 570
6,50,000	50,640	295	12,25,505	17,90,000	38,77,438	Calcutta Spg & Wvg	6	46	7,52,340	10,23,340	100	86/00 86/00 332
24,00,000	30,512	200	60,83,320	19,25,000	4,09,860	Kaleeswarar	139	2	2,05,780	7,677	100	335/00 335/00 221
23,94,000	48,756	1,501,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,209	10	14/75 14/75 191	
1,75,02,480	4,65,324	2,06,03,942	4,13,81,878	1,14,98,962	Madura	12	108	95,70,251	32,44,130	20	41/50 42/00 501	
12,00,000	1,856	1,43,189	3,85,463	1,04,898	Malabar Spg & Wvg	12	240	80,193	84,039	10	109/00 109/00 114	
60,00,000	24,252	603	20,49,893	69,00,000	1,91,146	Mettur Industries	3	29	48,44,863	48,835	35	42/00 42/00 8
13,51,780	6,000	1,415,992	8,90,274	1,34,663	Mysore Spg & Wvg	3	142	1,753	3,986	NU	8/87 8/87 167	
4,00,000	20,137	411	3,36,608	5,00,000	Palani Andavar P	12	30	7,39,437	2,687	100	147/00 147/00 300	
7,78,700	15,540	270	1,42,118	1,43,421	Palani Andavar P	12	30	7,39,437	2,687	100	147/00 147/00 300	
7,00,000	28,104	270	12,98,563	18,23,501	1,71,324	Vasanta P	12	47	16,37,724	3,083	100	308/00 308/00 300

Liquid Assets

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Net Profits including taxation	Carry forward	Dividends per cent			Paid up per share	Latest Market Quotations as available until			
	spindles	looms								1954	1955	1956		Rs.	Pts	Pts	Pts	23-4-57	16-4-57	A year ago
Rs.			Rs.	Rs.	Rs.			Rs.	Rs.			Rs.	Pts	Pts	Pts		
33,00,000	48,652	1,016	78,94,641	23,32,650	13,76,778	Ahmedabad Advance P	6	269	13,76,721	17,089	5	7	12	100	172/50	172/50	173 1/2
50,00,000	48,652	896	80,17,000	10,78,394	10,78,394	Apollo	12	225	1,49,501	-2,24,481	Nil	..	..	100	24/00	24/00	53/00
40,00,000	41,135	380	56,44,080	24,00,000	84,33,871	Beharilal Ramcharan	8	350	-1,44,858	45,644	..	..	..	100	39/00	39/00	54/00
2,50,98,000	2,03,942	4,811	1,92,50,220	1,29,32,051	3,63,58,662	Benarasi Dyeing etc	12	196	54,80,356	73,129	6	10	..	250	551/50	555/00	645
10,00,000	35,052	948	4,48,718	25,25,750	71,44,104	Bradbury P	8	262	11,48,319	80,415	..	..	..	100	212/50	212/50	190
20,00,000	28,848	496	26,33,376	5,00,000	58,109	Broach Fine Counts	12	22	39,09,708	8,34,956	22	22	..	250	454/50	462/50	525
1,09,42,800	1,18,296	2,760	94,77,147	2,63,96,826	32,49,545	Century	6	268	37,631	28,119	2	3	Nil	100	113/00	114/50	133 1/2
44,00,000	1,15,188	2,062	92,64,620	46,12,622	40,03,860	Central India P	12	344	-12,83,922	33,88,439	..	..	..	100	176/00	175/00	171
44,00,000	44,592	694	1,00,00,566	..	..	Colaba Land & Mill	3	38	7,46,629	1,28,751	..	..	..	100	131/00	131/87	181
26,00,000	24,311	719	37,34,829	32,52,334	1,01,653	Coorla	12	262	2,92,571	1,07,562	..	..	..	100	97/50	97/50	100
16,00,000	43,512	..	13,26,202	26,53,597	18,49,466	Dawn	12	262	9,38,679	30,168	74	..	..	200	250/00	250/00	325 1/2
40,00,000	49,194	920	8,87,007	27,75,000	26,87,329	Edward Textiles	12	266	3,18,675	19,36,991	49	379	..	50	59/00	59/00	50
25,00,000	33,848	782	24,22,107	1,00,000	33,29,431	Elphinstone P.	12	341	61,75,097	85,682	..	..	..	100	300/00	305/00	351 1/2
40,00,000	46,072	784	22,83,234	38,21,477	43,47,258	Finlay	12	86	12,85,523	85,195	..	..	..	100	191/00	193/00	227 1/2
39,04,700	71,966	..	78,18,308	43,25,176	23,64,106	Gokak	6	156	5,20,791	1,801	4	..	..	100	5525/00	5,525/00	3,825 1/2
50,00,000	71,872	1,387	61,31,506	2,46,297	52,300	Hind Mills Ltd. P.	6	156	5,20,791	1,801	4	..	..	1,000	5525/00	5,525/00	3,825 1/2
12,00,000	40,856	1,116	94,14,595	68,13,239	10,75,353	Hindustan	8	305	4,27,954	8,195	..	..	..	10	10/00	10/40	12
1,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,706	31,82,629	India United	12	15	1,32,229	5,89,816	..	..	..	100	1/00	1/00	2
8,00,000	47,824	1,202	75,80,490	61,57,161	4,26,274	Indian	8	305	..	..	..	..	..	1,000	5,125/00	5,125/00	3,830
50,00,000	50,079	1,426	31,41,539	3,16,447	21,31,031	Indore Malwa United	12	103	25,31,563	9,551	6	9	..	100	138/00	138/00	39 3/4
8,86,000	22,664	459	6,64,303	48,64,818	26,76,437	Khandesh	12	122	1,96,715	63,148	..	..	..	1,000	182/50	177/50	227 1/2
26,32,500	65,280	1,514	50,33,012	49,54,667	24,89,047	Khatav Makanji P.	6	149	4,92,851	22,865	..	18	18	100	314/00	316/50	353 1/2
1,00,00,000	1,11,494	1,846	80,10,480	1,37,00,000	8,02,334	Kohinoor	12	146	41,28,822	1,62,802	13	17	..	250	705/00	705/00	650
32,00,000	51,972	1,213	35,78,446	77,40,640	9,87,456	Lakshmi P.	12	44	13,97,807	14,744	19	..	..	100	101/25	101/25	100
89,59,700	36,416	551	39,80,508	19,58,081	12,15,175	Minerva	12	126	1,99,449	16,588	6	6	..	100	180/00	180/00	150
94,83,850	52,408	1,020	14,24,442	75,31,527	9,17,444	Model Mills Nagpur	6	78	47,62,626	27,241	..	..	..	250	220/00	220/00	243 1/2
61,78,000	71,652	1,852	59,39,038	37,05,293	31,398	Morarjee Gokuldas	6	104	17,68,613	1,41,489	14	14	15	100	101/25	101/25	100
24,83,500	48,794	500	43,78,635	50,54,445	30,78,517	Mysore Spg & Mfg P.	3	261	49,43,379	19,401	17	12	18	50	149/40	149/37	24
24,00,000	45,944	432	23,52,760	7,45,700	10,79,300	New City of Bombay	12	42	15,67,753	8,456	..	..	..	100	278/00	230/00	23
30,00,000	46,884	1,024	22,77,098	25,72,444	27,32,568	New Great Eastern P.	10	42	12,48,697	153	..	..	..	100	143/75	143/75	13 1/2
49,81,100	24,708	469	51,34,024	99,86,658	25,25,828	Oemanshabai	10	273	12,88,408	1,79,408	..	..	..	100	9/80	9/80	10
48,00,000	34,244	728	53,94,222	35,02,898	1,54,21,523	Phoenix	12	119	3,31,027	27,480	..	..	..	10	39/50	39/50	50
5,00,000	3,524	277	69,42,277	1,13,456	3,28,233	Sassoon & Alliance Silk	12	257	21,03,343	8,505	..	..	..	1,000	1225/00	1,225/00	1,110
35,00,000	1,289	2,289	47,75,322	50,43,474	45,94,877	Sassoon Spinning	12	339	22,21,695	10,147	..	..	..	50	171/50	174/25	20
46,00,000	1,11,386	2,234	11,46,629	1,51,29,193	38,22,524	Sholapur	3	183	24,07,965	1,95,119	..	..	..	100	178/00	178/00	22
1,00,00,000	34,840	1,276	15,08,540	49,02,108	69,98,269	Simplex	8	46	18,98,596	35,938	..	..	..	100	213/00	213/00	22
24,00,000	98,068	1,640	33,20,221	59,06,251	18,83,895	Sree Nivas Cotton P.	12	327	20,80,610	1,53,662	6	12	..	100	400/00	401/25	425
24,00,000	93,046	2,000	1,24,92,659	94,75,000	36,68,495	Svadeshi P.	12	269	15,47,509	67,611	..	..	..	100	47/50	48/00	50
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	25	132/50	139/40	10
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938	31,456	528	46,34,-+6	56,58,671	12,468	Swan	12	269	8,25,350	43,485	10	16	..	100	5,200/00	5,200/00	3,875
82,78,938																	

CAPITAL

April 25, 1957.

CAPITAL

† Liquid Assets. * 1956.

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts Receivable	Sundry Assets	Net Profit including Taxation	Carry forward	Dividends per cent			Latest Market Quotations as available (mt)			
									1954	1955	1956		24-4-57	17-4-57	1 year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
MININGS.															
22,369.796		21,73,459	22,534,298	Burma Mines Ltd.	12	153	£608	£304				31s	2/41	2/53	5 1/2
30,000,000	43,47,289	22,78,383	34,23,753	Chrestien Mica Industries Ltd. P.	12	312	11,97,132	10,883				10L	14/34	14/34	14 1/4
15,000,000		£97,494	£112,663	Consolidated Tin Mines	3	67	£10,532	£22,218				5Dd	7/12	7/12	8
3,318,688	2,238,420	£1,853,056	£1,776,169	Indian Copper Corporation	12	88	£1,299,804	£117,083				5s	1/56	1/50	22 1/2
2,914,200	2,876,054			Metal Cornn. P.	3	343	—2,39,775	—4,51,131				2s	3/28	3/30	6 1/2
20,194,300	61,58,847	2,01,886	13,721	Orissa Minerals Development	6-12	21	3,82,669	1,00,667				1Dd	3/00	3/00	2 1/2
2,63,673Dd	23,45,841	35,94,529	34,50,188	Tavoy Tin Dredging	12	14	£29,359	—£19,118				1s	19/57	19/57	24 1/2
20,000,000	£445,323	£317,467	£234,024									2s	00/56	0/56	1 1/2
3,375,000															
CEMENT LIME SLATE, ETC.															
43,14,600Dd	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,812	6,44,675				100	6/44	6/44	6 1/2
70,976Dd		14,32,396	1,06,702	Bangal Potteries	12	155	8,02,008	12,631				1Dd	2/50	0/93	1 1/2
31,70,655	32,23,186	27,63,242	4,20,854	Bisra Stone Lime	3-9	21	5,47,558	20,179				10	32/09	32/00	3 1/2
10,00,000				Dalmia Cement (Bharat) P.	12	123	56,57,136	2,87,995				10C	11/75	11/75	14 1/2
60,00,000	62,91,811	98,26,915	2,11,38,275									10C	00/56	2/94	3 1/2
26,50,000				Kumardhubi Fireclay & Silica P.	12	21	6,05,311	49,404				1Dd	1/19	1/94	3 1/2
5,00,000Dd	77,49,749	72,12,923	21,43,327	Reliance Firebrick & Pottery	2-8	—	1,10,349	18,901				10	17/00	17/00	17
15,00,000	10,81,502	8,62,369	80,359	Scene Valley Portland Cement	12	—	6,88,487	41,941				10	20/09	20/00	25
6,00,000	59,94,174	22,45,000	6,74,213	Sutna Stone & Lime	6-12	3	79,598	652				5	6/31	6/56	7 1/2
75,00,000	1,63,551	61,287	2,27,012									10	18/00	18/00	16 1/2
3,22,560															
CHEMICAL INDUSTRIES															
62,00,000	1,57,65,178	84,81,273	1,55,677	Alkali & Chemical Corp. of India	9	121	29,84,232	92,495				10	11/31	11/62	19 1/2
40,00,000	99,765	60,000	37,983	Bathgate & Co. Ltd. P.	12	324	2,18,875	—20,65,382				10	1/25	1/25	1 1/2
11,45,800C				Bengal Chemical & Pharm. P.	4	245	14,18,430	11,70,500				100	101/00	101/00	104 1/2
11,38,900A	56,08,902	43,35,000	1,49,08,740												
22,54,700B				Frank Ross P.	2	129	46,893	858				5	2/19	2/19	21 1/2
4,95,000	82,695	69,070	15,903	Smith Stanistreet P.	6	191	714,527	1,18,394				5	11/75	11/75	16 1/2
5	4,60,152	11,00,929	3,05,678												
ELECTRIC LIGHTING POWERS.															
19,99,000	47,69,341	26,19,793	22,94,559	Agra Electric Supply	3-9	32	3,05,594	46,084				100	145/00	145/00	159
8,00,000	26,70,592	6,55,896	4,34,369	Bareilly Electric Supply	6-12	32	83,783	20,990				5-5	13/25	13/25	13 1/2
17,00,000	80,72,285	22,47,869	11,75,299	Benares Electric Light Power	6-12	32	5,94,013	38,507				51-61	17/19	17/19	18 1/2
5,91,360	10,96,663	5,90,855	85,314	Bhagalpur Electric Supply	12	202	1,44,138	41,418				8	8/62	8/62	8 1/4
£4,262,646	£18,897,213	£7,242,380	£505,368	Calcutta Electric Supply P.	12	202	£1,526,236	£139,163				81	12/56	12/62	13 1/2
6,60,040	17,68,438	5,34,904	93,194	Cuttack Electric Supply	12	202	1,24,839	26,455				8	8/75	8/75	9 1/2
17,51,650	38,10,419	10,41,599	3,39,348	Dacca Electric Supply P.	12	202	3,89,244	12,706				10	4/12	4/12	4 1/2
51,24,640	8,42,566	1,65,000	3,037	Jhansi Electric Supply	12	168	71,309	27,527				10	8/50	8/50	8 1/2
22,49,550	42,84,132	14,91,995	6,31,532	Jubbulpore Electric Supply	3-9	32	2,14,454	27,739				10	13/31	13/31	14 1/2
4,95,000	5,44,854	2,51,058	1,13,328	Mirzapur Electric Supply	12	202	58,676	73,159				5	5/50	5/50	5 1/2
5,82,930	17,12,129	1,78,813	83,850	Muzaffarpore Electric Supply	12	329	73,159	—7,073				10	6/07	6/07	6 1/2
6,99,700	5,43,957	77,521	3,48,125	Muttra Electric Supply	6-9	32	30,021	2,295				10	10/62	10/62	7 1/2
35,97,380	85,46,049	37,10,223	11,51,661	Patna Electric Supply	12	202	7,40,28	68,005				10	11/19	11/19	11 1/2
3,00,000	2,87,192	92,919	1,24,119	Saugor Electric Supply	6-12	32	26,540	2,248				10			
9,10,000	2,77,951	2,72,390	1,20,990	Shajahanpur Electric P.	9	202	65,624	14,394				10	5/87	6/07	3 1/2
16,60,000	27,99,505	5,36,598	3,38,399	Sijua (Jherria) Electric	12	21	3,29,874	44,269				10	10/75	10/75	12
36,00,000	1,62,42,470	35,82,369	13,28,114	United Provinces Electric	3-9	32	5,39,398	80,098				100	146/00	146/00	160
5,98,500	10,14,094	2,71,543	6,41,801	Upper Ganess Valley Elec.	6-12	32	56,850	7,022				10	13/56	13/56	14 1/2
4,97,500	8,93,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,313	28,289				10	18/00	18/00	18 1/2
ENGINEERING & METAL															
6,00,000	1,74,689	6,49,870	2,10,157	Arthur Butler (Mozzuffpore) P.	10	300	1,52,744	1,01,965				10	8/00	8/00	7 1/2
50,00,000	51,82,373	16,39,587	1,37,153	Bhartia Electric Steel	12	31	11,67,215	3,95,940				10	15/75	15/51	17 1/2
56,59,790	51,44,314	63,54,991	28,56,380	Braithwaite India	12	289	30,48,096	1,99,299				10	23/12	25/00	26 1/2
12,30,000	11,00,577	20,99,851	21,294	Bridge & Roof	6-12	24	6,16,247	1,51,297				10	36/00	36/00	35
19,78,570	30,18,077	5,14,361	3,54,992	Britannia Building & Iron P.	3	109	1,08,001	51,637				10	6/46	6/75	7 1/2
39,37,520	30,18,077	36,42,385	1,28,898	Britannia Engineering	12	165	11,47,552	1,36,319				10	12/93	13/25	18 1/2
5,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	91,780	—5,26,929				10	12/00	12/00	7 1/2
84,00,000	1,54,84,115	1,30,96,539	15,49,676	Burn P. (Engineering)	4	32	95,08,823	1,12,719				100	312/00	312/00	355
12,50,000	20,64,770	22,00,000	45,733	Hooghly Docking	12	32	1,72,120	2,037				50	132/00	132/00	120
36,94,590	23,07,100	6,65,000	55,316	Indian Galvanizing	12	24	5,46,700	41,267				10	19/00	19/12	26 1/2
5,18,37,080	18,00,34,354	11,70,76,011	6,37,45,033	Indian Iron & Steel P.	3	32	8,54,28,108	1,49,314				10	20/15	20/09	34 1/2
3,85,000C				Indian Malleable Casting	3	27	—26,94	—82,872				10	3/25	3/25	8
1,54,500Dd	3,90,976	40,000	47,40,637	Indian Standard Wagon P.	3	32	41,06,372	24,072				10	6/46	6/75	7 1/2
19,49,250	30,46,716	47,33,987	13,61,471		3	122	75,05,632	9,71,508				10	66/00	63/75	79 1/2
26,80,000	41,51,487	2,74,14,189	2,14,40,051	Indian Steel & Wire Products	3	122	75,05,632	9,71,508				100	5/50	5/50	19 1/2
32,00,000C	45,57,847	57,91,388	15,36,312	Jessop & Co. P.	10	290	47,27,193	14,130				10	25/63	25/37	35 1/2
51,00,000	44,15,822	43,12,118	1,56,293	Kumardhubi Engineering P.	11	21	6,23,372	21,425				10	9/50	9/78	10 1/2
15,30,000															
10,50,000	4,14,165	24,87,584	4,85,613	Marshall Sons (India)	6	170	5,19,244	1,01,089				2	4/75	4/75	6 1/2
49,96,000	37,52,077	4,90,633	5,22,904	National Iron and Steel	3	192	11,68,033	5,28,690				10	7/60	7/90	7 1/2
6,00,000	9,22,727	6,10,321	1,36,103	Saran Engineering	3	25	1,68,352	3,264				10	6/62	6/62	7 1/2
60,00,000	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	9,44,777	1,47,573				10	19/00	18/90	23 1/2
SUGAR BREWERIES, ETC.															
14,00,000	12,16,880	12,32,202	1,10,459	Bairampur Sugar	6	25	—37,960	48,371				5	6/50	6/50	10 1/2
19,49,025	9,79,539	5,00,000	1,42,483	Belsund Sugar	9	234	1,38,925	49,906				7 1/2	11/18	11/50	10 1/2
15,00,000	5,64,321	13,51,513	18,14,493	Bharat Sugar P.	6	316	1,95,561	2,330				10	17/00	17/00	17 1/2
33,57,580	22,31,255	36,89,916	26,47,499	Bolund	10	92	14,37,497	8,477				10			
32,00,000	77,03,997	63,63,722	9,45,470	Canev (Sugar) P.	6	158	2,63,567	12,445				10	7/69	7/69	8 1/2
20,00,000	28,46,921	37,91,883	2,42,443	Lawnport Sugar P.	10	25	8,18,131	91,991				7 1/2	20/06	20/06	19 1/2
18,00,000	28,46,921	37,91,883	2,42,443	Champaran Sugar P.	6	25	8,18,131	91,991				10	19/12	19/12	20 1/2
26,00,000	20,97,662	38,37,013	4,95,670	Darbhanga	8	171	17,37,748	2,35,636				10	23/25	21/50	20 1/2
16,20,630	12,59,649	16,38,916	11,32,511	Dyer Meakin (Breweries)	3	110	17,70,601	3,143				10	5/00	6/09	5 1/2
15,83,000	23,89,532	2,24,658	3,84,913	Gwalior Sugar P.	9	237	—57,979	3,819				10	76/00	76/00	45 1/2

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	24-4-57	17-4-57	A year ago
SUGAR BREWERIES ETC.															
11,00,000	6,45,722	3,75,000	10,90,564	New Saven Sugar and Gur	3	140	95,437	52,205	..	..	..	10	5/75	5/75	6 1/2
9,00,000	12,45,157	19,64,817	1,62,880	Purbapur Sugar P.	10	25	2,94,625	20,705	7 1/2	7 1/2	7 1/2	10	17/62	17/62	17 1/2
16,59,820	25,62,127	35,00,000	5,84,354	Ramnagar Cane & Sugar P.	3	1	18,11,304	20,350	15	20	..	10	25/25	25/25	24 1/2
19,99,600	25,62,563	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	20 1/2
8,00,000	6,07,233	7,72,778	3,77,846	Ryam Sugar P.	5	25	4,21,492	13,264	5	Nil	17 1/2	10	21/50	21/50	20 1/2
11,99,000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	6	25	33,558	3,554	5	Nil	17 1/2	10	11/50	11/50	14 1/2
40,00,000	72,49,554	19,00,000	1,12,477	Shree Krishna Gyanoday Sugar P.	7	335	8,85,387	16,381	5	Nil	Nil	10	10/31	10/31	12 1/2
7,94,500	13,54,858	11,85,175	11,16,368	Shree Sitaram Sugar	6	140	1,90,057	7,991	15	17 1/2	10	10	13/00	13/00	11 1/2
9,99,950	14,69,227	26,825	75,569	Sitalpore Sugar	6	94	77,391	—4,25,477	Nil	Nil	Nil	10	4/37	4/37	4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,061	12 1/2	..	..	10	14/00	14/00	19 1/2
8,00,000	47,67,060	29,24,348	3,58,383	Upper Ganges Sugar P.	3	316	12,95,211	32,829	25	25	30	10	70/00	70/00	94 1/2
14,00,000A				Upper India Sugar	4	302	16,80,986	86,393	15	20	..	100AC 12 1/2 BC	280/00	280/00	127 1/2
7,00,000B	14,24,740	23,74,426	10,72,924									10	28/50	28/50	15
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526†	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4/19	4/19	4 1/2
1,50,00,000	1,40,80,594	6,21,715	51,061	Air India Ltd.	12	269	—6,02,785	—14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	—10,51,340	30,205	..	..	..	100	..	..	..
47,50,000C				Aluminium Corp. P.	3	132	25,21,116	1,16,199	Nil	Nil	5	100	9/12	9/00	2 1/2
2,50,00,000	3,08,51,605	17,00,000	16,26,711	Anderson Wright, Ltd. P.	12	1	—89,002	18,294	7 1/2	Nil	..	100	11/50	11/50	22 1/2
80,00,000	42,38,502	14,50,000	54,97,530	Angelo Bros.	12	268	15,15,199	3,35,874	12 1/2	..	20	10	19/19	19/00	21 1/2
80,00,000	11,39,552	39,18,823	14,94,091	Assam Match	12	274	8,35,902	1,18,395	12 1/2	..	..	10	20/37	20/37	19 1/2
80,00,000	17,54,434	27,66,265	5,49,634	Assam Saw Mills & Timber	3	21	—97,045	—5,14,537	Nil	Nil	..	3	2/95	2/95	4 1/2
13,99,998	21,25,615	28,30,285	64,182	Associated Hotels of India P.	3	204	8,82,993	32,683	2	4	..	10	10/75	10/75	7
80,00,000	61,61,507	23,00,000	61,84,607												
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	144/00	147/00	177 1/2
12,00,000	2,55,004	8,49,890	4,52,019	Baraee Coke	10-9	128	2,19,706	45,339	7 1/2	7 1/2	6	100	16/25	16/25	19 1/2
6,00,000	76,414	Nil	10,72,417	Bengal Timber Trading P.	6	128	—6,43,164	—1,19,103	7 1/2	..	..	100	41/00	41/00	44 1/2
50,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	6	22	—3,19,589	—3,19,229	..	..	..	100	5/25	5/25	44 1/2
45,97,020	76,85,085	31,11,814	66,68,956	Birds Investments P.	3	160	4,50,013	37,312	12 1/2	..	10	10	14/37	14/37	16 1/2
22,50,000	13,98,796	43,18,775	2,09,476	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	10	10	13/12	13/25	15 1/2
8,25,00,000	59,89,738	1,18,50,524	3,38,373	British Ceylon Corporation P.	12	8	27,75,295	1,85,955	..	..	..	7 1/2	8/31	8/31	8 1/2
			2,50,83,630	British India Corporation P.	12	33	—30,23,938	—27,36,584	13	Nil	..	5	7/40	7/60	10 1/2
22,50,000A				Calcutta Gas Co. (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A	6/75	6/75	8 1/2
32,50,000B	2,16,659	3,24,161	1,02,576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	Nil	10B	4/31	4/31	4 1/2
5,00,000	5,92,780	2,40,684	1,02,576									10	..	..	..
80,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	100/00	100/00	123 1/2
80,00,000	3,06,30,528	3,40,86,174	3,55,133	Dunlop Rubber Co. (India) P.	12	96	1,02,44,457	13,24,595	15	15	15	100	24/06	24/00	30 1/2
51,26,000	17,79,357	4,33,826	1,72,19,436	Eastern Investments Ltd. P.	12	21	11,20,034	3,27,916	9	9	9	100	108/00	107/00	12 1/2
75,00,000	12,88,300	21,97,041	85,55,300†	F & C Osler (India) Ltd. P.	3	84	—4,28,249	—5,75,954	..	..	..	10	6/50	6/75	20 1/2
				French Motor Car	3	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	21/87	21/87	20 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	..	100	120/00	186/00	179 1/2
2,25,000	2,55,000	55,893	5,34,882	General Investments Trust P.	3	357	18,384	12,435	24-25	24-23	33-21	75	43/00	43/00	48 1/2
65,00,000	33,54,049	53,17,330	1,08,48,711	Gillanders Arbuthnot & Co. Ltd. P.	3	105	30,03,640	89,541	7 1/2	14	16	10	10/75	10/93	14 1/2
20,00,000	27,68,049	5,00,324	12,84,357	Gladstone Lyall & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	21/50	21/50	20 1/2
40,00,000	31,71,333	7,81,000	98,384	Godfrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	21/50	21/50	20 1/2
80,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,575	16,373	..	..	..	250	226/00	226/00	240 1/2
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	8	1/25	1/25	1 1/2
35,00,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	7/56	7/18	14 1/2
15,16,00,000	7,42,66,399	1,88,86,788	5,50,321	Imperial Tobacco	4	325	3,66,59,515	24,94,274	8	8	8	10	13/50	13/37	14 1/2
2,01,10,000	2,83,61,126	55,27,500	8,59,214	Indian Aluminium Co. Ltd. P.	12	293	42,79,225	7,97,410	Nil	9	10	10	12/68	13/25	21 1/2
1,52,89,220	1,27,87,878	1,37,00,000	11,88,406	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	25/68	27/31	21 1/2
5,00,000C				Indian National Airways	12	93	36,302	—12,62,971	..	..	..	100	8/12	6/75	5 1/2
83,75,000D	22,07,260	2,21,280	11,69,467	Indian Rubber Manufacturers P.	3	173	17,67,876†	32,616	..	..	..	100	00/50	00/50	11 1/2
1,25,00,000	7,44,398	5,38,000	17,67,876†	Indian Wood Products	3	88	17,28,038	2,76,619	27 1/2	30	..	10	26/25	26/25	11 1/2
6,27,970	4,64,735	18,15,487	10,03,705	Investments and Finance P.	2-8	21	27,880	51,001	24-24	31-24	31-21	100	40/00	40/25	39 1/2
20,00,000	2,55,728	2,55,728	12,78,254	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	3/00	3/00	2 1/2
2,40,000	15,362	4,46,244	3,20,757												
5,87,500C				James Wright P.	12	281	60,996	1,550	5	5	..	50	4/12	4/12	4 1/2
1,17,50,000D	2,16,659	3,24,161	64,65,89	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	7 1/2	7 1/2	7 1/2	100	00/62	00/62	100 1/2
5,00,000	51,37,813	57,00,000	40,22,618	Macfarlane & Co.	3	133	—14,078	—4,849	..	..	..	50	00/56	00/56	21 1/2
5,00,000C	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	7 1/2	7 1/2	11	100	00/56	00/56	24 1/2
1,43,96,500	35,89,193	69,82,786	2,07,03,941	Martin Burn Ltd. P.	9	309	93,42,590	2,70,207	13 1/2	18 1/2	21 1/2	10	22/37	22/19	24 1/2
40,00,000	37,46,252	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	12	17 1/2	16 1/2	100	240/00	240/00	240 1/2
5,00,000D	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	3	167	62,82,608								

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Portfolios Shares if any	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	Rs.	Rs.
CEMENT												
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	9 1/2	10	100	158/25
ELECTRIC LTG POWER												
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6 1/2	5	100	92/25
2,92,83,500	4,18,62,358	32,34,507	65,30,599	Andhra Valley Power Supply F	6	267	46,19,171	25,735	7 1/2	7 1/2	1,000	1,185/00
1,74,99,700	4,14,85,121	39,32,48	3,79,834	Bombay Suburban Elec Sup	3	146	19,21,73	45	7	7	100	106/25
38,08,200	14,87,551	4,75,323	14,87,551	Goa Electric Supply P	12	229	3,86,015	..	..	..	100	127/00
6,34,45,225	1,37,65,356	33,82,045	58,39,877	Goa Hydro Elec Power sup F	12	267	17,75,587	21,171	7 1/2	7 1/2	100	120/50
5,02,78,750	4,98,37,405	1,41,56,578	1,29,22,549	Goa Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	1,000	1,195/00
ENGINEERING & METAL												
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Asdown	12	268	3,79,566	1,35,820	12 1/2	..	100	252/50
4,00,000	29,341	4,43,904	39,338	East Engineering	12	115	62,291	1,598	15	5	50	66/00
40,00,000	11,26,513	10,00,000	9,74,654	Larsen & Toubro P.	3	351	14,80,736	28,740	10	10	10	15/00
40,05,100	51,25,753	2,02,500	49,333	Machinery Mfgs Corp Ltd P	3	283	2,02,006	64,676	..	..	100A	76/00
8,10,00,000	15,00,978	16,66,194	7,06,267	McKenzie	12	284	1,49,085	64,938	..	..	100	158/50
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25 5/6	28 1/2	300	138/75
1,31,250F	5,90,52,365	1,17,73,382	23,24,732	Goa Locomotive & Eng P.	3	269	1,09,79,942	1,29,979	..	..	100	138/75
4,20,00,000	32,44,07,755	16,63,05,536	12,34,83,510	Goa Iron & Steel P.	3	269	3,26,44,872	4,04,945	14	14	750	166/00
8,63,75,000	..	..	..	..	..	..	..	..	..	..	..	..
INSURANCE COMPANIES												
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,529	1,18,606	..	..	10	13/37
5,15,000	..	11,04,44,687	1,96,48,481	Empire of India Life	12	453	..	..	..	..	10	350/00
8,46,121	..	16,33,999	16,33,999	Indian Mercantile	12	75	..	1,13,109	..	..	100	45/50
16,74,940	25,01,134	1,68,61,155	4,61,49,342	Jupiter General P.	12	35	38,351	4,05,316	..	..	15	6/50
1,06,81,500	..	17,25,16,452	17,25,16,452	New India	12	179	13,58,653	71,250	16 2/3	..	100	38/50
6,00,000	..	57,81,74,430	57,81,74,430	Oriental Life	12	289	..	..	..	..	100	377/50
15,99,270	..	29,41,860	59,86,788	Vulcan	12	255	6,05,803	2,81,242	10	..	10	15/62
MISCELLANEOUS												
90,79,065	31,93,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	15	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	100	225/00
50,00,000	2,20,64,302	1,12,86,155	4,67,27,639	Bombay Burmah Trading	5	285	17,93,172	61,990	16	21	125	561/50
42,00,000	1,21,04,053	51,14,431	31,14,308	Bombay Steam Navigation P.	6	256	5,54,215	30,135	..	..	50	217/50
99,99,250	1,085	19,47,486	1,28,40,929	Industrial Investment Trust	12	299	5,81,909	2,83,136	..	..	25	76/00
11,99,900	13,82,957	7,34,142	14,05,223	Kem (Chemists)	3	87	58,232	16,942	..	..	100	197/50
1,57,71,400	3,74,35,779	1,81,13,445	1,39,442	National Rayor Corp.	12	352	39,19,604	3,72,076	10	..	200	228/00
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,882	5,62,020	24	24	100	18/45
7,00,000	27,45,055	37,30,000	11,27,081	Shivrajpur Snd (Manganese)	11	146	15,49,059	21,661	..	..	20	90/00
1,39,95,990	2,25,39,547	13,22,272	4,37,991	State Chemical P.	6	269	16,34,488	34,425	..	..	10	15/85
70,07,477	75,25,791	34,08,586	22,83,813	State Oil P.	3	269	3,00,461	11,452	..	..	10	42/50
2,75,00,000	1,46,45,903	2,43,20,930	6,50,49,201	Western India Match	12	274	74,35,281	5,61,984	11	11	100	170/50

*1956

†Liquid Assets

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earnings	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	Rs.	Rs.
CALCUTTA											
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2 1/2	2 1/2	100	60/00
21,89,300	33,40,889	6,00,102	Arrah Sasaram D B G	3-9	32	2,57,676	33,735	3-3	3-3	100	67/50
34,00,000	41,30,202	1,11,348	Bankura Damodar River S.S.G.	3-9	165	46,807	..	2 1/2	2 1/2	100	58/75
19,30,000	29,09,643	4,91,171	Barasat Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	2 1/2	100	10/00
17,20,000	21,78,786	2,20,877	Burwan Kutwa S.S.G.	3-9	165	78,839	..	..	2 1/2	100	59/00
31,00,000	35,46,011	..	Chaparmukh Sighar S.S.G.	3-9	32	62,834	10,849	1-29	1-1	100	51/00
4,75,000	3,20,040	4,75,000	Cherra Chhatka Ropeway	3	88	7,071	9,917	1-1	1-1	100	7/50
2,47,650	2,75,015	63,326	Darjeeling Ropeway	3	101	18,097	4,549	1-1	1-1	100	6/00
22,50,000	62,20,813	13,52,803	Jehri-Nights	3	335	6,42,311	37,814	6 1/2	7 1/2	100	10/42
11,49,700	20,10,843	1,68,140	Putab Islampur S.S.G.	3-9	32	-33,016	5,917	..	..	100	63/37
16,00,000	50,82,188	17,87,954	Howrah Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	100	51/00
6,00,000	13,87,138	4,43,410	Howrah Shekha D.B.G.	3-9	32	28,627	20,122	3-3	3-3	100	65/00
19,50,000	27,95,689	2,47,135	Kalighat Palta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	100	58/00
8,91,100	15,16,175	10,551	Katakhat-Lala Bazar S.S.G.	3	165	31,257	..	..	..	100	72/00
19,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	..	..	100	115/00
1,75,000	5,41,779	2,04,841	Tezpur Balipara Tramway	3-9	165	-43,574	5,944	..	..	100	115/00

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

320. G. W. J. Penn—United Breweries Ltd., Bangalore.	329. Sri G. D. Bhagat—15 Shilb Thakur Lane, Calcutta.	339. M. G. Investment Corp. Ltd.—127, Mahatma Gandhi Road, Fort Bombay.
321. F. Williams—14 Old Court House St., Calcutta.	330. Manindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. J. J. Chatterjee—Travancore, Calcutta.
322. Messrs. Late Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort Bombay.	331. V. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co. Ltd.—2 Netaji Subhas Road, Calcutta.
323. Anderson Wright & Co.—4 Wellesey Place, Calcutta.	332. M. Paspati—21 Ravelin Street, Fort Bombay.	342. U. N. Chatterjee—2 Royal Exchange Place, Calcutta.
324. Indo Corporation Private Ltd.—6, Swinhoe St., Calcutta-19.	333. Jaijuna Bros. Ltd.—33 Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co. Ltd.—10 Clive Row, Calcutta.
325. John Duthorforth Blackie—Virginia House, Chowringhee, Calcutta.	334. J. Attiner—2, Fairlie Place, Calcutta.	344. V. Plant—Victoria Sunder Colaba, Calcutta.
326. Serwale Bros.—63 Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd., Dalmanagar, Calcutta.	345. The National Tea Corporation—130, Cotton Street, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort Bombay.	336. Joushayer Brothers (Travancore), Ltd.—Elmor Factory, Always, Calcutta.	346. Senhasayer Brothers (Travancore), Ltd.—Elmor Factory, Always, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Coorgam, South India.	337. Associated Commercial Co. Ltd.—161/1 Harrison Road, Calcutta.	347. Sahu Jain Ltd.—11, Clive Row, Calcutta.
	338. B. J. Sons Ltd.—Hornby Road, Fort Bombay.	348. Chandmull Batia—7, Canning Street, Calcutta.
		349. K. & Agarwal—Empire House, Hornby Road, Fort Bombay.
		350. L. & E. (Management) Private Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay.
		351. J. K. Building Douglas Road, Ballard Estate, Bombay.
		352. J. K. Building Douglas Road, Ballard Estate, Bombay.
		353. N. C. Natharia—34 Netaji Subhas Road, Calcutta.
		354. L. C. Kanol—P. A. Mission Row, Calcutta.
		355. J. J. Robertson—18 Strand Road, Calcutta.
		356. B. Gajaria—10, Clive Row, Calcutta.
		357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta.

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Mixers or
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& Co. Ltd.
Calcutta Bombay Madras

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PROSPECTS FOR THE RE-FINANCE CORPORATION

DOUBTS ABOUT THE BANKS' VENTURE INTO MEDIUM-TERM INDUSTRIAL LENDING

GROWING interest has been shown recently in the Government of India's scheme to set up a Re-Finance Corporation for providing credit facilities to medium-sized industries in the private sector. The stock markets have reacted bullishly to the announcements which have appeared so far, on the assumption that a wealthy new institution is about to be born which will flush with funds many industrial undertakings which are now short of them. Cynics may reflect that some of the shares which have reacted most vigorously represent units which do not qualify for assistance under the scheme. But even so, the purposes for which the Corporation is being established, if not altogether the ways in which those purposes are to be fulfilled, deserve an enthusiastic reception. There is hardly any industry which has not felt the inadequacy of long- and medium-term, as well as short-term, finance growing more acute. Built with counterpart funds obtained from the sale in India of U.S. farm surpluses which are coming under the Indo-U.S. Agricultural Commodities Agreement signed in August last year, the Re-Finance Corporation represents an idea which could usefully be extended to other under-developed countries. The arrangements implied in the Indo-U.S. Agreement, while a tribute to American generosity, are mutually beneficial to both countries. They help the U.S. Government in disposing of agricultural surpluses which are burdensome and expensive to hold; as far as India is concerned, the money obtained by selling these surpluses is used for the industrial development she is vigorously promoting. The arrival of agricultural commodities is particularly welcome at a time when food and raw material shortages are promoting the inflationary conditions generated by heavy development expenditure.

Once the conception underlying the proposals of which the Re-Finance Corporation is an aspect has been appreciated, however, it is to the practical problems involved that attention must turn. The Government's plan is to set up the Corporation with an ordinary share capital of Rs. 12.5 crores, subscribed initially by the Reserve Bank (Rs. 5 crores), the State Bank (Rs. 2.5 crores), the Life Insurance Corporation (Rs. 2.5 crores) and selected commercial banks (Rs. 2.5 crores). With the Re-Finance Corporation will be placed the U.S. counterpart funds amounting to Rs. 26 crores; these will be given as an interest-bearing loan for a period of 30 years. The Corporation's total resources will thus amount to Rs. 38.5 crores, and this sum will be used to provide re-lending facilities against loans given by the 15 participating banks for increasing production in specified industries. Each bank will be given a quota out of the total of Rs. 38.5 crores, and it can use the Corporation's re-discounting facilities up to the amount of its quota. Loans can be given for periods of three to seven years, and no single borrower will be advanced more than Rs. 50 lakhs. When giving loans, it will also be seen to that no single industrial concern has total resources amounting to more than Rs. 2.5 crores.

The Re-Finance Corporation, it is stated, will not concern itself with the credit-worthiness of the primary borrowers; the full liability in case of default will fall on the bank concerned, and it will be for the latter to assess the standing of the borrower. Although it will thus take no risks, the Corporation will be lucky enough to earn 5 percent on the money it re-lends. The banks, who take the entire risk and who will have to invest in setting up the elaborate organisation required for the venture into medium-term industrial financing, will be entitled to take from primary borrowers a minimum of 1.5 percent above the 5 percent they pay the Corporation. The latter's sole function, it thus seems, will be to hold Rs. 38.5

crores of funds, and to distribute them as medium-term loans in such a way as accords with the purposes of the second five year plan. Even in the choice of these purposes, there may not be much independence or discrimination it can exercise. It is proposed to list the industries for which re-lending facilities will be allowed, and the preliminary list which has been drawn up indicates a strange order of priorities. It does not include coal, which many would regard as the most essential of capital-starved industries in the second plan; and it does not include tea, which is the country's second biggest (sometimes the biggest) earner of foreign exchange. There is a provision that the Corporation's re-discounting facilities will be available only for the purpose of increasing production in the selected industries. Working capital is no less important than the capital required for investment in fixed assets when production has to be increased; it therefore needs to be clarified whether both these types of capital requirements will be within the scope of the Corporation's activities.

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What precise function the Re-Finance Corporation is intended to serve, lying as it does between the Government which holds the U.S. counterpart funds and the banks which are to make those funds available to industry, is not altogether clear. It is said the intention is that it should direct these funds into the proper channels, by being choosy about the industrial loans it re-discounts. But the fact is that industrial expansion is already strictly controlled in other ways, and the same object can be achieved under existing legislative measures. The inadequacy of these measures has not yet become so obvious as would justify an extra check over the use of the U.S. counterpart funds through the new Re-Finance Corporation. In any case, the check that the Corporation exercises cannot be very strict unless it is prepared itself to examine the credit-worthiness of primary borrowers. There is hardly much reassurance to be got from the fact that a few lakhs of rupees have been advanced to, say, an engineering firm which is doing vital

COMPULSORY DEPOSITS FROM COMPANIES

ALTHOUGH the draft rules obliging companies to deposit a portion of their current profits with the Reserve Bank have been published, misgivings continue about how the system of compulsory deposits, originally announced in the supplementary Budget of November 1956, will affect corporate finances. The principle underlying the system is pernicious, and amounts to a raid on the resources of the private sector for the benefit of the public sector. Since neither accumulated reserves nor current profits represent idle resources held in

work for the second plan, without being certain about how that firm is likely to use those few lakhs of rupees. The Corporation may feel that since the liability for default lies with the lending bank, the bank itself will have made sure that the money will be properly used. But it is open to question how many banks have the technical expertise necessary to examine propositions for medium-term industrial financing; and those banks which have already gone in for such financing on a fair scale, might well have a quite natural inclination at first to re-discount with the Corporation only the less liquid of the industrial loans they have given.

An important aspect of the whole question which does not seem to have been adequately considered so far is how the liquidity of the banks is likely to be affected by the Re-Finance Corporation scheme. At first sight, it might seem that liquidity will increase; more money will be available to the banks under the re-discounting facilities offered, and only part of it is likely to be lent out again. But liquidity is not represented merely by the cash in the till; it also has something to do with the ease with which banks can get back their advances should the need arise. By promoting an expansion in medium-term industrial lending, without assuming any of the risks inherent in such lending, the Corporation's activities are likely to affect the banks' liquidity adversely.

The working of the Re-Finance Corporation will be watched with close interest,

menting the part of the deposit scheme relating to accumulated reserves. But in an age when one must learn to be grateful for small mercies, it is something that no action has been taken—as yet—on this. The second point to notice is the rule relating to exemption from compulsory deposits. The exemption applies to companies in which at least 40 percent of the share capital is held by Central or State Governments; companies incorporated under special Acts of Parliament; banking and insurance concerns; and units engaged in the generation or supply of electricity. The third relaxation—if it can be described as such—is that although the Finance Act empowers the Government to require deposits up to 75 percent of the excess of the "statutory surplus" over Rs. 1 lakh, the proportion has been fixed at 50 percent. This is in accordance with the announcement made by the Finance Minister when introducing the Finance Bill last November, that not more than 50 percent would be required for the time being. Most company managements would consider this rate heavy enough in any case.

These features of the draft rules are more than counterbalanced by some serious defects. For one thing, in view of the importance of the matter and the complexity of the problems raised, the time allowed for study and comment appears inadequate. Even for professional accountants, auditors and income-tax experts, the rules are a bewildering maze, through which they have to thread their way slowly and carefully. The fortnight allowed for public comment has already ended, and if the Government adheres to the deadline fixed in the Gazette notification, no further comments will be considered. That would be unfortunate, for even a lay perusal of the draft rules can indicate some glaring discrepancies and defects.

One example is Draft Rule 2, Sub-Section 8. This relates to the calculation of the "statutory surplus", which is the basis for assessing the deposit which a company will be required to make, the deposit required being 50 percent of the amount by which the statutory surplus exceeds Rs. 1 lakh. This surplus is defined as the sum of the following amounts: (a) the total income of the company for the previous year, as reduced by the amount of income-tax and super-tax payable in respect thereof and by the dividends, if any, declared during the previous year; and (b) the sum of the allowances made under clauses VI, VIa, VIb or VII of Sub-Section 2 of Section 10 of the Indian Income Tax Act, 1922, that is, the various depreciation allowances. The definition appears to be defective in many important aspects. First, the dividend which is to be deducted from the total income of the company is the dividend "declared during the previous year." The dividend declared during a certain year, say 1956, often has not much relevance to the profits earned in that year. It mainly refers, in all probability, to profits earned in an earlier period, say 1955. Now, if the deposit called for relates to current profits in 1956, there seems to be no point in deducting therefrom the dividend relating to the profits of some other period. Common-sense suggests that the clause should refer to "dividends declared in respect of the previous year," just as the income-tax and super-tax, which are also to be deducted from the total income of the company for the previous year, are the income-tax and super-tax "in respect thereof."

But if the clause in question is modified in this way, the rule about the "due date" by which the deposit has to be made becomes even more anomalous than it would otherwise be. "Due date" is defined as 30th June of the year following the "previous year," subject to the qualification that, in the case of a company whose previous year ends after 21st December and before 1st May, the due date will be six months after the end of the previous year. The trouble about this time limit is that it appears to be a little more rigorous than the one in Section 166(c)

of the Companies Act, 1956, which states: "The next annual general meeting of a company (after the first) shall be held by it within nine months after the expiry of the financial year in which the first annual general meeting was held, and thereafter, an annual general meeting shall be held by the company within nine months after the expiry of each financial year." The Companies Act thus allows nine months after the close of the accounting year for a company to hold its annual general meeting at which the audited accounts of the company and the dividend will be passed. The draft rules purport, in effect, to allow a shorter time limit, since they reduce the period to six months by requiring (Rule 19) that "every form shall be submitted in duplicate and shall be accompanied by certified copies of the profit and loss accounts and the balance sheet of the company for the relevant previous year and the year preceding it." Moreover, if the dividend to be deducted from the total income is the dividend "in respect of the previous year," this dividend will be finalised only at the annual general meeting and therefore cannot be known earlier. In practice, there are many cases where companies take full advantage of the nine-month period permitted by the Companies Act, particularly sterling companies.

The other defect in the definition of "statutory surplus" is that it refers to the "total income of the company" for the previous year, less income-tax and super-tax and dividends, plus depreciation. As a result, even if a company had no assessable income in the previous year, due to the carry-forward of losses or to unabsorbed depreciation, it would still be called upon to make a deposit, as long as it earned current profits. To take an imaginary example, a shipping company may have earned a profit of Rs. 14 lakhs in 1956. Depreciation for that year amounted to Rs. 4 lakhs and the unabsorbed depreciation of previous years to Rs. 40 lakhs. The total depreciation of Rs. 44 lakhs, set off against the profit of Rs. 14 lakhs, would leave a loss of Rs. 30 lakhs. No taxes would be paid, and presumably there would be no dividends too out of the previous 1955 result. So total income, for purposes of calculating the deposit, would be minus Rs. 30 lakhs. But the rule requires that the Rs. 44 lakhs of depreciation should be added back, making a positive amount of Rs. 14 lakhs. Deduction of the statutory exemption of Rs. 1 lakh leaves Rs. 13 lakhs, 50 percent of which, that is, Rs. 6½ lakhs, would be the amount of the deposit the company is required to make. This, to put it mildly, would be a little hard on the company.

There are other deficiencies. In defining the "approved purposes" for which exemptions and refund of deposits may be claimed, the rules specify "capital expenditure for the construction, erection or acquisition, by way of replacement or otherwise, of buildings, plant, machinery and other fixed assets required for the purpose of the existing business of the company." The restriction of capital expenditure to "existing business" for approved purposes raises the question of whether expenditure for expansion or for starting new lines of business would be considered an approved purpose. Another approved purpose, according to the rules, is "repayment of moneys borrowed by the company on the security of its fixed assets for the purpose of carrying on such business." There seems to be no adequate reason why this concession should be limited to loans against fixed assets. Loans against the security of stocks and even unsecured loans deserve similar consideration. Claims for exemption from deposits will be submitted to the Commissioner of Income-Tax, who will take a decision within ten days. If he is unable to do so, the matter will be referred to the Board of Referees. The draft rules set no time limit for the Board of Referees to give their decision. In the meantime, the company concerned would have to deposit an arbitrarily fixed amount. Furthermore, there can be no appeal against a decision by the Board of Referees.

It is difficult to make an estimate of the amount of money the system of compulsory deposits will take away from the private sector. But a study of 410 companies in five industries appearing in *Economic Trends*, a publication issued by the Association of Indian Trade and Industry in Bombay, offers a rough indication. The industries studied are iron and steel, cement, paper, sugar and cotton textiles, and the companies included cover 75 percent to 100 percent of the installed capacity in each of these industries. Their total paid-up capital was about Rs. 175 crores, their gross block Rs. 425 crores and their production Rs. 650 crores. The figures relate to 1954-55. The aggregate liability of the 410 companies, on account of both accumulated reserves and current profits, would fluctuate between Rs. 53 crores and Rs. 8 crores, according as the rules made by the Government are strict or liberal. But this sample includes only 410 out of 30,000 companies in India. It is difficult, therefore, to make even a rough guess about the total sum involved in the deposit scheme. The only certainty is that the scheme will severely reduce the financial resources available to the private sector.

CURRENT COIN

Progress of I.C.I.C.I.—Sir Ramaswami Mudaliar, chairman, has given an effective answer to criticisms about the working of the Industrial Credit and Investment Corporation of India in his speech at the recent annual general meeting (reported more fully on another page). The complaint has been made that the Corporation is "too slow and too cautious in its lending policy." "The directors," says Sir Ramaswami in reply, "have had these criticisms very much in mind, and from time to time, have reviewed past activities to see whether these criticisms were justified. They have reached the conclusion that they were not." The aims and objects of the Corporation have been clearly defined, and it is realised that these cannot be achieved by being over-cautious. Certain risks have to be taken in all ventures, but these risks must be carefully calculated, not blindly incurred. Some industrialists have criticised the practice of making a detailed investigation of all aspects of a project before it comes up to the I.C.I.C.I. directors for decision. They think that since they have already examined the matter to their own satisfaction, there is no need for further scrutiny by the Corporation's management, technical advisers, and finally by the board. This is not a correct appreciation of the Corporation's responsibility. Sir Ramaswami says. It is not only the custodian of the shareholders' money, but there is entrusted to it also a substantial amount as a loan from the Government which has to be repaid in due course. There has been some criticism recently that the Corporation has failed to utilise the line of credit of \$10 million granted by the World Bank, which is willing to grant further credit when the present loan is exhausted. But here again Sir Ramaswami's reply is that until the Government took drastic measures to cut foreign exchange expenditure, the board had no applications before it from industrial promoters for foreign exchange. The situation has now changed, and a number of enquiries for loans in foreign currency have been sent to the Corporation; it expects to present some of the proposals to the World Bank in coming months. Stressing that the future of the Corporation is linked closely with the future of private industry, Sir Ramaswami says that the growing load of taxation, which might be increased further by coming Budgets, has had a dampening effect on private enterprise. The authorities seem to be realising that their taxation policy has seriously reduced capital resources. The change in the Government's policy towards foreign capital has been welcome.

Expansion Plans of Dunlop Rubber.—Discussing the expansion programmes of the Dunlop Rubber Co. (India) Ltd., Mr. John Luckham, chairman, has reminded shareholders that the Government has approved the establishment of another tyre factory in Madras (a fuller version of the speech is given in a later page). "A substantial amount of additional capital will be required to finance this new project and as soon as our plans have been finalised you will be advised of the board's proposals. An issue of further share capital will form the basis of these plans." The company has been expanding its Sahaganj factory and the programme will be continued for the next two years at least. The introduction of the new Dunlop roadster giant tyre has proved successful. The company retains its leading position in car tyre manufacture, and is preparing to meet the demand for scooter tyres. Production continues to lag behind the demand for cycle tyres and rims, so imports have been increased. Industrial development has increased the off-take of conveyor belting. The demand for Dunlopillo latex foam cushioning "remains ahead of production." Work on chemical plant lining has made considerable progress; the company has made sufficient orders in hand and they justify its decision to undertake this work. Referring to the year's trading, Mr. Luckham says that the factory has worked to full capacity and new output records have been achieved. Total sales were 12½ percent higher in value than in 1955, but due to the lower level of selling prices, the ratio of profit to turnover declined from 3.6 percent to 3.2 percent after taxation. "This exceedingly modest profit percentage provides, I think, a good measure of our service to the community."

New Uses for Aluminium.—The use of aluminium is rapidly increasing. The metal is being utilised for the panelling of railway coaches and the building of bus bodies, as well as in the electrical, building, construction, canning and packaging industries. Mr. K. C. Mahindra, in his address at the annual general meeting of the Indian Aluminium Co. Ltd. (which is reported more fully on a later page), has pointed out that although the aluminium industry will continue to be a substantial consumer of aluminium, "the possibilities of expanding consumption in this industry appear small." The company has made efforts to diversify its production and to cater to the needs of various industries for technically more advanced aluminium products.

Mr. Mahindra refers with satisfaction to the success of the recent capital issue. Aluminium Ltd. of Canada has subscribed to one-half of the issue, and the subscription has special significance in view of the acute scarcity of foreign exchange. "The new dollar investment by Aluminium Ltd. and the loan of \$1 million it is further proposed to obtain from the company's principal shareholder, are of vital significance to the company in obtaining imports of capital equipment essential to the execution of its expansion programme." The Canadian group has generously extended assistance since the Government expressed its inability to provide the remaining foreign exchange required for completing the Hiraakud scheme. Through this collaboration, Indian Aluminium has also received the benefit of the accumulated experience of one of the largest companies of the world engaged in the industry. The foreign company is helping in the training of Indian personnel, by providing facilities for them in its establishments in Canada and Europe.

Manganese Ore Exports.—World demand for manganese ore of all varieties remains satisfactory, and prices have been improving steadily. But there is a danger that India might lose the opportunities offered by the market because of the export policy now followed by the Government. Mr. A. N. Haksar's presidential speech at the ordinary general meeting of the Shivrampur Syndicate Ltd. indicates how this might happen (a fuller version of the speech appears on a later page). "State trading," Mr. Haksar says, "has introduced a dislocation or partial disruption of the old trade channels at a time when the export duty on manganese ore, together with the higher freight rates for shipping caused by the closure of the Suez Canal, have substantially increased overall costs to the consuming countries." The risk of overseas buyers turning away from India to new sources of supply is now real. Judging from the trend of developments abroad, Mr. Haksar is inclined to conclude that efforts in that direction are already being made. The Bethlehem Steel Company in the U.S.A. it is reported, has completed arrangements after five years of development and exploration to extract 600,000 tons of manganese ore annually from a new mine in Brazil. Of this quantity, about 200,000 tons will be offered for consumption by American industry, and the rest will go into the stockpile. A U.S. company is also about to undertake the mining of the world's largest manganese ore deposits in north Chile. In the U.K., Russian and South African competition is increasing. Ghana is likely to emerge as a formidable competitor. A commercial publication reports that Canada has evolved a new method by which low-grade ores can be processed for producing ferro-manganese and iron ingots. In view of these developments, India's efforts to increase her exports seem inadequate. Mr. Haksar says that Shivrampur Syndicate has not been able to make forward sales for 1958 and 1959, as the advent of State trading in ore makes this impossible. The Government proposes to canalise the export of manganese ore "in a progressively increasing measure through the State Trading Corporation and only limited opportunities will be allowed to mining and trading interests...for direct participation in the export trade, within the limits of the broad policy announced by the Government of India from time to time."

Textile Demand Prospects.—In his speech from the chair, Mr. R. E. Castell has told the shareholders of the Bangalore Woollen, Cotton and Silk Mills Co. Ltd. that the "apparent adequacy" of supplies gives a misleading picture of the textile situation. "Within a year or two there is more likely to be a shortage." It is true that in 1956 "the Indian textile industry as a whole experienced an accumulation of stocks, and these conditions during the year is largely responsible for this. The Bangalore Mills have not had to carry a big stock of cotton textiles as the company has reduced its prices for cotton cloth in spite of the excise duty increase. "It seems strange that the supply of cloth should be more than enough," according to Mr. Castell, "when only 16 yards of cloth are available per capita for internal consumption." It may reasonably be expected that demand will rise "towards the official estimate of 18½ yards per capita" by the end of the second five year plan. Even this estimate of per capita consumption in 1961 may prove to be on the low side.

New Headaches for Importers.—Importers have been badly hit by the restrictions imposed in the import policy for the current January-June licensing period—restrictions which cover even important items such as heavy machinery and spares. The reluctance of the Government to allow essential imports of heavy machinery might affect industrial development. Restrictions on the import of spare parts have made the position particularly difficult, as old machinery cannot be properly serviced either. Mr. L. R. Patel, in his address at the annual general meeting of the Calcutta Import Trade Association last week, has

criticised the drastic restrictions on importing types of machinery which are manufactured in India. He says that "the policy is neither realistic nor related to the simple theory of demand and supply. This policy is, therefore, defeating its own object inasmuch as, in its eagerness to protect the established indigenous manufacturer, it is suffocating the further development of the country in every other field, by creating a shortage of essential items of machinery." Supplies of diesel engines and electric motors—of from 3 to 30 h.p.—are limited. The Association has asked that *ad hoc* licences be given for electric motors, but they remain on the banned list although the Chief Controller of Imports and Exports promised earlier that something would be done. Stone crushers of up to 16in. by 19in. jaw size are still on the list of prohibited machinery "in spite of the several representations made during the previous periods." Imports of essential components, such as pistons, piston rings and cylinder lines less than six inches in diameter, are restricted. Mr. Patel complains against the inordinate delay in finalising quotas, and against the frequent changes and sub-divisions of the existing serial numbers of the import trade control schedule. The delay creates an artificial shortage of materials, for importers have to go without any licences, there being no specific provision for issuing interim licences. Importers also have to face difficulties during the appraisal of goods, for appraisers try to obtain the maximum by applying a tariff schedule with a higher rate of duty. The port authorities have introduced a new system of realising wharf rent to expedite the clearance of goods; this is causing hardship. A serious problem arises in the recovery of outstandings from the Directorate-General of Supplies and Disposals. "Very large sums of money are outstanding and the trade is not only suffering interest losses, but is unable to fulfil all its obligations because of the blockage of capital," Mr. Patel says.

Little Light from Lamps.—Much of Mr. H. Sinha's presidential speech at the recent annual general meeting of the Indian Lamp Factories Association was devoted to discussing the factors which he thinks have retarded the development of the industry. The claim is made that lamps produced by different units satisfy the required specifications and prices also are normally uniform, but there is a "lack of balance" among the operating units. It has been difficult to appreciate what precisely Mr. Sinha means by "lack of balance." If by this he implies that some units are getting too big a share of the market while others are getting too small a share, there cannot be anything very surprising about it for this is true of most industries. The differences in rates of growth may be merely a reflection of the comparative efficiency of individual units. Mr. Sinha complains that cut-throat competition prevails in the market. But from the consumer's point of view, nothing could be better. He states that lamps produced in India but marked with foreign brands have a special appeal to consumers, regardless of their price and quality. "Such a prejudice which has, in actual practice, divided the products of the industry into two categories, viz., more popular and less popular brands, is, needless to emphasise, a very undesirable feature of the industry, inasmuch as it is primarily because of this fact that the factories producing less popular brands of products have not been able to increase their production to a level they should have attained." It is hard to agree with Mr. Sinha; one would have thought that it is for the manufacturers themselves to remove consumer prejudices by selling more vigorously and being fully competitive in terms of quality and prices. The Government has sanctioned an increase in the production capacity of six units; but licences for the import of machinery have not yet been issued due to the shortage of foreign exchange. The industry will find it difficult to cater to the increased demand if the factories are unable to expand or replace their over-aged equipment. In spite of the shortage of foreign exchange, the industry has to import materials, such as glass rods and tubes, brass caps, lead-in wires, electrodes, tungsten wire, molybdenum wire, capping cement and gases. It is, therefore, necessary that manufacturers and the Government should give serious thought to attaining self-sufficiency in raw materials. Mr. Sinha thinks that the restrictions imposed on lamp imports during the current licensing period are a step in the right direction, since they are likely to help the development of the industry; but he feels that there is scope for tightening the restrictions further.

Attracting Foreign Investment.—India's eagerness to secure foreign capital for industrial development is growing rapidly, although it seems that too little positive, concrete effort is being made to attract it. Foreign investors have done much in recent times for the economic development of the United States, Canada, South Africa, Australia and Japan, because these countries have created the conditions which have encouraged their interest. In his address from the chair at the annual general meeting of the Indian Chamber of Com-

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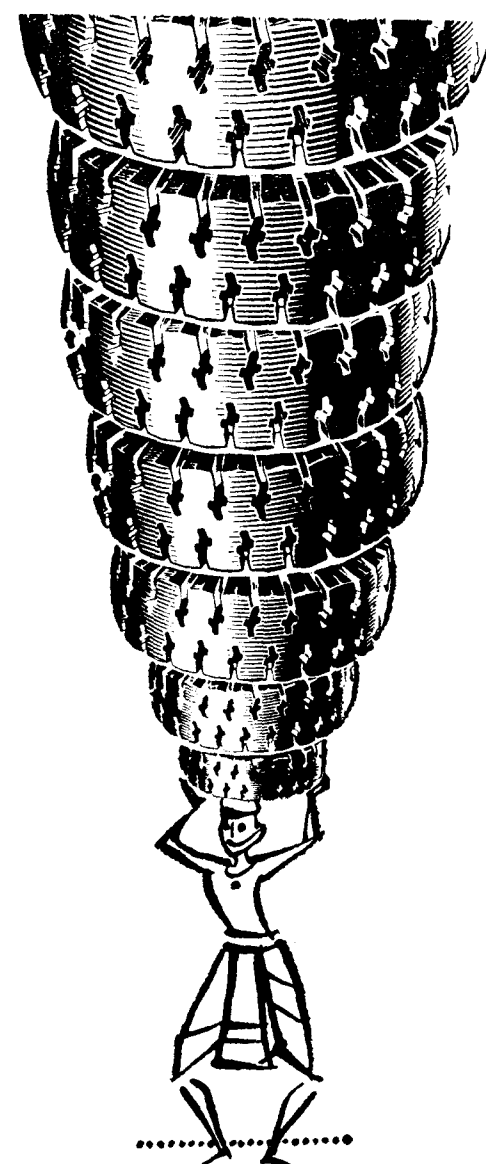
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COAL POLICY IN INDIA

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Andrew Farquhar

This booklet consists of reprints of articles written by Mr. Andrew Farquhar, former Coal Adviser to the Tata Iron and Steel Co. Ltd., which have appeared in Capital in recent years. As expert analyses of India's coal problems and policies they have attracted widespread interest since they were originally published. The articles are now conveniently gathered in a 120-page publication, priced at Rs. 4.

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merce last week, Mr. K. P. Goenka said that it would be necessary to create more favourable conditions to bring investment here so that the implementation of the second five year plan becomes easier. If foreign investors find that conditions in this country are not attractive enough, they will naturally be inclined to divert their resources to countries where conditions are more favourable. A considerable amount of foreign capital has already been invested in the less developed countries of Europe, South America and Africa. An important reason why foreign investors are reluctant to put their resources in India is that they are anxious about the Government's policy on nationalisation of industries. They also feel that compensation should not be fixed arbitrarily under an act of the legislature alone, but that it should be justifiable. Furthermore, there is the problem of double taxation. "The Government is aware of the difficulties which the foreign investor feels in this country due to double taxation. The sooner a way is found to give relief to foreign capital the better it would be," according to Mr. Goenka. Like many other underdeveloped countries, India is experiencing serious difficulties in obtaining foreign technicians. Many of them do not find it worth while coming to this country as the level of taxation compares unfavourably with that prevailing in some of the industrially advanced countries. As Mr. Goenka suggests, it would help if foreign technicians are given tax relief for at least five years.

Dull Days for Presshouses.—The hydraulic press industry has for some time been operating under unfavourable economic conditions. As the supply of raw jute going to it has decreased, baling activity has dwindled. Mr. M. S. Chunder, chairman, estimated at the recent annual general meeting of the Calcutta Hydraulic Press Association, that during the first nine months of the current season, the total quantity of jute handled for baling fell to 90,000 tons, from 140,000 tons in the same period of the previous season. The downward trend in business has caused many presshouses to close. The West Bengal Government some time ago appointed a special officer to investigate and report on "the possible ways of utilising the unoccupied press-house godowns and the idle plant and machinery." The report was received by the industry last January. But, according to Mr. Chunder, "we were most

disappointed to find, after waiting for so long, that it was of no practical value whatever to us." He then discussed the industry's difficulties with Mr. Manubhai M. Shah, Union Minister for Heavy Industries. Mr. Shah was sympathetic and asked the industry to send a deputation to New Delhi for negotiating assistance under the Government's programme for aid to small industries. During the talks the Minister suggested that the Association seriously consider running one or a few small industries. The capital required could be obtained from its reserves and also from subscriptions made by its members. The profits would be distributed among those members. By embarking on such a scheme, which constitutes "a radical departure from normal policy", it is thought that the industry can keep itself going during the second plan. According to Mr. Chunder, there is reasonable hope that in this interval "the production of jute in India will increase to the extent that it will be in excess of the mills' requirements." The Government might then be in a position to consider the desirability of resuming exports of baled jute from India. But, at the moment, the prospect of India being able to export jute is a distant one. It is to be hoped that this is not a matter on which the baling houses will try to hurry the Government.

Foundry Advisers Seek Business.—One of the biggest problems facing industrial development in Asia is that of producing good castings, for foundry facilities are few and far between. That explains the all-out drive conducted in India, Hongkong, Japan and Australia by Mr. R. A. Miller, Sales Director of Foundry Services Ltd., an international organisation manufacturing chemical compounds which help foundry men to produce better castings, which has its head office in Birmingham. The company was founded by two Bavarians, Mr. Eric Weiss and Dr. K. Strauss, who started work in a room over a tailor's shop in Birmingham 25 years ago. In the last ten years, associate companies have been formed in Austria, Canada, France, Western Germany, Italy, South Africa and the United States, and one will shortly be formed in Switzerland. The company has been granted a concession to manufacture in Japan. F.O.S.E.C.O., as the organisation calls itself, produces a standard range of more than 200

chemical preparations for the foundry. It provides a service which diagnoses defects in castings (last year the laboratories in Birmingham advised on 2,500 samples). A team of technical representatives is maintained, making inspection visits to foundries in Britain and abroad; and technical literature is produced in simple language with the object of educating the foundry worker.

Advertising British Cotton Goods.—Authority is being sought to increase by £75,000 the maximum sum which the U.K. Cotton Board may raise each year by its levy from the industry to enable it to extend its activities in sales promotion for cotton goods. It was only after much discussion and careful consideration of the many aspects of the problem that it was decided to undertake the sales promotion campaign which the Cotton Board started last year. It was appreciated that if any lasting benefit was to be derived, the campaign would have to be both persistent and expensive. Nobody doubted that there would be much expense, and it will be remembered that the trade unions in the industry, which pay no levy to the Board, showed their enthusiasm for the project and their appreciation that it would cost a great deal of money by providing £10,000 for the purpose of their own funds. Operations over a period of three years are contemplated and, although only the first phase has so far been carried out, its manifestations must have reached a very large proportion of at any rate the women among the customers of whose interest it was hoped to arouse. The bulk of the expenditure so far seems to have gone on exhibitions and displays of one sort or another, which have attracted wide interest in the Press, and, in consequence, been surprisingly well attended by the public. But other media have not been ignored, and many attractive showcards and similar material have been supplied to retailers in order to stimulate demand at the actual point of sale and encourage support from the retailers. The additional funds will enable the organisers to make the most of the experience they have already gained to carry the campaign further and to increase its effectiveness.

Appraising Equity Shares.—Mr. E. F. J. Plumridge, Investment Controller of Pearl Assurance, is well known in the City of London as a shrewd judge of security values. His sagacity and experience were reflected in a recent address to the London and District Society of Chartered Accountants on "Thoughts on Investing," and some of his more general observations are worthy of an even wider public. Much of his talk deals with the implications of inflation, and he appears as a strong supporter of the virtues of equity shares. Investing in these, however, is not without its pitfalls. For one thing, politics can take the profit out of equity shares overnight, although some degree of re-insurance can be obtained by geographical spread. Mr. Plumridge stresses the key importance of management in assessing the relative merits of equity investments. The successful of "small" points out, must acquire an acute sense of Mr. Plumridge has much else to say that is illuminating on other aspects of equity investment, such as assets backing, the need for flexibility of mind and for good timing of purchases and sales. He regards "rights" issues as often affording suitable buying opportunities.

SERVICE AFTER RETIREMENT

TIME was when Civilian entered the Service, and, having reached the maximum appointment they could reasonably expect to attain to, retired on their pension and their savings, but now *non aons change tout cela*, and instead of now retiring at the end of their services, we see many Civilian trying to obtain appointments under Native States and Rajas. We consider that it is extremely undesirable that any Civilian should be allowed to take service after his retirement in any zemindary or Native State with which he has had in any way to deal when he was active service; for this reason we cannot say that we altogether viewed with favour Mr. D. R. Lyall's transfer from the Board of Revenue to the Cooch Behar. We now see it stated that a Hon'ble Mr. C. C. Stevens, on his retirement at the year hence, will become the Manager of the year hence, the appointment being kept warm for him meanwhile. We have heard it stated that should the Lieutenant-General be compelled to take leave, Mr. Stevens will act for him during his absence, and it strikes us that the transfer from Belvedere to Hutwah is not altogether a thing to be desired or admired. If this kind of thing is to go on, we shall, we presume, some day see an announcement that at the termination of the period of office of His Excellency the Viceroy, he will be appointed manager of the Durbunga Raj; that the Lieutenant-Governor is arranging to become Private Secretary to Sir Jotendro Mohan Tagore that the Chief Justice will take up the portfolio of legal affairs at Hyderabad; and that the Finance Minister is arranging to take over the cash department at Whiteaway stores. We really think that some member of the Parliament should ask a question in "the House" regarding this.

FROM
CAPITAL

28th April, 1897.

A DITCHER'S DIARY

Service is at the moment running a series of *Portraits of Power*, the four subjects of which are Hitler, Gandhi, Roosevelt and Stalin. Each of these men practised a different kind of technique for exerting power over the mass of his countrymen, and of the four, only Mahatma Gandhi brought any really new ideas to the practice of politics and the use of power. Hitler and Stalin relied on brute force to acquire and retain power. Roosevelt, manipulated with consummate skill (and sometimes none too scrupulously) the immensely complicated American party machine and cast a spell over the common people which no other modern President could equal. Gandhi understood the party machine well enough and, when necessary, could play politics with the most accomplished performer. But the power derived from elsewhere and this, says my correspondent, was admirably brought out in the programme of the television series which was devoted to Mahatma Gandhi. Nonetheless, my correspondent considers that the Gandhi programme was in some important respects technically inferior to the others, because many of the Mahatma's activities of twenty years ago were neither filmed nor recorded and this type of television feature relies heavily upon pictures from the past. Not even the televised reminiscences of Mrs. Pandit, Lord Mountbatten or Mr. H. S. L. Polak could apparently make good this deficiency.

A few weeks ago, a leading Indian industrialist was reported as having said that there is hardly any industry in India at present run by the State which private enterprise could have run as easily. The statement—which, I must confess, I have been able to find in only one newspaper so far, but the authorship of which I have not seen denied—struck me as particularly strange, coming as it did from one who had not so long ago lost an airline and a few odd insurance companies to the Government by the cool magic of nationalisation (apart from having had a promising steel plant project scotched on similar grounds). I was reminded of it last week while reading Mr. A. D. Shroff's address at the first convention of the Forum of Free Enterprise, in which he speaks of business men generally having been "seized with a fear complex" as the Government has come to exercise more and more control over the economy. I do not share Mr. Shroff's exaggerated cynicism, although I am well prepared to believe that some business men at least have become chary of criticising the Government because they fear retaliation when circumstances compel them to seek official sanction and patronage. Personally, I am one who believes that criticism of the Government—not by business interests alone but by others, too, whatever their ideological complexion—must at all times be vigorous, honest and courteous. Experience shows that most criticism is likely to be unpalatable to the victim concerned, but to be persuasive, the least that is necessary is that it be sincere. This is hardly the quality most noticeable in the know-towing to officialdom implicit in the industrialist's statement I mention above. On the other hand, much of the attention the Forum of Free Enterprise has attracted to itself—a good deal of it unfavourable, I admit—owes to the vigour and sincerity with which its affairs have been conducted. It may be an indirect, although not wholly welcome, compliment to the Forum that even when persons of Mr. Nehru's eminence wish to criticise it, they have to resort to such misinterpretations as that it seeks a return to the anachronisms of

nineteenth-century *laissez-faire*. This is one of the things it firmly denied the day it was born.

Nobody who has experience of the depressing studios at 1, Garstin Place, which house was once believed to be haunted, will grudge the Calcutta station of All India Radio its proud new building in the Eden Gardens, to be completed in 1958. Fifty lakhs of rupees may seem a lot of money, but there will be as many as five storeys on no less than 1.5 acres of land. The report that there will be 35,000 square feet of office accommodation will confirm the view of some critics that there is a trifle too much administration in All India Radio and not enough creative thinking. The rôle of the administrator is important; broadcasting is too serious and expensive a thing to be left solely to long-haired boys bursting with new ideas on the arts of music and speech. But broadcasting at its best does require something akin to creative thinking. It is not a compliment to All India Radio that it cannot claim to have built up a single broadcasting personality, that it has always sponged on talent discovered elsewhere. Perhaps the bureaucracy, which dominates the organisation, is afraid of creating monsters like Gilbert Harding and others who may then demand (a) control of the organisation, and/or (b) much higher fees than A.I.R. is prepared to spend on programmes. Whatever the reasons, it seems undeniable that pervasive bureaucracy has prevented broadcasting from being the powerful instrument it might have been; Dr. Keskar is only a latter-day stifle. Mr. Nehru once toyed with the idea of an independent corporation on the lines of the B. B. C.; there is no evidence that the idea has made much progress—or will do so in the foreseeable future. A.I.R., Calcutta, I find, is going to have an auditorium to hold 500 people. Might it not be more economical to use recorded laughter and applause, on which so many American comedians depend?

Hopes that the improvement in London traffic conditions, which was so noticeable a feature of the restrictions on motoring imposed after the closing of the Suez Canal, would continue have already been dispelled with the easing of the fuel shortage. The removal of the restrictive and temporary addition of one shilling a gallon to the duty will no doubt complete the process. This will be most regrettable, for the 1954 survey of travel in London carried out by the London Transport Executive shows that real responsibility for the acute parking and traffic-jam problems rests with a small minority of private motorists. That is certainly what the figures imply, even though they may have altered to some extent between the carrying out of the survey and the time petrol rationing began. It is rather surprising to find that only 3 percent of workers in the central area regularly come in by motor-car, that twice as many use motor-cycles, bicycles or just foot-slog, and that 91 percent use public transport. Nearly 17,500 people were questioned for the survey, the most extensive of its kind, with the object of securing comprehensive information about travel into and out of the central area, and directions and variations in traffic flow. One London household in six reported that it ran a motor-car, which was used more for pleasure than for work. There were "high concentrations" of people starting and finishing work at the clock hour or half hour, "emphasising both the need and the scope for staggering of working hours." Whether Mr. Watkinson's new transport legislation, which has no doubt been drawn up with the results of this survey in mind, will provide the solution to the problem, remains to be seen.

THE DITCHER.

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Head Office: **Oriental Buildings, BOMBAY-1.**

I would like to thank the officers and strenuous efforts of the Comptroller who have done hard and honest work during the year under review. The nature and extent of that work is not reflected by the number of applications which the Board has ultimately sanctioned, but by the number of applications received and examined. In respect of many of these constant advice has been sought and freely given; several are under going further scrutiny before final tribute be made to the Board. I would like to pay special tribute to the General Manager and the Deputy General Manager who have both devoted themselves with great conscientiousness to the onerous duties that they have to discharge.

Whatever endeavours we make, whether it be in the field of sales development or production operations or labour relations, the success of our effort is influenced considerably by the actions of the Government. The State today not only operates the Railways, on which we must depend for transportation of our raw materials and finished products, but it also owns an increasing number of manufacturing industries, to whom we must sell our products. It

India is at the crossroads of destiny after a decade of political freedom. The pace and the velocity of the changes are quickened. There is a revolution in the air of rise and fall of expectations if we are to survive as a nation of decent and dignified human beings. It ill befits the experience and the wisdom of the business groups to indulge in cheap and vulgar comparing polemics about the Plan or diminish the high hopes and endeavour required for democratically reaching the objectives of a progressive and a happier social order. Foreign observers have pointed out that "Indian business carries on its shoulders a deep sense of social responsibility and a strong feeling of social duty. It is not a Government doing exactly what it is told, but it is a business community exhibiting a posture of dialectical defiance under the convenient label of free enterprise. Surely, there is a middle line both for business people and for the Government planners; there is enough acumen and independence to find it."

In conclusion I should like to express on your behalf and mine, our appreciation of the services rendered by the staff and the workers of the Company in making possible the achievements of the past year and giving promise of better results for the future.

P. H. Kothari, B.Com., LL.B.,
General Manager.

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THE BANGALORE WOOLLEN, COTTON & SILK MILLS CO., LTD.

CHAIRMAN MR. R. E. CASTELL'S REVIEW

Presiding at the Seventy-fourth Annual General Meeting of the Shareholders held at the Registered Office of the Company, Agharam Road, Bangalore City, on Saturday, 27th April, 1957, Mr. R. E. Castell said:

Gentlemen,

The Directors' Report and Accounts for the year ended 31st December, 1956 having been with you for

the requisite time, I propose with your permission to take them as read, but after my speech I shall be glad to attend to any questions members may wish to ask.

The delay in publishing the accounts and the holding of the Annual Meeting is regretted. It is due to complications arising from the introduction of the new Companies Act and because of the additional notice to shareholders which it is now necessary to give.

As you will see from the accounts, your Company has concluded another successful trading year, the results of which have been assisted by the continuing programme of rehabilitation and replacement of machinery and the further improvement of processing methods. In spite of all that has already been accomplished, we still have a long way to go before we can complete our plans for modernisation and for this purpose more machinery and components are required, some of which must of necessity be imported, and we trust that our further progress in this direction will not be retarded by the present stringency in import licensing arising from the shortage of foreign exchange.

As you know, your Company manufactures an unusually wide range of textile fabrics, including cotton, woollen, union and silk goods, and to maintain our reputation for quality and variety, it is impossible to rely wholly on equipment and materials made in India. Apart from the matter of machinery, therefore, your Directors are perturbed by the prospect of severe cuts in imports of those dyes and other essential stores which can only be obtained abroad.

Last year, the Indian textile industry as a whole experienced an accumulation of stocks, and these conditions still obtain. I think it must be accepted that the heavy increases in excise duties during 1956 were largely responsible for the decline in off-take. Traders have developed the habit of buying cautiously partly because of the general impression that the last increases in excise duties on 1st September, 1956 were a temporary measure, and also because of the uncertainty about Government's intentions for replacing existing sales taxes on cotton textiles of excise duties. The consumer is also being cautious or may be he is spending more of his money otherwise.

Accumulation of Stocks

There was no serious accumulation of stocks in your Mills during the year, but it was found necessary to reduce prices for cotton cloth in order to keep goods moving despite the increases in excise duties already mentioned. It seems strange that the supply of cloth should be more than enough when only 16 yards of mill and handloom cloth is presently available for internal consumption and one could reasonably expect demand to be rising towards the official estimate of 183 yards as at the end of the Second Five Year Plan, an estimate which many of us consider to be too low.

I do not think, however, that we should be misled by the present apparent adequacy of supply as within a year or so there is more likely to be a shortage. I hope, therefore, that Government will proceed with their plans announced last year for the expansion of the textile industry. For the most part these plans depend on expansion by the handloom industry assisted by Spinning Mills and Ambar Charkas and on conversion of handlooms to powerlooms. The expansion of composite mills has in fact been linked to the export trade.

The conditions laid down by Government for the installation of additional automatic looms were difficult in several respects, particularly in their insistence that all the production of the new looms be exported, as well as almost all the production previously exported. However, after carefully considering every aspect of the matter, your Directors decided that the Company should not miss the opportunity to expand their existing installation. We have, therefore, accepted an allocation of 96 new automatic looms, of which we have agreed to buy 24 from Indian manufacturers. We are waiting for Government to announce their policy regarding the other looms which we need to buy abroad.

In spite of intense competition in overseas markets, the Company's export sales of cloth in 1956 were considerably more than in the previous year, and we shall continue to exert ourselves to secure foreign exchange for India by further developing our export trade.

Woollen Section

It is pleasing to record that after several years of losses, the Company's woollen section made a modest profit in 1956. This change of fortune was the result of sustained efforts by our technical, administrative and sales staff to increase production and to introduce new qualities and designs. Every further effort will be made to ensure that the woollen section continues to pay its way, but a fair reward is unlikely to come to us or any other unit of the Indian woollen industry so long as the present heavy excise duties and cesses apply to woollen goods. Also, for some time now we have had to pay higher prices for wool, both indigenous and imported.

The year brought a further increase in production and sales of our popular Union fabric "Cotswol" and of the heavier cloth "Angola" which although mainly supplied to the Armed Forces is also in general demand.

Production and sales in the Company's silk section exceeded all previous records, but we now face a new problem in that we specialise in the manufacture of superior quality silk sarees and other fabrics, and although we use considerable quantities of raw

silk produced in Mysore State, we must rely on importing a proportion of our requirements of flature silk and most of our needs of spun silk to maintain our reputation for the quality of our silk fabrics until such time as the indigenous materials are further improved. Unfortunately supplies of the imported materials have lately been severely cut and unless we can find some remedy for this, our production and trade in silk fabrics is likely to be seriously disturbed.

The imposition of a heavy octroi duty on raw materials and other essential items entering the City limits, announced by the Bangalore Corporation in 1954 is still a matter serious in its implications. The Company lost its case in the Mysore High Court, but has decided to appeal to the Supreme Court, for if this duty prevails, the local industry will be handicapped by an increase in costs which will not affect other manufacturing centres.

Towards the end of 1956, the Company was asked to reduce consumption of Corporation water supply by 40 per cent. So heavy a reduction would have seriously disturbed the Company's manufacturing activities, but fortunately the Authorities later agreed to reduce the cut to about 20 per cent. Within this limit we have so far managed to avoid any serious dislocation of our output, but although we shall continue to do everything we can to offset the reduced water-supply by economies in consumption and use of bore well water, we hope that the former full supply of Corporation water will be restored shortly.

Good Relations with Labour

Although during the year we were involved in long discussions and negotiations with the Labour Association on a number of issues, I am glad to say that there were no stoppages of work causing loss of production.

Your Directors have set aside Rs. 3 lacs to cover the estimated cost of Workpeople's housing during 1957, including the electrification of all the houses in Binnyset Village.

The published accounts, particularly the Profit and Loss Account, have this year been shown in much greater detail and I think give you all the information you require regarding the financial position and the trading results of the Company.

Although there was a slight reduction in the profits of the Cotton Section, satisfactory trading in all other sections was responsible for the improvement in the profits when compared with the previous year.

You will observe from the comparative figures given in the Directors' Report that the allocations for Depreciation, Bonus, Officers Retiring Fund and Dividend remain approximately the same, but that it has been necessary to increase the Provision for Taxation by Rs. 9½ lacs in order to cover the liability on the higher profits and also that arising from the additional burdens placed on companies by the Finance Acts of 1956.

In this regard I refer to the incidence of the increased Dividend Tax which is particularly severe on Companies where the ordinary capital represents a relatively small proportion of the total capital. In the case of your Company, for example, the ordinary dividend represents a moderate distribution of profits of slightly over 4% on the ordinary capital plus the reserves and it seems to me inequitable that we should be called upon to pay the excess Dividend Tax. However, merely because this tax is assessed arbitrarily on the rate of dividend on the ordinary capital, we are liable to an additional tax of Rs. 2,83,500.

Deposit of Company Reserves

Your Directors view with grave concern the implications of the provisions relating to the compulsory deposit with the Central Government of certain proportions of accumulated and current reserves. This Company, which has consistently followed the conservative financial policy of a reasonable allocation of profits between dividends and reserves is all the more adversely affected by this recent legislation and I can only hope that the draft rules, which have recently been published for general input that those finally make it clear beyond all doubt that those Companies where the reserves are being fully used for the purposes of the business will be exempt from making such deposits.

At an Extraordinary General Meeting of the Company held on the 29th March, 1957 the necessary resolutions authorising the capitalisation of Rs. 81 lacs from reserves and the issue to shareholders of two ordinary shares for each ordinary share held by them on that date were unanimously passed and the new share certificates are now being prepared and will shortly be issued to shareholders.

You have already received notice of an Extraordinary General Meeting which is to be held later this morning for the purpose of passing certain resolutions regarding the re-appointment of Binny & Co. (Madras) Ltd. as Managing Agents of the Company for a period of 10 years with effect from 1st January, 1957. The results of their management over a long period of years are well known to you. I am happy to inform you that the Central Government have approved of their re-appointment and your Directors recommend these resolutions for your approval.

The Workpeople's and Employees' Provident Funds do not appear in the published accounts of the Company as they are vested in Trustees. The liabilities of these Funds as at 31st December, 1956 amounted to Rs. 64,12,070/- and Rs. 4,58,264/- respectively and corresponding amounts are invested in Trustee Securities.

I feel you will wish to join me once again in expressing appreciation of the valuable work done by the executive and supervisory staff of the Management and the Mills.

I deeply regret the untimely death last year of two former Directors of the Company, Mr. B. W. Batchelor, C.B.E. and Mr. D. V. Bullock, who worked in Bangalore for several years and whose endeavours over a long period contributed much to the present efficiency and prosperity of these mills.

Note:—This document does not purport to be a report of the proceedings of the General Meeting.

THE DUNLOP RUBBER CO. (INDIA) LTD.

MR. JOHN LUCKHAM'S REVIEW

The 31st Annual General Meeting of The Dunlop Rubber Co. (India) Ltd. was held in Calcutta on the 29th April, 1957. Mr. John Luckham, Managing Director, said:

The Directors' Report and Accounts for the year 1956 have been in your hands for some time and with your permission I will take them as read.

I should like to preface my remarks this year by referring to changes in your Board of Directors. Mr. Cecil Stack, who had been a Director of the Company since 1942 and Managing Director for the last six years, resigned at the end of last month. During the last year Mr. Stack had been in indifferent health and since he had served for 33 years in this country he decided to accept an appointment offered to him by the Dunlop Rubber Co. Ltd. in London. It was with great regret that the Board accepted his decision and I am sure you will wish to join me in expressing our appreciation of Mr. Stack's long and valuable services.

You will have seen from the notice convening the meeting that it is proposed to appoint Sardar H. S. Malik to the Board. Sardar Malik, as I am sure you are all aware, has recently retired from a long and distinguished career in the service of the Government of India and latterly as Indian Ambassador to France. I am confident that Sardar Malik's wise counsel and great knowledge of affairs will be of the utmost assistance to your Board and I commend this appointment for your approval.

The Year's Trading

The factory was working to full capacity throughout the year and new records of output were achieved. Nevertheless, we were unable to meet the demand for all of our products and a shortage of Giant and Cycle Tyres and Cycle Rims necessitated the Government granting import licences for these products to alleviate the situation. We have plans for increasing our production and I will deal with these later on in this review.

Once again distribution of the Company's products was adversely affected due to the shortage of railway wagons. Many pleas have been made from both the public and private sectors for serious action to be taken to improve the situation, and it is to be hoped that this important problem will receive the attention it deserves.

Total sales in value were 121% higher than in 1955, but with the lower level of selling prices prevailing throughout 1956, the ratio of profit to turnover declined from 3.6% to 3.2% after taxation. This exceedingly modest profit percentage provides, I think, a good measure of our service to the community.

Products

We have continued to receive the full benefits of the Dunlop worldwide research activities and many improvements have been put into effect during the year.

Last year my predecessor announced the introduction of the new Dunlop Roadster Giant Tyre, and it is with great pleasure that I am able to tell you that this has been extremely successful and has proved ideal for most conditions. This new tyre, combined with the ever popular Dunlop Trakmaster Giant Tyre, provides users with an ideal selection to choose from to cover the different types of service conditions which are found in this country.

Car Tyre performance continues to be excellent and we have retained our premier position in the market.

I must make mention here of the very rapid growth in the development of the Scooter and to say that your Company have prepared themselves to meet the demand for the special type of tyre required.

The Bicycle Industry continues to develop very rapidly and so far we have been unable to keep pace with the demand for our Cycle Tyres and Rims, and, as already stated, imports were necessary to help fill the gap.

Substantial increases in sales were also achieved in our Industrial Rubber Products range. The second Five Year Plan has already increased the demand for Conveyor Belting and we are taking steps to ensure that we can play our part in meeting this. Further great strides were made in Dunlop's Latex Foam Cushioning and demand remains ahead of production.

Our work in chemical plant lining made considerable progress during 1956, and we now have orders in hand which fully justify our decision to undertake this work.

New Factory

I am happy to be able to tell you that in addition to the expansion which has taken place and will continue at least for the next two years at your Sahaganj factory, the Company has obtained Government approval for the establishment of another tyre factory in Madras. The Chairman stated at this time full part in meeting the very considerable increase in India's Second Five Year Plan. The new factory in South India will, it is hoped, give us sufficient overall capacity to meet the demands for our products for some time to come. A substantial amount of additional capital will be required to finance this new project and as soon as our plans have been finalised you will be advised of the Board's proposals. An issue of further share capital will form the basis of these plans.

Raw Materials

The raw material supply position, with the exception of crude rubber, was generally satisfactory and we were fortunate that at the time of the Suez

Canal crisis we had adequate stocks of imported materials.

As in the previous year, consumption of raw rubber by manufacturers at 31,405 tons far exceeded production at 23,444 tons and substantial imports were made.

Since the world market price of rubber had fallen below the Indian controlled price, Government introduced a cess on imported rubber equal to the difference between the landed cost of the imported rubber and the local price, applicable to all imports after August, 1956. The amount collected under this price equalisation policy is payable to the Rubber Board as a contribution to the rehabilitation of rubber plantations. We were happy to co-operate with Government in this scheme, but have been unable to get any indication of how the importer will stand in the event of the world rubber price again rising above the local price.

Generally costs tended to rise during the latter half of the year, chiefly due to increases in freight rates and import duties. For instance, the duty on rayon yarn, one of our chief raw materials, was increased by 25% and to a lesser extent carbon black and tyre valves were also affected.

Profit & Loss Account

The net profit for the year after providing for depreciation, interest and taxation was Rs. 55,09,909 and after taking into account the balance of profit carried forward the amount available for disposal is Rs. 66,81,594 compared with Rs. 61,28,686 for 1955. The Directors are recommending the same rate of Ordinary Dividend as for 1955, that is 15%, which will absorb Rs. 24 lakhs. The Directors also propose the transfer of Rs. 26 lakhs to General Reserve against Rs. 22 lakhs last year. This will increase the General Reserve to Rs. 216 lakhs and you will see from the Balance Sheet that the Ordinary Share Capital is covered more than twice by the total Reserves and Surplus. These reserves are, of course, fully employed in the business and the continued availability of profits for appropriation to reserves is

very necessary to assist in providing the funds for development and expansion.

Balance Sheet

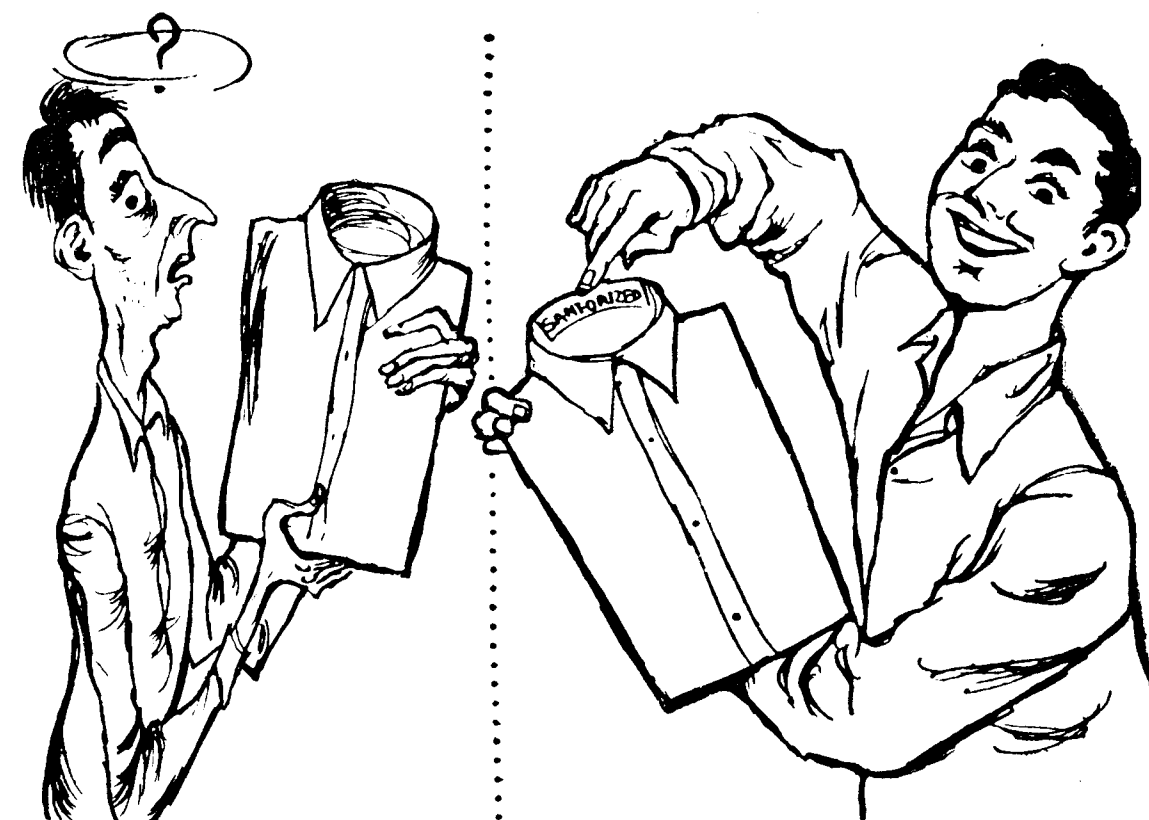
The additions to Fixed Assets during the year amounted to Rs. 42,22,000, consisting mainly of Plant and Machinery for expansion and modernisation. The amount of depreciation written off in 1956 was Rs. 30,55,000 as against Rs. 27,51,000 in 1955.

Stock inventories at Rs. 455,47,000 were Rs. 63,84,000 higher than at the close of the previous year. This was partly due to increased production but also to the fact that some raw material stocks were abnormally low at the end of 1955. Sundry Debtors were up by Rs. 28,79,000, due to the greater sales turnover. Cash, Bank and Current Balances Assets Rs. 107,15,000. Deducting the increase of Rs. 17,96,000 in Sundry Creditors and other current liabilities there is shown a net increase in working capital during the year of approximately Rs. 89 lakhs, which is reflected in the combined rise in the bank overdraft (including the usance promissory notes) and unsecured loans.

Employee Relations

During the past year we have continued our efforts to maintain and improve our high reputation for congenial working conditions and welfare facilities. At our Sahaganj factory we now house, at low rents, a community of 4,600 employees and their families. The standard of housing is very high and excellent medical services including a modern hospital are available to all. Canteens have been provided in which good meals are available at subsidised prices. The existing educational facilities for children are now providing inadequate and a new school building is under construction. A market building is also being provided to improve shopping conditions for the residents in the Company's housing estate. The construction of 65 additional houses, to which the Chairman referred on this occasion last year, is now well advanced and improved street lighting is being installed. All forms of sport are encouraged, for which the Company provides the necessary grounds and buildings. Thus we strive to look after the welfare of our employees and extend their social amenities. General labour relations remained consistently good throughout the year. Staff and operatives have given us their loyal support and contributed greatly towards the successful outcome of the year's activities. I am sure you will wish to join with the Directors in thanking them for their faithful service.

Note:—This does not purport to be a record of the proceedings of the Annual General Meeting.



This may shrink

This will not shrink

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The 'Sanforized' trade mark inspires such confidence that people all over the world pick 'Sanforized' trade marked fabrics—knowing they bear this assurance: This garment will not shrink out of fit—even after many, many washings!

It adds value and prestige to your own label—enables you to sell with confidence—and assures the public that you take trouble to give them value.

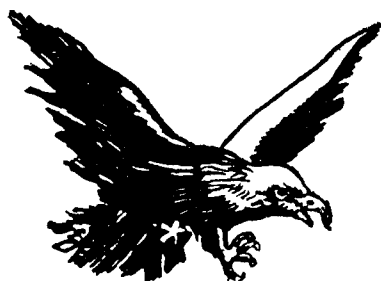
People rely on you to serve them well—so serve them 'Sanforized' labelled cloth.



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| Chlorine Compounds | Polyalkylene Glycols |
| Synthetic Lubricants | Rubber Auxiliaries |
| Glycols | Esters |
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PRODUCTS
DIVISION

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THE SHIVRAJPUR SYNDICATE LTD.

CHAIRMAN MR. A. N. HAKSAR'S REVIEW

Addressing the Fifty-third Ordinary General Meeting of The Shivrampur Syndicate Limited, held in Bombay on 25th April, 1957, the Chairman, Mr. A. N. Haksar, said:—

Ladies and Gentlemen,

During the year under review it was not possible to step up the output of your Mines for reasons given in the Report, and Raisings amounted to 83,238 tons as against 91,427 tons in the previous year. However, there was an improvement in the supply of wagons, which enabled shipments and local sales to be increased to 117,482 tons as compared with 82,352 tons in the year 1954-55.

You will also be interested to hear that there has been a continued demand for manganese ore of all qualities, at prices which have shown a progressive improvement over those previously obtained. Although it was the intention of the Management to make new Forward Sales of your Company's Ore to regular Buyers for delivery in 1958 and 1959, consistent with their policy, it was not possible to do so due to the advent of State Trading. You are probably aware that the Government have proposed to canalise the Export of Manganese Ore in a progressively increasing measure through the State Trading Corporation, and that only limited opportunities might be allowed to Mining and Trading interests for direct participation in the Export Trade, within the limits of the broad policy announced by the Government of India from time to time. As a beginning a Quota System of exports on a limited scale was introduced, and your Company was granted a Quota for a period of one year ending 30th June, 1957, for the export of 73,650 tons. The Government has also indicated that the balance of ore due for shipment against your Company's old Contracts, which will remain after this Quota is exhausted (i.e. 85,464 tons), can be partly canalised through the State Trading Corporation on a commission basis of 6½% of the Contracted Price and the remainder shipped subsequently against future Export Quotas.

In December last, the Chairman and other representatives of the Syndicate interviewed the Officials of the State Trading Corporation in Delhi and as a result of the discussions which took place, the S.T.C. promised all reasonable facilities in future for disposal of your Company's Ores. However it may not be out of place to mention here the risk involved to the country's economy as a whole, arising from the advent of State Trading in manganese ore. This is the risk of forcing overseas buyers in gradually increasing measure to turn to new sources of supply, with the result that India's very valuable export trade in this commodity might be very seriously reduced, or even irreparably damaged. State Trading has introduced a dislocation or partial disruption of the old trade channels at a time when the Export Duty on manganese ore together with higher freight rates

for shipping caused by the closure of the Suez Canal, have substantially increased overall costs to the consuming countries. It is reported that the Bethlehem Steel Company in the U.S.A. has completed arrangements to extract 600,000 tons of manganese ore annually from its new Mine in Brazil, after 5 years of development and exploration. Of this quantity, about 200,000 tons will be made available for consumption by the American industry and the remainder will go to the U.S. Government Stockpile. In addition, it is also learnt that the National Tungsten Corporation in the U.S.A. will soon begin exploitation of one of the world's largest manganese deposits, namely a new reef located West of the Andes Mountains in North Chile. There has been increased competition from Russia and South Africa so far as the U.K. market is concerned, while yet another potential competitor is the new State of Ghana from where increasing quantities of ore are expected to be exported. Such sources of supply are likely to prove formidable competitors to the Indian Manganese Ore Trade, and this likelihood would become a certainty if once the steady flow of supplies from India became interrupted or erratic.

Furthermore, I would draw attention to a recent report in a Commercial Publication that a completely new method has been evolved of processing low grade manganese ore deposits in New Brunswick, Canada, and that a prototype plant has already been installed for this purpose. It is claimed that the process will prove economic and it is intended to erect a production plant capable of handling up to 5,000 tons of manganese per day to give an annual output of 75,000 tons of ferro-manganese and 75,000 tons of ingot iron. It is further claimed that the utilisation of the process on a broad scale would make the North American Continent completely independent of other sources of supply by making possible the treatment of low grade manganese ores, which hitherto were regarded as incapable of treatment.

Renewal of Leases

With regard to the question of renewal of the Shivrampur Estate Leases, it will be recalled that my predecessor when he addressed you last year referred to the prospects of renewal of the old "North" and "South" Leases, and expressed the hope that the Thakore Sahib would sign with your Company a new Lease for a period of 20 years. Unfortunately, due to the illness of the Thakore Sahib's Adviser, execution of the Lease was delayed and in the meantime the Industrial Policy Resolution of the 30th April, 1956 was announced by the Government of India. This ruled that new deposits of certain minerals including Manganese Ore, would in future be worked only by Government, while old mining concessions could be renewed only after the prior approval of the Central Government. Accordingly the Thakore Sahib applied on the 16th October, 1956 through the State Government, for the necessary consent to the granting of the

new Lease. Your Company has also followed up this appeal, and the Government's reply is awaited.

Whilst on this subject, I might also mention that the Bauxite Lease of your Company at Kapadvan, working rights of which have been transferred to the Associated Cement Companies Ltd., has been renewed by the Government in accordance with the Mineral Concession Rules, 1949, for a further period of 30 years from the 2nd January, 1953.

It will be seen from the Report that various amenities, including the provision of further Buildings and Quarters, are being progressively provided for the employees at the Mines and I am happy to say that our relations with the labour and the Union's Officials have continued to be cordial.

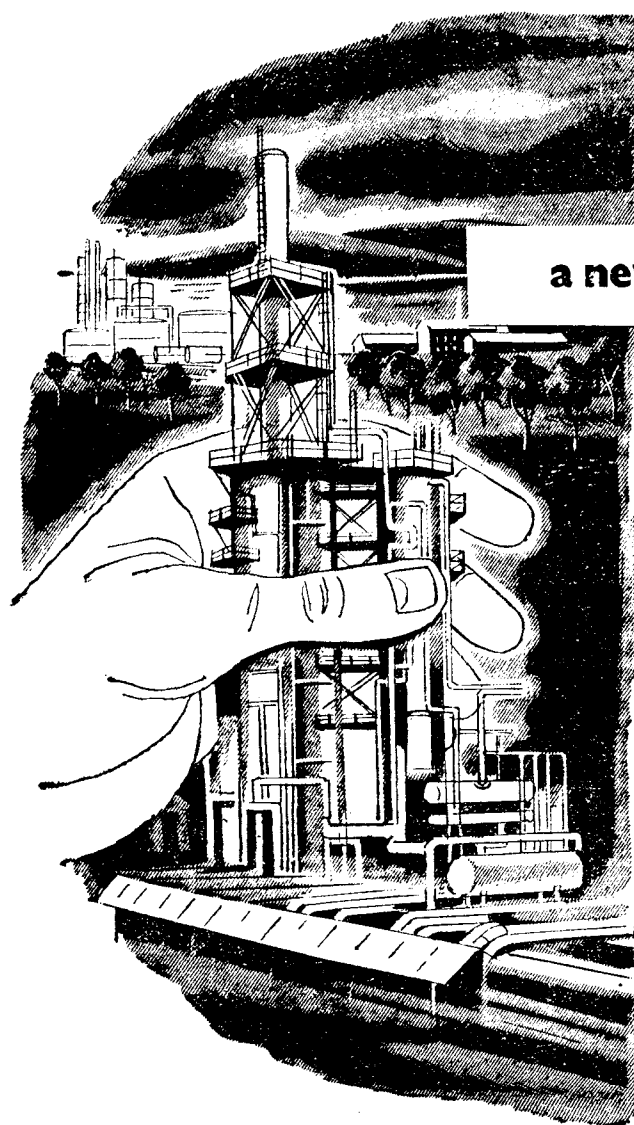
You will also have seen from the Report that permission has been granted by the Government to capitalise a portion of the Reserves by the issue of Bonus Shares. I may assure you that your Board of Directors has this question under active consideration and, if it should be decided that it would be in the Company's interest to make any issue of Bonus Shares the Shareholders will be advised immediately.

Turning now to the Accounts, you will note that the layout of the Company's Balance Sheet and Profit & Loss Account has been changed to meet the requirements of the Companies Act, 1956. The results for the year can, I think, be considered satisfactory, and adequate provision has been made for Taxation and other liabilities which the Company has to meet, for example Retiring Gratuities to employees. In view of the large expansion programmes which are continuing to proceed on the Mines, particularly in the Panti and Bamankua areas, your Directors considered it prudent to set aside a sum of Rs. 7 lakhs to Mining Development & Prospecting Reserve, Rs. 1 lakh to General Reserve and Rs. 1,50,000 to Equalisation of Dividends Reserve. After making these allocations, the Directors have recommended a dividend of Rs. 5/- per share and a bonus of Rs. 3/- per share, both free of Income Tax, for the year.

As regards the future, both new development and existing Mining Operations are progressing satisfactorily. This, coupled with other measures taken in respect of modernisation of equipment and installation of an additional Generating Set, are calculated to increase production in due course.

The Government appears to be keen to promote exports of ore, and it is hoped that your Company will be granted an adequate Export Quota, thus enabling it to meet much of its shipping commitments during the current financial year. As against this, it should not be forgotten that there exist other factors such as the tendency to an increasing imposition of taxes, increasing costs of mining machinery and Stores, and transport charges, etc., which would increase total mining costs. In fact only last month it was announced that Government had increased the rate of Royalty from 7½% to 12½% for manganese of 45% and over, and at the rate of 10% for ore below 45%. Nevertheless, consequent on the improved trend of the market, the future I feel need not yet be viewed with any undue pessimism.

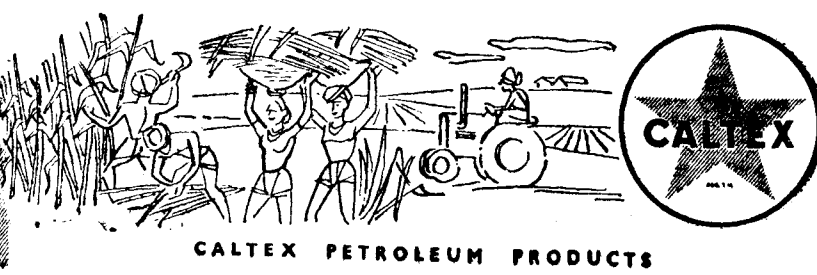
Note: This does not purport to be a record of the proceedings of the Annual General Meeting which will be sent separately to shareholders.



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(Incorporated in England by Royal Charter, 1889 with Limited Liability)

BALANCE SHEET OF INDIAN BRANCHES AS AT 31ST DECEMBER, 1956.

CAPITAL AND LIABILITIES		Rs.	a.	p.	PROPERTY AND ASSETS		Rs.	a.	p.
1. Capital—					1. Cash—				
Deposit with Reserve Bank of India under Section II(2) of the Banking Companies Act, 1949		20,00,541	10	0	In hand and with Reserve Bank of India and State Bank of India (including Foreign Currency Notes)		37,83,131	5	11
2. Reserve Fund and Other Reserves					2. Balances with Other Banks on Current Accounts—				
Fixed Deposits		52,14,388	10	0	(i) In India				
Savings Bank Deposits		62,909	0	6	(ii) Outside India		6,94,973	12	8
Current Accounts, Contingency Accounts, etc.		1,83,21,727	12	19	3. Money at Call and Short Notice				
4. Borrowings from Other Banking Companies, Agents, etc.—					4. Investments (At Book Value)—				
(i) In India		15,00,000	0	0	(i) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments		33,43,335	8	0
(ii) Outside India		Nil			(ii) Shares—				
Particulars					Partly paid Ordinary Shares		2,50,000	0	0
(i) Secured		Nil			Partly paid Ordinary Shares		2,60,000	0	0
(ii) Unsecured		15,00,000	0	0	(iii) Debentures or Bonds		Nil		
5. Bills Payable					(iv) Other Investments		Nil		
(i) Payable in India		70,26,575	0	8	(v) Gold		38,53,325	8	0
(ii) Payable outside India		60,80,573	7	9	(Market Value of fully paid Ordinary Shares Rs. 1,08,750)				
6. Bills for Collection being Bills Receivable as per contra—					(Market Value of partly paid Ordinary Shares—not quoted)				
(i) Payable in India		70,26,575	0	8	5. Advances (Other than Bad and Doubtful Debts for which provision has been made to the satisfaction of the Auditors)—				
(ii) Payable outside India		60,80,573	7	9	(i) Loans, Cash Credits, Overdrafts, etc.—				
7. Other Liabilities—					(i) In India				
(i) Head Office and Branches outside India		2,42,20,201	9	3	(ii) Outside India		2,27,26,343	5	3
(ii) Staff Provident Fund		1,37,834	7	4	(2) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)—				
8. Acceptances, Endorsements and Other Obligations as per contra					(i) Payable in India		50,37,969	4	0
(Including Rs. 11,81,640-10-0 in respect of Guarantees given to Government Departments, secured against part of the Bank's Investments)					(ii) Payable outside India		1,32,62,232	13	1
9. Profit and Loss—					Particulars of Advances—				
Balance of Profit Brought Forward		1,91,737	2	3	(i) Debts considered good in respect of which the Banking Company is fully secured		2,31,37,247	12	7
Profit for the year		1,59,461	5	4	(ii) Debts considered good for which the Banking Company holds no other security than the Debtors' personal security		1,29,29,516	8	4
Less—Remitted to London Office					(iii) Debts considered good secured by the personal liabilities of one or more shareholders in addition to the personal security of the debtors		49,59,681	1	5
On Outstanding Forward Exchange Contracts		28,31,90,364	11	10	(iv) Debts considered doubtful or bad, not provided for		Nil		
On Bills Re-discounted		10,65,807	1	9			4,10,26,445	6	4
Uncalled liability on partly paid ordinary shares held as investments		4,000	0	0	(v) Debts due by Directors or Officers of the Banking Company or any of them either severally or jointly with any other persons		4,200	0	0
10. Contingent Liabilities—					(vi) Debts due by Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as members		Nil		
(i) On					(vii) Maximum total amount of advances, including temporary advances made at any time during the year to Directors or Managers or Officers of the Banking Company or any of them either severally or jointly with any other persons		6,248	0	4
(ii) On					(viii) Maximum total amount of advances, including temporary advances granted during the year to the Companies or Firms in which the Directors of the Banking Company are interested as Directors, Partners or Managing Agents or, in the case of Private Companies, as members		Nil		
(iii) On					(ix) Due from Banking Companies		202	8	0
Total Rs.					6. Bills Receivable being Bills for Collection as per contra—				
		8,73,61,461	5	8	(i) Payable in India		70,26,575	0	8
					(ii) Payable outside India		6,90,805	7	9
					7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations as per contra				
					8. Premises, Less Depreciation				
					9. Furniture and Fixtures, Less Depreciation				
					10. Other Assets—				
					Stamps Sundry Deposits, Prepaid Expenses and Charges Recoverable		1,08,272	1	5
					Adjusting Account		1,82,206	11	11
					Inter-Branch Adjustment		30,856	8	0
					11. Non-Banking Assets Acquired in Satisfaction of Claims				
					Total Rs.		8,73,61,461	5	8

PROFIT AND LOSS ACCOUNT OF INDIAN BRANCHES FOR THE YEAR ENDED 31ST DECEMBER, 1956.

EXPENDITURE		Rs.	a.	p.	INCOME (Less Provision made during the year for Bad and Doubtful Debts and other usual necessary provisions)		Rs.	a.	p.
1. Interest paid on deposits, borrowings, etc.					1. Interest and Discount				
Salaries and Allowances and Provident Fund (including Salary and Allowances of Manager Rs. 76,726-4-0)		6,62,325	0	8	2. Commission, Exchange and Brokerage				
2. Directors' and Local Committee Members' Fees and Allowances					3. Rents				
Rent, Taxes, Insurance, Lighting, etc.		12,33,733	7	1	4. Net Profit on Sale Conversion of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account)				
3. Law Charges					5. Net Profit on revaluation of Investments, Gold and Silver, Land, Premises and other Assets (not credited to Reserves or any particular Fund or Account)				
Postage, Telegrams and Stamps		1,40,174	3	1	6. Income from Non-Banking Assets, and Profit from Sale or Dealing with such Assets				
4. Auditors' Fees (including Rs. 1,700 for previous year)					7. Other Receipts				
Depreciation on and Repairs to Banking Company's Property		25,175	12	9					
5. Stationery, Printing, Advertisement, etc.									
Loss from sale of or dealing with Non-Banking Assets		42,811	3	8					
6. Other Expenditure including proportion of London Office Administration Charges									
Stationery, Printing, Advertisement, etc.		3,500	0	0					
7. Balance of Profit									
		63,977	1	6					
		5,82,189	2	6					
		1,59,461	5	4					
Total Rs.					Total Rs.		29,24,001	13	7
		29,24,001	13	7					

P. L. SANDEMAN,
Manager.

AUDITORS' REPORT:

We have audited the foregoing Balance Sheet of the Indian Branches of the British Bank of the Middle East, as at the 31st day of December, 1956, and also the foregoing Profit and Loss Account of the Indian Branches of the Bank for the year ended on that date, in which are incorporated the unaudited returns of Calcutta Branch not visited by us. In accordance with the provisions of Section 29 of the Banking Companies Act, 1949, read with the provisions of Sub-Section (1) and (2) of Section 211 and Sub-Section (5) of Section 211 and Section 227 (5) of the Companies Act, 1956, the Balance Sheet and Profit and Loss Account are not required to be audited and are not drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949. We report that:

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Indian Branches of the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branch of the Bank not visited by us;

(c) The Balance Sheet and Profit and Loss Account of the Indian Branches of the Bank dealt with by this report are in agreement with the books of account and the returns;

(d) In our opinion, and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required for banking companies, and on such basis the said Balance Sheet gives a true and fair view of the state of the affairs of the Indian Branches of the Bank as at 31st December, 1956, and the Profit and Loss Account gives a true and fair view of the profit of the Indian Branches for the year ended upon that date.

(Sd.) A. F. FERGUSON & CO.,
Chartered Accountants.

BOMBAY, 28th March, 1957.

Engineering and Transport

PROTECTION FOR GRINDING
WHEEL INDUSTRYQUESTIONS BEFORE TARIFF
COMMISSION

IN opening recently the Tariff Commission's enquiry into the question whether protection for the grinding wheel industry should be extended Mr. K. R. Domic, chairman, said: "This industry has been enjoying protection for about 10 years. During this period, particularly during the last three years, it has expanded considerably. With the establishment of new units internal competition is also assured. It is, therefore, time now to consider whether the industry still requires protection. One of the units has stated that the protection granted to the industry may be withdrawn, provided duty-free imports of synthetic abrasive grains are allowed. The other units, however, desire the protection granted to the industry to be continued for a further period and have submitted their costs of production. Our Cost Accounts Officer has examined the costs of production of two of the units and the details of the individual costs will be discussed separately with the representatives of these units; but we may discuss, in general terms, the various factors which make it necessary for a section of the industry still to claim continuance of protection and the nature and extent of protection or assistance that may be necessary."

"The Tariff Board examined the claim of the industry to protection first in 1946 and recommended that a protective duty of 80 percent *ad valorem* should be levied on all grinding wheels and segments for a period of three years, that licences for imports of grinding wheels, segments, oil stones, sharpening stones, etcetera, should not be granted for the remaining period of 1946 and that all railway and Government orders should be placed with the Indian manufacturers up to the limit of their productive capacity. The Government, however, held the view that this industry was not likely to survive foreign competition even with as high an import duty as 80 percent *ad valorem* and decided that all imports of grinding wheels should be prohibited during the financial year 1947-48 except the types and sizes not produced in the country, that a duty of 50 percent *ad valorem* should be imposed on the types and sizes of wheels which were not produced in the country and that a duty of 50 percent *ad valorem* should be imposed on the varieties of wheels manufactured in the country, when the import restrictions were removed. The restrictions on imports of grinding wheels continued till December 1948 after which they were placed on O.G.L. The Government, then, reconsidered its previous decision on the rate of import duty and decided to levy a duty of 80 percent *ad valorem* on all varieties of grinding wheels as originally proposed by the Board. That duty was to remain in force up to 31st December, 1950. On a representation received from the industry, the Board undertook a review of the quantum of protection required by the industry and on its recommendation the rate of duty was increased to 100 percent *ad valorem* on 11th May, 1949."

Protective Duty

"Under the Finance Act of 1951, a surcharge of 5 percent was added to the then existing duty, bringing the total duty to 105 percent *ad valorem*. In November 1951, the Board examined the case for continuance of protection to the industry and recommended that the protective duty on grinding wheels and segments should be reduced from 105

percent *ad valorem* to 50 percent *ad valorem*, including surcharge. The Board also recommended that the types and sizes of wheels not produced in the country should be removed from the scheme of protection, and that a revenue duty of 31½ percent *ad valorem* should be levied on them. The Government agreed to discontinue protection to the types of wheels not produced in the country; but decided to levy the protective duty at 50 percent *ad valorem* exclusive of surcharge and the revenue duty on items not produced in the country was maintained at 25 percent *ad valorem* exclusive of surcharge. The last enquiry into this case was held by the Tariff Commission in 1954. On its recommendation, then, the protective duty was reduced to 25 percent *ad valorem*."

"The present enquiry is undertaken to investigate into the working of protection granted to the industry and to recommend any further action required with a view to increase, decrease, modify or abolish protection according to the circumstances of the case. At present, grinding wheels of any thickness or bore but more than 24 inches in diameter, as well as those of any diameter or bore, but more than nine inches or less than 1½ inch in thickness and diamond impregnated wheels are not granted protection. One of the producers has suggested that the scope of the present enquiry be enlarged to cover bonded abrasive industry instead of only grinding wheels and segments, thereby including bonded abrasive specialities like scythe stones, combination sharpening stones, floor polishing blocks, finished sticks, etcetera, within the ambit of protection. We are also informed that there is no technical difficulty in producing wheels up to 36 inches in diameter. We shall examine these requests and see whether there is any need to expand the scope of the enquiry."

Domestic Demand

"In 1954, the Commission estimated the domestic demand at 750 to 800 tons a year and it was expected to increase to 1,500 tons in next five years. The Planning Commission also expects the demand to increase to 1,500 tons a year by 1960-61. The Development Wing feels that the estimate of the Planning Commission is on the conservative side. According to it, the current consumption itself is more than 1,500 tons. Its estimate of demand by the end of the second plan period is 3,000 tons. We have received varying estimates of demand from manufacturers also."

"In 1954, only Grindwell Abrasives Ltd. Bombay was in production. It had a capacity of 600 tons a year. Two more units, Carborundum Universal Ltd., Madras and General Abrasive Co. (Private) Ltd., Bombay were expected to go into production in 1955. At present there are five units in production, three in Bombay and one each in Madras

	1953-54			1954-55			1955-56			1956-57 (April-Dec.)		
	Q.	V.	Q.	V.	Q.	V.	V.	Q.	V.	Q.	V.	V.
Protected categories	80.2	389	79.2	333	78.4	441	117.0	663				
Non-protected categories	31.9	119	78.7	391	152.4	673	89.3	450				
Total	112.1	508	157.9	724	230.8	1114	207.0	1113				

and Delhi. The aggregate capacity of the five units comes to 2,370 tons a year. A sixth unit has been licensed in Calcutta. We understand that it has finalised negotiations with a foreign firm for technical collaboration. The production of grinding wheels has more than doubled during the last three years. In 1954, the production was only 506 tons. It increased to 693 tons in 1955 and to 1,132 tons in 1956. The production includes sticks, segments, stones, etcetera, in addition to wheels."

"The most important raw materials used in the manufacture of grinding wheels are synthetic abrasive grains and bonding materials. Synthetic abrasive grains are not produced in the country and are allowed to be imported free of duty. We, and are allowed to be imported free of duty. We, however, understand that the Krishnalal Thirani and Company, Calcutta, has completed its plans for the manufacture of aluminium oxide grains and it may go into production by the end of 1957. It has also plans to produce electro-corundum in the second stage. Of bonding materials, one major unit has claimed that its requirements of vitrified, elastic and mineral bonding materials are met from local sources, while another unit obtains its requirements from foreign sources. We shall examine this further, when we take up the question of raw materials for discussion."

"After a careful assessment of the evidence received by it, the Commission came to the conclusion in 1954, that the standard types of indigenous wheels are equal in quality to the imported product, and that most of the complaints related to wheels manufactured against fresh specifications and to the initial samples of such wheels. Complaints are still received about excessive wear, lack of consistency in hardness, etcetera. The evidence received by us, however, indicates that there has been an improvement in the quality of wheels produced in the country. In this connection we would like to discuss the progress made in the formulations of standards by the Indian Standards Institution."

"We have received some complaints about the delay in the execution of orders placed on the manufacturers. We have received explanations from the manufacturers for such delays. We would like to discuss this matter to know how such delays could be avoided. Grinding wheels and segments are classified under serial No. 24(b) of Part II of the Import Trade Control Schedule for purposes of issuing import licences. Since January-June 1955, only 16 percent of one-half of the best year's imports was allowed to be imported. On this quota, there has been a further restriction for the import of sizes commonly produced in the country. During the current licensing period the quota continues to be 16 percent of one-half of the best year's imports with the stipulation that not more than 50 percent of the face value of the licences, or Rs. 500, whichever is higher, can be utilised for the import of wheels of less than 25 inches in diameter and more than 1½ inch but less than 9 inches in thickness. Actual users' licence is also issued, wherever necessary."

Imports

"The imports of grinding wheels since 1953-54 are given below:

Quantity in tons Value in '000 Rs.	1954-55	1955-56	1956-57 (April-Dec.)
Protected categories	80.2	389	79.2
Non-protected categories	31.9	119	78.7
Total	112.1	508	157.9

The bulk of the imports came from the United Kingdom. Grinding wheels and segments made of synthetic abrasive grains, excluding wheels of any thickness or bore but more than 24 inches in diameter or of any diameter or bore but more than 9 inches or less than 1½ inch in thickness and diamond impregnated wheels are assessed to a protective duty of 25 percent *ad valorem* under 71(8) of the first schedule to the Indian Tariff Act, 1934."

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

SLIGHT RISE IN ADVANCES

Wednesday, 1st May.

THERE has been a slight rise in advances in the Calcutta money market during the past week. Accommodation for grains and seeds is mainly responsible for the increase as crops have been arriving in the markets. Cotton and sugar advances show a slight rise, but jute credit is around the previous levels. Interbank market conditions have not changed much, but the call rate shows a fractional rise to 3½ percent.

Very few bills have passed through the exchange market, the majority having been on account of gunny shipments. Remittance has been on a normal scale. Sterling is steady.

Silver was firm because of good demand and limited arrivals. The price advanced from the previous week's level of Rs. 179.75 to Rs. 182.75, quoted today. The rate for the ready metal was quoted at Rs. 183. The London and New York prices remained the same as before.

Gold showed little change. The price was quoted at Rs. 106.75. The sovereign, at Rs. 69.50, remained the same as last week.

During the week ended 26th April, Government of India Treasury bills for Rs. 56,64,25,000 were sold in favour of the Reserve Bank.

A decline of Rs. 7.20 crores to Rs. 1,561.91 crores in notes in circulation was the notable feature of the return of the Reserve Bank of India for the week ended 26th April, 1957. The total note issue was Rs. 99 lakhs higher at Rs. 1,582.48 crores. Notes held in the banking department consequently increased by Rs. 8.19 crores to Rs. 20.57 crores. Deposits of the Central Government improved by Rs. 1.42 crores to Rs. 52.83 crores, as did other Government accounts by Rs. 82 lakhs to Rs. 6.38 crores. Balances of commercial banks, at Rs. 67.60 crores, showed a loss of Rs. 4.29 crores. Balances held abroad declined further by Rs. 7.44 crores to Rs. 92.39 crores. Investments were Rs. 48 lakhs lower at Rs. 112.42 crores. Other loans and advances declined from Rs. 98.80 crores to Rs. 96.24 crores, of which advances to scheduled banks against usance bills amounted to Rs. 53.24 crores against Rs. 57.28 crores. Such advances totalled Rs. 195.18 crores since 1st January, 1957. Ways and means advances stood at Rs. 16.27 crores (Rs. 15.17 crores).

The statement of the position of the State Bank of India for the week ended 19th April, 1957, shows a rise of Rs. 4.40 crores in total deposits to Rs. 304.48 crores. Investments in Government securities and other authorised investments are up by Rs. 1 lakh and Rs. 21 lakhs to Rs. 94.07 crores and Rs. 11.46 crores, respectively. Advances, including loans, cash credits and overdrafts, and bills discounted and purchased, have declined by Rs. 1.09 crores to Rs. 180.98 crores. Cash and balances are, in consequence, shown at Rs. 34.90 crores, or Rs. 2.24 crores higher.

The statement of the position of the scheduled banks for the week ended 19th April, 1957, shows Demand and Time liabilities at Rs. 732.08 crores (Rs. 9.85 crores on account of borrowings from banks) and Rs. 495.66 crores (Rs. 2.13 crores), compared with Rs. 725.86 crores (Rs. 7.97 crores) and Rs. 497.69 crores (Rs. 2.30 crores), respectively, in the previous week. Cash has declined by Rs. 50 lakhs to Rs. 38.28 crores, while balances with the Reserve Bank have advanced by Rs. 5.78 crores to Rs. 69.84 crores. There is a drop of Rs. 98 lakhs in investments to Rs. 345.03 crores. Advances and bills discounted, at Rs. 901.31 crores, indicate a fall of Rs. 98 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.8 percent and 73.4 percent, against 8.5 percent and 74.3 percent.

The Indian branches of the BRITISH BANK OF THE MIDDLE EAST have made a profit of Rs. 1.59 lakhs for the year ended last December. Deposits amounted to Rs. 2.41 crores. Advances were shown at Rs. 4.10 crores. Investments totalled Rs. 38.53 lakhs. Cash stood at Rs. 51.68 lakhs.

The profit of LLOYDS BANK LTD. for the year ended last December was £2,541,793. The figure given on page 553 in *Capital* of 18th April was a misprint.

RESERVE BANK

ISSUE DEPARTMENT

(In '000's of Rupees)

	Week ended 26-4-57	19-4-57	27-4-56
Liabilities—			
Notes in Banking Dept.	20,57.18	12,38.09	22,24.90
Notes in Circulation	15,61,30.75	15,69,10.54	15,65,00.99
Total Notes Issued	15,82,47.93	15,81,48.63	15,27,35.89
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,12,51.91	4,12,51.91	6,81,44.72
Total of A	5,30,27.94	5,30,27.94	7,21,46.43
B Rupee Coin	1,27,29.56	1,26,30.26	1,07,20.29
Rupee Securities	9,24,90.43	9,24,90.43	6,98,69.17
Total	15,82,47.93	15,81,48.63	15,27,35.89

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	52,83.08	51,40.75	58,79.65
(b) Other Govts.	6,38.21	5,53.71	27,00.91
(c) Banks	67,60.06	71,89.16	50,84.10
(d) Others	75,13.45	74,54.19	17,17.55
Bills Payable	16,53.44	15,13.22	6,22.21
Other Liabilities	1,19,28.78	1,17,91.59	33,31.02
Total	3,63,77.02	3,62,44.62	2,13,15.44

Assets—			
Notes	20,57.18	12,38.09	22,24.90
Rupee Coin	8.92	9.10	8.94
Subsidiary Coin	6.55	5.97	9.03
Bills Discounted Int.	—	—	36.59
Govt. of India Treasury Bills	12,48.39	10,01.07	12,06.50
Balances held abroad	92,38.90	90,82.94	44,20.32
Loans to Govt.	16,27.46	15,17.46	1,79.00
Other Loans etc.	96,23.73	98,79.61	60,71.24
Investments	1,12,41.38	1,12,90.00	44,18.54
Other Assets	13,24.02	13,20.38	18,30.47
Total	3,63,77.02	3,62,44.62	2,13,15.44

SCHEDULED BANKS

	(In '000's of Rupees)	12-4-57	20-4-56
Demand Liabilities—			
(a) Borrowings from Banks	9,85.47	7,97.48	7,00.52
(b) Others	7,22,22.22	7,17,83.17	6,41,54.25
Time Liabilities—			
(a) Borrowings from Banks	2,13.15	2,39.00	2,95.37
(b) Others	4,93,53.29	4,85,38.94	4,24,80.31
Borrowings from State Bank—			
(i) Demand Liabilities	7,19.83	8,71.36	8,81.02
(ii) Time Liabilities	—	—	—
Borrowings from Reserve Bank	75,57.54	80,94.39	50,80.12
Cash	38,27.79	38,78.24	37,88.34
Balances with the Reserve Bank	69,83.66	64,03.50	50,87.44
Balances with other banks in current account	10,75.82	10,65.70	10,41.93
Money at call and short notice	15,81.84	12,56.24	8,20.60
Investments in Central and State Govt. Securities	3,45,02.59	3,46,00.81	3,55,58.45
Advances	7,29,20.84	7,16,30.62	6,01,23.75
Inland Bills purchased and discounted	1,21,92.56	1,26,77.17	1,03,76.02
Foreign Bills purchased and discounted	59,08.70	59,19.49	47,64.85

CLEARING HOUSE RETURNS

	Week ended	Rs. (thousands)	Calcutta	Bombay
26-4-57	58,28.32	64,70.72		
19-4-57	54,22.74	52,81.31		
12-4-57	66,65.32	68,28.56		
5-4-57	66,18.63	68,28.56		

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT

(In '000's of Rupees)

	week ended 12-4-57	week ended 5-4-57
Liabilities—		
Notes in Banking Department	9,47.52	9,30.58
Notes in Circulation	3,31,79.51	3,32,01.61
Total Notes Issued	3,41,27.03	3,41,32.19
Assets—		
A Gold Coin and Bullion	11,33.41	11,33.41
Sterling Securities	80,74.56	82,02.56
Government of India Securities	23,63.47	23,63.47
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30
B Rupee Coin	5,04.05	5,09.21
Govt. of Pakistan Securities	1,71,59.13	1,70,31.18
Held with Reserve Bank of India pending transfer to Pakistan	—	—
Gold Coin and Bullion	19.02	19.02
Sterling Securities	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90
Rupee Coin	29.51	29.51
Total	3,41,27.03	3,41,32.19

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	48,12.16	51,51.11	
(b) Provincial Government	—	14,65.54	
(c) Banks	14,40.98	9,06.48	
(d) Others	9.09	10.81	
Bills Payable	11,95.58	11,75.23	
Other Liabilities	—	—	
Assets—			
Notes	89,64.29	93,27.57	
Rupee Coin	9,47.52	9,30.58	
(a) Pakistan	—	16	
Subsidiary Coin	—	17	
(b) Pakistan	—	10	
(c) India	—	9	
Bills Purchased and Discounted—			
(a) Internal	7.97	8.08	
(b) Govt. Treasury Bills	3,16.00	3,16.00	
Loans and Advances to Govt.	16,28.57	13,76.65	
Provincial Govt. Debtor Balances	8,10.57	12,57.28	
Other Loans and Advances	42,12.44	43,43.98	
Investments	10,40.56	10,88.74	
Other Assets	—	—	
Total	89,64.29	93,27.57	



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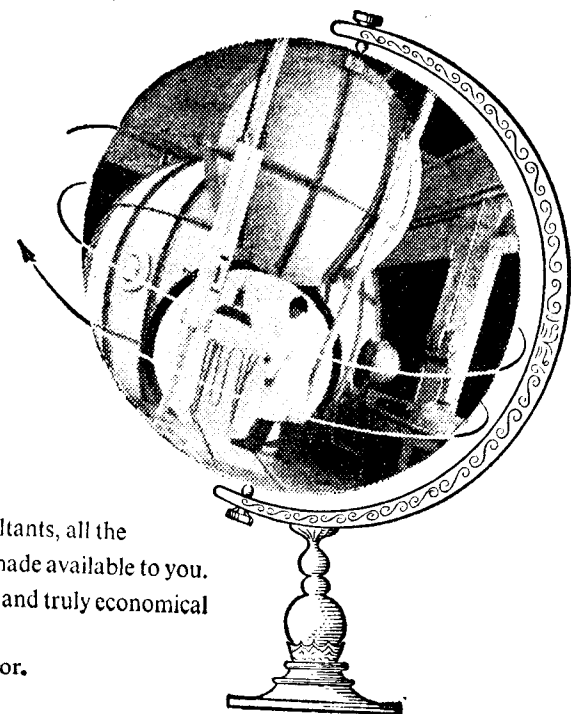
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Commodity Markets

INCREASE IN WORLD OUTPUT OF VEGETABLE OILS

LARGER SHIPMENTS FROM COMMONWEALTH

THERE was a further substantial increase in the world output of vegetable oils in 1955-56 and the total tonnage was the highest ever recorded. *Vegetable Oils and Oilseeds 1956*—one of the annual commodity reviews of the Commonwealth Economic Committee—shows that the estimated production was about 7 percent greater than in 1954-55, the previous peak year, and some 40 percent greater than in 1938-39. Not only was the apparent *per capita* supply in 1956 larger than before the war, but, because of a relative decline in the consumption of these oils for soap production and other technical uses, a larger proportion of the total output was available for edible purposes. Preliminary estimates indicated that world production—particularly of copra and soya beans—would again be at a high level in 1956-57. Commonwealth countries provided nearly a quarter of the estimated world oilseeds and oil production in 1955-56 and over a third of the world exports in 1955. Prices in 1956 were generally higher, on an average, than in the previous year. Net supplies of vegetable oils and oilseeds entering international trade in 1955 were at the postwar record of 4.5 million tons, in oil equivalent, or about 4 percent heavier than in 1954, when world exports were increased considerably by the disposal of surplus stocks in the U.S.A. and Argentina. Much of the increase in world trade was attributed to heavier shipments from Commonwealth sources, particularly India and Ceylon, among foreign producers, consignments from China and the Philippines showed the greatest expansion. Provisional figures indicated a further increase in world trade in 1956, with heavy shipments from the U.S.A., China, the Philippines and Nigeria.

Rise in Exports

Commonwealth exports in 1955 showed a very substantial rise and exceeded those of 1938 for the first time since the war. There was a marked expansion in exports of groundnut, linseed and castor oil from India and a considerable increase in supplies of copra and coconut oil from Ceylon, Malaya and the Pacific Islands. Substantial exports of linseed were also made by Canada. The Commonwealth was a net exporter of vegetable oils and oilseeds for the third successive year, the expansion in the favourable balance to nearly four times that of the previous year being attributable mainly to the re-emergence of India as a very substantial net exporter, although heavier shipments from Ceylon and Malaya, and a further reduction in the net imports of the United Kingdom, were important. In prewar years the Commonwealth had large export surpluses of oils and oilseeds of the edible and edible-industrial groups and a relatively minor import balance of industrial oils and oilseeds; due, however, to the higher levels of consumption in the United Kingdom during the war and postwar periods and the considerable decline in shipments of oilseeds from India (also due to increased domestic consumption), the Commonwealth was a consistent net importer until 1952. A small export balance in 1953 was increased slightly in 1954, and with the marked improvement in 1955 the Commonwealth net exports in that year were nearly as great as in 1938. The lower level of Indian shipments in recent years has been offset largely by heavier supplies from Nigeria and the Pacific islands, while South Africa has become a net exporter. The Canadian import balance has been considerably reduced, as well as that of the United Kingdom. Compared with this, imports of vegetable oils and oilseeds into western Europe have grown appreciably, and Commonwealth countries are now sending larger supplies to this region. *Vegetable Oils and Oilseeds* contains detailed statistical appendices showing, for each of the main consuming countries, the annual supplies of vegetable oils, with production figures for soap, margarine and compound cooking fat and the quantities of the various oils and fats used in the manufacture of these commodities. There is a section on import duties on oils and oilseeds in importing countries and a summary of the world production of and trade in whale oil.

SUGAR PRODUCTION AND DESPATCHES

The production and despatches of indigenous sugar amounted to 1,701,000 tons and 944,000 tons up to 15th April, 1957, in the current season, against 1,546,000 tons and 735,000 tons respectively, in the corresponding period of last year. The stocks with the factories on this date stood at 1,285,000 tons, compared with 1,221,000 tons last year.



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OUTLOOK FOR WORLD WOOL TRADE

ALTHOUGH official figures cannot be known for some time, there is reason to believe that wool consumption in most of the chief manufacturing countries maintained in the first quarter of this year the improving trend noted in the later months of 1956. That was almost certainly the case in the United Kingdom—still the largest consuming country in the world. During 1956, the United Kingdom was one of the few large manufacturing countries which did not improve on their 1955 level of consumption. But the level of consumption was not, on the whole, unsatisfactory. Over part of 1956, U.K. consumption of wool was slightly lower than in the previous year, but an increase in the later months enabled her to finish the year with an aggregate consumption virtually unchanged from 1955. That improvement has continued during the first two months of the current year. Consumption, for example, has been ranging from 7 to 10 percent higher than in the corresponding months of 1956, varying according to the class of trade. There have been occasions in the past quarter when U.K. output of processed wool in certain forms has been running at postwar record levels. A continued high level of export demand for U.K. wool tops suggests that the importing countries, too, have experienced an increase in trade. From the Continent, encouraging trade conditions are reported from France and Germany in particular, as substantial turnover has been done in wool products of all kinds. During the final quarter of 1956, the total consumption of wool textile raw materials by ten of the largest manufacturing countries in the world was at probably the largest aggregate level since the war, with virgin wool representing a slightly higher proportion of the whole. Commercial reports available during the current quarter encourage the hope that this level may at least be maintained during the first three months of 1957.

Price Stability

Over the period, wool values have moved within relatively narrow margins and have shown remarkable stability in spite of succession of international crises, which might have been considered anything but helpful for trade and commerce. A relatively slight relaxation in prices midway through the quarter was followed by a substantial recovery before the end of March, and the quarter closed with prices of both merino and crossbred wool at one of the best points of the season and above the average for last season. As the Commonwealth wool marketing season enters its final quarter, there is in all markets a strong and buoyant demand for wool. There is also reasonable indication that all the wool in sight will be wanted in order to keep pace with a sustained healthy consumption. An outstanding feature of the marketing season is that prices are not supported only by the activities of a few relatively large users, but by the well-spread demand from buyers which the trade has known in postwar years. In South Africa, the full-length combing wool season is now at an end and only short wools remain for disposal. In New Zealand, it is estimated that fewer than 150,000 bales of greasy combing fleece remain for auction. Although reasonable quantities are still to be catalogued in Australia, remaining offerings are considered by no means large when related to the reduced stock position which exists in several of the chief importing countries. Commercially the outlook for wool demand is regarded as good for the remaining part of the season.

PRODUCTION OF SMALL MILLETS GOES UP

The all-India second estimate of small millets for 1956-57 puts the current year's area and production at 11,527,000 acres (*kharif* and *rabi*) and 1,728,000 tons (*kharif* only) against the corresponding adjusted estimate of 11,535,000 acres (*kharif* and *rabi*) and 1,601,000 tons (*kharif* only) respectively for 1955-56, according to the Directorate of Economics and Statistics, Ministry of Agriculture. This shows a negligible decline of 8,000 acres or 0.1 percent in area (*kharif* and *rabi*) and an increase of 127,000 tons or 7.4 percent in production (*kharif*) during the current year compared with the previous year. Production estimates for *rabi* crops will be available at the final estimate stage only. There is only a nominal fall in area under small millets this year compared with last year. The decline recorded in Madhya Pradesh, Andhra Pradesh and Mysore have largely been offset by increases in Uttar Pradesh, Bihar and Rajasthan. In spite of the decrease in area, the production of *kharif* small millets during the current year shows a sizeable increase. This is due to favourable weather conditions during the growing period of the crops. The increase in production has been reported by all the States except Bombay and Mysore. This estimate generally covers the period up to the middle or third week of January 1957. Till then, the condition of standing crop was reported to be generally satisfactory except in parts of Visakhapatnam, Nellore, Kurnool and Cuddapah districts of Andhra Pradesh and in parts of Himachal Pradesh where the crop was affected by excessive rains. This estimate does not include the entire area sown to small millets, since only preliminary estimates of area relating to *rabi* crop have been included in it. Complete estimates of area sown to both *kharif* and *rabi* small millets will be included in the final estimate.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August, 1939=100) advanced by 0.2 percent to 421.0 during the week ended 13th April compared with 420.2 (revised) for the earlier week. The index was almost at the same level as in the corresponding week of last month, but was higher by 7.8 percent than that of a year ago. Higher prices of *gur* (+7%), wheat (+2%), and rice in Calcutta (+1%) raised the index for Food Articles by 0.7 percent to 406.1 compared with 403.4 (revised) for the previous week in spite of a decline in the prices of tea for internal consumption (-6%) and gram (-3%). A fall of 0.2 percent to 513.6 in the index for Industrial Raw Materials was caused by a decrease in the prices of manganese ore (average export price), and rape seed in Bombay (-3% each), groundnuts (-2%) and linseed and gingellyseed (-4% each); the prices of rapeseed in Kanpur (+5%) and raw silk, raw wool, copra and lac (+1% each) were, however, marked up. The index for Semi-Manufactures rose by 0.2 percent to 399.6. Items which exhibited significant changes were: groundnut cake (+7%), castor oil in Calcutta and linseed oil (-2% each). The index for Manufactures stood at 384.1 compared with 384.3 (revised) for the earlier week; the prices of jute manufactures showed a slight fall. Prices of chillies in Calcutta (+6%), black pepper in Cochin (+4%) and cashew nuts in Quilon (+3%) showed advances while those of cashewnuts in Mangalore (-2%) and chillies in Patna (-1%) witnessed declines, and the index for the Miscellaneous group went up by 0.2 percent to 565.9.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100).

Groups and Sub-Groups	13-4-57	Week Ended 6-4-57	16-3-57	14-4-56
I Food Articles :	406.1	403.4(R)	402.4(R)	360.9
Cereals	540*	535*(R)	526(R)	459
Pulses	423	431	448	351
Others	241	240*	243	236*
II Industrial Raw Materials :	513.6	514.7	514.1	471.0
Fibres	508	508	504(R)	459
Oilseeds	550*	555	558*	524
Minerals	511	514	518	444
Others	418	418	413	395*
III Semi-Manufactures :	399.6	398.8	403.9(R)	375.5
Leather	391	391	410	410
Mineral oils	211	211(R)	210	208
Vegetable oils	561	560(R)	580(R)	514
Cotton yarn	484	484(R)	485	455
Metals	328	328	328	282
Oilcakes	419	409	418	418
Others	375	375	387	362
IV Manufactures :	384.1	384.3(R)	384.5	375.8
Textiles	409*	410	411	408
Jute	414	416	416	397
Cotton	412*	412*	414*	408*
Rayon and silk	—	—	442*	502*
Woollen	266	266	266	264
Metal products	392	392	392	371
Others	305	305(R)	302	286
V Miscellaneous :	565.9	564.6	568.4(R)	496.0
All Commodities	421.0	420.2(R)	420.8	390.7

R—Revised *—Estimated.

Groups and Sub-Groups	March 1956.	Feb. 1957.	March 1957.
I Food Articles :	351.6	406.0(R)	402.5
Cereals	439	526	528
Pulses	373	439(R)	440
Others	233	251	242
II Industrial Raw Materials :	475.6	520.5	518.1(R)
Fibres	471	503	505
Oilseeds	511	574	552
Minerals	453	546	514(R)
Others	406	415	414(R)
III Semi-Manufactures :	369.8	410.6(R)	403.3
Leather	408	422	410
Mineral oils	203	210	210
Vegetable oils	489	611	577
Cotton yarn	452	483	484
Metals	282	328	328
Oil cakes	379	445	419
Others	364	388(R)	385
IV Manufactures :	374.8	385.5	384.1
Textiles	408	413	410
Jute	410	429	412
Cotton	403*	414*	414*
Rayon and silk	502*	442*	442*(R)
Woollen	278	266	266
Metal products	371	392	392
Others	285	301	302
V Miscellaneous :	508.1	585.2	569.6(R)
All Commodities	387.4	425.0(R)	421.2

R—Revised *—Estimated.

Stocks and Shares

STEADY UNDERTONE IN RESTRICTED TRADING

STUNTED CROP OF BUDGET RUMOURS

Wednesday Evening. The undertone in the stock market has been steady during the past week, but operators have been moving cautiously. There has been some talk of easier money conditions to help the bulls, but against this a good deal of anxiety prevails about the Reserve Bank circular asking banks to restrict advances which might be used for cornering operations. A few good company reports have appeared, such as the one from Guest, Keen, Williams, but their effect has been confined almost strictly to the shares concerned. Elsewhere, the inclination is not to extend commitments, as doubts prevail about not only the contents of the Budget but also the date on which it will be presented. The market's taxation experts seem to be surprisingly restrained in making forecasts about the Budget proposals this time. A gift tax is rumoured, as also an annual tax on wealth, but some operators are feeding themselves happily on hopes that the taxes on earned income will be reduced.

Jutes are selectively better on dividend announcements from the Andrew Yule group. Among coals, turnover has been limited, but there are a few features, such as Bengal and Equitable, Teas remain dull because it is feared that production might exceed demand during 1957. There have been few features in the miscellaneous group. Gilt-edged are generally maintained.

Details of the week's trading follow.

On the whole, Government securities ruled steady, but there were few price changes. The enquiry for short-and medium-dated loans was maintained but there was a slight decline in the volume of business. The 3% Conversion Loan, after improving to Rs. 74.50, had sellers at the close at Rs. 74.40. In short-dated loans, 3% 1957 and 1958 were unchanged at Rs. 99.75 and Rs. 99.65, but 3% 1959-61 turned sellers at Rs. 97.75, 2½% 1961 was traded around Rs. 93.50 and 3½% 1961 was better at Rs. 99.53. In medium-dated loans, 2½% 1962 was asked for at Rs. 93.85 but 3%, 1963-65 was on offer at Rs. 94.19, as was 3% 1964 at Rs. 94.40. The 3½% 1961 eased to Rs. 98.33 and 3½% 1965 was offered at Rs. 98.30. Business was reported in 3½% 1967 around Rs. 98.50. Long-dated loans staged a small recovery, with 2½% 1976 quoted at the higher rate of Rs. 83.15 and 3% 1970-75 at Rs. 87.18. However, 3% Loan 1966-68 was easier at Rs. 92.10 while 3½% loans continued on offer at Rs. 98.50. Among State loans, enquiry for 4% U.P. 1963 and 1964 was maintained; 4% West Bengal 1967 changed hands around Rs. 99.31 and 4% West Bengal 1968 was traded around Rs. 99. The 4% Madras 1968 met with sustained selling pressure and was marked down sharply from Rs. 98 to Rs. 97.25.

Very little business was reported in preference shares. In jute, Empire changed hands at around Rs. 98 and Fort Gloster 2nd at Rs. 69. Hooghly Mills were done at Rs. 8.44 and Naihati Jute 7% were marked at Rs. 88.

In the miscellaneous group, British India Corporation met with some enquiry around Rs. 121 and Calcutta Electric were steady at Rs. 9.19. A small lot of Dunlop Rubber 2nd were crossed at Rs. 88 and Indian Iron and Steel changed hands freely around Rs. 98. Indo-Burma Petroleum were depressed at Rs. 97 and Textile Machinery were reported at Rs. 71.50.

Bank shares were unchanged, with Punjab National quoted at Rs. 49, United Commercial at Rs. 53, Hind Bank at Rs. 33 and United Bank "D" at Rs. 42.5.

Business in coal shares was on a reduced scale. Bengal were a good feature today with the price improving smartly from Rs. 218 to Rs. 228 on the announcement of a higher dividend. New Manbhoom were better at Rs. 8.75. Another feature was Equitable, which advanced from Rs. 23 to Rs. 25. Burrakur were crossed at the higher rate of Rs. 21.72 and closed today at Rs. 22, while New Beerbhoom were easier at Rs. 14.50. Other shares in this section were unchanged.

In cotton, Elgins were marked back to Rs. 20.25 and Kesoram to Rs. 13.12. Bengal Nagpur receded from Rs. 7 to Rs. 6.75 and New Victoria were shaded at Rs. 1.75.

In electrics, Calcutta were lower at Rs. 12.62, as were Jubbulpore at Rs. 12.87 and Patna at Rs. 10.62.

Among engineering issues, Indian Iron and Steel fluctuated narrowly around Rs. 19.87 to close at Rs. 19.93. Guest, Keen, Williams, on a good report, improved further to Rs. 26.87. Britannia Engineering met with enquiry and were slightly better at Rs. 13.37, as were Burn at Rs. 312. Textile Machinery were fairly steady at Rs. 18.85, while both Jessop and Richardson and Cruddas closed lower at Rs. 24.25 and Rs. 17.25. The outstanding feature was Hooghly Docking, which spurred from Rs. 125 to Rs. 150 on rumours of a bonus issue.

After many months the jute section received some cheering news from a few mills in the Andrew Yule group, namely Cheviot, Delta and Orient. Cheviot announced a dividend of Rs. 2 against nil, Delta Rs. 5 against nil and Orient Rs. 2,

against Re. 1. Here is a chart showing representative price movements:

	Opening 25-4-57	Closing 1-5-57
Rs.	Rs.	Rs.
Agarpara	8.37	8
Angle India	135	139
Delta	125	128
Cheviot	126	126
India	123	130
Gondalpara	725	700
Megna	78	78.50
Kamarhatty	88	94
Kankannarrah	58	63
Orient	103	102
Presidency	3.75	4

Standard were unchanged at Rs. 63, as were Reliance at Rs. 7.50. National fluctuated narrowly around Rs. 20.20.

In paper, India Paper Pulp were shaded at Rs. 21.19 while Sirpur improved from Rs. 9.19 to Rs. 9.44. Titagur and Shree Gopal were unchanged at Rs. 33.50 and Rs. 15.10.

In shipping, India Steamship were slightly better at Rs. 10.06 while India General Navigation were unchanged at Rs. 66.

In insurance there were small buyers of Triton at Rs. 140 and sellers of Hercules at Rs. 21.62. New Asiatic were unchanged at Rs. 3.97, as were Ruby General at Rs. 5.50.

Among miscellaneous industrials, Balmer Lawrie were taken at the lower level of Rs. 142 but closed higher at Rs. 145. Angelo Brothers moved down to Rs. 18.25, as did Assam Saws to Rs. 2.94. British India Corporation met with selling pressure and were marked down to Rs. 7. Clive Row closed lower at Rs. 9.37. Good business was reported in Dunlop Rubber around Rs. 24, while there were sellers of Godfrey Phillips at the lower rate of Rs. 21.75. Imperial Tobacco were taken at Rs. 13.56 while Indian Aluminium were depressed at Rs.

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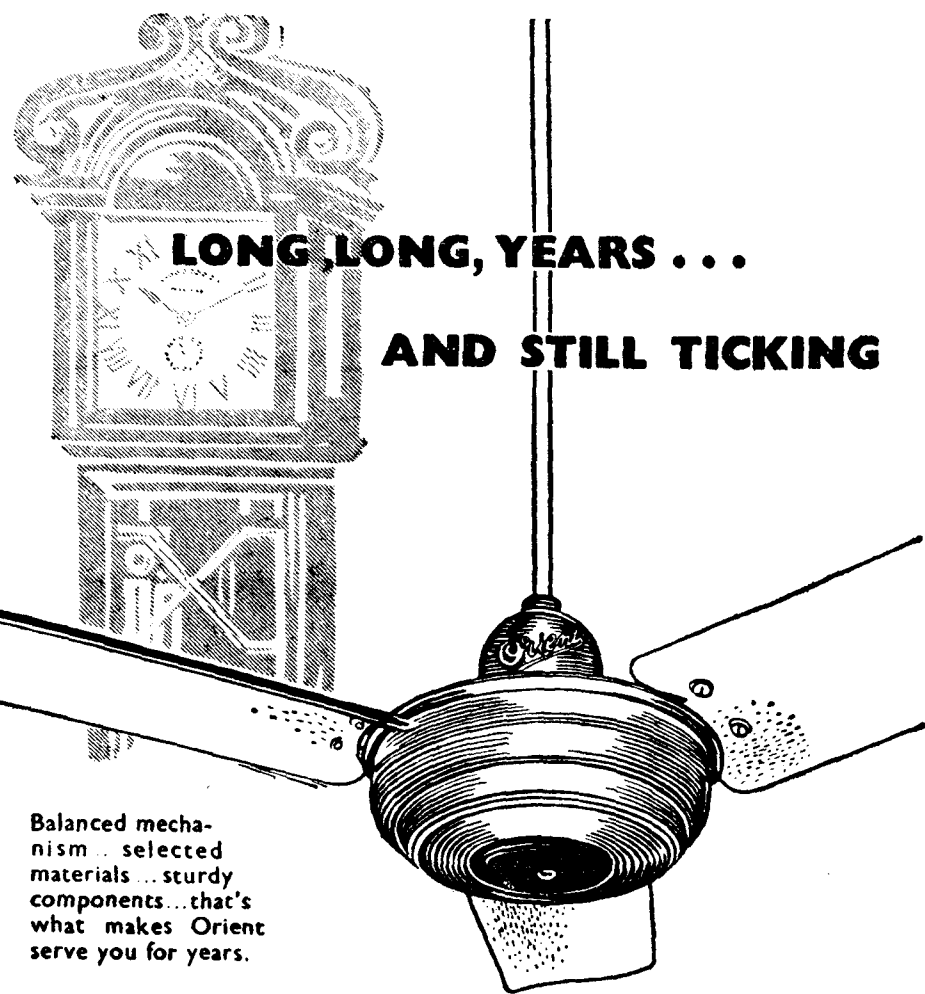
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12.75. Indian Rubber Manufacturers continued to meet with interested support and improved further from 26.25 to Rs. 27. The final dividend of 7½ percent announced by the National Carbon Company was received with disappointment and the shares reacted from Rs. 25.75 to Rs. 25. Martin Burn were better at Rs. 23.31, as were Metal Box at Rs. 27.19. Rallis were unchanged at Rs. 30 and Rohtas Industries were steady at Rs. 18.12. Sone Valley closed lower at Rs. 6.15.

In sugar, Belsund continued to meet with enquiry and improved to Rs. 11, as did Darbhanga to 25 and Ramnugger to Rs. 25.75. Carew were slightly lower at Rs. 7.30, while Dyer Meakin Breweries were steady at Rs. 6.19.

Little interest was shown in tea shares. Prices on the whole tended towards lower levels. Choonabhatti were marked down from Rs. 290 to Rs. 285 and Hattikhira from Rs. 15 to Rs. 14.75. Jutlibari closed lower at Rs. 21 while Dhelakhat were slightly better at Rs. 21.75.

In the mining section, Chrestien Mica improved to Rs. 14.75 and Karanpura Development recovered from Rs. 11.87 to Rs. 12.25. Orissa Minerals were offered at the lower rate of Rs. 18.37, but Indian Copper kept fairly steady around Rs. 3.28.

The ASSAM MATCH COMPANY has increased its profit by Rs. 1.88 lakhs to Rs. 10.24 lakhs for the year ended last December. The dividend has been maintained at 12½ percent, including a bonus of 2½ percent against 5 percent. General reserve is allocated Rs. 90,000 (Rs. 60,000) and dividend equalisation reserve receives Rs. 25,000 (nil). The taxation provision is Rs. 4.80 lakhs (Rs. 4 lakhs), leaving a carry-forward of Rs. 1,72,873, against Rs. 1,18,395 brought in.

The net earnings of the INDUSTRIAL CREDIT AND INVESTMENT CORPORATION OF INDIA have increased from Rs. 28.56 lakhs to Rs. 36.99 lakhs for the year

ended last December. The taxation provision is Rs. 15.25 lakhs. Bringing in Rs. 7,16,506, there is Rs. 26,81,149. A maiden dividend of 3½ percent has been declared. The general reserve allocation is Rs. 5 lakhs. The carry-forward is Rs. 6,31,149. The directors state that up to the end of 1956 no opportunities had occurred for making use of the loan of \$10 million which has been made available to the company by the International Bank for Reconstruction and Development for the purpose of meeting the external costs of projects which the company assists. As long as promoters of new projects were in a position to obtain their foreign exchange needs in the normal course, it was unnecessary for them to borrow foreign currency from the company. Because of the shortage of foreign currency and the consequent revision of the import licensing policy the situation is likely to change and the company is ready to assist by making use of these facilities in suitable cases where loans in foreign currency are sought.

Providing Rs. 29.75 lakhs for taxation and making other adjustments, the profit of the BANGALORE WOOLLEN, COTTON AND SILK MILLS COMPANY has amounted to Rs. 27.64 lakhs for the year ended last December. Bringing in Rs. 2,38,649 and other miscellaneous receipts, there is a balance of Rs. 33,33,947. The ordinary dividend is the same at Rs. 30 a share, including an interim of Rs. 10 a share. General reserve is allocated Rs. 11 lakhs. The carry-forward is Rs. 2,82,947.

The profit of the BUCKINGHAM AND CARNATIC COMPANY has amounted to Rs. 48.49 lakhs for the year ended last December, after providing Rs. 15 lakhs for taxation. Bringing in Rs. 2,38,445 and other miscellaneous receipts, there is a balance of Rs. 57,72,765. The ordinary dividend has been maintained at Rs. 10 a share, including an interim of Rs. 4 a share. General reserve is allocated Rs. 11

lakhs and debenture redemption fund receives Rs. 5 lakhs. The carry-forward is Rs. 2,28,220.

Providing Rs. 69.61 lakhs for taxation, the net profit of GUEST, KEEN, WILLIAMS, LTD. has amounted to Rs. 82.21 lakhs for the 52 weeks ended December 1956. Bringing in Rs. 17,03,427 and making other adjustments, there is Rs. 96,32,714. General reserve is allocated Rs. 38 lakhs. An interim dividend of 8 percent was paid to absorb Rs. 11.28 lakhs. The final dividend has been declared at 15 percent, absorbing Rs. 30 lakhs. The carry-forward is Rs. 17,04,234. The company was converted into a public company on 22nd October, 1956, and this was followed by the issue to the public in India of 589,400 ordinary shares in November 1956, thereby increasing the subscribed capital to Rs. 2 crores for the purpose of financing the various development schemes, such as rolling mills, additional steel melting furnace and road wheel plant in the Calcutta works and the expansion of the wood screw and allied fastenings plant in the Bhandup Works.

Bombay Market

PRICES FLUCTUATE NARROWLY ANXIETY ABOUT TEXTILE PROSPECTS

Wednesday Afternoon.
FLUCTUATIONS were narrow in the Bombay stock market last week, following intermittent buying and selling. Although the establishment of the Re-Finance Corporation improved sentiment for the time being, by encouraging the belief that the supply of credit to industries would become easier, operators were inclined to take a cautious view of

the future. It was feared that fresh taxation would be imposed in the Central Budget, which is expected in about two weeks' time. Steels were maintained on the report that the Indian Iron rights issue had been over-subscribed. The accumulation of cloth stocks caused concern, so the mill group showed minor losses on balance.

Tata Steels were transacted at Rs. 168 and Indian Iron were maintained at Rs. 19.95 on support from Calcutta interests, although an easier feeling was evident towards the close on fears of higher budla charges. Tata Locomotive declined to Rs. 145.50 on profit-taking. Alcock Ashdown were freely offered at Rs. 255, and scattered interest was taken in Premier Construction at Rs. 163.75. Mahindra and Mahindra came to hand at Rs. 15 on a satisfactory report. Motor shares lacked interest, and Premier Automobiles were sold at Rs. 88.50. Hindustan Motors were quoted at Rs. 7.15, with sellers predominating.

In the mill group, Bombay Dyeing recovered to Rs. 541.50, as did Century to Rs. 459 on short-covering. Standard were done at Rs. 442 on prospects of an expansion in activity. Kohinoors were taken at Rs. 319 by knowledgeable quarters. Simplex realised Rs. 171 and India United Ordinary were done at Rs. 10.10.

In the miscellaneous group, cement shares were quietly steady. Associated Cement were transacted at Rs. 160 and Digvijay were taken at Rs. 144.25. Sugar shares were selectively bought due to the prospect of increased exports. Belapur were quoted at Rs. 228.50 and Walchandnagar Industries were transacted at Rs. 251. Steamship company shares were steady, and Scindia Steam came to hand at Rs. 18.40. Great Eastern Shipping were maintained at Rs. 18.20. Mining shares showed minor changes, and Shrivraj Syndicate were transacted at Rs. 91.50. Bombay-Burmah reacted to Rs. 567.50 on profit-taking, while National Rayon were steady at Rs. 226 on replacement buying. Tata Chemicals were quoted at Rs. 16.50 and B.B. Petrol made Rs. 12.46.

Banking shares were barely steady and turnover was limited. Bank of Baroda came to hand at Rs. 99.50 and United Commercial Bank were available at Rs. 55.50. There was scattered enquiry in insurance shares, and New India Assurance were bought at Rs. 40.

Electricity supply companies met with selective buying, and Ahmedabad Electric were maintained at Rs. 94. Tata Hydro were quoted at Rs. 121.

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations, Quotations for the Corresponding Closing Date a Year Ago, the last named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paisel.]

GOVERNMENT SECURITIES
2½% Loan (1962)—Rs. 93/86—93/86—93/86—93/86.
3% " (1961)—Rs. 93/48—93/48—93/48—93/48.
3% " (1959)—Rs. 74/75—74/75—74/18—74/19.
3% " (1958)—Rs. 99/65—99/65—99/65—99/65.
3% " (1957)—Rs. 97/87—97/87—97/87—97/87.
3% " (1970-75)—Rs. 87/34—87/34—87/34—87/34.
3% " (1963-65)—Rs. 94/03—94/23—93/81—94/15.
3½% " (1962)—Rs. 97/85—97/85—97/85—97/85.
3½% " (1964)—Rs. 98/40—98/40—98/33—98/33.
3½% " (1967)—Rs. 98/53—98/53—98/53—98/53.
3½% " (1965)—Rs. 98/12—98/33—98/12—98/33.
4% West Bengal (1963)—Rs. 99/94—99/94—99/94—99/94.
4% West Bengal (1968)—Rs. 99/03—99/03—99/03—99/03.
4% Loan (1960-70)—Rs. 100/56—100/75—100/00—100/75.
4% U.P. (1967)—Rs. 97/87—97/87—97/87—97/87.
4% Do. (1968)—Rs. 97/87—97/87—97/75—97/75.

BANKS
Allahabad (Pref.)—Rs. 107/00—107/00—106/50—107/00.
Bank of Bikaner—Rs. 22/00—22/00—22/00—22/00.
Central (A Share)—Rs. 50/00—50/00—50/00—50/00 (47).
Hindustan Commercial—Rs. 10/00—10/00—10/00—10/00 (9-4).
Hind.—Rs. 33/62—33/62—33/62—33/62—(31-12).
United Bank of India (C'D Share)—Rs. 4/25—4/31—4/19—4/25—(4-4).
Do. (C Share)—Rs. 7/50—7/56—7/50—7/56.
Do. (A Share)—Rs. 20/25—20/25—20/25—20/25.
United Commercial—Rs. 52/25—52/25—52/25—53/00—(49-10).

COTTONS
Basanti (Pref.)—Rs. 7/37—7/65—7/18—7/65—(8).
Bengal Nagpur—Rs. 6/81—6/94—6/75—6/94—(8-7).
Cawnpore—Rs. 6/12—6/25—6/12—6/25—(8-5).
Elgin—Rs. 20/25—20/25—20/25—20/25—(27-2).
Jayashree—Rs. 5/50—5/87—5/50—5/87.
Kesoram—Rs. 13/50—13/50—13/12—13/25—(17-7).
New Victoria—Rs. 1/75—1/75—1/75—1/75—(1-15).

COALS
Bengal—Rs. 214/00—230/00—214/00—222/00—(530).
Bharat Collieries—Rs. 6/06—6/50—6/06—6/31—(7-8).
Do. (Pref.)—Rs. 49/50—49/50—49/00—49/00.
Burra Kur—Rs. 21/45—21/10—21/35—22/00—(13-13).
Central India—Rs. 5/94—6/06—5/94—6/06—(6-14).
East Indian—Rs. 24/62—24/75—24/62—24/75—(31-10).
Equitable—Rs. 24/25—24/25—24/25—24/25—(28-8).
Josta—Rs. 1/50—1/50—1/50—1/50.
Katra Jharia—Rs. 53/75—53/75—53/75—53/75—(55).
New Beerbhoom—Rs. 14/56—14/62—14/44—14/62.
New Manbhoom—Rs. 8/50—9/00—8/50—9/00—(11-8).
Pench Valley—Rs. 14/75—14/75—14/75—14/75—(22-4).
South Karanpura—Rs. 8/25—9/31—8/12—8/12—(10-6).
Tateher—Rs. 1/62—1/65—1/62—1/65—(8-4).
Western Bengal—Rs. 5/34—5/37—5/34—5/37.
West Jamuria—Rs. 7/25—7/25—7/25—7/25—(13).

JUTES
Agarpara—Rs. 8/00—8/00—8/00—8/00—(11-9).
Anglo-India—Rs. 138/00—138/00—132/00—139/00—(173).

Auckland—Rs. 78/00—78/00—78/00—78/00—(129).
Alliance—Rs. 73/00—73/00—73/00—73/00—(131).
Bally—Rs. 146/00—146/00—146/00—146/00—(140).
Barnagore—Rs. 87/00—87/00—87/00—87/00—(134).
Budge Budge—Rs. 90/00—90/00—90/00—90/00.
Empire—Rs. 14/62—14/75—14/44—14/44—(19-4).
Do. (Pref.)—Rs. 96/99—96/99—96/99—96/99—(118).
Fort Gloster (2nd Pref.)—Rs. 69/09—69/50—63/00—69/50—(120).

Hooghly (Pref.)—Rs. 8/44—8/44—8/12—8/19—(13-13).
Howrah—Rs. 15/19—15/19—15/06—15/12—(22-6).
Kamarhatti—Rs. 90/09—93/00—90/09—93/00—(135).
Do. (B Ord.)—Rs. 82/09—82/00—82/00—82/09.
Kankarab—Rs. 52/00—52/00—52/00—52/00—(98).
Do. (B Ord.)—Rs. 55/09—55/09—55/09—55/09.
Khurda (Pref.)—Rs. 86/00—86/09—86/00—86/09—(194).
Megha—Rs. 79/09—81/00—78/50—78/50—(78-4).
National—Rs. 20/35—20/35—19/35—20/00—(23-6).
New Central—Rs. 12/37—12/37—12/12—12/25—(17-2).
Nuddea—Rs. 30/25—30/75—30/25—30/50—(39).
Nahati (Pref.)—Rs. 88/00—88/00—88/00—88/00—(79).
Orient—Rs. 101/00—101/00—101/00—101/00—(153).
Reliance—Rs. 7/50—7/50—7/44—7/44—(10).
Union—Rs. 109/00—109/09—109/00—109/00—(159).
Waverley—Rs. 3/12—3/12—3/12—3/12—(6-5).

MININGS
Burma Mines—Rs. 2/43—2/48—2/43—2/48—(4-1).
Indian Copper—Rs. 3/28—3/32—3/22—3/28—(2-12).
Consolidated Tin—Rs. 1/56—1/56—1/56—1/56.
Karanpura Development—Rs. 77/75—77/75—71/75—72/37—(26-3).
Metal Corporation—Rs. 7/87—7/87—7/68—7/87—(10-9).
Orissa Minerals—Rs. 18/37—18/37—18/37—18/37—(24-2).

CEMENTS
Bengal Potteries—Rs. 2/84—2/84—2/84—2/84—(7-14).
Dalmia (Bharat)—Rs. 11/63—11/63—11/63—11/63—(3-14).
Jaipur Udyog—Rs. 12/06—12/12—12/06—12/09.
Consolidated—Rs. 13/31—13/31—13/28—13/31.
Sone Valley—Rs. 6/22—6/22—6/12—6/12—(8).

CHEMICALS
Alkali & Chemical (Ord.)—Rs. 11/31—11/87—11/31—11/87—(19-14).
Do. (Renunciation Letter)—Rs. 0/12 s.t.—0/15—0/96 p.m.—0/10 p.m.

ELECTRICS
Calcutta—Rs. 12/62—12/62—12/44—12/62—(13-3).
Do. (Pref.)—Rs. 9/06—9/31—8/30—9/31—(11-5).
Jubbulpore—Rs. 13/06—13/12—12/81—12/31—(14-12).
Patna—Rs. 10/75—10/75—10/75—10/75—(11-9).

ENGINEERING
Britannia Engineering—Rs. 13/00—13/00—13/00—13/00—(18-4).
Brathwaite & Co.—Rs. 24/62—24/62—24/62—24/62—(28).
Bhartia Electric Steel—Rs. 15/00—15/06—14/69—14/69—(17-6).
Burn & Co. (6% Pref.)—Rs. 110/00—110/00—110/00—110/00—(122).
Guest, Keen, Williams—Rs. 26/37—26/75—26/25—26/75.
Hooghly Docking—Rs. 140/00—151/00—140/00—151/00—(114-8).

Indian Iron—Rs. 20/00—20/09—19/75—19/93—(34-9).
Do. (New)—Rs. 18/98—18/98—18/66—18/81.
Do. (Pref.)—Rs. 98/00—99/00—97/00—98/50—(106-8).
Indian Galvanizing—Rs. 19/12—19/12—18/87—19/00—(26-6).
Jesop & Co.—Rs. 25/19—25/31—24/00—24/43—(35-4).
Kumardhubi—Rs. 9/19—9/25—9/06—9/12—(19-4).
Marshall's—Rs. 4/81—4/87—4/62—4/74—(6-2).
Richardson & Cruddas—Rs. 17/50—18/00—17/25—17/31.
Textile Machinery—Rs. 18/90—18/90—18/50—18/85—(23-8).

Do. (2nd Pref.)—Rs. 65/00—65/00—65/00—65/00.
Do. (Pref.)—Rs. 71/50—72/00—71/00—71/50—72/00.

INSURANCES
Hercules—Rs. 21/62—21/62—21/62—21/62—(17-10).
Ruoy General—Rs. 5/50—5/50—5/50—5/50—(6).

MISCELLANEOUS
Aluminium Corpn.—Rs. 9/43—9/43—9/43—9/43—(9-14).
Do. (Defd.)—Rs. 4/50—4/50—4/50—4/50—(2-3).
Associated Hotels (Pref.)—Rs. 61/00—61/00—61/00—61/00—(61-00).
Bharat Commerce & Industry—Rs. 3/50—3/75—3/50—3/75—(15-4).
Clive Row Investment—Rs. 9/44—9/56—9/31—9/56.
Calcutta Tramways—Rs. 16/06—16/06—16/06—16/06—(16-4).

Calcutta Silk Mfg.—Rs. 4/06—4/12—4/06—4/12—(4-8).
Duncar Brothers—Rs. 103/50—103/50—99/50—100/00—(123).
Dunlop Rubber—Rs. 24/00—24/12—23/87—23/87—(30-3).
Electric Construction Equipment—Rs. 9/62—9/81—9/62—9/81—(151-8).
Eastern Investments—Rs. 108/00—108/00—105/50—106/50—(151-8).
F. & C. Osler—Rs. 7/00—7/00—6/37—6/37—(12-8).
Gillanders Arbuthnot—Rs. 10/69—10/75—10/50—10/75—(14-3).
Godfrey Phillips—Rs. 23/50—23/50—23/50—23/50—(20-6).
Imperial Tobacco—Rs. 13/50—13/62—13/31—13/62—(14-7).

Indian Aluminium—Rs. 12/75—12/87—12/75—12/75.
Indian Cables—Rs. 25/50—25/62—24/81—24/87—(21).
Indian Rubber Mfg.—Rs. 27/00—27/00—27/00—27/00—(11-9).
Do. (Pref.)—Rs. 26/25—26/25—26/25—26/25—(101).
Jardine Henderson—Rs. 79/00—79/00—79/00—79/00—(101).
Macfarlane & Co.—Rs. 3/06—3/06—3/06—3/06—(2-7).
Martin Burn—Rs. 23/25—23/44—23/19—23/25—(24-15).
Metal Box—Rs. 26/75—27/19—26/69—27/19—(27-8).
National Carbon—Rs. 25/75—25/75—24/94—24/94.
National Insulated Cable—Rs. 19/37—19/50—19/31—19/31—(22-9).

National Tobacco—Rs. 9/87—9/87—9/75—9/75—(12-2).
Osler Electric Lamp—Rs. 4/00—4/00—3/37—3/37.
Do. (Pref.)—Rs. 60/00—60/00—60/00—60/00.
Rohtas Industries—Rs. 18/00—18/25—17/62—18/15—(22-10).
Rallis India—Rs. 30/00—30/00—29/50—29/50—(33).
Shaw Wallace—Rs. 11/19—11/19—11/19—11/19—(15-10).

Western Stockholders Investment—0/85—0/85—0/85—0/85—(0-85).

OIL SHARES
British Burma Petroleum—Rs. 2/55—2/55—2/55—2/55—(4-2).
Indo-Burma Petroleum—Rs. 28/37—28/63—28/37—28/63—(42).
Do. (Pref.)—Rs. 97/00—97/00—97/00—97/00—(107).

SAW MILLS
Assam Saws—Rs. 3/00—3/00—2/93—2/93—(4-12).

PAPER MILLS
India Paper Pulp—Rs. 21/31—21/31—21/09—21/19—(25).
Orient—Rs. 39/40—39/40—39/05—39/29—(24-13).
Sriee Gopal—Rs. 15/06—15/06—15/00—15/00—(18-2).
Tittagar—Rs. 33/50—33/62—33/50—33/50—(43-12).

REAL PROPERTY
Madnapore Zemindary—Rs. 21/09—21/09—21/09—21/09—(33-12).

SHIPPINGS
Fraser & Co.—Rs. 13/94—14/09—13/90—14/09—(13-9).
India Steamship—Rs. 10/03—10/09—9/94—10/00—(3-19).
Port Shipping—Rs. 16/37—16/37—16/37—16/37—(17).

SUGARS
Belsund—Rs. 10/81—11/09—10/81—11/09—(19-3).
Carew & Co.—Rs. 7/25—7/31—7/25—7/31—(8-11).
Dyer Meakin Breweries—Rs. 6/12—6/12—6/12—6/12—(5-14).
Darbhanga—Rs. 23/12—23/75—23/00—23/75—(21-6).
Ramnugger Cane—Rs. 25/50—25/50—25/18—25/18—(24-1).
Sriee Krishna Gyanodai—Rs. 10/19—10/31—10/19—10/19—(11-12).
U. P.—Rs. 13/59—13/59—13/59—13/59.

TEA SHARES
Biepara—Rs. 113/00—115/00—113/00—115/00—(180).
Brahmaputra—Rs. 6/44—7/00—6/31—6/37.
Desai & Purbuttia—Rs. 284/00—284/00—284/00—284/00—(405).

Dhelakhat—Rs. 21/62—21/75—21/44—21/50—(21-5).
Dhansu (Pref.)—Rs. 2/62—2/75—2/62—2/75—(3-4).
Darjeeling Tea & Chinchona—Rs. 131/00—131/00—131/00—131/00—(290).
Hasimara—Rs. 24/56—24/56—24/31—24/31—(39-13).
Hantapara—Rs. 164/00—165/00—164/00—165/00—(329-3).
Hansqua—Rs. 26/50—26/50—25/87—25/87—(24-1).
Jaybirpara—Rs. 23/00—23/00—23/00—23/00—(24-10).
Jayashree—Rs. 11/25—11/37—11/25—11/37.
Ledo—Rs. 21/00—21/00—21/00—21/00—(21-00).
Machan—Rs. 18/59—18/50—18/37—18/37—(24-3).
Namburnadi—Rs. 18/25—18/25—18/25—18/25—(23-3).
Oodlab—Rs. 14/00—14/00—14/00—14/00—(10).
Patrakola—Rs. 161/09—161/09—161/09—161/09—(133).
Pussimbi—Rs. 10/25—10/25—10/25—10/25—(15).
Singell—Rs. 21/00—21/00—21/00—21/00—(12-3).
Sungma—Rs. 12/00—12/56—11/75—11/75—(12-3).
Tengpani—Rs. 61/25—62/00—61/25—62/00—(115).
Tepore—Rs. 19/44—19/44—19/44—19/44—(25-13).
Teloiari—Rs. 22/56—22/56—22/56—22/56—(25-36).

DEBENTURES
5% Cal. Elec. Supply—Rs. 97/00—97/50—97/00—97/50.

WIDE RANGE OF PRODUCTS AT BRITISH INDUSTRIES FAIR

Some 50 countries in all parts of the world are likely to be represented among the buyers coming to the British Industries Fair which will be open from 6th to 17th May. But this year the Fair will not be in London and Birmingham, as in the past. It will be held in Birmingham only. In the past, the Birmingham section of the Fair accommodated heavy engineering, electrical, hardware and building goods—the backbone of British industrial effort. This year these sections will again be organised, but the scope will be widened to include consumer products. Anybody who previously exhibited at the London fair and who is connected in any way with these industries will be eligible to show in Birmingham. Many London exhibitors have signified their intention to participate. The Birmingham Chamber of Commerce owns, on the Castle Bromwich site, the largest single-roofed exhibition hall in Europe. It is in this hall that the exhibition is to be held. Better facilities than ever before are to be offered, not only to exhibitors but also to buyers, to give them an impression that British industry is capable of supplying the world's needs in a period when competition is growing and normal trading conditions are beginning to return.

The layout of the exhibition is simple. There are to be seven avenues under one roof. Each trade section is to be self-contained. There will be an Overseas Buyers' Club in the centre of the Fair, where there will also be a central information bureau to supply travel information to buyers and to arrange for their accommodation. Outside the main hall there are open spaces where mechanical handling devices for those who will attend the fair will be greater than in any previous year, and already the B.I.F. authorities have prepared a list of approved accommodation for buyers. An added attraction in that during the period of the fair, the "Festival of Birmingham" will take place. The B.I.F. is a general or samples fair: it is not devoted to any one particular trade. The range of products on show is, therefore, very wide, and this year every effort is being made to make the exhibits more attractive. For instance, on one stand a complete foundry, showing modern methods of production of castings, will be in operation. The fact that the Fair is a general one is of particular advantage to buyers who cannot spare the time to visit the many specialised shows that are usually held at various periods in the year. The B.I.F. is noted for the new products which are often shown there for the first time. This year is no exception. At roughly the same time as the B.I.F. in Birmingham, there are to be three other exhibitions in London—the Instruments, Electronics and Automation Exhibition in Olympia, 7th to 17th May, the Gifts Fair at Alexandra Palace, 13th to 17th May, and the Factory Equipment Exhibition at Earls Court, 29th April to 4th May.

Plan for Progress

Transport and Travel

A network of steel rails  girdling the country, ribbons of

Plantation Topics

STRIKE MOVE BY KERALA PLANTATION WORKERS

HEAVY PRICE FALL IN GINGER MARKET

(FROM A SOUTH INDIAN CORRESPONDENT)

PLANTATION workers in Kerala, numbering about 200,000 will strike if no settlement is reached within the next two weeks over their immediate minimum demands which include bonus for 1955-56. The decision was taken at a meeting of the various estate workers unions, affiliated to the All-India Trade Union Congress, the United Trade Union Congress and the Hind Mazdoor Sabha, held in Ernakulam last week. Although the I.N.T.U.C. led unions were not represented at this meeting, their leader, Mr. B. K. Nair, has since offered their co-operation to the proposed strike move. The Communist Labour Minister of Kerala, Mr. T. V. Thomas, said last week that he would be calling a meeting of the Plantation Labour Committee to decide the question of bonus for last year. This Committee met last month to consider the same issue, but it could not recommend any solution as the representatives of the workers and the

management on the Committee could not arrive at a settlement.

Bigger S. Indian Tea Crop

South Indian tea crop for the first quarter of 1957 is estimated at 27.3 million lbs, 4.5 million lbs higher than that of the corresponding period last year. Ceylon's output was higher by eight million lbs at 60 million lbs during the first two months. In 1956, both Ceylon and South India produced less, mostly on account of the unfavourable weather conditions that obtained during the first half of the year. Tea shipments from Cochin during the first three months of the year were slightly lower, compared with those of the corresponding period last year. Exports amounted to 15.1 million lbs against 16.3 million lbs in the same period of 1956. Exports from Kozhikode amounted to another 700,000 lbs. Exports of South Indian teas during the season ended 31st March, 1957, totalled 68.5 million lbs representing 52 percent of the region's output. North Indian tea exports during this period amounted to nearly 72 percent of the production in north east India.

Lower Rubber Output

Rubber production in South India during March was slightly lower, compared with the period last year. Production amounted to 1,220 tons compared with 1,165 tons in February and 1,279 tons in March, 1956. The Rubber Board has sanctioned replanting

subsidy for about 6,250 acres of low-yielding rubber area out of the target of 7,000 acres fixed for 1957. The Board has a scheme for subsidised replanting of 70,000 acres of low-yielding rubber area with better strains, within a period of 10 years. The Board has also finalised the plans for giving subsidy for replanting to be done in 1958.

Higher Ginger Export

There was a heavy export of ginger from India during the first three months of the current season. A total of 3,701 tons were shipped during this period against 1,522.5 tons during the previous corresponding period (November 1955 to January 1956). Aden, Saudi Arabia, the U.S.A. and the U.K. were the main importers. However, Indian ginger has been in difficulties for the past few months. The current price of Rs. 52.50 a cwt. is less than 40 percent of the prices ruling at this time last year. This heavy fall is attributed to the sudden and steep increase in the Indian crop from 9,000 tons last season to 16,000 tons this season, and to nervousness of the Indian shippers. A large Indian crop might upset the balance between world supply and demand, although there are reports that the Jamaican and East African crops are below normal this time. East African producers, it is stated, are disinclined to part with their stocks for anything less than Rs. 106 a cwt. Whereas the African ginger is commanding a price of nearly Rs. 135 a cwt. in the London market, Indian ginger is getting only Rs. 87 there. The trade doubts that there is so much difference in quality between the Indian and African ginger as to justify this big difference in value.

COCHIN TEA SALES

At Sale No. 9, 1,900,000 lbs of tea were on offer. There was good but weakening demand for Commons, but Low Mediums were about steady. Mediums were irregularly 15 to 20 nP easier. Best Liquorings were firm with quality otherwise irregularly lower. Whole Leaf grades were strong.

TEA EXPORT DUTY REDUCED

The Government of India has issued a notification fixing the price of tea for the purpose of determining the export duty, at Rs. 2.41 a lb, as against Rs. 2.74 a lb in force from 1st April, 1957. The export duty at this price will be 25 nP a lb, as against 37½ nP a lb. in force hitherto.

KENYA TEA OUTPUT AND EXPORTS

Acreage planted with tea in Kenya at 31st December last amounted to 27,030 acres, an increase of 1957 acres over the previous year. At the same date, 67,674 acres were increased for tea growing, an increase of 6,184 acres during the past year. Production of tea during 1956 was 21,269,290 lbs (average for the five years 1951-55 was 15,918,010 lbs); 15,044,013 lbs, valued at £2,734,250, were exported (of which 10,055,194 lbs went to the U.K.). Some 6,300,264 lbs were consumed locally during 1956. The estimated value of tea sold on the Kenya markets in 1956 was £931,781.

RUBBER PRODUCTION AND CONSUMPTION IN MARCH

Indian rubber output in March was 1,220 tons, according to the Rubber Board of India. Exports were 3 tons 1,423 lbs, while imports were 320 tons. Consumption by manufacturers was 2,586 tons. Stocks with estates and dealers on the last day of March were 2,921 tons, including 443 tons in transit. Stocks with manufacturers at the end of the month amounted to 3,454 tons. Manufacturers also consumed 314 tons of reclaimed rubber, of which they held a month-end stock of 740 tons, and used 209 tons of synthetic rubber, their month-end stock of which was 996 tons.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 12-2-57 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.26	1.26
No. 2	1.23	1.23
No. 3	1.20	1.20
No. 4	.96	.96
No. 5	.91	.91
Sheet Cuttings 1		.94
Sheet Cuttings 2		.89
Crape:		
Water White	—	—
R.M.A. No. 1X	1.15/18	1.16
R.M.A. No. 1	1.11/12	1.11
Crape No. 2		1.00
Crape No. 3		.97
Scrap Cresses:		
Sc. Crape No. 1	.92 Nom.	.91
Sc. Crape No. 2	.88/91	.88
Sc. Crape No. 3	.77/87	.72
Flat Bark	.70/75	.85
Sc. Crape 3X		.85

To arrive at f.o.b., Colombo prices, add 53.53 cents a lb for crape other than scrap crape and 31.53 cents for scrap crape to the above market prices.

New Delhi

IMPLEMENTATION OF HEAVY ENGINEERING PROJECT

PROSPECTS OF GETTING RUSSIAN AND BRITISH CREDIT FACILITIES

(FROM A NEW DELHI CORRESPONDENT)

THE Russians, it is understood, have, during their negotiations with Indian officials, suggested that a comprehensive plan for utilising the long-term credit offer of Rs. 60 crores be drawn up before they commit themselves to assisting individual projects. It is also learnt that they want an Indian delegation to visit Russia and discuss the plan. The Russian attitude was revealed in the course of negotiations for working coal mines on the basis of the Russian mining experts' report on the Korba coalfield. The report, which was submitted to the Indian Government early this year, says that the area is suitable for mechanised processes and can be developed so as to obtain an annual output of four million tons by 1960-61: two million tons by mining and two million tons by the open-cast process. The report adds that Russia can deliver the equipment for quarrying operations in 1958, and for mining operations in 1959-60. This fits in neatly with the time-table for utilising the long-term credit, which is to be available in the form of machinery and equipment over a three-year period starting from 1958-59. After studying the report, the former Production Ministry decided to request the Russians to undertake the development of the Korba area for an annual production of only 2.5 million tons of coal. But the Russians have replied as stated above.

Whether or not the proposal to send a delegation to Russia is accepted, the discussion of the comprehensive plan for utilising the Russian credit is awaited with interest. It will provide an answer to the question whether Russia is prepared to collaborate in the heavy engineering project, if it is not of the type the Russian experts have recommended, and if India secures Western assistance for part of the project? The question has arisen because of the following factors. Firstly, the Jehangir Ghandy Committee has favoured the establishment of multiple units as recommended in the British report in different parts of the country, as against a giant integrated plant of the Russian experts' conception. Though the Ghandy Committee's report is still under the Government's consideration, the acceptance of its basic recommendations is regarded as virtually certain. Secondly, the Russian Government has offered no further long-term credit besides the Rs. 60 crores promised last October. This has belied the expectation in India that Russia would offer separate assistance for the heavy engineering project.

U.K. Aid Hopes

On the other hand, hopes of U.K. assistance, implicit, in a sense, in the despatch of the Coates mission to India, have been strengthened by the subsequent visit of Sir Norman Kipping on behalf of the F.B.I. and the favourable view he has expressed on India as an investment risk. However, no specific figures of long-term British credit for industrial equipment and machinery have yet appeared. In view of India's large credit needs, the Government is expecting collaboration, at least in the heavy engineering project, from both Russia and Britain, each taking up some parts of the proposed multiple-unit project. Aid from West Germany or Czechoslovakia, which have both shown interest in the foundry-forging part of the project, should be welcome.

The Russians have not given up their interest in the heavy engineering project, in spite of the certain prospect of the Indian Government preferring dispersed units to a single integrated plant. This is indicated by the fact that a Russian Embassy official called at the Department of Heavy Industries when a newspaper report suggested that India might rely exclusively on British assistance for implementing the project. He was assured that no decision had been taken. Meanwhile, the Russian and British proposals as if they involved rivalry. The same attitude will apply to further consideration of the project for the manufacture of coal-mining equipment. On this, recommendations have been made by a team of Russian experts and by the Coates mission. It is understood that the Government proposes to provide Rs. 45 crores for the project. This contrasts with the estimate of Rs. 13.2 crores for the comprehensive project recommended by Russian experts and Rs. 3 crores for the modest scheme outlined by the British team. The Government is still considering the suggestion, which, it is reported, the Jehangir Ghandy Committee has made, for appointing a separate technical committee to consider the specific items of coal-mining equipment to be taken up for manufacture under the proposed Rs. 4.5-crore project.

Agricultural Development

Mr. V. T. Krishnamachari's inaugural address at the conference of State Development Commissioners in Mussorie was a good analysis of the problems of agricultural development. It also raised the issue of the contribution which agriculture should make to industrial growth. The Deputy Chairman of the Planning Commission pointed out

that in China, where the cultivated area is practically the same as in India though the yield is double, "agriculture pays annually taxes amounting to Rs. 550 crores to Rs. 600 crores, as against India's Rs. 80 crores to Rs. 90 crores". Mr. Krishnamachari was not suggesting that the same scale of agricultural taxation was necessary or even desirable in India.

Trade Delegations

An exceptionally busy "season" for trade delegations has ended with the departure of the 37-strong Australian mission for Ceylon last week. During the four months of the current year, New Delhi has received trade delegations from as many as nine countries, which together account for about a third of India's foreign trade. The following table sets out the figures of trade with each of these countries during 1955-56. Countries are given in the order of the arrival of the respective delegations since January. The total value of India's foreign trade during 1955-56 was Rs. 1,250.26 crores.

Country	Imports into India	Exports from India
	(Value in Rs. crores)	
1. Denmark	4.18	2.04
2. Pakistan	27.1	8.4
3. Sweden	7.86	1.57
4. U.S.A.	89.30	85.26
5. Egypt	23.09	9.46
6. Finland	2.70	.33
7. Australia	13.47	24.81
8. West Germany	60.28	14.73
9. Sudan	12.68	5.63
Total	240.66	152.23

India's new import policy for capital goods, with its requirement of credit over varying periods for certain categories of machinery and equipment,

was explained to the delegations from the six countries which are industrially advanced enough to export such goods. The peculiar problems of border trade and transport dominated the discussions with the delegation from Pakistan, while it was India's turn to offer industrial products, and even some items of machinery, for sale to Egypt and the Sudan. Notable among the formal agreements which resulted from the trade talks are the new Indo-Pakistan trade pact, effective till 31st January, 1960, and the special rupee account opened by the State Trading Corporation for importing cotton worth Rs. 5 crores from Egypt, at what are expected to be slightly concessional prices, and the export of goods of equivalent value from India to Egypt.

It has been decided that an Indian business delegation will pay a return visit to West Germany shortly. The development of trade between the two countries justifies the step. The principal task of the Indian mission has to be the exploration of the means to increase Indian exports to West Germany. During the period from April to November 1956, imports from that country totalled Rs. 58.34 crores, or nearly as much as during the whole of 1955-56. But Indian exports to West Germany were of the value of only Rs. 14.77 crores during the same eight-month period.

World Bank Loan

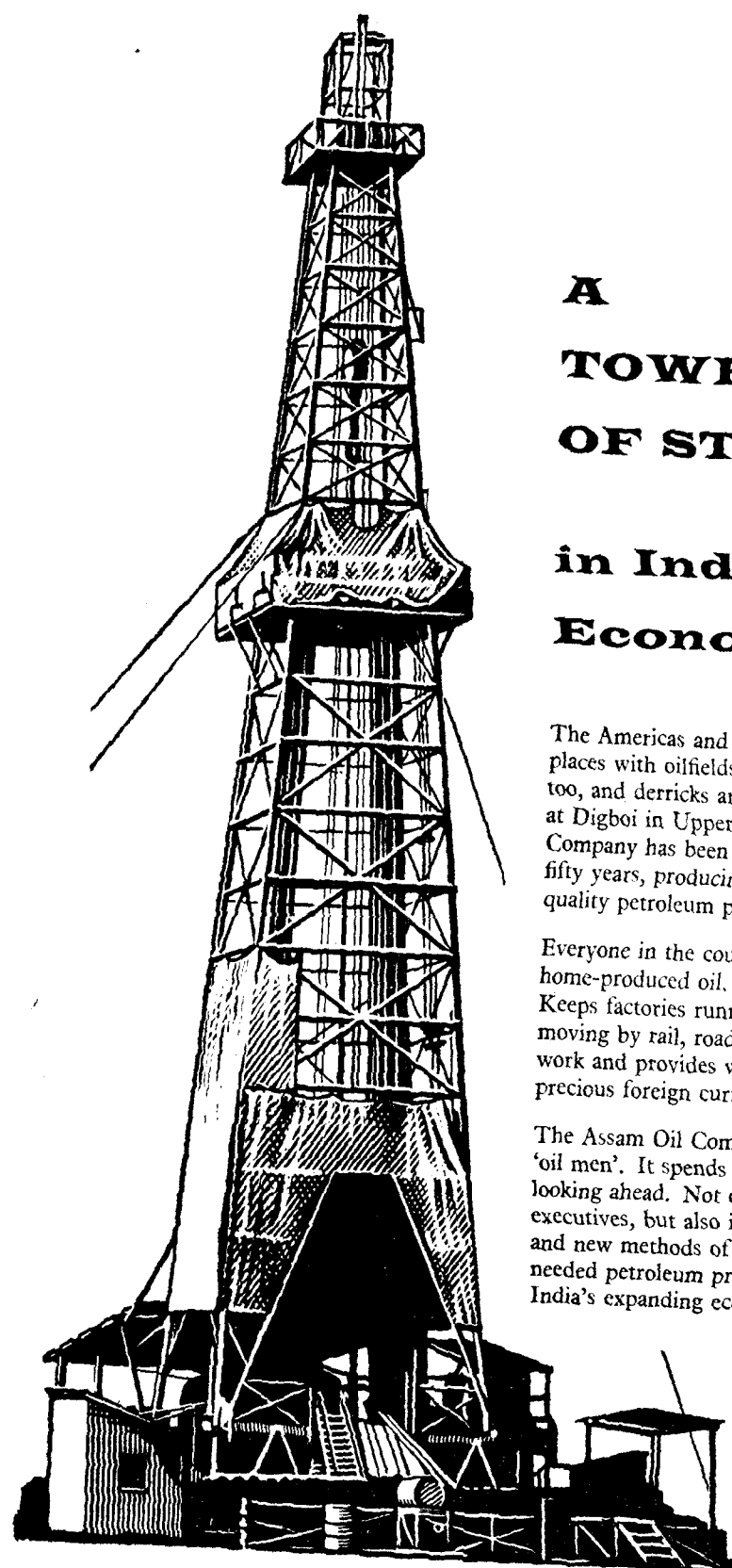
Great expectations of World Bank assistance for India's railway development programme have been roused, in view of the statements made by the Bank's president, Mr. Eugene Black, and the appreciative comments on the performance of Indian railways by the expert mission which the Bank sent out under the leadership of Mr. Slater. The final round of talks to be held soon with World Bank officials in Washington by Mr. B. K. Nehru, Secretary of the Economic Affairs Department in the Union Finance Ministry, it is hoped, will result in the announcement of a sizeable loan. Mr. B. K. Nehru is expected to spend a total of six weeks abroad. He will visit London, Paris, and perhaps other West European capitals. He returned after making a first-hand survey of the European capital market last August with the impression that, given the state of supply and demand, India could hope to attract substantial foreign capital only if prevalent ideas in this country about interest rates were realistically revised. Such a change in ideas may now have taken place under the stress of the foreign exchange shortage and the consequent search for long-term credit. There is also now a better appreciation abroad of India's needs and the terms on which she seeks the supply of capital goods. The results of Mr. B. K. Nehru's renewed exploration of Europe's financial centres will, therefore, be awaited with interest.

A TOWER OF STRENGTH in India's Economy

The Americas and the Middle East are not the only places with oilfields! Oil is produced here in India, too, and derricks are a familiar part of the landscape at Digboi in Upper Assam. The Assam Oil Company has been operating this oilfield for over fifty years, producing some 300,000 gallons of high quality petroleum products daily.

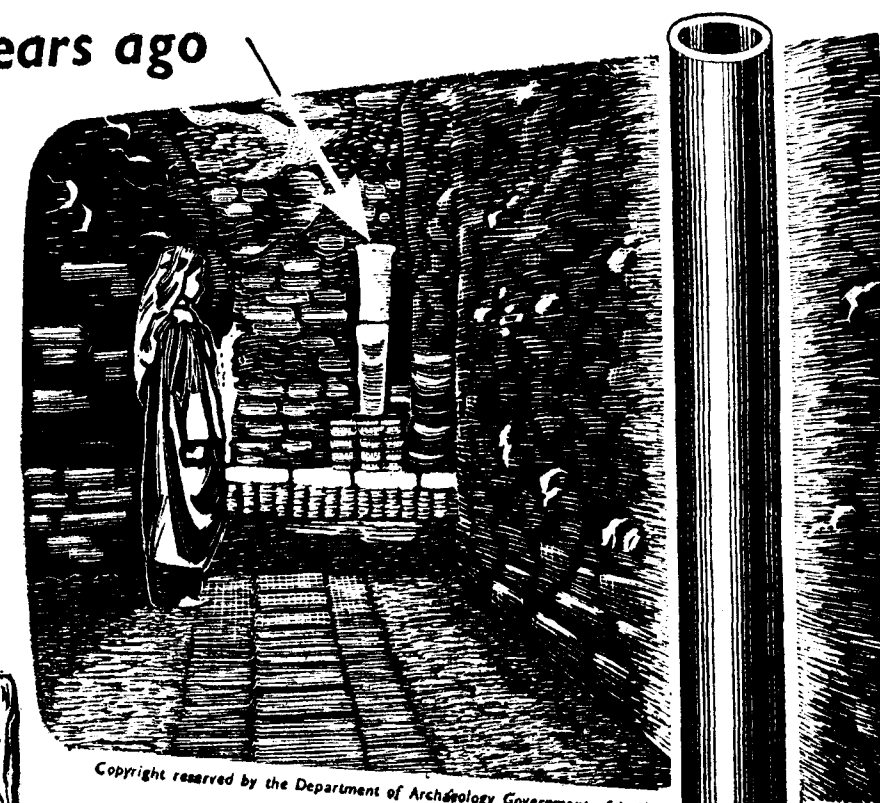
Everyone in the country benefits from this flow of home-produced oil. It speeds food production. Keeps factories running smoothly. Keeps goods moving by rail, road, sea and air. Takes people to work and provides work for them—as well as saving precious foreign currency.

The Assam Oil Company itself employs over 8,000 'oil men'. It spends much time and money in looking ahead. Not only in training technicians and executives, but also in finding new sources of oil and new methods of processing it into the much-needed petroleum products which are so vital to India's expanding economy.

A member of the
Burmah Group of Oil Companies

ASSAM OIL COMPANY

5000 years ago



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Mohenjo-Daro

Two pieces of earthenware pipes—silent witnesses to a civilisation that flourished 5000 years ago. These two pieces, complete with spigot and socket joints, which still cling to the wall of a house at Mohenjo-Daro, formed part of a rainwater pipe.

Indian Tube

The Indian Tube Company (1953) Limited
A Tata-Stewarts & Lloyds Enterprise
41, Chowringhee Road, Calcutta-16

London

MOVE TO INCREASE U.K. TRADE WITH CHINA

CAPITAL EXPENDITURE BY INDUSTRY STILL RISING
(FROM OUR LONDON CORRESPONDENT)

FOLLOWING the Easter holidays, there has been little fresh to report on the economic situation. Last week it was expected that a further drop in the Bank of England rate would be announced. Such a move would have been incongruous with the Chancellor of the Exchequer's insistence that the credit squeeze must be maintained, but Thursday passed without any change. There have been two other developments of great significance, namely, the American agreement, following upon the Bermuda discussions, to some relaxation of the controls on trade with Communist China, and the submission to the United Nations of the final terms drawn up by the Egyptians under which international shipping may use the Suez Canal. Unfortunately, both will call for careful consideration by various parties before their possible effects can be judged.

So far as the lifting of the embargo on the export of a considerable range of goods to China is concerned, the U.S. lists have yet to be examined in detail here before they are presented to the 15 member-nations of the Consultative Group in Paris. In the meantime, it is likely that the Sino-British Trade Committee, which represents the five leading trade associations in this country, will put in hand arrangements for groups of British business men to visit Peking in accordance with

an agreement already reached with the Chinese Government without any dates being specified. The British Foreign Office has welcomed the American action, but has not been willing to commit itself further until full details of the proposals have been studied. Official reactions to the Egyptian statement on the Suez Canal are equally guarded, for the Minister of Transport has told members of the General Council of British Shipping who sought his views that it would have to be considered by the Security Council and by the Suez Canal Users' Association, and meantime, British shipowners should still avoid using the canal. The French and U.S. Governments have given similar advice to their shipowners, while the Norwegians and Swedes are avoiding it of their own volition without any official guidance. This solidarity of the major shipping countries may not last indefinitely, however, for the liner companies in particular are suffering losses in passenger traffic through having to go round the Cape.

Higher Capital Spending

Total fixed capital expenditure by manufacturing industry during the last quarter of 1956 was 17 percent higher than during the corresponding period of 1955. The Board of Trade Journal estimates that such expenditure during the whole of 1956 was 20 percent higher than during 1955, compared with an increase of 27 percent between 1954 and 1955. Building work showed the greatest increase (23 percent) compared with 1955, against a 13 percent rise between the previous two years. Expenditure on plant and machinery rose by 21 percent (compared with 20 percent) and that on vehicles by eight percent (29 percent). Expenditure by shipping companies is estimated to have been 30 percent higher during the fourth quarter of 1956 than during the corresponding period of 1955, and for the whole of 1956 to have been 12 percent higher than during 1955. Expenditure by the textile and clothing group was lower than during 1955 for the whole of the year, but all the other industry groups shown in the Board of Trade tables showed increases.

March Export Details

The detailed returns of the record March export total of £297 million show that chemicals played a major rôle. There was also a notable increase in steel products and exports of machinery, the growth of which has been less rapid since mid-1955. The recent improvement in exports of road vehicles and of textiles was maintained, and exports of all wool and textile products were particularly high. It is interesting to note some market changes relating to these products. The United States and not Australia is now the biggest market for motor-cars, taking almost twice as many as Australia and paying almost three times as much for them, and for woollens; while India is the biggest market for chemicals and machinery, including electrical machinery, apparatus and appliances, with Australia a close second. On the import side, oil shipments continued to rise and were only two percent lower than the monthly average for January-October, 1956 in volume, but the rise in prices and freights took the value to over £41 million, which was 30 percent higher. As a result of a one point decline to 110 in the import price index and an unchanged export index, also at 110 (1954=100), the terms of trade—the ratio of import to export prices—moved in Britain's favour during March. After three months at 101, the index fell to 100.

Industrial Relations

Lord Cameron's report on the recent dispute at the Ford subsidiary, Briggs Motor Bodies Ltd., has gone some way towards indicating the need for a new approach to employer-worker relations in British industry as a whole. In that 25,000-word document, which has inevitably aroused some resentment but even more widespread approval, he urged the employers to seek closer links with union leaders, improve consultation with workers and speed up remedying their grievances. On the other hand, the trade unions were advised to review the shop-steward set-up and consider if rules need changing to confine their powers. This report, however, deals with a specific dispute, so it is not surprising to learn that the Government is at least considering the possibilities of setting up an independent enquiry aimed at: (1) examining the machinery of negotiation and arbitration; and (2) seeking ways of relating wage rises to increased productivity. The Government is especially keen to break down the habit of confining talks to wages and to get away from the almost inevitable acrimony and distrust set up by the prevailing sequence of wage claim, strike threat or strike, talks, demands and counter-offers, and finally an obviously unsatisfactory compromise.

The whole question, of course, is a complex one, and the Government will, of necessity, have to move carefully. It will be essential to have the full co-operation of both sides if the enquiry is to achieve anything at all, while to secure that it will be necessary to make it absolutely clear that neither is committed so far as acceptance or rejection of the findings are concerned, and that ultimately only direct negotiations will regulate actual conditions. It might be useful in assisting these, however, to have at least a general pattern to which to conform. The last enquiry of this nature took place in 1916 by the Whitley Committee and its findings then still influence much of the negotiating machinery available to industry now.

Outlook for Steel

Not the least of the problems facing the steel industry, according to the annual report of the British Iron and Steel Federation for 1956, is that of the supply of raw materials. In addition, ade-

quate prices of steel will be essential if sufficient funds are to be secured from either internal or external sources to sustain the plans for capital expenditure. There was a record steel output of 20,690,000 tons last year; output this year is expected to exceed 22 million tons; capacity should rise to 24 million tons next year, and to 28 million tons by 1962. The supply of steel to the home market again rose in 1956. For sheets and some of the lighter products particularly affected by the Government's economic restraints, the pressure of demand slackened. For most other products, the demand remained intense throughout the year. There was a parallel change in the pattern of finished steel imports. The tonnage of sheet and tinplate imports fell as the year progressed; nearly two-thirds of the total finished steel imports were in the first six months. Imports of iron ore were greater than in any previous year, although there was strong competition for shipping space, and political disturbances reduced the flow of supplies from French North Africa. Imports of scrap iron and scrap, though still substantial, were lower than in 1955, mainly because of an increase in British pig iron production and the continuance of the policy of obtaining the maximum possible tonnage of scrap from home sources. During 1956, 10 more companies were sold to private enterprise. By the end of the year, three-quarters of the industry had been denationalised. Since then, the sale of other firms has brought the proportion of steel production denationalised up to 86 percent.

An Automation Pool

A national "clearing-house for know-how" in automation is to be set up soon, if the Councils of most of the 20 organisations, which took part in exploratory meetings last month, agree to their representatives' recommendations. Under the title, the British Conference on Automation and Computation, a central link will arrange liaison between interested bodies to foster progress in Britain, and present the British contribution in these fields internationally. The announcement of the proposed permanent conference was made by the three Institutions of Civil, Mechanical and Electrical Engineers last week. The Conference in essence will be a link between three groups of societies with close common fields of interest. If the governing bodies agree, the groups will be called together and other bodies can be invited to join later. The groups with their special fields and their proposed convenors and sponsors are: (a) Engineering applications of automation—convenor: Institution of Mechanical Engineers; sponsors: Institutions of Civil, Chemical, Electrical and Production Engineers; (b) Development and applications of computers, automatic controls and programming techniques—convenor: Institution of Electrical Engineers; sponsors: Institutes of Cost and Works Accountants, and of Physics, the Office Management Association and the Society of Instrument Technology; (c) Sociological and economic aspects of automation and computation procedures—convenor: British Institute of Management; sponsors: Industrial Welfare Society, the Institutes of Cost and Works Accountants and of Personnel Management, and the Institution of Production Engineers. Other bodies which took part in the exploratory meetings included the British Productivity Council, the National Institute of Industrial Psychology and the British Association for Commercial and Industrial Education.

Shipyards Still Doing Well

Despite the recent strike and some discrepancy between the returns of the Shipbuilding Conference and those of "Lloyds Register"—the former dealing with orders while the latter lays emphasis on construction—it is apparent that shipyards in Great Britain and Northern Ireland are still doing well, but that they are continuing to fall behind of the rest of the world. The British proportion of new ships laid down has dropped from 23 percent a year ago to 17 percent, and of ships launched to 28 percent to 18 percent. Japan continues to be the world's biggest shipbuilder. Orders for new merchant ships have continued to come into the first British shipyards at an increasing rate. In the first quarter of the year, 90 ships of 600,000 gross tons were ordered, of which about 30 percent was for the foreign account—the same proportion as for the orders booked in the year 1956. The total order book has risen further to 896 ships of 6,741,000 gross tons, valued at about £915 million. This compares with 822 ships of 5,300,000 gross tons at the end of March 1956, and gets close to the peak figure of 1,135 ships of just over seven million tons at which the order-book stood at the middle of 1952. On the other hand, "Lloyds Register", which estimates the strike loss of production at about 60,000 tons, shows that in British yards vessels under construction at the end of March totalled 348, of 2,086,262 tons gross, a decrease of 49,956 tons compared with the previous quarter. During the quarter, 75 ships of 298,563 tons gross were begun, 53 of 224,945 tons were launched, and 54 of 349,303 tons were completed.

Brevities

Car production in February at 47,640 was better than January's figure of 41,598, but was 20,941 down compared with output in the same month of 1956. Exports, at 28,400, compared with only 26,040 in February 1956. March figures show further improvement, output being 69,709 and exports 35,925—highest since April 1955.

Car insurance rates, it is expected, will go up by at least 12 percent as soon as petrol rationing ends to cover the higher cost of repairs and heavier liability on third party claims. It may also prove necessary to penalise the accident-prone driver more heavily, and make insurance prohibitive to the really "bad case" driver.

Bombay

TURNOVER SHRINKS IN COTTON FUTURES

CLOTH MARKET STEADY

(FROM OUR BOMBAY CORRESPONDENT)

THE volume of business in cotton futures has fallen by about 60 percent. Transactions now average around 6,000 bales a day and business seems to be of a squaring up nature. The Jarilla May contract has lost a little more than Rs. 45 a candy following the Forward Markets Commission's decision not to allow this contract to exceed Rs. 700 a candy. This was being quoted at Rs. 745 and has now fallen to Rs. 696. It is expected that the Jarilla May contract will move around this level because, according to the Forward Markets Commission's directive, the deposit on this will be raised to Rs. 200 a bale if the figure of Rs. 700 is exceeded. The Vijay June contract has fallen from Rs. 860 to Rs. 833 a candy. The Vijay April contract went off the board at Rs. 910. Total tenders amounted to 9,450 bales consisting of 3,400 bales of Laxmi A, 2,500 bales of Jaydhar B, and 1,550 bales of 320 F. There is great interest in imported growths, particularly East African, and the recently announced import quota has now been exhausted. The quota for Egyptian and Sudanese cottons is also likely to be finished within the near future although there is a tendency to wait because it is believed that prices for these varieties will fall still further. In this connection, the creation of a rupee account for the import of 20,000 bales of Egyptian cotton has been welcomed here. It is believed that import will be permitted on private account but the State Trading Corporation will be entitled to a commission of 1 percent.

Export Prospects for Cloth

The cotton textile market has remained steady. Calcutta, Delhi and Kanpur are the main centres to have shown interest. Enquiries have been concentrated on superfine qualities while the demand for fine and medium counts is described as being moderate. The export markets, however, continue to disappoint. Popular export varieties have fallen, 6 ples and 9 ples a yard respectively. Shippers believe that because of the lower price level now ruling, export demand may broaden over the next few days. The expected business from Burma has yet to materialise.

The weakest section is the cotton yarn market, which remains stagnant. Turnover is limited and prices show a tendency to fall. Reports that the Government would curtail the import quota for rayon yarn have not helped improve either the futures or the spot market. There is no buying support and the turnover is poor. The April delivery contract for 120 dull cones has dropped from Rs. 812 to Rs. 792 a case. The June contract has declined from Rs. 824 to Rs. 810 a case. Staple fibre yarn has done slightly better but the April contract has fallen from Rs. 619 to Rs. 612 in sympathy with rayon yarn. June delivery commands a premium of Rs. 2 a case. The April delivery contract for 150 Bright cones remains at Rs. 625 a case.

Oilseeds and Oil Erratic

The oilseed and oil market have moved somewhat erratically. While an upward tendency is noticeable, operators prefer to book profits fearing that the Government may intervene if prices remain at an artificially high level. The May castor contract opened at Rs. 180.75 and slowly moved up to Rs. 184.75 but the quotation has dropped on first but has fallen slightly now because the inflow of seeds from the growing areas is satisfactory. There have been no export enquiries for castor oil. Earlier reports that the Communist counter-revolution market has moved in sympathy with castor seeds. The May contract opened at Rs. 173.25 and has gone up to Rs. 175.25. West Bengal and Punjab traders are active while vanaspathi manufacturers here have lent support to groundnut oil. Despite this, the quotation has fallen to Rs. 172.12 towards the close.

Madras

RIGHTS SHARE ISSUES BY TEXTILE MILLS

IMPORT RESTRICTIONS HOLD UP

CAPACITY EXPANSION

(FROM OUR MADRAS CORRESPONDENT)

THE textile industry in the south is about to expand, if the offer of rights shares by some mills is an indication. To offset high labour charges, the mills are eager to attain productive efficiency by raising output. The investors, however, have not yet taken an optimistic view of the prospects. The recession in mill shares over the past fortnight is a pointer that not only the power-cut, but the outlook for lower dividends might further affect sentiment. Lower dividends, mainly due to higher taxation, are, of course, inevitable. The cut in Madras mills' dividend to 17½ percent heralded, for example, the season of reduced dividends for 1956. A mill chairman, Mr. R. E. Castell has said that higher commodity taxation has led to the contraction of demand. Capital import restrictions will hold up his mill's renewal and replacement programme. The demand for cloth is still increasing and the mill has decided to install 144 automatic looms but this programme is being held up due to restrictions on machinery imports.

The dismal outlook for cloth trade is reflected in the poor demand during the recent Muslim festival, as well as the failure of mofussil markets to indent on a large scale this year. On the other hand, establishment charges are high and unless turnover is increased, the closure of many shops is inevitable. The decline in the number of wholesale traders over recent years shows that decontrol has not helped restore profitable trading, and merchants, like mills, face the grim prospect of reduced income and increased establishment charges.

Improved Port Facilities

The improvements in the port of Madras this year have increased its handling capacity. The congestion of shipping berths has been alleviated by the installation of additional equipment. Traffic facilities may be increased by the Port Trust railway here. The loan from the World Bank is awaited, but it is clear that before ports like Mangalore are improved with Central assistance or the channel in the Palk Strait is widened, work in the existing ports will have to wait for the time being. The assumption of control over minor ports by the Union Government might mean that the Minor Ports Fund will be more economically used. The Rail Sea Co-ordination Committee has advocated more scope for coastal shipping. It has also pleaded for an increase in freights to help Indian shipping companies pay more attention to inter-port traffic. Mr. Lokur and his colleagues have preferred the diversion of long-distance traffic to the ports, in order to make full use of the investments undertaken by the Port Trusts in the face of increased demand for railway transport.

Ramanujam Institute

The anxiety that the Ramanujam Institute set up by Dr. R. M. Alagappa Chettiar, may close down has been dispelled by the Madras University's offer to take it over. The grant of the Union Government will help put the Institute in its feet and help from the Tata Institute of Fundamental Research will also enable it to mark out its own line of activity. It has been reported that before public appeals for running the Institute were made, the University had expressed willingness to take it over. The Institute's annual expenditure is placed around Rs. 22,000. The publication of the note books, compiled by Mr. Ramanujam, may help the Institute only nominally. The great mathematician's earlier works have been prepared for publication by the late Professor Hardy.

Electricity Board

Following other States, Madras is now ready to set up an Electricity Board. The Electricity Department, which generates and distributes 98 percent of the power, is now prepared to leave the administration of the Board to an independent body. The South Arcot Electricity Company is going to be taken over in June. However, generat-

ing capacity will increase only after the Kundah project is commissioned. The thermal plant in Neyveli may help increase generating capacity, but the difficulty is that licensees are unable to get motors and appliances even at high prices. Licensees hope that the Board will help distributing companies keep tariffs in line with the needs of consumers.

Trade Prospects

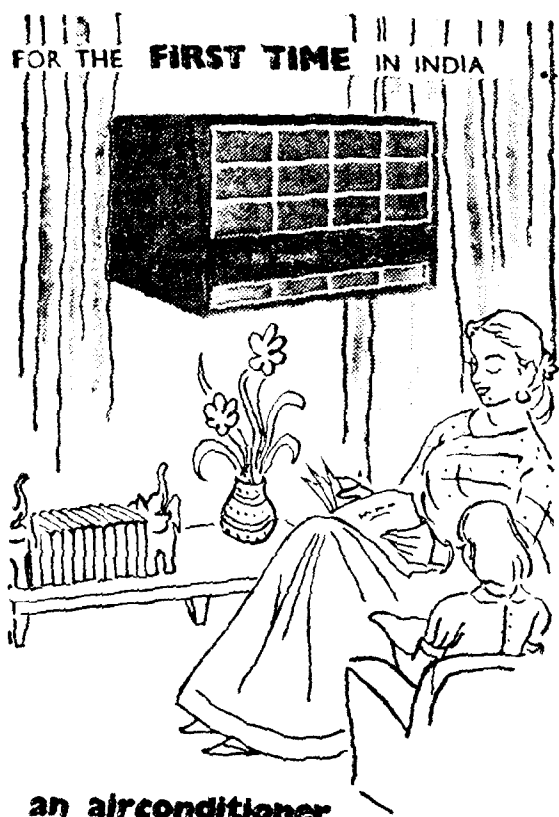
The Finance Minister's visit to Madras during the week-end led to an exhaustive review of the economic needs of the country. He gave an assurance that no project would be held up for lack of money, and that efforts would be made to secure capital goods from abroad. Imports of consumer goods will have to be limited due to the shortage of foreign exchange. Trade opportunities in south-east Asia as well as in the Middle East are growing; it is also believed that trade with Malaya can be substantially increased. The visit of the Sudanese trade delegation has created the impression that the Sudan may buy more in return for cotton sold to India. It may even look to India for the supply of capital goods in the future. Tobacco traders hope to explore new markets, while leather exporters think that useful trade with the Sudan, especially in raw hides and skins, could be developed—though this will mean the diversion of trade from Aden.

Prohibition Programme

The disclosure that Prohibition offences continue to increase in Madras explains the report that the Home Minister has instructed the police to enforce Prohibition more strictly. The problem in Madras is one of curbing illicit distillation in areas near the towns. The reconstitution of local boards may not help in this matter, as the police feel that vested interests have grown up. The last police administration report, which referred to the difficulties arising from the repeal of the Criminal Tribes Act, frankly indicated that public opinion is indifferent and bootleggers are not looked upon as criminals at large. The reorganisation of the districts may lead to a more vigorous enforcement. The proposal to appoint commissioners to supervise district collectors' work has not been dropped officially. Prohibition is, however, only nominally under the Board of Revenue, for the issue of licences for medicinal preparations is its main job. Official statistics suggest that illicit tapping is common; and except in the prosperous deltaic areas, the traffic in illicit liquor was increasing even last year. In the area nearest to the city, the number of offenders has increased and the city police have, therefore, started a vigorous drive.

Industry in Andhra

A review of State-owned industries in Andhra Pradesh is shortly to be undertaken. Though the Nizam Sugar Factory has done well, other State-owned enterprises have fared badly. The first object of the new Ministry is to find out why the investments have not produced a reasonable and regular return. It has decided to leave the new cement factories to the private sector. The Sugar Company K.C.P. has started operating its new plant in Guntur. The assurance that the Nagarjunasagar scheme will go according to plan, will help cement-makers in Andhra. The raising of output by the existing three cement factories is certain. Last month, the Andhra Cement Company issued ordinary capital for Rs. 20 lakhs to its shareholders at par. The Andhra Government hopes to start a shark liver oil factory in Vizagapatam. Whether the Centre should invest in the new industrial undertakings in Andhra is a new issue. Big paper plants cannot be set up without Central assistance. Expansion of the Singareni collieries, of which the Andhra Pradesh Government hold the bulk of the issued capital, might also be held up if Central aid is withheld. After the transfer of some State-owned enterprise to private management, industrial policy in Andhra is in a confusion. Road traffic is marked out for early nationalisation, but the Government's resources are limited. Experience in Madras is also a warning. Madras is unable to expand and improve, in spite of the rising revenue. The gold mines taken over in Mysore do not offer a parallel to the State enterprises operating in Hyderabad at present. The Andhra Government's proposals on the State mining of mica, the collection of a royalty and manganese or iron ore exports by itself are still in a tentative stage.



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RENEWED FIRMNESS IN STOCK MARKETS

SELECTIVE SUPPORT FOR INDUSTRIALS

London, 1st May. Stock markets immediately after the Easter holidays; but uncertainty developed later under the influence of the situation in Jordan and a number of disappointing preliminary statements from leading industrial concerns. A better tendency developed again after the week-end, but on balance most sections are lower. The outstanding exception was provided by gilt-edged securities as they advanced in response to renewed talk of an early reduction in Bank rate. The firmness of sterling was also a helpful factor. The upward movement was, however, halted by the appearance of another new issue of £111 million for the East Africa High Commission. Nevertheless, gains predominated on the week. Foreign bonds and rails attracted very little attention, but dollar stocks, particularly Canadians, advanced in response to the rise in transatlantic markets. Several disappointing preliminary statements from leading companies were responsible for some uncertainty in the industrial market prior to the week-end, so prices reacted following their earlier advance. Later, the market staged a recovery on selective buying, but small losses were recorded on balance. Among the disappointing statements were those of Associated Portland Cement, Babcock and Wilcox, Imperial Chemical and United Drapery. The share of all these companies lost ground subsequently. The publication of the Finance Bill had no effect on overseas issues, since it will take time to assess its effects. South African gold shares recorded on small selling but developed a steadier tendency towards the close. Tin shares reacted on the news that the U.S.A. had ceased buying for the stockpile while lead and zinc eased on the statement that the U.S. stockpile will cease buying zinc within a few months' time. Oil shares lost ground on the Middle East situation, but rallied later. A fair amount of profit-taking developed in rubbers after the recent advance, but selective buying continued and there were some irregular price movements on balance. Tea shares were

irregular but gains predominated. Dimbula, Lunuva and Tea Corporation were good features.

The Money Market

Credit conditions in the money market last week were not quite so difficult as before. However, money continued to be usable, especially during the first two days after the Easter holidays, but later conditions were more comfortable. The market was able to secure its requirements at a slightly cheaper cost, 3½ percent being the top rate for day-to-day accommodation and 3½ percent the minimum. The market made no change in its bids for last Friday's offer of Treasury bills on account of outside competition. There was a decline of approximately 6d percent in the average rate to £3 18s 3.43d percent.

Stock Market Prospects

The *Investors' Chronicle* market newsletter writes: London gilts rallied on the lowest Treasury bills rate for two years. Industrials, which edged upwards to test the 1956 high may have some consolidation after the virtually uninterrupted rise of the past month. Despite excellent quarterly reports from younger mines, gold shares remain subdued awaiting a lead. Oils appear to be in an area of consolidation. The Wall Street pattern continues favourable with industrials at the highest for five months, but the recent sluggishness of rails reflects some short-term uncertainty. The London Stock Exchange has shown promising form. The first real Conservative Budget for many years has inspired the market people, giving relief where it is most deserved and will do most good. The consensus of opinion is that the markets will continue upward. Some shares look high enough for the time being, but the undertone is extremely good.

Activity on Wall Street

United States Government bonds held the trading spotlight on Wall Street last week. Long-term issues slumped sharply to the lowest level since mid-January, reflecting the uncertainty over the Treasury's refinancing plans and the expectations of continued tight conditions in the money market. The downward slide, however, was eventually halted, and prices recovered partially with some buying evidently attracted by favourable yields. High-grade corporate securities followed the trend of the Treasury list. Foreign bonds were mostly fractionally mixed in quiet dealings. Australians, German Nationals and Italians showed minor changes either way. German and Polish issues improved, while Serbs and Japanese Governments were a shade lower. Norwegians were unchanged.

Chile three percents were off slightly to finish the week at the year's low of \$44.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 24th April shows that the gold stock rose by \$1 million to \$22,318 million. Foreign deposits increased by \$28 million to \$388 million, and foreign investments increased by \$12 million to \$3,761 million. The Federal Reserve sold \$70 million worth of certificates held under repurchase agreements—the latter now standing at nil. Total discounts and advances fell by \$135 million to \$674 million, while the aggregate of excess reserves of member banks rose by \$2 million to \$244 million. The daily average of excess reserves of member banks were \$20 million higher at \$368 million, but their daily average borrowings fell by \$297 million to \$922 million. Business loans of the New York city banks fell by \$128 million to \$11,620 million.

New English Electric Stock

The issue of £9 million 5½ percent debenture stock, 1977-82 at £97 percent and 3,044,344 ordinary shares of £1 each at 50s a share has been announced by the English Electric Company, London. The object of the issue is to raise about £16 million in order to clear a group of bank overdrafts of £16,250,000 substantially, the company director, Mr. P. Horstfall, said. The official announcement stated that the new ordinary shares were being offered in the form of a rights issue to ordinary stockholders registered at the close of business on 8th April last in the proportion of one new ordinary share for every £5 nominal of ordinary stock then held. The holders of the company's debentures, preference or ordinary stocks registered on 8th April are being invited to subscribe to the debenture stock at £97 a £100 of stock.

Rubber Market Steady

Despite the rubber market's dullness during the short trading period after the Easter recess, values last week were held very steadily, with fluctuations few and small, in the absence of any important influencing factor. The increased U.S. consumption during March, compared with February, was about as expected and had no marked effect. Some U.K. factory interest was reported for the lower grades of sheet, but standard grades remained largely neglected. The steadiness was interrupted nearly the close when some easing occurred following increased cheaper offers from the East attributed to Singapore stocks at the end of March being larger than expected. In the final stages the Jordan developments reversed a decline as sellers adopted a little more reserved attitude. Buyers showed a more interest and some Continental orders for shipment parcels circulated. Values closed for the period about 1d a lb higher on balance. Uninteresting conditions continued in the sole crepe market. Small stocks on hand were ample for buyers' limited requirements, and no change was made in the quotations.

Restricted Trading in Oils

Trading in most vegetable oils started the week at a restricted pace although prices remained steady in most sections. On first-hand advice Indian castor oil retained a firm undertone but U.K. buying was less assertive. British East African castor oil was very sparingly offered and while the price was rarely placed much over £76 c.i.f. May-June, sellers were talking nearer £78. Coconut oil was generally repeated price-wise with North European interest in Straits bulk oil largely confined to Hamburg whence bids were emanating for float oil up to £91 c.i.f. without apparent success. This is due to the fact that most of the float oil was bound for Rotterdam. Copra was featureless with near shipments of Philippines slightly pressed for sale in order to fill early freight but buyers were not responding. Linseed oil was fully steady for near deliveries although interest was generally outpriced. Groundnut oil lacked support, while groundnuts turned easier, with the Nigerian Board £1 a ton cheaper at £73 c.i.f. May-July, but unable to compete with resellers and speculators. American cotton and soyabean oils were fractionally steadier, but buyers were reluctant to follow the rise due to the relatively cheap supply of oil in the Continent. Nigerian palm kernels encountered modest support with the Board claiming business in July-August shipments at £50½ c.i.f. but Sudanese cottonseed received further support from the United Kingdom crushers with the Sudanese Board quoting prices around £38 c.i.f.

World Shortage of Castor Oil Forecast

The Business and Defence Service Administration of the United States Commerce Department has predicted a possible world shortage of castor oil. The B.D.S.A. says that the world deficiency in the supply of castor oil may be as high as 25 million lbs in 1961. In the next four years, consumption of castor oil will be at a level of approximately 565 million lbs with supply at only 540 million lbs, based on the anticipated castor bean production.

General Electric Sales

General Electric's prospects for the remainder of 1957 are promising, and the year's sales, it is expected, will exceed last year's level by about 15 percent, declared the President of the company at the annual meeting. General Electric's 1956 sales were the largest in the company's history at \$4,090,015,685. He based his expectations on the U.S. economy continuing to perform, as predicted, with a 4 percent increase in the gross national product. He said the firm would spend \$185 million this year on new laboratory and manufacturing facilities. This, the second largest capital expenditure by the company, was exceeded only by last year's outlay of \$205 million.

Jute

PLANNING FOR BIGGER CROPS OF MESTA AND JUTE

REQUIREMENTS OF MILLS DISCUSSED

At the conference which was held recently in Calcutta, representatives of the Government and the jute industry, it is reported, discussed the proportions of jute and mesta which mills would prefer to be grown, and the percentages of the various grades considered desirable. The percentage of mesta used by mills varies very considerably but it is increasing. It is probable that they will want more mesta produced even at the risk of reducing the output of jute in some areas. Mesta has the advantage of being substantially cheaper to grow than jute, so mills can buy it more cheaply. Formerly it was cheap due to the fact that when ample jute was available, mills scorned the use of mesta because of its poor spinning qualities and the high rate of wastage in processing. When necessity forced them to use mesta, new techniques were developed to enable them to increase the percentage of such fibre used, to improve its spinning qualities by better preparation before spinning and to reduce the wastage in process. And, sotto voce, when Pakistan prohibited the growing of mesta, seeds of the best varieties were brought from East Bengal which enabled the area under mesta to be expanded rapidly and better quality plants to be grown. It is going to be difficult, however, to arrange for the growing of a specified percentage of mesta because it can be grown on a greater variety of terrain and climatic conditions than jute. The area under mesta is, therefore, more widely distributed but that has an advantage in that, while there may be a failure of the crop in one or more districts, it is unlikely that there would be a general failure. It has also another advantage in that it grows more quickly than jute so that, if rain comes late, it can still be sown and come to maturity before it has to be cut because of the rise in river levels.

As for grades, the conference had before it suggestions as to the percentages of the various grades required by the mills. It is not known what percentages were considered desirable nor is it known what proposals were made as to how these percentages were to be obtained. At one time, when there had been a particularly good crop of jute and high grades were almost unsaleable, a wag proposed that the Central Jute Committee should plan to grow a crop of Bottoms! Actually, except for a small percentage of specialties made by Indian mills, high grades are not required. If it is desired to produce high grades, all that is needed is to give the growers a substantial premium to compensate for the extra work and care required and, possibly, for the higher price of better seeds, for there are areas in India which can grow as good jute as any that ever came out of Pakistan. As far as the ordinary grades are concerned, anyone who peruses the daily quotations can see that Middles alone are generally available at a discount from the price in assortment, showing that the percentage of Middles turned out is greater than is required by the mills. To induce the growers to spend time and labour in turning out more Middles is, therefore, to mislead them, for they will then be producing something of which there is already too great a supply and that would further reduce the margin between Middles and Bottoms. Also, in the process of turning out more Middles, the standard of Bottoms would be raised and that would further reduce the demand for Middles. One can, of course, see the advantage to mills of producing higher quality jute at lower prices, but if, to do so, the growers have to spend more time and labour without getting any return, then it is not a kindness to them.

THE JUTE MARKETS

The dominating factor in all sections of the market has been the drought which, with the exception of a few areas, has continued throughout the week. This has produced a reserved attitude among holders of jute stocks who are adopting a waiting policy in the hope that, if the drought is prolonged, they will be able to sell at higher prices. The delay in sowing because of lack of rain is having its effect on the jute goods market also. It is a safe assumption that, if there had been timely sowing, there would have been heavy selling of gunnies in the fatka market as has been the case in recent years, but the lateness of the sowing has deterred the bears and has tended rather to produce a bullish feeling.

It must be a number of years since there was so little of the new crop sold by this time. Jute or three years by making early sales of the new crop at prices below those of the old crop. These sales of manufactured prices enabled the mills to effect the mills were, at the same time, protected against any fall in the price of the new crop jute which they purchased for forward delivery. Jute sellers, on the other hand, had no means of protecting themselves, and when unfavourable weather and other natural calamities came, they were caught and suffered heavy losses. Experience seems to have taught them a lesson for, apart from the fact

that few want to sell the new crop at all and that very little business has been done, some sellers are adopting the attitude that, instead of being expected to offer the new crop at a discount, they should get a premium for carrying the risk of adverse weather conditions and other factors which might cause the price of jute to rise. They also point out that the forward prices of most standard jute goods are higher than the prices for near delivery and they ask why they should sell new jute at a discount and carry the risk while the mill's sell gunnies forward at a premium and run no risk.

In the meantime, it looks as if conditions are developing which will discourage selling the new crop, but if there is any substantial rise in prices, there is little doubt that sellers will want to put some business on their books at the higher prices in the hope that the crop will ultimately turn out to be adequate and that they will reap a profit when prices fall. That does not, of course, prevent them from asking for a premium but the chances are that, if prices are high enough, they will sell at a discount to induce buyers to come into the market.

Manufactured Goods: It is reported that there has been very little overseas enquiry during the week and that, apart from specialties, there has been very little fresh business. Some shipper covering was reported and there was an unconfirmed report that certain mills had sold manufactured goods for deliveries up to the end of the year. The fluctuations in the fatka market have been within narrow limits, but on Tuesday afternoon, there was a sharp rise in the fatka quotations, said to be due to the issue of crop reports showing sowings much behind those of 1956.

On Wednesday morning, the market opened firm and quotations were as follows:

	Ready	May	June	July-Sept.
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	34.25	34.25	34.25	34.25
40in. 10oz.	42	42.25	42.37	42.56
B Twills	114	114.50	114.52	114.75
Heavy Ceers				
(Plain)	113	114.75	114.62	114.75
A Twills	138.50	138	138	138
Liverpools	127	128	128	128
Cotonsacks	113.81	114.75	115	115.75

Raw Jute: Mills have bought daily throughout the week and there has been quite a substantial turnover. Most groups have been in the market and buyers have met with a good deal of reserve on the part of sellers. Interest has been mainly in mesta which mills are finding attractive because it is so much cheaper than white jute or Tossa and Daissee. Mills are also using increasing percentages of mesta. Assam and Northern white jute was bought at Rs. 28.25 to Rs. 29.50 basis Bottoms and Assam Middles alone at Rs. 32. Mesta changed hands at Rs. 26.50 to Rs. 27 for Northern, Rs. 26.25 to Rs. 27 for Desal and Rs. 25 to Rs. 26 for Daissee. Mills continued to buy in the Cossipore market and there, too, their interest was mainly in mesta. There was, however, a fair amount of white jute done. Some mills were endeavouring to pick out parcels of real Northern jute and paying premiums for it but, actually, there is very little Northern jute in the Cossipore market and most of the jute is jungli baled under the names of well known places in north Bengal. In fact, much of the jute arriving from jungli areas in Bihar has the names of north Bengal stations on it when it arrives.

Arrivals in Cossipore totalled 447 wagons, compared with 476 wagons in the previous week.

Opening quotations on Wednesday morning were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Assam	30	May-June
Northern	30	"
Purnea Desal	29	"
Purnea Jungli	27.50	"
Daissee Jute	31.50	"
Murshidabad Tossa	31.50	"
Jungli Tossa	31	"
Northern Mesta	28	"
Desal Mesta	27.50	"
Daissee Mesta	26	One month
Jungli Mesta	24.50	May-June
Northern Jute		
ex Calcutta	29.50	One month
Local Packing	28.50	"
Bimili	25 F.A.Q.	May-June
Cuttings Pakistani	112.50 N.C.'s per bale	"

Mofussil: Imports are small but may be considered normal for the time of year, though there is a tendency to hold them back in areas where the drought still continues.

In the eastern districts of Upper Assam, towards Dibrugarh, there has been good rain and sowing is proceeding rapidly. Elsewhere there have been scattered showers, which have been heavy in some places. Where the rain has been sufficient, sowing is going on but over most of the jute districts the weather has been hot and dry, and it has not been possible to put down any seeds. In some places where sowing was done previously in expectation of rain, the seeds, it is reported, have been burned

up and where germination has taken place the seedlings are not in a good condition.

GUNNY SHIPMENTS IN MARCH

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of March 1957 after providing for short shipments. These figures include shipments to coastal ports.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	3,030.5	32,415.9	35,446.4
Short Shipped	68.0	1,654.7	1,722.7
March 1957 (Net)	2,962.5	30,761.2	33,723.7
February 1957 (Net)	1,882.2	26,288.0	28,170.2
January 1957 (Net)	5,442.7	32,602.5	37,445.2
Gross			
Short Shipped	1,305.0	64.5	1,369.5
March 1957 (Net)	38,790.4	5,347.8	44,138.2
February 1957 (Net)	25,236.4	3,427.9	28,664.3
January 1957 (Net)	27,035.8	2,271.2	29,307.0

THE FOREIGN JUTE MARKETS

FIBRE PRICES HIGH

(FROM OUR DUNDEE CORRESPONDENT)

THE firm tendency in fibre prices during the past week has accumulated the uncertainty about the future. Whether consumers of jute goods are running down their stocks to low levels, or whether they are waiting for a fall in value is not exactly known, but there has been a prolonged spell of quiet trading. Large business was done in both yarns and cloth during the Suez crisis, and it may be that a good deal of stocks is still in the hands of the consumers, who can afford to hold off yet. That is certainly the case with some buyers of jute yarns, while the others are purchasing only enough to meet their immediate requirements. They buy just a few tons at a time and, unfortunately for spinners, there are too many sellers offering prompt delivery. Spinners in Dundee are showing little or no interest in old crop jute now, and they cannot get shippers' agents here to name rates for the new crop. Business could be done if reasonable prices were quoted, and, doubtless, the rates of £102 for Mill Firsts and £92 a ton for Mill Lightnings would be paid again for August-September shipment, c.i.f. U.K., if shippers were prepared to accept these, which they did about four or five weeks ago.

There seems to be no reason for raw jute rates being so high. The only inference is that the weather conditions are not very favourable for the new crop, and it is believed that it will be later this year than last. Mill Firsts are offered at from £115 and Mill Lightnings from £107, Mill Hearts from £103 and grade Hearts from £98, while good marks of Daissee-2/3 are available from £107 and grade at £104, and grade Tossa-2/3 from £114 and grade Tossa-4 from £108, all c.i.f. U.K., May-June shipment. An occasional sale of float or spot jute is reported, but generally speaking, Dundee spinners, it is thought, have bought practically all their needs for the season. Yarn prices are very firm, and spinners are still in a better position than manufacturers. Some of the latter are already cutting down their working to three days a week, while others are paying off their workers.

THE PAKISTANI JUTE MARKETS

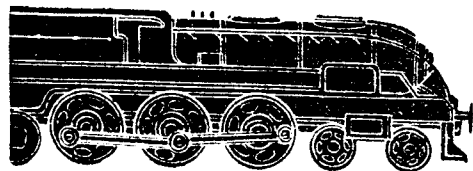
FIBRE SUPPLIES IMPROVE: RAIN

IN JAT DISTRICTS

(FROM A NARAYANGANJ CORRESPONDENT)

DURING the past fortnight there has been a slight improvement in supplies, and jute has been available at approximately Rs. 30 for B Bottoms, Rs. 28 for C Bottoms and Rs. 26 for X Bottoms, with an 8 anna premium for bone-dry jute. The quantity remains limited. The percentage of moisture is high. Pucca bales, on the other hand, have increased in price. The quotations are at Rs. 195 for Export Firsts, Rs. 187 for Export Lightnings and Rs. 173 for Export Hearts. The jat districts of East Pakistan have had scattered showers, and latterly fairly heavy nor'westers have brought very welcome rain. On the whole, however, rainfall figures are well behind last year's and the position is that the jat area has now had sufficient rain for the lowland crop to proceed quite satisfactorily, and for sowings of the midland crop to be completed. Rains in the district areas, particularly around Faridpur and Khulna, have been fair, but more are required. In the northern areas, rainfall has been unsatisfactory, so the crop there may well be late. In general, it appears that the jat areas, from every point of view, will produce a satisfactory crop. It may be a little late, but there are indications already that sowings may be larger than last year. It is difficult to say anything about the other areas until the middle of May, but although there is some danger of the crops being retarded, one must remember that the jute plant is very sturdy, and it would take a very severe drought to do it any serious damage. It is noteworthy that the snows have melted early this year so that river levels are, if anything, slightly above normal. This means that the ground, at least for the chur land and lowland crops, will retain its moisture, and even though the land is dry on top, the growing of the crops will not be retarded. Because high prices prevail and because the lack of rains is not as serious as market gossip makes it out to be, there is no reason why next season's crop should not be every bit as large, if

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not larger, than the present one even though it may begin to come in a little late. The delay, of course, may well cause prices to remain high in the beginning of the season until the full effect of the crop is felt.

Registrations for the first half of April stand at 172,846 bales, which is comparatively high. France, again, is the biggest buyer, followed by Germany. Russia has come in for the first time this season to buy 15,000 bales. If it buys more than usual, the market, which is already itching to put prices up, will undoubtedly react sharply. Business overseas is reported at better prices after the holidays, and there appears to be more interest in new crop at about £100 for August-September and £105 for June-July.

The Pakistan gunny market stands at Rs. 131 for B Twills and Rs. 56-8 for 45 in. 11 oz. The increase in sacking is due to a shortage of supplies in Karachi and a shortage of shipping space. Furthermore, it is expected that the Pakistan Government will shortly call for a tender of 20,000 bales of B Twills, in expectation of which the mills are reluctant to offer sacking overseas. Fair business is reported with South Africa in hessian at a small premium over Indian prices.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption reached more satisfactory levels in March. At an estimated 73 million yards, it was about 2 million yards higher than March a year ago, and brought the total for the first quarter of this year to within 1 million yards of the total for the same period last year. Burlap stocks in the U.S.A. for March, at an estimated total of 233 million yards, consisted of 123 million yards spots and 130 million yards afloats. Overall stocks declined 3 million yards during the month, but were 10 million yards higher than a year ago. Appearing below are two tables which include the March figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (as reported to T.B.M.A.) (Million Yards)				U.S. Burlap Consumption (Estimated Industry Total) (Million Yards)			
	1957	1956		1957	1956		
Jan.	69	68	Jan.	75	72		
Feb.	53	64	Feb.	62	63		
Mar.	68	67	Mar.	73	71		
Total	195	199	Total	210	211		
Mo. Av.	65	66	Mo. Av.	70	70		
Apr.	65	69	Apr.	69	69		
May	65	73	May	73	73		
June	59	62	June	62	62		
July	59	61	July	61	61		
Aug.	79	83	Aug.	83	83		
Sept.	77	80	Sept.	80	80		
Oct.	79	86	Oct.	86	86		
Nov.	79	81	Nov.	81	81		
Dec.	65	72	Dec.	72	72		
Total	827		Total	878			
Mo. Av.	69		Mo. Av.	73			

U.S. Burlap Stocks (As reported to T.B.M.A.) (Million Yards)				U.S. Burlap Stocks (Estimated Industry Total) (Million Yards)			
	1957	1956		1957	1956		
Jan.	232	213	Jan.	267	243		
Feb.	237	214	Feb.	266	245		
Mar.	231	224	Mar.	263	253		
Apr.	224	224	Apr.	255	255		
May	216	247	May	247	247		
June	216	240	June	240	240		
July	219	244	July	244	244		
Aug.	228	259	Aug.	259	259		
Sept.	229	258	Sept.	258	258		
Oct.	225	262	Oct.	262	262		
Nov.	233	263	Nov.	263	263		
Dec.	236	267	Dec.	267	267		

NEW ELECTRONIC INSTRUMENTS TO AID JUTE MANUFACTURE

Two instruments developed at the laboratories of the British Jute Trade Research Association in Dundee, Scotland, will be included in a display of new instruments at the Electronics and Automation Exhibition which opens in London on 7th May. The first is an electronic meter which measures the moisture content of textile packages, including jute, in a matter of seconds. A number of these meters are already in use in Dundee jute mills as aids to processing efficiency and control. The other device, also electronic, has been developed for measuring tension on running yarns. Its main advantage is that it is a self-contained portable instrument requiring no external power supply.

EXPORT OF KUTCHA JUTE BALES FROM PAKISTAN

The Pakistan Government has ordered that no jute shall be exported in kutcha bales except by the East Pakistan Jute Marketing Corporation from the border areas adjoining West Bengal, according to a notification in a Gazette of Pakistan Extraordinary dated 24th April, 1957.

PROMOTING EFFICIENCY IN STATE CONCERNS

NEED FOR CLEAR INCENTIVES

(Contributed)

THE Government of India's move to constitute an industrial management service to provide trained personnel for State industrial enterprises is welcome. It is a belated recognition of the fact that the management of industrial enterprises is very different from civil administration. By taking comparable units in the public and the private sectors, instances can be cited of the lower efficiency in the former. A number of enterprises which were started originally under the auspices of State Governments had to be entrusted to private managing agents and their performance under private management has been more satisfactory.

Of the many possible reasons for lower efficiency in the public sector, the most serious is probably the method of remuneration. Government servants have to be content with their salaries only and no distinction is made between the more and the less efficient. If at all, the recognition comes rather late when promotions to higher cadres are made. Here again, the weightage is given to seniority, and merit plays a less important part. On the other hand, in the private sector, most of the progressive undertakings have production bonus schemes, besides the basic salaries and wages, by which the efficient worker earns more than the inefficient. This serves as a powerful incentive. A number of schemes combine both quantity and quality in determining the final bonus payable, so as to keep an eye on the quality of the output. The general administrative departments and other service departments whose efforts cannot be directly connected with the output of the factory also share the bonus from a central bonus fund to which a fixed percentage of the are prepared for specific periods—generally annual bonuses earned by the different productive departments is contributed. Again, in private enterprises, merit is recognised more quickly and is more suitably rewarded either in the form of special increments or upgrading.

Thus the more successful operation of private industrial units has been made possible by a suitable system of pay-scales and payment by results. To promote efficiency in the public sector, it is imperative that the Central Government change its policy on pay scales and the methods of remuneration. The example of Singareni Collieries Ltd., a joint stock company managed by the former Hyderabad (now Andhra Pradesh) Government, is noteworthy.

The importance of the incentive bonus system as the most powerful factor in maintaining and promoting efficiency is obvious. With the Central and State Governments starting more and more giant enterprises, it is imperative that their efficiency be improved. It might become more difficult, if not impossible, to do this at a later stage. The second most important factor is to run public industrial units on strictly commercial lines. It might be advantageous to include in their boards of management leading business men, at least in the initial stages. There should be no interference in day-to-day administration. Periodical working and other reports should, however, be asked for.

Role of Cost Accountants

The statistician-cost accountant, otherwise termed "efficiency expert", has a very vital role to play. He should be constantly on the alert and report promptly all mis-happenings to the executives concerned so that corrective action can be immediately taken. Progressive industrial entrepreneurs have full-fledged costing-statistical departments which are vital to the organisation. In a large number of cases, departmental budgets—and consolidated into a master budget. These budgets give a detailed estimate of production, sales, profits, costs, and selling prices, etcetera. The statistical-costing department periodically compares the actual performance with the budgets, which are prepared on a suitable basis and are flexible. Thus, if there is a basic change in any of the items, it is revised and actuals are compared with the revised budget. Of course, suitable safeguards are necessary in framing the budget so as to avoid any secret reserve in the form of inflated cost estimates. The differences between the actual and the budget figures are most important from the point of view of the top management. There are various methods of analysing these differences according to the responsibility of each of the departmental officers.

The remuneration of the departmental manager should be related to the efficiency of his department as measured by these variances. This scheme of organisation is eminently suitable and can be fitted into the framework of the five year plans. It need not be confined to industrial undertakings only. A constant watch on the progress of the multi-purpose projects, each costing several crores of rupees, is necessary. The system of budgetary control outlined here can be conveniently and easily applied.

Some details of the proposed industrial management cadre are available. It is reported that merit alone and not seniority will be the criterion in determining promotions, etcetera. Even annual increments will not be automatic, but will be granted only if the performance of the officer is, in the opinion of the board of control, credit-worthy. This is good, but many practical difficulties are likely to arise. It is necessary to modify the rules so as to guarantee a minimum annual increment, but special increments should be given only on the basis of performance.

Calcutta Markets

LESS GENERAL DEMAND AT DUST TEA SALE

AT Sale No. 44, held on 30th April, Dust teas on offer were 18,325 chests. There was less general demand, and this, coupled with a decline in quality, resulted in lower rates for most descriptions. Black leaf types were in good demand and Middle Eastern buyers were operating fairly freely, but their prices, too, shared in the general decline. Teas from Assam, Dooars and Cachar were irregular, but were often 4 to 6 nP easier, while the grainy C.T.C. teas were up to 20 nP easier. Powdery C.T.C. Assams were, however, in more demand, and were sometimes dearer, particularly the very best.

Quotations		1957	1956
	Rs.		Rs.
Medium Dooars Dust	1.60 to 1.63	1 8 0 to 1 9 0	
Medium Assam Grainy Dust	1.65 to 1.70	1 9 6 to 1 10 6	
Medium Assam C.T.C. Dust	1.70	2 12 0 to 2 14 0	
Best Assam C.T.C. Dust	Not quoted.		

There was no internal leaf sale.

SLACK CONDITIONS IN FREIGHT MARKETS

SEASONAL slackness in the freight markets is fairly widespread, although last week there was some booking of grain from Australia to Karachi at 115s for May-June loading from Geelong. Far Eastern business was quiet with only one fixture noted in the Indian ore trade. This was from Madras or Vizagapatnam to North France at 123s via Suez. Whichever loading port is nominated, owners face a delay of 15 to 20 days in berthing, and this is, of course, reflected in the rate of freight. The American coal trade fluctuates narrowly around 65s while wheat from North Pacific to Bombay showed a decline at 145s for May loading. In the time charter section, an 8,850-ton motorship accepted 51s for six months' trading, and a Liberty type 42s 6d for the trip out to Bombay with delivery Rotterdam.

LINSEED EASIER

Although the undertone of the market has been fairly steady during the past week due to a scarcity of supplies, prices have declined to some extent following a fall in the price of linseed oil. Sellers have been rather reserved; despite a fairly good demand from crushers, the turnover has been small. In the oil section, shippers have been unwilling to pay enhanced rates because of an appreciable decline in overseas prices. There has been some small activity in ready goods, chiefly for shipment against previous sales. Latest quotations were as follows: Ready Rs. 22-10 a maund; April-May Rs. 22-8 a maund.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 23rd April and 29th April, 1957)
Cowhides: Wet salted (Ord.) 4,000 pcs. on the basis of Rs. 0.61; Wet salted (Ord.) 45,000 pcs. on the basis of Rs. 7.12 to Rs. 9.25; Wet salted (Slaughtered) 21,000 pcs. on the basis of Rs. 12.50 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 47,480 pcs. on the basis of Rs. 260 to Rs. 280; Rs. 310 to Rs. 350 and Rs. 370 to Rs. 385; Assam-Dinajpur-Murshidabad 14,200 pcs. on the basis of Rs. 270 to Rs. 350; Maldah-Purneah-Kissanganj 16,100 pcs. on the basis of Rs. 285 to Rs. 350; Patna-Pakur 1,000 pcs. on the basis of Rs. 260 to Rs. 270; Muzaffer-pore-Pakur 15,000 pcs. on the basis of Rs. 300 to Rs. 325.

Bazaar Stocks

(29th April, 1957)

Cowhides: Wet salted 2,12,500 pcs.
Goatskins: Wet salted (Daissee, Killed) 21,000 pcs.; Muzaffer-pore - Patna - Pakur - Purneah - Kissanganj 78,500 pcs.

SHELLAC STEADY

During the week ended 30th April, the market was quiet at the beginning and steady at close. The range of quotations was as follows:

Pure Buttonlac	Rs. 103. 100, 102 buyers.	105.50
Lemon No. 1 Shellac	Rs. 105.50, 105, buyers.	
Lemon No. 2 Shellac	Rs. 100, 97.50, 99 buyers.	
F. O. Std. 1 Shellac	Rs. 94, 92 buyers; 90 done buyers; 91 buyers.	
Pure TN Shellac	Rs. 89 buyers; 88, 87 basis done buyers; 87 buyers.	
4% I.T.N. Shellac	Rs. 79, 77.50, 78 buyers.	
No. 1 Kusmi Seedlac	Rs. 96, 95 buyers.	
No. 2 Kusmi Seedlac	Rs. 92, 90, 91, 90.50 buyers.	
Fine Bysaki Seedlac (Manbhum)	Rs. 89.50, 88 buyers.	
Fine Bysaki Seedlac (C.P.)	Rs. done; 88.50 buyers.	
Ordinary Bysaki Seedlac (C.P.) under 5%	Rs. 87, 84.50 buyers.	
Ordinary Bysaki Seedlac (C.P.)	Rs. 80.50, 79, 79.50 buyers.	
Seedlac (C.P.)	Rs. 75 buyers; 75 value, 75	
Kireelac	Rs. 32.50, 33 buyers.	

Shipments during April until 24th were 17,666 packages comprising shellac 10,841 packages, seedlac 5,289 packages, buttonlac 389 packages and others 1,147 packages.

COMPANY AND PUBLIC NOTICES

THE ASSAM MATCH COMPANY, LIMITED.

NOTICE.

NOTICE is hereby given that the Thirty-second Annual General Meeting of the Shareholders of the abovenamed Company will be held at the Registered Office of the Company at Indian Mercantile Chambers, Nicol Road, Ballard Estate, Bombay at 12.30 p.m. on Friday the 24th day of May, 1957 to transact the following business:

- To receive and adopt the Directors' Report and the Audited Accounts for the year ended 31st December, 1956.
- To declare a dividend and a bonus.
- To elect a Director in the place of Mr. Dinshaw D. Romer, who retires by rotation and is eligible for re-appointment and to consider and if thought fit, to pass the following resolution, of which special notice as required by section 281 of the Companies Act 1956 has been received by the Company:

"RESOLVED that Mr. Dinshaw D. Romer who has attained the age of 82 years and who retires by rotation be and is hereby re-appointed a Director of the Company and it is hereby specifically declared that the age limit of 65 years prescribed by section 280 of the Companies Act 1956 shall not apply to him."

- To appoint Auditors for the ensuing year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 16th day of May, 1957 to the 25th day of May, 1957, both days inclusive.

By Order of the Board,
A. HYDARI,

Joint Managing Director.

18th April, 1957.

Indian Mercantile Chambers,
Nicol Road, Ballard Estate,
Bombay.

A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

The dividend and bonus when sanctioned will be payable at the Central Bank of India Ltd., Bombay and Calcutta on and after the 28th day of May, 1957 to those shareholders whose names stand on the Register on the 25th day of May, 1957 and warrants will be posted in due course to each shareholder at his registered address.

Explanatory Statement under Section 173 of the Companies Act, 1956.

Your Director Mr. Dinshaw D. Romer is retiring by rotation. He has attained the age of 82 years and as such he cannot be re-appointed unless the shareholders pass a resolution specifically declaring that the age limit prescribed under section 280 of the Companies Act 1956 shall not apply to him. The necessary special notice as required by Section 281 of the Act has been received by the Company proposing that Mr. Dinshaw D. Romer be re-appointed a Director of the Company and that the age limit of 65 years prescribed under section 280 of the Act shall not apply to him.

Mr. Romer is a well known Solicitor and Director of several companies. He joined your Board in April 1937 and has been the Chairman since 1939. He has rendered valuable services and it is in the interests of the Company that he should be re-appointed a Director.

By Order of the Board,
A. HYDARI,

Joint Managing Director.

INDIAN COPPER CORPORATION LIMITED.

THE following are the returns for the quarter ended 31st March, 1957:—

Ore treated	S/Tons	111504
Average grade of ore		
Refined Copper produced	L/Tons	2,138 % Cu.
Refined Copper issued to Mine		
Y. M. Circles Produced		1
Y. M. Circles Produced		1870
Rolled Copper Produced		71
Rolled Copper Produced		22

The results of development work carried out on the properties of the Corporation during the quarter under review are as follows:—

	Footage developed.	Footage sampled.	Footage payable.
Mosaboni	2449	2245	1518.5
Badia	310	174	42

By Order of the Board,

GILLANDERS ARBUTHNOT & COMPANY LIMITED,
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
18th April, 1957.

MINERVA MILLS LIMITED.

NOTICE TO SHAREHOLDERS.

NOTICE is hereby given that the Thirty-seventh Annual General Meeting of the Shareholders of the above Company will be held at the Registered Office of the Company, Temple Bar Building, 70, Forbes Street, Fort, Bombay, on Monday, the 17th day of June, 1957 at 4 P.M. to transact the following business:—

- To receive and adopt the Directors' Report and Audited Statements of Accounts for the year ended 31st December 1956.
- To declare a dividend.
- To appoint Directors in place of those who retire, but who are eligible for re-appointment.
- To appoint Auditors for the current year and to fix their remuneration.

The Transfer Books of the Company will be closed from the 12th day of May 1957 to the 8th day of June, 1957, both days inclusive.

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

Detailed Notice setting forth all the items of business to be transacted at the above Meeting is being published in the Press and will be posted to the shareholders individually.

By Order of the Board,

N. SIRUR & CO. PRIVATE LTD.,
Managing Agents.

V. N. CHANDAVARKAR,
Managing Director.

Pombay, 24th April, 1957.

N.B. The Dividend when declared will be made payable at the State Bank of India, Bombay, on and after Monday, the 24th June, 1957 to those shareholders whose names stand on the Register of Members on the 13th May, 1957, and who have paid all dues to the Company whether in respect of the calls on their shares, interest thereon or otherwise. The dividend warrants will be made negotiable at par at the State Bank of India, Bangalore. Shareholders are requested to intimate change of address, if any.

GODFREY PHILIPS INDIA LIMITED

ORDINARY GENERAL MEETING

NOTICE is hereby given that the Twentieth Ordinary General Meeting of the members of the abovenamed Company will be held at the Registered Office of the Company at Chakala, Andheri, Bombay, on Friday, 31st May, 1957 at 4 o'clock in the afternoon, in order to transact the following business:—

- To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st December, 1956.
- To declare dividends.
- To elect Directors in place of those retiring

(a) Mr. B. A. Bilimoria retires by rotation under Article 126 of the Company's Articles of Association. In addition he has attained the age of 65 years. Notice has been received by the Company and a resolution will be moved to the effect that he be re-appointed a Director of the Company and that the age limit shall not apply to him. Mr. B. A. Bilimoria has signified his willingness to stand for re-election. The following resolution will therefore be proposed as an Ordinary Resolution:—

"RESOLVED that Mr. B. A. Bilimoria who was born on the 6th day of February 1884 and has therefore attained the age of 65 years be and is hereby appointed a Director of the Company and that the age limit laid down in Section 280 of the Companies Act 1956 shall not apply to him."

(b) Mr. H. C. Brown retires by rotation under Article 126 of the Company's Articles of Association and being eligible offers himself for re-election.

- To appoint Auditors and fix their remuneration.
- The following resolution will be proposed as an Ordinary Resolution:—

"RESOLVED that the Company hereby accords its approval to the appointment of D. Macropolo & Company (Private) Limited as its Sole Distributors for India for a further period of one year ending on 30th June, 1958 on conditions stated in the Letter of Appointment.

- The following resolution will be proposed as a Special Resolution:—

"That the regulations set out in the printed document submitted to this Meeting and for the purpose of identification subscribed by the Joint Managing Directors be and the same are hereby adopted as the Articles of Association of the

Company in substitution for and to the exclusion of all existing Articles thereof."

EXPLANATORY STATEMENT

Messrs. D. Macropolo & Company (Private) Limited have acted as Sole Distributors of the Company's Brands since the commencement of their manufacture in India. The Letter of Appointment is available for inspection by any Shareholder at the Registered Office of the Company between 11 a.m. and 4 p.m. on any working day except Saturday.

EXPLANATORY STATEMENT

Your Directors consider that it is desirable in the best interests of the Company that it should possess a set of up-to-date Articles of Association reflecting the numerous changes in the law relating to companies which have taken place since the existing Articles of your Company were framed in 1946. The new Articles now presented to you for adoption have accordingly been drawn up to conform to the present state of the law and a copy is available for inspection by any shareholder at the Registered Office of the Company between 11 a.m. and 4 p.m. on any working day except Saturday.

Any member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.

The Share Transfer Register will be closed from 25th May to 31st May, 1957, both days inclusive.

By Order of the Board,

D. K. MITRA,
Secretary.

Bombay, 1st May, 1957.

MAHINDRA & MAHINDRA LIMITED

NOTICE

THE Eleventh Annual General Meeting of the Shareholders of Mahindra & Mahindra Ltd. will be held at the Green's Hotel, Apollo Bunder, Bombay 1, on Wednesday, 22nd May, 1957 at 4.00 p.m. to transact the following business:—

- To receive and adopt the Directors' Report, the audited balance-sheet and profit and loss account for the year ended 31st October, 1956.
- To declare dividend on Preference and Ordinary Shares.
- To appoint a Director in place of Mr. A. K. Mitra who retires under Article 110 of the Articles of Association but is eligible for re-election.
- To appoint a Director in place of

ALLIANCE JUTE MILLS COMPANY, LIMITED.

NOTICE is hereby given that the One Hundred and Twenty-third Annual General Meeting of the Members of ALLIANCE JUTE MILLS COMPANY, LIMITED, will be held at McLeod House, No. 3, Netaji Subhas Road, Calcutta, the Registered Office of the Company, on Friday, the 31st day of May, 1957, at 3 o'clock in the afternoon for the following purposes:—

- To receive and consider the Profit and Loss Account for the half-year ended 30th June, 1956, the Balance Sheet as at that date and Reports of the Directors and Auditors.
- To declare a dividend on the Preference Shares.
- To appoint a Director in place of Mr. G. L. Bangur, the Director retiring by rotation at the Meeting, who, being eligible, offers himself for re-appointment.
- To appoint Auditors and fix their remuneration.

As Special Business.

To consider and, if thought fit, to pass, with or without modification, the following Resolutions which will be proposed as Special Resolutions:—

- That the requirements of Articles 82, 83, 87, 121, 175, 179 and 180 of the Articles of Association of the Company be not complied with in respect of the half-year ended the 31st December, 1955.
- That the Articles of Association of the Company be altered in manner following:—
 - Articles 82 and 83 shall be deleted and the following new Article substituted therefor:—

82. In addition to any other Meetings, General Meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956 and, subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Directors. Such General Meetings shall be called "Annual General Meetings" and shall be specified as such in the notice convening the meeting. All other Meetings of the Company shall be called "Extraordinary General Meetings."
 - Article 87 shall be deleted and the following new Article substituted therefor:—

87. The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Directors and of the Auditors, to elect Directors in the place of those retiring by rotation, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business.
 - In Article 121, line 1, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor.
 - Article 175 shall be deleted and the following new Article substituted therefor:—

175. At every Annual General Meeting the Directors shall lay before the Company a Balance Sheet and a Profit and Loss Account made up in accordance with the provisions of Section 210 of the Companies Act 1956, and such Balance Sheet and Profit and Loss Account shall comply with the requirements of Sections 210, 211, 212, 215 and 216 and of Schedule VI to the said Act, so far as they are applicable to the Company but, save as aforesaid, the Directors shall not be bound to disclose greater details of the results or extent of the trading and transactions of the Company than they may deem expedient.
 - In Article 179, line 1, the word "Twice" shall be deleted and the word "Once" substituted therefor.
 - In Article 180, lines 1 and 2, the words "first Ordinary" shall be deleted and the words "Annual General" substituted therefor. In sub-para 3, the word "Ordinary" wherever appearing, shall be deleted and the words "Annual General" substituted therefor.

When Annual General Meetings to be held

Business of Meetings

Profit & Loss Account and Balance Sheet.

and vote in his stead. A proxy need not be a member of the Company.

By Order of the Board,
McLEOD & CO. LTD.,
A. T. DOIG,
Managing Director,
Managing Agents.

3, Netaji Subhas Road,
Calcutta, 6th May, 1957.

Note:

Payment of the proposed dividend, if declared, will be made on or after 7th June, 1957, only to those members whose names are registered in the Books of the Company as holders of the Preference Shares on 31st May, 1957, or to their Mandatees. Applications for warrants will not be necessary. Claims from or on behalf of holders of shares on blank transfer will not be entertained.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS.

In order to comply with the Articles of Association of the Company, the Company's Accounts have been closed and audited half-yearly and a Profit & Loss Account in respect of each half-yearly period ending on the 30th June and the 31st December in each year and the Balance Sheet as at each date, have been laid before the Company in General Meetings held twice in every calendar year.

Under the provisions of the Companies Act, 1956, each such half-yearly period has to be regarded as a "financial year" and as a result, the usual half-yearly General Meetings will each be deemed to be an "Annual General Meeting" within the meaning of the Act, thus resulting in two "Annual General Meetings" in each calendar year. Having regard to the obligations imposed on a Company by the Act in respect of every Annual General Meeting, viz. retirement of Directors by rotation, appointment of auditors, and filing of an Annual Return, etc., and the work and expense attending the preparation of the Accounts to be laid before members in conformity with the provisions of the Act, your Directors recommend that the Articles of Association of the Company be amended to provide that the Company's Accounts be closed and audited annually and laid before the Company at an Annual General Meeting in each calendar year. The proposed amendments are set out in Resolution 6 of the convening notice. In respect of the half-year ended the 31st December 1955, it is proposed that the accounts be not separately prepared and laid before members but that they be embodied in consolidated accounts for the period commencing on the 1st July, 1955. Special Resolution 5 in the convening notice suffices to effect this proposal. If Special Resolutions 5 and 6 are passed, the accounts of the Company will be closed on a date subsequent to the 31st December, 1956, of which Members will be advised later, which hereafter will be the closing date of each financial year of the Company.

The foregoing changes will not result in any financial benefit either to the Directors or to the Managing Agents of the Company, and interim dividends may, subject to trading results in a current financial year be declared by the Directors under Article 161.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED (INCORPORATED IN ENGLAND)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of a Dividend on the Company's Preference Stock at the rate of £1-1-10½ per cent net for the three months ended 31st March, 1957. Payment will be made on 15th May, 1957 to those stockholders whose names are registered in the Company's Stock Register on 8th May, 1957.

Applications for transfers received in this office before 2 P.M. on Wednesday, the 8th May, 1957, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,
I. A. MACPHERSON,
Agent.

Victoria House,
Calcutta, 25th April, 1957.

TEZPORE TEA COMPANY LIMITED NOTICE

THE Directors have declared on 25th April, 1957 a Dividend at the rate of 8% per annum, without any deduction for Income-Tax paid by the Company, payable on the Cumulative Preference Shares for the year 1956.

Dividend Warrants will be despatched to the registered addresses of, or in accordance with the instructions received from, those Members whose names appear in the Company's Register on the 28th May, 1957. The Transfer Register will be closed from the 20th May, 1957 to 28th May, 1957, both days inclusive.

By Order of the Board,
SHAW WALLACE & COMPANY LTD.,
Managing Agents.

26th April, 1957.

GUEST, KEEN, WILLIAMS, LIMITED**NOTICE**

THE Twenty-seventh Annual General Meeting of the Shareholders of Guest, Keen, Williams, Limited will be held at the premises of the Bengal Chamber of Commerce and Industry, Royal Exchange, Calcutta-1, on Wednesday, 29th May, 1957, at 11 a.m. to transact the following business:—

- To adopt the Directors' Report and the Audited Accounts for the 52 weeks ended 28th December, 1956.
- To declare a Dividend.
- To elect Directors.
- To appoint Auditors and fix their remuneration.
- As special business to consider and if thought fit to pass the following resolution, namely:—

"That the Books, Registers and other documents required to be maintained by the Company and kept open for inspection under the provisions of the Companies Act, 1956, and particularly under Sections 49, 118, 144, 163, 196, 301, 302, 304, 307, 352 and 372 of the said Act, shall be available for inspection at the Registered Office of the Company by the persons entitled thereto to the extent and in the manner and on payment of the requisite fees, if any, specified in the aforesaid provisions, between the hours of 10 a.m. and 12 noon on each business day. Provided, however, that the Register required to be maintained under Section 307 of the Act shall be open for inspection of the members or holders of debentures of the Company between the times aforesaid only during the period prescribed by Sub-section 5(a) of Section 307."

The Register of Members of the Company will be closed from the 8th May, 1957 to the 29th May, 1957, both days inclusive.

By Order of the Board,
W. MORRICE,
Director & Secretary.

Calcutta, 1st May, 1957.

NOTE—A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.

EXPLANATORY STATEMENT REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 5. With reference to the resolution relating to inspection of Books, Registers and other documents referred to in the above notice, the Companies Act, 1956, provides that the Company may impose reasonable restrictions on such inspection but so that not less than two hours in each day are allowed for inspection, and the resolution is being moved accordingly.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour L.S.T.
Belsund Sugar Co., Ltd.	6-5-57	11-45 a.m.
Nellimaria Jute Mills Co., Ltd.	7-5-57	2-45 p.m.
Waverley Jute Mills Co., Ltd.	8-5-57	4 p.m.
Western India Match Co. Ltd.	8-5-57	4 p.m.
Presidency Jute Mills Co., Ltd.	21-5-57	2-30 p.m.
Mahindra & Mahindra, Ltd.	22-5-57	4 p.m.
Assam Match Co., Ltd.	24-5-57	12-30 p.m.
Guest, Keen, Williams, Ltd.	29-5-57	11 a.m.
Godfrey Phillips, India, Ltd.	31-5-57	3 p.m.
Jay Shree Tea Gardens, Ltd.	31-5-57	3 p.m.
Alliance Jute Mills Co., Ltd.	31-5-57	4 p.m.
Minerva Mills, Ltd.	17-6-57	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—National Company Ltd.—37 n.p. per share (o); Delta Jute Mills Co. Ltd.—5 p.e. (o); Orient Jute Mills Co. Ltd.—2 p.e. (o); Cheviot Mills Co. Ltd.—2 p.e. (o); Svadeshi Mills Co. Ltd.—Rs. 14 per share (o) including a bonus of Rs. 2; Tata Mills Ltd.—Rs. 3.50 per share (o) including a bonus of 50 n.p.; Buckingham & Carnatic Co. Ltd.—Rs. 6 per share (o) (f); Modern Mills, Ltd.—Rs. 8 per share including a bonus of Rs. 3.

O.—Ordinary Dividend. Int.—Interim Dividend.
P.—Preference Dividend. f.—Final Dividend.
P.O.—Preference Ordinary Dividend. C.—Cumulative.
D.—Deferred Dividend. † Less Tax at 6d in the £

"CAPITAL" STOCK AND SHARE LIST**THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE**

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paisa

Wednesday 1st May, 1957.

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GOVERNMENT LOANS

Amount Outstanding Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
2,46,97,41,000	3	1946	1936 or later	74/19
6,83,35,000	3	1896-97	At the option of the Government of India after 3 months' notice	73/00
57,00,69,000	2½	1946	1961	83/43
45,83,07,000	2½	1946	1960	96/45
50,35,63,000	3	1951	1958	99/65
1,16,17,46,000	3	1938	1965	94/15
1,10,11,78,000	3	1943	1966	92/19
75,86,72,000	2½	1947	1962	93/85
	2½	1948	1962	93/85
30,33,10,000	3	1950	1964	94/40
14,77,48,000	2½	1946	1976	83/15
63,30,26,000	3	1926	1960-70	100/75
1,15,18,83,000	3	1944	1970-75	86/13
34,78,08,000	3	1944	1957	99/75
48,73,00,000	3	1928	1958-68	101/75
75,20,00,000	3	1953	1961	99/53
1,13,65,64,000	3	1945	1959-61	47/75
1,58,17,90,000	3	1954	1964	98/33
1,08,42,40,000	3	1954	1965	98/30
66,61,64,000	3	1955	1967	98/50
53,21,33,000	3	1956	1974	98/25
57,25,82,000	3	1956	1962	97/85
3,44,00,000	3	1944	1958	98/75
6,00,00,000	3	1949	1962	94/00
3,00,00,000	3	1950	1960	96/25
3,00,00,000	3	1951	1962	98/12
3,00,00,000	3	1952	1964	100/00
5,00,00,000	4	1953	1963	100/00
52,68,800	3	1946	1958	98/25
2,03,00,000	3	1949	1964	92/00
1,00,00,000	3	1951	1962	98/00
1,29,76,600	3	1939	1959	96/56
1,08,30,000	3	1944	1958	98/50
2,82,19,000	3	1945	1960	96/00
3,20,93,200	2½	1946	1961	93/12
4,47,00,000	3	1950	1960	96/00
5,00,00,000	4	1952	1964	98/00
5,00,00,000	4	1953	1963	99/06
1,69,38,800	3	1936	1961	90/87
3,23,94,800	3	1944	1958	98/50
2,36,31,900	3	1945	1960	96/00
2,41,19,800	2½	1946	1961	93/05
2,00,00,000	3	1951	1962	97/87
2,00,00,000	3	1952	1964	98/07
5,00,00,000	4	1953	1963	98/75
1,75,00,000	3	1951	1962	98/25
2,00,00,000	4	1952	1964	99/87
3,60,23,300	4	1953	1963	99/87
7,00,00,000	4	1955	1967	99/94
7,00,00,000	4	1956	1968	99/31
2,95,85,200	4	1956	1968	99/00
3,99,72,900	4	1933	1953	100/20
3,98,05,700	3	1936	1956	98/87
5,00,00,000	3	1946	25-1-1958	98/69
	3	1953	15-7-1963	98/53
30,00,000	3	1936	1956	98/75
1,00,00,000	3	1945	1956	98/00
3,34,70,000	4	1953	1963	99/00
2,12,21,800	4	1955	1967	99/00

PORT TRUST LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
30,24,300	4	1914	1974	99/00
76,30,100	4	1915	1975	99/00
68,02,300	7	1921 1st	1981	82/00
1,50,00,000	6	1921 2nd	1981	144/00
£802,000	5	1923	1952	82/79
£901,000	5	1924	1954	84/79
1,49,49,500	5	1927	1957	87/101/50
1,49,30,000	5	1928	1958	88/102/50
90,00,000	4	1931	1961	95/00
£835,100	3	1932	1962	91/1
60,00,000	3	1935	1965	97/50
30,00,000	3	1946	1976	84/75
50,00,000	3	1945	1975	74/00
30,00,000	3	1945	1975	85/00
2,10,07,100	3	1936-37	1956	66/95/25
25,00,000	3	1938	1963	68/00
50,00,000	3	1946	2006	74/60
50,00,000	2½	1947	1977	79/50
50,00,000	3	1948	1978	83/75
50,00,000	3	1949	1959	97/00
50,00,000	3	1949	1959	97/00
50,00,000	3	1950	1960	92/00
50,00,000	3	1950	1960	95/37
50,00,000	3	1951	1961	81/75
50,00,000	3	1951	1961	88/50
50,00,000	4	1953	1963	100/00
50,00,000	4	1953	1963	98/50
30,00,000	4	1955	1965	98/00
77,00,000	4	1956	1966	97/75

A=Held by the Govt. of India.

MUNICIPAL LOANS

Amount Rs.	Interest per cent	Year of issue	Repayable	Market quotations Rs.
36,00,000	5	1928	1958	102/00
25,00,000	5	1929	1957	101/50
25,00,000	5	1929	1958	102/00
15,49,000	3	1951	1960	97/00
16,33,000	3	1951	1961	97/50
66,88,000	3	1951	1966	97/50
10,00,000	5	1952	1962	108/00
33,91,000	3	1935	1965	94/00
72,50,000	4	1954	1979	100/00
60,00,000	3	1936	1966	90/00
47,60,000	3	1938	1968	90/00
17,64,400	3	1942	1959	96/50
31,13,600	4	1939	1956	99/25
21,10,000	3	1942	1972	92/50
15,56,800	4	1940	1957	95/59
25,00,000	5	1928	1958	102/00
25,00,000	5	1929	1959	102/00
12,00,00,000	3	1951	1966	92/00
6,25,00,000	3	1947	1977	86/25
15,00,000	3	1951	1961	107/00
15,00,000	3	1952	1962	197/50
71,700	6	1925	1955	100/00
2,67,300	6	1925	1955	101/00
15,00,000	3	1951	1961	107/00
2½ U.P. Zemindary Abolition Compensation Bond (per Rs. 100) 39/25*				

These notes refer to the Debentures on the next page.

(a) Option to repay at par on 6 months' notice—
(i) after 1 year from date of issue.
(b) at any time.
(c) on or after 1-1-61.
(d) on or after 14-11-53.

(e) Option to repay on 6 months' notice—
(i) at any time after 30-6-61 at 101/100.
(ii) at 101/100 % between 1-1-60 & 31-12-64.
(iii) at 102/80 % after 30-6-68 but before 30-6-64.
(iv) on or after 31st July 1960 at Rs. 102/80 % or at par on or after 31st July 1965.

(f) Option to repay on 3 months' notice—
(i) at any time at 3% Premium.
(ii) at 1% Prem. after 1-2-54 but before 1-2-57 and 1% Prem. on or after 1-2-57.

BANKS

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

Paid-up Capital Ordinary	Reserve & Other Funds	Cash and Investments	NAMES	Accounts Share	Net Profits Including Taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
							1954	1955	1956		1-5-57	24-4-57	1 year ago
Rs.	Rs.	Rs.			Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
14,00,000													
14,50,000H													
1,00,00,000H	1,00,00,000	15 14 41.302	Allahabad Bank P.	12	15,61,784	12 42 653	18	18	..	100	347/00	347/00	366
3,00,00,000H	1,28,00,000	15 17 18.001	Bank of Baroda	12	28,01,913	2,40,302	12	..	..	50	180/00	180/00	183
50,30,375N	3,02,00,000	26,53,06,667	Bank of India	12	92,03,294	15,54,924	14	16	18	50	99/50	99/50	94
15,30,000	27,00,000	3,84 34 12	Bank of Indore	12	4,30,343	64.70	8-6	1-4	..	25	132/50	133/50	154
	84,00,000	4,92,88,462	Bank of Mysore	6-12	20,59,730	5,91,911	3-4	3-8	8-8	100	52/00	52/00	52
											246/50	246/50	250
1,62,11,875H 52,42,375	4,01,81,217	72,31,72,307	Central Bank of India	6-12	77,75,970	18,40,355	4-4	5-4	..	25	50/50	48/00	47
23,50,000	25,00,000	1118,387,761	Chartered Bank	12	£982,465*	£405,375	15	15	..	£1	39/7 1/2	37/09	36/3
21,00,000H	21,50,000	£28,064,632	Eastern Bank	12	£129,940*	£111,596	8	8	8	£5	£7 1/2	£7 1/2	£7 1/2
2,000,000	7,50,000	35,491,032	Habib Bank††	12	1,367,076	146,911	15	17 1/2	5	26	89/50	89/50	89 1/2
50,00,000H	26,00,000	2,42,93,269	Hind Bank	12	12,10,668	1,61,946	..	..	6	50	33/62	33/25	33 1/2
1,25,00,000H	15,43,000	3,45 31 17 1/2	Hindusthan Commercial	12	1,705	16,415	Nil	..	..	50	10/00	9/87	9 1/2
50,00,000H	1,75,000	1,21,08,411	Hindusthan Mercantile	12	71,191	1,515	Nil	Nil	..	50	11/50	11/50	14
HK\$25,00,000													
21,562,500 or 21,562,000	28,00,000	£143,692,832	Hong Kong & Shanghai	12	HK\$20,580,320	HK\$10,606,685	25 1/2	25 1/2	..	HK\$12 1/2	£96 1/2	£95 1/2	£96
24,00,000													
17,00,000	76,50,000	16,04,77,414	Indian Bank	6-12	13,39,697	130,785	12	..	..	100	193/00	193/00	180
16,80,000										75	148/00	148/00	157
49,05,075	30,00,000	7,62,24,682	Indian Overseas Bank	12	16,55,725	2,28,285	6	7 1/2	..	100	137/00	137/00	130
6,25,000A										100A	42/50	42/50	42 1/2
1,50,000B										25B	10/50	10/50	11
10,00,000C	5,41,083	77,14,495	Indo-Commercial Bank	6-12	1,21,610	49	..	..	..	50C	12/00	18/00	20
3,00,00,000	15,06,075	1,18,15,069	Industrial Finance Corpn	6	22,18,635	..	21 1/2	..	..	50.00	..	..	..
218,565,070	£17,500,000	£858,862,421	Lloyds Bank	12	£2,341,793	£712,060	15	12	13	£1	£2-6-6	£2-7-8	£2-15-5
2375,000H 2375,000H 2720,000	21,750,000	£31,185,482	Mercantile Bank of India	12	£235,423*	£219,372	14	14	..	£2 1/2A £2 1/2B £2C	£4-5-3 £4-5-3 £2	£4-5-3 £4-5-3 £2	£4-0-0 £4-0-0 £2
23,851,563H 87,50,000	23,104,687	£73,661,481	National Bank of India	12	£693,626*	£342,155	15	15	..	..	20/	20/3	21/3

† Guaranteed

Paid-up Capital Ordinary	No. of Shares	Net Assets Account	Reserve & other Funds Premiums & Jetties if any	Cash & Securities	NAMES	Amounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Rate of Interest	Latest Market Quotations as available until						
Rs	Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	Rs	Rs	Rs	Rs	Rs
60,00,000	879	51,37,223	47,00,000	5,85,163	Agarpara P	3-9	79	1,22,220	29,690		3 1/2	2 1/2	10	8/00	8/25	11		
6,00,000	446	15,73,948	10,25,000	1,37,694	Alexandra P	5-12	165	2,98,242	2,45,707	2 1/2	3 1/2	5 1/2	100	189 1/2	189/00	131		
30,70,000	1264	23,85,158	5,25,000	4,78,621	Alliance P	5-12	165	2,31,000	23,103	3 1/2	3 1/2	5 1/2	100	69/00	69/00	131		
2,50,000	810	1,41,22,882	69,00,000	8,13,399	Anglo-India P	3-9	63	1,18,443	2,30,192	2 1/2	3 1/2	5 1/2	100	139/00	136/00	131		
20,00,000	959	66,59,709	42,35,123	3,19,355	Auckland P	3-9	21	62,844	11,377	1-2 1/2	3 1/2	5 1/2	100	78/00	76/00	129		
2,75,000	1,889	31,26,322	21,50,000	2,68,421	Bally P	3-9	128	19,953	36,505	NIL-NIL	3 1/2	5 1/2	100	146/00	160/00	140		
28,00,000	820	24,90,254	2,625,000	£107,268	Samarega P	3	128	-272,354	£13,695	15	15	NIL...	£1	87/00	87/00	134		
41,00,000	600	43,08,474	28,00,000	62,598	Selwedge P	6-12	2	-1,18,867	2,525	3 1/2	3 1/2	5 1/2	100	94/00	94/00	160		
96,00,000	300	25,78,849	28,00,000	93,532	Sengap P	3-12	232	13,31,286	4,65,366	1 1/2	1 1/2	5 1/2	100	15/25	15/25	161		
90,00,000	1,373	1,83,77,751	2,17,48,331	1,52,39,756	Sing P	3-12	232	21,44,042	4,57,393	10	10	10	100	14/50	14/25	171		
1,74,280	304	44,94,171	21,38,1,426	90,155	Sing P	4-10	2	-246,556	1,336	4 1/2	3 1/2	5 1/2	100	90/00	90/00	137		
18,00,000	502	12,56,648	4,17,958	1,73,420	Sing P	6-12	62	51,976	48,461	NIL...	3 1/2	5 1/2	100	9/94	9/94	137		
66,16,400	1,400	44,11,783	26,46,234	54,300	Sing P	3-11	2	-1,93,238	1,328	4 1/2	3 1/2	5 1/2	100	105/00	105/00	203		
15,95,000	300	1,11,36,967	95,49,328	261,300	Sing P	3-9	341	-1,80,359	19,010	NIL...	3 1/2	5 1/2	100	119/00	119/00	150		
30,15,000	530	25,02,036	23,79,282	72,584	Sing P	3-11	2	-18,11,112	13,87	6 1/2	3 1/2	5 1/2	100	126/00	126/00	200		
18,00,000	969	17,02,648	31,00,000	28,21,035	Sing P	6-12	165	5,58,078	1,32,949	5-6 1/2	3 1/2	5 1/2	100	12/31	12/31	141		
21,49,200	766	18,80,488	25,12,435	1,35,355	Sing P	3	318	1,51,574	18,647	1-1 1/2	3 1/2	5 1/2	100	13/94	13/94	141		
28,00,000	969	44,18,110	45,89,318	6,07,462	Sing P	3-9	21	-2,22,841	-2,20,845	1-1 1/2	3 1/2	5 1/2	100	84/00	84/00	104		
15,00,000	779	29,37,365	40,71,679	15,59,536	Sing P	5-11	8	-1,38,673	2,564	6 1/2	3 1/2	5 1/2	100	125/00	125/00	207		
21,00,000	800	23,07,444	25,50,000	14,71,122	Sing P	6-12	165	1,77,631	76,491	3 1/2	3 1/2	5 1/2	100	14/44	14/50	150		
1,88,84	1,014	31,																

COAL COMPANIES

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

Paid-up Capital: Ordinary	Net Block Account	Reserve & other funds: Premiums & forfeited shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs	Rs	Rs	Rs				Rs	Rs	1954 1955 1956	Rs	1-5-57 24-4-57 A year ago
25,00,000	27,30,536	25,05,000	3,60,797	Amalgamated	1-8	236	2,02,399	28,610	34-6 34-74 5-...	10	15/93 15/93 23
1,00,00,000	1,96,15,286	1,40,49,222	18,85,656	Bengal P	4-10	2	26,18,986	7,31,563	74-74 84-83 ...	100	222/00 216/00 539
4,49,536	5,28,192	10,000	2,24,300	Bengal Shastee	6-12	2	15,149	4,951	14-14 ...	10	6/00 6/00 7
2,25,000	2,48,198	5,30,654	2,84,478	Bengal Vastpur P	6-12	2	50,568	1,07,984	Nil-Nil ...	10	15/00 15/00 16
15,47,000	14,16,662	6,31,477	13,32,376	Bengalgarh	6-12	2	3,19,896	39,976	Nil-Nil ...	10	4/02 4/02 64
40,00,000	38,1,474	20,23,235	32,85,321	Bharat Collieries P	6-12	152	2,32,221	27,423	64 ...	10	6/00 6/00 71
7,15,000	15,63,291	14,29,045	68,704	Bhulanbarree	6-12	106	20,816	1,97,446	Nil-Nil ...	10	13/87 13/87 13
16,31,000	18,81,276	16,18,636	7,181	Bokarc & Ramgurt	6-12	312	1,21,931	79,196	Nil-Nil ...	10	11/40 11/40 124
7,50,000	18,36,889	24,29,024	11,60,066	Borren P	6-12	106	2,14,682	84,207	10-10 10-10	10	20/31 20/31 264
90,32,490	2,39,17,614	1,76,02,135	28,93,839	Burrakur P	6-12	21	7,43,659	36,168	24-24 34-34 34-...	10	22/00 20/40 131
49,37,000	34,53,430	750	3,65,960	Central India	6-12	164	2,45,758	9,927	24 24 ...	10	6/00 6/00 11
6,00,000	16,67,572	13,30,515	15,752	Central Kurkend P	6-12	323	3,146	82,168	...	10	12/50 12/50 24
6,00,000	1,43,674	1,43,674	7,32,538	Churulia	6-12	106	6,374	2,229	...	10	1/94 1/94 34
16,30,000	24,90,428	Nil	50,309	Dharm Main	6-12	19	60,039	1,83,318	...	10	5/75 5/75 214
2,40,000	2,23,116	2,31,125	51,40,349	East Indian	6-12	128	2,99,155	258,922	...	10	24/75 24/75 214
2,40,000	2,23,116	2,31,125	51,40,349	Equitable P	6-12	19	8,81,453	82,875	74-74 74-74	10	24/25 21/00 284
10,00,000	5,74,708	2,07,481	1,32,377	Chusker & Muslia	6-12	307	12,979	24,844	...	10	15/75 1/50 144
6,50,000	3,17,786	7,25,000	4,95,544	Juzdar Kajora	6-12	20	24,157	2,401	...	10	1/50 22/12 231
8,00,000	3,17,786	7,25,000	4,95,544	Kurliadhi	6-12	19	20,924	45,985	...	10	22/12 22/12 231
3,50,000	6,31,200	5,66,816	1,407	Kalapanari	6-12	2	1,58,130	2,21,237	...	10	20/00 20/00 204
15,30,000	31,71,934	24,32,336	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil ...	100	12/37 11/75 264
5,00,000	24,09,896	1,77,175	26,967	Karanpura Collieries P	6-12	21	2,26,982	6,965	...	100	83/50 88/50 145
1,38,490	10,29,548	16,80,000	11,25,332	Katras Jherriab	1-7	2	5,92,347	1,33,475	28-28 25-30 35	100	53/75 53/00 95
5,65,750	10,84,977	85,000	1,80,294	Khas Katora P	6-12	326	49,776	1,918	...	10	3/75 3/75 34
7,48,241	3,46,939	2,00,000	10,14,893	Mundulpur	6-12	326	79,868	79,868	...	10	2/25 2/25 34
7,00,000	5,13,411	26,617	91,941	Nazira	6-12	347	92,517	31,201	...	10	6/81 6/81 104
17,76,231	31,15,785	20,01,765	3,78,535	New Bansdeopur	6-12	3	59,011	6,071	34-74 74-...	10	10/00 10/00 104
6,00,000	11,11,643	75,000	46,891	New Beerboom P	4-11	7	2,64,711	94,382	34-34 34-...	10	14/62 14/62 113
2,50,000	7,69,622	1,75,500	10,12,916	New Beerboom P	6-12	302	46,201	70,252	Nil-Nil ...	10	9/00 7/81 23
1,15,000	4,42,488	2,85,193	1,52,246	North Dumda	1-7	308	7,954	32,184	...	24	0/94 0/94 19
7,50,000	1,20,000	12,19,981	23,26,751	Orndal P	6-12	106	22,197	56,646	...	10	14/62 14/62 134
8,34,000	9,21,342	10,862	4,30,017	Parusa P	6-12	106	1,08,077	6,018	34-34 34-...	10	13/87 13/87 224
15,75,000	13,39,443	16,50,000	13,39,443	Pencer Valley	6-12	236	2,48,201	33,734	74-74 74-...	10	14/75 14/75 64
2,50,000	2,92,400	1,300	11,330	Pure Sitalpur	6-12	347	2,008	18,581	...	10	6/87 6/87 64
2,50,000	3,99,424	20,17,105	67,898	Raneegunge	6-12	79	3,67,448	23,188	34-34 34-...	10	11/37 11/37 224
8,88,001	10,45,115	15,51,501	14,29,642	Rewa	6-12	236	1,44,394	15,614	34-34 34-...	10	19/87 19/87 224
20,00,000	23,74,261	7,52,027	1,01,427	Samia	6-12	48	1,80,666	31,543	...	10	12/31 12/31 34
2,50,000	1,56,194	1,34,374	11,356	Seasole	6-12	353	1,07,078	1,078	...	24	5/19 5/19 34
2,50,000	10,92,193	3,35,598	7,87,726	Seepore P	6-12	2	2,42,112	49,299	...	7	28/87 28/87 114
8,90,000	1,42,924	5,29,406	6,32,757	Sendra	6-12	106	4,909	9,008	...	10	9/00 9/00 114
17,50,000	22,79,233	10,99,693	25,008	South Karanpura	6-12	21	73,500	10,407	...	10	8/12 8/12 25
8,00,000	1,42,924	14,01,053	23,80,817	Standard	6-12	106	70,093	17,411	...	10	19/87 19/87 25
10,00,000	15,08,085	15,076	1,913	Talcher	6-12	477	22,689	3,88,756	...	24	1/65 1/65 124
3,50,000	4,62,000	3,47,000	12,896	Union	6-12	479	54,089	9,659	...	10	15/25 15/25 124
49,38,000	33,66,550	50,000	2,17,164	Western Bengal	6-12	186	4,09,468	7,262	...	10	5/37 5/45 124
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	10	2,72,772	1,40,650	...	10	7/25 8/50 13

N = Nominal

COTTON MILLS

Paid-up Capital: Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other funds: Premiums & forfeited shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per share	Latest Market Quotations as available until
Rs			Rs	Rs	Rs				Rs	Rs	1954 1955 1956	Rs	1-5-57 24-4-57 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	...	10	5/06 5/06 6
32,72,346	22,197	505	27,69,676	23,18,909	24,18,909	Benares P	3-9	120	1,27,187	4,79,347	...	10	0/87 0/87 34
7,11,286	36,000	932	7,17,120	2,20,369	30,891	Benares Luxmi	6-12	1	5,66,176	47,818	...	10	40/00 40/00 34
27,00,000	11,476	624	23,33,000	15,50,000	5,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	...	10	6/94 7/75 95
15,30,000	38,764	992	28,31,200	88,48,585	31,22,417	Birsa Cotton	6-12	236	16,69,225	2,76,936	...	10	35/00 35/00 165
30,00,000	12,000	510	17,54,142	22,72,588	1,44,248	Bowrie P	6-12	138	84,028	23,47,377	...	100	120/00 120/00 84
3,27,32,900	1,00,563	1,1,806	3,94,63,168	2,74,48,393	2,94,83,803	Cawnpore Textiles	6-12	236	6,73,253	36,767	...	10	6/25 6/25 38
19,30,000	12,944	518	14,12,181	55,71,925	1,53,884	Delhi Cloth & Genl P	6-12	236	1,81,41,278	82,759	...	24	37/75 37/75 302
63,00,000	14,000	1,200	18,99,926	93,47,056	71,33,553	Dunbar	6-12	138	9,92,376	1,37,451	...	100	174/00 174/00 302
1,20,00,000	19,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Elgin P	6-12	9	45,81,868	7,87,594	...	10	20/25 21/50 174
3,30,000	15,864	864	17,48,143	9,75,679	74,08,658	Kesoram P	6-12	25	37,41,719	2,45,435	...	20	13/25 13/27 174
30,00,000	38,000	1,825	47,44,546	52,19,601	12,65,055	Mohini P	6-12	45	3,33,316	5,158	...	25	...
22,39,482.00	18,848	1,367	33,25,577	26,00,868	1,45,701	Muir P	6-12	207	18,77,941	7,77,290	...	10	75/00 75/00 174
3,07,995.00	23,196	795	22,57,946	18,38,739	4,02,179	New Victoria P	6-12	207	18,83,371	13,76,478	...	10	1/75 1/94 174
19,47,750.00	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Rampooria Cotton	6-12	4	6,16,936	1,094	...	10	16/25 16/25 114
5,00,000.00	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	6-12	333	43,71,838	7,09,026	...	100	12/50 12/50 104
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	6-12	333	43,71,838	7,09,026	...	100	12/50 12/50 104
40,50,000	18,754	1,210	91,31,708	1,89,73,217	43,89,979	Bangalore W. C. Silk P	12	26	56,34,938	2,38,649	...	100	557/00 557/00 562
1,78,47,800	1,20,012	2,270	5,20,13,000	1,87,39,278	23,80,514	Bukinham Carnatic P	12	26	1,01,66,075	2,38,445	...	100	169/00 176/00 191
20,00,000	38,000	...	18,03,000	20,32,074	1,26,236	Cambodia P	12	26	4,96,274	27,593	...	100	12/13 12/13 35
12,30,000	38,000	...	4,41,058	9,00,000	1,34,863	Coimbatore Cotton	12	186	5,54,700	51,404	...	100	330/00 340/00 90
20,76,000	72,832	407	47,01,212	7,98,681	22,221	Coimbatore Spg & Wvg	6	146	7,52,342	10,33,340	...	50	86/50 88/00 332
6,50,000	50,640	295	12,25,505	17,90,300	38,77,434	Kaleeswarar	6	139	2,35,786	1,677	...	100	335/00 335/00 221
24,00,000	30,512	200	80,83,320	19,25,000	1,08,960	Kothari Textile P	6	141	6,24,560	42,942	...	10	14/25 14/25 904
23,84,000	18,756	...	15,01,051	21,70,200	78,350	Lakshmi	12	186	31,41,248	2,209	...	50	138/00 140/00 904
1,75,02,484	4,65,324	...	2,06,03,942	4,13,81,878	1,14,88,962	Madura	12	108	95,70,251	32,44,130	...	15	41/50 41/50 422
12,00,000	1,858	...	4,43,489	69,00,000	19,91,138	Malabar Spg & Wvg	12	24	85,46,853	94,835	...	200	109/00 109/00 413
60,00,000	24,252	603	20,49,839	69,00,000	19,91,138	Mettur Industries	12	29	48,44,853	5,835	...	100	402/00 402/00 871
13,51,781	3,000	...	14,15,992	8,90,278	1,34,863	Mysoor Spun Silk	12	30	7,39,437	3,986	...	100	8/87 8/87 167
4,00,000	20,137	...	3,36,608	3,00,000	24,24,416	Palani Andavar P	12	30	7,39,437	3,986	...	100	147/00 147/00 167
7,70,700	15,540	476	3,42,118	2,43,421	2,65,911	Palani Andavar P	12	30	7,39,437	3,986	...	100	147/00 147/0

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & Funds	Average Price per Share	Dividends per cent		Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent	Paid-up Capital Share	Latest Market Quota- tions as available until				
				1954	1955						1-5-57	17-4-57	1-5-57		
Ra	Ra	Ra	Ra	Lbs	As	Lbs	As	Ra	1954	1955	Ra	Ra	Ra		
CACHAR															
3,00,000	2,40,887	1,75,600	862	2,89,040	39-11	..	..	1,72,877	Nil	Nil	10	12/00	12/00	12	
4,00,000	3,26,259	49,878	468	3,90,263	40-10	8,40,392	32-4	8,13,440	Nil	Nil	10	13/50	13/50	10	
2,50,000	2,77,553	Nil	194	1,00,434	4-2-57	7,07,748	4-0	7,44,000	Nil	Nil	10	65/75	65/75	100	
7,00,000	7,07,190	11,000	945	1,91,520	38-4	3,91,440	28-6	4,40,000	Nil	Nil	10	65/00	9/81	912	
12,00,000	17,92,487	11,50,000	2,152	17,59,920	35-0	16,36,400	29-1	16,00,000	Nil	Nil	10	9/81	16/56	225	
4,50,000	2,97,000	1,65,222	586	..	..	..	..	2,46,355	25	40	74	10	16/50	16/56	225
3,60,000	3,12,914	3,24,391	603	4,40,507	16-8	3,48,445	27-6	3,36,000	Nil	Nil	10	10/12	10/12	201	
7,00,000	1,25,000	5,50,000	1,368	7,33,267	47-4	7,86,938	26-7	8,00,000	Nil	Nil	10	10/12	10/12	201	
2,50,000	3,18,950	Nil	910	3,68,950	38-0	4,86,980	23-11	1,81,390	Nil	Nil	10	264/00	264/00	194	
2,60,000	4,34,315	3,56,592	912	4,34,315	38-4	4,34,315	25-11	4,40,000	Nil	Nil	10	9/06	9/06	225	
5,25,000	8,87,291	10,42,956	688	8,76,800	41-11	7,25,980	29-3	8,00,000	Nil	Nil	10	22/00	22/00	118	
4,00,000	6,88,316	5,52,313	662	4,49,336	36-7 1/2	..	..	2,98,825	20	35	20	50/00	50/00	194	
3,75,000	5,02,307	4,31,256	1,050	4,63,320	..	..	..	3,73,877	Nil	124	10	15/00	15/00	108	
..	..	..	..	..	..	..	..	5,22,870	Nil	20	10	12/00	12/00	108	
DARJEELING															
3,99,750	7,05,059	6,926	562	1,14,311	29-11	1,21,630	30-11	..	Nil	Nil	10	2/00	2/00	313	
2,79,900	3,07,500	1,25,000	407.5	1,41,174	52-4	1,44,772	46-8	1,76,000	Nil	Nil	10	15/12	15/12	17	
1,79,900	1,79,900	2,11,926	991	..	..	..	..	..	Nil	Nil	10	12/00	12/00	290	
1,84,414	1,62,639	488	1,35,760	52-5	1,27,760	38-9	1,28,000	..	..	..	10	13/00	13/00	250	
2,00,000	5,08,500	2,14,500	900	2,55,761	13-9	2,55,761	13-9	2,55,761	Nil	Nil	10	10/00	10/00	460	
7,00,000	5,59,000	2,67,770	1,049	5,51,465	19-8	5,18,730	42-31	6,72,300	Nil	Nil	10	25/00	25/00	434	
10,32,000	5,17,576	11,11	761	..	..	..	..	1,52,945	20	30	25	25/00	25/00	134	
4,00,000	3,12,981	4,00,225	916	3,39,940	57-11	3,53,320	56-1	3,68,000	Nil	Nil	10	11/56	11/56	181	
1,59,900	2,06,770	3,50,233	463	1,82,380	32-4	1,65,441	30-6	1,64,000	Nil	Nil	10	16/50	16/50	300	
2,99,900	3,67,500	2,95,000	689	4,35,016	53-4	4,34,342	36-01	4,40,000	Nil	Nil	10	23/50	23/50	300	
1,00,000	2,23,710	97,547	505	1,81,137	55-3	1,68,126	38-4	1,80,000	Nil	Nil	10	22/50	22/50	288	
3,00,000	4,02,686	4,61,138	776	3,83,961	1,09,567	500	..	3,80,000	Nil	Nil	10	11/12	11/12	600	
2,05,000	1,30,000	2,07,813	570	1,68,897	50-8	1,64,824	47-11	1,76,300	Nil	Nil	10	10/12	10/12	134	
1,40,000	1,69,062	4,65,653	341	1,27,541	35-11	1,60,300	35-11	1,60,300	Nil	Nil	10	10/00	10/00	390	
3,00,000	3,33,822	1,86,462	389	1,77,704	37-4	1,59,385	35-0	1,76,300	Nil	Nil	10	10/00	10/00	390	
6,25,000	9,98,413	1,54,418	682	2,64,900	30-4	..	..	..	Nil	Nil	10	11/00	11/00	390	
9,00,000	9,08,557	4,10,000	445	2,89,738	30-3	2,90,650	41-11	2,96,000	Nil	Nil	10	6/00	6/00	600	
3,00,000	12,36,873	5,74,587	332	3,76,300	54-5	3,74,800	39-34	3,84,000	Nil	Nil	10	11/75	11/75	124	
3,20,000	4,70,000	10,86,284	718	4,40,947	44-8	3,70,473	41-11 3/4	4,00,000	Nil	Nil	10	11/75	11/75	124	
8,01,350	11,54,000	2,62,417	1,660	7,11,347	50-54	7,09,403	34-4	8,80,000	Nil	Nil	10	11/50	11/50	144	
DUARS															
27,00,000	19,11,197	21,25,000	2,540	30,81,980	51-2	30,69,36	31-9	33,20,000	45	120	25	270/50	270/50	375	
9,00,000	9,80,500	16,33,000	1,117	13,91,320	43-4	4,32,132	32-1	14,00,000	30	55	30	23/00	23/00	352	
9,00,000	14,52,886	11,61,304	1,367	14,15,840	41-10	14,18,240	29-8	13,60,000	30	55	30	24/10	24/10	180	
6,00,000	4,98,764	7,74,655	902	5,04,104	35-10	5,10,658	32-3	12,80,000	30	55	30	115/00	115/00	252	
3,00,000	3,91,618	10,50,000	903	10,58,39	49-4	10,82,830	31-11	3,60,000	25	45	74	100/00	100/00	361	
1,20,000	4,18,000	3,00,102	306	4,01,294	43-8	3,84,207	30-7	11,60,000	30	50	20	301/00	301/00	272	
3,50,000	3,70,483	3,00,000	265	2,24,904	49-1	2,12,702	26-9	4,40,000	Nil	Nil	10	180/00	180/00	577	
5,00,000	7,87,046	8,00,000	1,253	4,75,347	49-4	4,65,428	30-5	5,40,000	Nil	Nil	10	527/00	527/00	392	
10,00,000	17,49,550	22,55,000	1,022	12,26,097	47-11	12,20,100	27-11	10,00,000	Nil	Nil	10	15/00	15/00	288	
2,45,000	37,95,527	49,07,736	2,421	10,88,812	47-11	10,72,547	29-0	31,20,000	25	124	25	23/25	23/25	333	
32,00,000	53,65,929	64,68,285	1,236	53,21,277	41-11	53,21,277	41-11	62,56,000	25	124	25	23/25	23/25	333	
7,00,000	10,98,000	17,14,718	1,452	16,37,462	47-11	16,37,462	47-11	17,20,000	25	124	25	23/25	23/25	333	
9,00,000	1,16,809	3,15,000	807	1,46,814	39-4	1,02,862	30-10	3,00,000	25	124	25	23/25	23/25	333	
2,00,000	1,52,000	12,35,848	937	1,52,000	47-11	1,52,000	47-11	1,52,000	25	124	25	23/25	23/25	333	
9,00,000	14,71,067	18,15,052	1,122	1,73,830	47-11	1,73,830	47-11	1,73,830	25	124	25	23/25	23/25	333	
14,00,000	3,81,962	18,45,000	1,163	1,69,538	44-5	3,78,988	28-1	10,00,000	25	124	25	23/25	23/25	333	
3,20,000	6,26,929	5,91,000	578	15,52,41	47-11	16,35,520	31-12	16,30,000	25	124	25	23/25	23/25	333	
2,50,000	4,14,964	3,59,080	348	3,29,200	44-2	5,65,680	27-11	6,40,000	25	124	25	23/25	23/25	333	
7,60,000	3,29,447	5,31,144	764	2,56,097	42-6	2,38,935	28-5	2,56,000	25	124	25	23/25	23/25	333	
7,46,100	8,77,189	11,43,850	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	25	124	25	23/25	23/25	333	
3,46,400	22,66,485	31,30,000	1,764	19,10,000	48-6	20,30,155	35-11	20,00,000	25	124	25	23/25	23/25	333	
..	5,45,381	6,97,500	663	5,01,920	46-4	..	..	..	25	124	25	23/25	23/25	333	
TERAI															
4,50,000	10,63,145	1,64,527	607	3,99,840	44-7	..	..	..	10	15	10	8/62	8/62	81	
2,50,000	1,59,000	10,44,043	450	3,23,610	29-8	..	..	..	10	15	10	62/50	62/50	340	
8,40,000	14,80,540	18,07,795	1,889	13,20,102	28-0	12,79,861	28-0	14,24,000	30	40	100	192/00	192/00	245	
5,00,000	3,89,205	9,96,794	524	4,25,455	47-2	4,15,634	29-7	4,80,000	30	40	74	100/00	100/00	245	
3,00,000	3,89,676	4,86,550	506	4,30,54	49-8	4,63,382	26-5	5,20,000	30	40	74	100/00	100/00	245	
4,00,000	4,90,000	5,90,000	572	..	..	..	..	..	30	40	74	100/00	100/00	245	
3,90,000	4,96,140	4,88,145	970	..	..	..	..	..	30	40	74	100/00	100/00	245	
1,00,000	1,30,000	1,84,733	263	1,35,179	48-8	..	..	..	30	40	74	100/00	100/00	245	
2,20,000	5,17,592	7,00,250	549	5,69,286	42-2 2/3	6,86,800	30-11	6,40,000	30	40	74	100/00	100/00	245	
CHITTAGONG															
1,25,000	1,25,000	1,59,950	473	..	..	..	..	..	10	15	10	32/50	32/50	324	
2,40,000	2,40,000	2,59,492	835	..	..	..	..	..	10	15	10	12/06	12/06	10	
2,00,000	2,00,000	3,11,260	547	..	..	..	..	..	10	15	10	14/00	13/25	10	
SYLHET															
8,00,000	6,47,608	6,45,000	614	6,23,840	39-2	6,60,080	33-0	6,40,000	30	40	10	30/12	30/12	241	
8,00,000	6,23,438	3,94,551	3454												

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Profitable Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid up Share	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	Rs.
SUGAR BREWERIES ETC.															
11.00.000	6.45.722	3.75.900	10.90.564	New Savan Sugar and Gur	3	140	95.431	52.205	..	..	..	10	5/75	5/75	64
9.00.000	12.45.157	19.64.817	1.62.889	Purtabpur Sugar P.	10	25	2,94,625	20.705	74	..	74	10	17/62	17/62	174
16.99.820	26.52.127	35.30.000	4.94.34	Ramnagar Cane & Sugar P.	10	15	18,11,564	20,350	15	20	..	10	25/18	25/25	24
19.99.600	25.62.553	39.88.218	13.92.315	Raza Sugar	10	92	10,78,183	3,144	..	..	..	10	..	..	..
8.00.000	6.07.233	7.72.778	3.77.865	Ryam Sugar P.	3	25	4,21,492	13,264	5	Nil	174	10	21/30	21/50	204
11.99.000	21.07.973	19.42.074	40.572	Samsatpur Central Sugar	3	25	33,558	3,554	..	..	..	10	11/50	11/50	144
40.00.000	72.49.554	19.00.000	1,12,477	Shree Krishna Gyanoday Sugar P.	7	135	8,85,387	16,381	15	174	10	10	10/19	10/31	114
7.94.500	13.54.858	11.48.174	11.16.088	Shree Sitaram Sugar	4	340	1,90,965	7,991	..	..	..	10	13/00	13/00	111
9.99.950	14.69.227	26.825	75.569	Sitalpore Sugar	3	94	77,391	-4,25,477	Nil	Nil	Nil	10	4/37	4/37	44
16.00.000	6.07.804	7.99.778	4.22.572	United Provinces	3	341	4,23,890	39,361	124	..	..	10	13/50	14/00	191
4.00.000	47.07.069	29.24.348	3.58.383	Upper Ganges Sugar P.	3	316	12,95,211	32,829	25	25	30	10	70/00	70/00	944
14.00.000	14.24.749	23.74.426	10.72.924	Upper India Sugar	4	302	16,80,986	86,393	15	20	..	100AC	280/00	280/00	127
7.00.000B											123BC	28/50	28/59	15	
MISCELLANEOUS															
8.00.000	2.20.232	1.56.200	9.53.5261	A Firpo (Restaurants)	10	35	94,518	4,475	..	..	..	10	4/10	4/13	44
1.50.00.000	1,40,80,394	5,21,715	51,961	Air India Ltd.	12	269	-6,02,785	-14,30,401	..	..	..	100	..	..	..
2.00.00.000	2,58,39,654	68,01,524	50,922	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	..
47.51.000C	3,08,51,065	17,00,000	16,26,711	Aluminium Corp. P.	3	132	25,21,116	1,16,199	Nil	Nil	5	100	9/43	9/12	94
2.51.000D											23Dd	4/50	11/50	214	
20.00.000	42.38.502	14.90.000	54,97,590	Anderson Wright Ltd. P.	12	12	-89,402	18,284	74	Nil	..	10	11/50	12/00	114
30.00.000	11,39,552	39,18,323	14,94,091	Angelo Bros.	3	268	15,15,199	3,35,874	124	20	20	10	19/19	19/19	214
30.00.000	17,54,434	26,76,265	5,49,534	Assam Match	12	274	8,35,902	1,18,395	124	124	..	10	20/25	20/37	194
13.99.998	21,25,615	28,30,285	54,192	Assam Saw Mills & Timber	3	21	-97,045	-5,14,537	Nil	Nil	..	3	2/93	2/93	144
20.00.000	61,61,307	23,00,000	61,84,607	Associated Hotels of India P.	4	204	8,82,391	32,685	2	4	..	10	10/75	10/75	74
80.01.400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	124	..	100	144/00	144/00	177
12.00.000	2,55,594	8,49,890	4,52,019	Baraee Coke	3-9	128	2,19,706	45,299	74-7	74-7	6-..	100	16/25	16/25	194
6.00.000	76.414	Nil	40,72,117	Bengal Timber Trading P.	3	128	-6,43,164	-1,19,103	..	..	..	100	41/00	41/00	44
50.00.000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	3	22	-3,19,589	-2,19,220	..	..	..	100	5/25	5/25	44
20.00.000	17,54,434	26,76,265	5,49,534	Birds Investments P.	3	160	4,59,013	37,312	124	124	10	10	14/37	14/37	164
45.97.020	13,98,796	43,18,775	2,38,473	Britannia Biscuit P.	3	50	8,14,261	1,79,277	10	10	10	10	12/94	13/12	151
22.5.00	59,89,738	1,18,59,523	2,50,83,559	British Ceylon Corporation P.	12	4	27,75,295	1,85,955	..	..	..	74	8/21	8/31	84
32.50.000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propri.) Ltd. P.	12	33	30,23,938	-27,36,584	11	Nil	..	5	7/03	7/40	104
32.50.000B												10A			
5.00.000	5.92.780	2.49.684	1.02.576	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	Nil	10	4/12	4/31	44
90.00.000	17,81,146	80,09,268	2,06,11,684	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	100/00	100/00	123
8.00.00.000	3,06,39,528	3,40,36,174	35,55,133	Dunlop Rubber Co. (India) P.	12	96	1,02,44,457	13,24,595	15	15	15	100	23/87	24/06	304
51.26.000	16,414	54,10,811	1,72,19,435	Eastern Investments Ltd. P.	12	21	11,29,034	3,27,916	9	9	9	100	106/50	108/00	104
75.00.000	13,79,357	4,33,825	1,02,21,271	F & C Osler (India) Ltd. P.	3	54	-4,26,249	-5,26,954	..	..	..	100	6/37	6/50	104
80.00.000	12,88,300	21,97,641	86,55,369	French Motor Car	3	51	8,97,594	1,26,757	124	124	..	20	21/87	21/87	204
14.00.000	14,32,000	10,02,000	11,394	Ganges Rope	3-9	19	89,571	27,194	74-74	74-74	..	100	120/00	120/00	179
2.25.000	33,54,049	53,17,330	1,08,48,711	General Investments Trust P.	3	357	18,334	12,435	24-24	24-24	31-24	75	43/00	43/00	44
65.00.000	27,68,049	5,00,324	12,84,357	Gillanders Arbuthnot & Co. Ltd. P.	3	105	30,03,640	89,541	74	14	16	10	10/75	10/75	144
40.00.000	31,71,333	7,81,000	98,384	Hadstone Lyle & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	..	..	..
30.00.000	32,90,010	17,22,203	6,22,424	Indefrey Phillips (India) Ltd. P.	12	310	19,01,201	11,96,811	10	20	..	10	23/50	21/50	244
10.00.000	17,38,764	1,61,173	9,221	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	226/00	226/00	240
35.20.000	30,42,899	20,00,000	19,98,950	Hindustan Ice & Cold Storage	3	294	2,05,330	1,33,076	..	..	..	5	1/25	1/25	114
15.00.000	7,42,66,399	1,89,86,788	5,59,42,187	Hoare Miller & Co. Ltd.	12	325	3,66,59,515	24,94,274	6	8	8	10	7/56	7/56	144
2.01.40.000	2,83,61,126	55,27,500	1,02,19,435	Imperial Tobacco	3	293	42,79,225	7,97,410	10	10	10	10	13/62	13/50	144
1,52,89,226	1,27,87,788	1,37,00,000	11,89,490	Indian Aluminium Co. Ltd. P.	12	293	42,79,225	7,97,410	10	10	10	10	12/75	12/68	164
5.00.00.000	22,07,260	2,21,280	11,89,467	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	124	15	10	24/87	25/68	214
83.75.000C												10PO	8/12	8/12	64
1.25.00.000												10Q	6/75	6/75	104
8.27.970	1,44,398	5,38,000	17,67,876	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	100	00/50	00/50	114
20.00.000	4,64,735	18,15,437	10,03,705	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	..	..	100	27/00	26/25	394
5.00.000	15,362	4,46,244	12,78,254	Indian Wood Products	3	88	17,28,038	2,76,619	24	30	..	10	40/00	65/00	394
2.40.000				Investments and Finance P.	2-8	21	27,880	51,001	10	40/00	40/00	100	65/00	65/00	394
5.87.5000	2,16,659	3,24,161	6,46,589	Ivan Jones Ltd.	9	194	1,39,321	36,496	24-24	33-24	33-24	100	3/00	3/00	24
1.17.5000D												2			
2.00.00.000	51,37,813	57,00,000	4,02,27,618	James Wright P.	12	281	60,996	1,550	5	6	5	100	4/12	4/12	44
6.34.00.000	3,17,363	6,02,958	3,21,617	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	74	74	74	100	00/62	00/62	104
66.00.000												100	79/00	74/50	104
1.50.00.000	88,50,000	63,33,428	2,57,13,417	Macfarlane & Co.	3	133	-14,078	-4,840	..	..	..	50	3/06	3/06	304
1.43.96.500	35,89,138	69,82,736	2,07,03,941	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	74	74	11	100	00/56	00/56	104
40.00.00.000	37,46,252	80,86,900	2,72,14,736	Martin Burn Ltd. P.	3	309	93,42,590	2,70,207	133	181	214	10	23/25	22/37	244
5.00.00.000	1,10,37,201	69,74,249	7,33,589	McLeod & Co. P.	12	282	31,91,900	2,57,234	17	224	214	1000	240/00	240/00	240
1.15.00.000												10Dd			
40.00.000	22,27,953	74,50,000	7,78,529	Metal Box Co. of India Ltd. P.</											

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	(Reserve or other Funds Premiums & Forfeited Shares if any)	Cash & Securities	NAMES	ACQUISITION closed	Manufacturing Agents	Net profits including taxation	Jarry overarc	Dividends: per cent			Paid-up per Share	Latest Market Quotations as available until.		
									1954	1955	1956		30-4-57	23-4-57	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	33	2,33,38,245	2,93,968	8 1/2	10	10	100	159/75	158/25	213 1/2
ELECTRIC LITG POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	50,49,803	440	6 1/2	5	6 1/2	100	94/00	92/25	100 1/2
8,92,83,500	4,18,62,358	62,34,507	65,30,599	Andhra Valley Power Supply F	6	267	26,19,171	25,735	7 1/2	7 1/2	..	1,000	1,207/50	1,185/00	1,255
1,74,99,700	2,14,85,121	39,32,48	5,79,834	Bombay Suburban Elec Sup	3	146	19,21,73	45	7	7	..	100	107/50	106/25	115
38,08,200	17,49,053	4,75,323	14,78,557	Poona Electric Supply P	12	229	3,86,015	..	..	..	..	100	128/00	127/00	145
8,34,45,228	3,37,65,356	63,82,045	58,39,875	Pata Hydro Elec Power sup P	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	121/09	120/50	129
5,02,78,150	5,98,37,405	1,41,56,578	1,29,22,549	Pata Power P	6	267	17,32,961	27,952	7 1/2	7 1/2	..	1,000	1,215/09	1,195/00	1,342 1/2
ENGINEERING & METAL															
83,42,300	17,08,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	3,79,666	1,35,820	12 1/2	..	..	100	255/00	252/50	342 1/2
6,00,000	29,341	4,43,904	99,338	East's Engineering	3	115	62,291	1,598	15	5	6	50	66/00	66/00	98 1/2
40,00,000	11,25,513	10,00,000	9,74,664	Larsen & Toubro P	3	351	14,90,736	28,740	10	10	10	100	14/80	15/00	100
40,95,100	81,25,758	2,02,500	49,435	Machinery Mfgs Corp'n Ltd P	3	330	2,02,000	64,676	NH	NH	..	100A	76/00	76/00	909
1,10,00,000	15,00,978	16,66,194	7,06,267	McKenzie	7	283	1,49,085	64,938	..	..	..	100	163/00	158/50	173 1/2
8,50,000	5,634	1,00,53,052	1,79,52,042	Premler Construction P	12	284	3,35,178	59,102	25 5/6	28 1/3	..	30C	163/75	158/50	152 1/2
4,31,250	..	..	..	Pata Locomotive & Eng P	3	269	1,09,79,942	1,29,979	NH	NH	6	100	145/50	138/75	152 1/2
4,20,00,000	5,90,52,365	1,17,73,382	23,24,733	Pata Iron & Steel P	3	269	3,26,44,872	4,04,945	14	14	14	750	168/25	166/00	244 1/2
8,63,75,000	32,44,07,755	16,65,05,536	12,34,83,510	Pata Iron & Steel P	3	269	3,26,44,872	4,04,945	14	14	14	750	168/25	166/00	244 1/2
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	1,24,629	1,18,606	..	..	..	10	13/37	13/37	15 1/2
5,15,000	..	13,04,84,687	3,95,48,481	Empire of India Life	12	353	..	..	..	..	..	10	350/00	330/00	675
5,46,120	..	36,33,999	46,38,800	Indian Mercantile	12	75	..	1	..	..	..	100	45/50	45/50	45 1/2
18,74,940	25,01,134	2,68,61,155	2,61,49,442	United General P.	12	95	98,351	4,65,316	16 1/2	18 1/2	..	20	7/00	6/50	104
1,08,61,590	..	1,08,81,793	17,25,18,952	Jew India	12	179	..	11,250	NH	NH	..	15	40/00	38/50	3,900
6,00,000	..	57,83,74,430	53,48,53,420	Prudential Life	12	294	..	..	..	..	..	200	3,775/00	2,775/00	1,500
15,99,270	..	29,41,860	59,86,788	Vulcan	12	255	3,05,800	2,81,242	10	..	..	10	15/60	15/62	15 1/2
MISCELLANEOUS															
90,79,065	31,95,468	3,97,406	12,61,596	Air Service of India	6	336	-15,61,400	37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Delapour Sugar	9	42	53,89,000	31,389	..	..	..	50	228/50	225/00	225
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Barmah Trading	5	285	27,93,172	61,996	16	21	..	125	567/00	561/50	645
43,00,000	2,21,04,053	31,74,431	31,14,306	Bombay Steam Navigation P	6	256	4,54,215	30,135	..	..	..	90	212/50	217/50	245
99,99,250	3,085	18,47,366	1,28,40,992	Industrial Investment Trust	12	299	3,81,909	2,83,126	4	4 1/2	..	100	75/00	76/00	215
11,99,900	13,82,957	7,34,142	14,95,223	Kemur (Chemists)	3	87	63,232	16,942	6	..	..	200	197/50	191/50	213 1/2
6,57,71,400	3,74,05,779	1,81,13,445	3,99,042	National Vapor Corp'n	12	352	33,19,604	3,72,076	10	..	..	100	228/00	228/00	174
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	India Steam Navigation	6	198	38,40,882	5,62,020	3 1/2	2 1/2	5	20	18/40	18/45	104 1/2
7,00,000	27,45,055	37,30,000	11,27,080	Shivrajpur Synd (Manganese)	11	146	34,94,958	21,561	80	80	..	10	91/50	90/00	18 1/2
1,39,95,990	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	389	16,84,488	34,425	NH	NH	7 1/2	10	16/19	15/85	48 1/2
80,07,475	75,25,791	34,08,566	22,83,813	Tata Oil P.	3	869	4,00,461	11,453	9	8	12	25	43/00	42/50	140
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	14,35,281	4,61,984	11	11	..	100	170/00	170/50	201 1/2

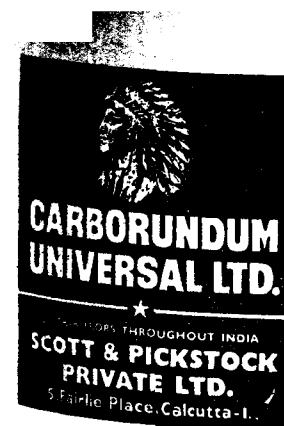
* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts Audited	Messrs Agents	Net Earnings	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available on		
								1955	1954	1953		1-5-57	24-4-57	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	—29,367	—	2½	2½	2½	100	60/00	60/00	59½
11,69,300	33,40,888	6,00,702	Arrah Sasaram D. B. G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67/50	67/50	73
94,00,000	41,30,202	3,11,049	Bankura Damodar River S.S.G.	3	165	46,607	—	2½	2½	2½	100	58/75	58/75	58½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	—	—	—	100	10/00	10/00	11
17,90,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	—	4	2½	2½	100	59/00	59/00	60½
81,00,000	35,46,011	—	Chhaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	12½	13-1½	13-1	100	51/00	51/00	56½
4,75,000	1,20,040	4,75,006	Cherra Chakhat Ropeway	3	38	7,071	9,917	3-—	—	ND	100	7/50	7/50	7½
8,47,650	2,75,015	85,026	Darjeling Ropeway	3	101	18,097	4,549	1½	2½—	2½	10	6/00	6/00	—
22,50,000	62,20,813	13,52,600	Dehri-Bhoitas	3	335	6,42,311	37,814	8½	7½	10-12½	10	10/42	10/42	13½
11,49,700	20,10,843	1,68,140	Futwab Islampur S.S.G.	3-9	33	—33,016	5,917	98-98	99-1	1-1	100	63/37	63/37	56½
16,00,000	50,82,188	17,87,954	dowrab Amta D.B.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	51/00	51/00	51½
6,00,000	13,87,138	4,43,410	dowrab Sheekhah D.B.G.	3-9	32	—28,627	20,122	—	—	—	100	65/00	65/00	61½
19,50,000	27,95,889	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	—	2½	2½	2½	100	58/00	58/00	—
9,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	81,257	—	4½	8	—	100	72/00	72/00	74½
13,00,000	62,56,929	23,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	115/00	115/00	146½
6,75,000	5,41,779	2,04,841	Resore Ballipara Tramway &	3-9	165	—43,574	5,944	—	—	—	100	—	—	—

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421.	F. C. Williams-14 Old Court House St. Calcutta.	330.	Manindra and Mahindra Ltd.-Gateway Building Apollo Bunder Bombay.	340.	C. S. Chatterjee-Travancore.	450.	K. Agarwal-Empire House Borealis Road Fort Bombay.
422.	Messrs Pate Sons Ltd.-New India Assurance Buildings, Mahatma Gandhi Rd. Fort Bombay-1.	331.	N. J. Roy & Sons-Canning St. Calcutta.	341.	J. S. Chatterjee & Co., Ltd.-2, Netaji Subhas Road Calcutta.	361.	L. & E. (Management) Private Ltd.-By Road Fort Bombay.
423.	Chandrasekhar Wrigth & Co-4 Wellesley Place Calcutta.	332.	S. Dasgupta-21 Ravello Street Fort Bombay.	342.	U. N. Chatterjee-22 Royal Exchange Place Calcutta.	362.	J. K. Building Douglas Road Ballard Estate Bombay.
424.	Indo Corporation Private Ltd-6, Swinhoe St. Calcutta-19.	333.	S. Lalitendra-33, Netaji Subhas Road Calcutta.	343.	Gastner, Smelting & Refining Co., Ltd.-10 Elive Row Calcutta.	363.	G. S. Mahanti-Ewart House Street Fort Bombay.
425.	John Rutherford, Private-Virginia House 9, Chowringhee Calcutta.	334.	Sahn Jain Ltd., Madhivanagar.	344.	V. S. Planch-Victoria Bunder Calcutta.	364.	K. C. Mantharia-14, Netaji Subhas Road Calcutta.
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				348.	Sahu Jain Ltd.-11 Elive Row Calcutta.	368.	D. P. Dunderdale-Chartered Bank



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THE IRRATIONAL AIMS OF LABOUR POLICY

EFFECTS OF RETRENCHMENT COMPENSATION ORDINANCE ON INDUSTRIAL EFFICIENCY

NEW industrialists can afford to contemplate with equanimity a disturbing new trend which has become evident in the Government of India's labour policy. The most important indication of this trend is the ordinance issued a few days ago under which retrenchment compensation has to be paid to the workers of a concern even when its closure has been *bona fide* or when its ownership has been transferred from one employer to another. The ordinance has been given retrospective effect from 1st December, 1956, and has been issued because some industrial undertakings have been closed down during the past few months, especially in Ahmedabad, Kanpur and West Bengal. The official Press Note, while referring to these developments and outlining the terms of the ordinance, follows a neat principle of modern propaganda by quietly glossing over the reasons for the closures—the one point on which the justification or otherwise of the ordinance may be said to hinge. It merely states that a number of undertakings “have closed down or put up notices of closure for one reason or another”. But this evasiveness cannot conceal the drastic decision to shut has been taken for only one reason—that they have been suffering heavy losses, and no improvement in working conditions is expected in the foreseeable future. Why these losses have been incurred, and why the undertakings have become uneconomic, are points which the Government has not stopped to consider. Yet, they are crucial to the whole problem, and on a longer view, to the future of Indian industry generally.

conditions become adverse, whether because of poor demand, taxation or the high price of raw materials, the number of casualties steadily increases.

The Government seems for a long time to have taken the view that remuneration to labour should be related not to the capacity of an industry to pay, but to vague and arbitrary notions of what is "fair." This is a view which many labour tribunals have shared and sought to put into practice, regardless of the ultimate consequences. Not a few of the jute industry's present difficulties, of which mill closures are the latest prominent symptom, spring from the fact that costs have risen because of such measures as the Omnibus Jute Tribunal Award of 1955 and the increase in employees' provident fund contributions proposed subsequently. An outstanding example of irrational decisions was reported from south India, when a tribunal awarded new concessions to plantation labour, which would have caused a large number of estates simply to stop working; the less burdensome compromise between employers and workers which was later reached indicated how far out of touch with reality the tribunal had strayed. The coal industry has suffered from a similar type of thinking.

The Government's labour policy has hitherto consisted of stumbling along from one expedient to the next, but it seems the stage may have been reached where it is necessary to bring into it a certain realism and consistency. Few enlightened employers would deny that as an industry prospers, its workers should share in that prosperity. But this does not mean that temporary booms, such as tea enjoyed in 1954 or cotton textiles during the early months of last year, should be taken as justification for large and permanent increases in labour costs. The reasons for prosperity, as well as the development needs of the industry concern-

PROBLEMS FOR THE RADCLIFFE PROBE

THE members of the Radcliffe Committee have just been named in London, and they will now be beginning their work. The Committee is the one whose appointment was announced by the Chancellor of the Exchequer in his Budget speech, and its task is to investigate the working of the monetary system. Aided by the information on techniques which the Committee will provide, Chancellors of the Exchequer will be able to control the economy more effectively than it has been controlled in former years. It may be said that the mistakes of policy that have been apparent in the past generation cast doubt on such investigations, for the Macmillan Committee appointed late

in 1929 had a similar task and published—29 months later—a profound report on the whole subject. But the Macmillan Committee was concerned with problems of deflation, whereas the background of the Radcliffe Committee's investigations is inflation. In any case, by the end of the war the monetary mechanism itself, as well as the circumstances in which it operated, had changed; hence the need for a new investigation relevant to current affairs.

The mill closures which have already taken place, and a number which are yet to take place, indicate that the structure of industrial costs has become too rigid for the competitive market conditions of today. Expenditure on labour has been rising steadily for many years. Welfare legislation for the employees of organised industry, and the manner in which industrial tribunals have tended to interpret it, have put on manufacturers a burden which is becoming increasingly difficult, sometimes impossible, to bear. Units which are less advantageously placed have been suffering heavy losses, and are therefore gradually closing down. In a number of industries, the effect of high labour costs does not show so prominently, either because unsatisfied demand allows adequate profit margins or because other items of cost, such as raw materials, have remained relatively inexpensive. But, as the experience of the cotton textile and jute industries now shows, none of these favourable factors can be taken for granted. When

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direct controls which most financial opinion prefers in principle are reliable enough to be used instead, and, if so, which of the indirect controls are the most effective.

Perhaps the least known factor is the rate of interest. Expert opinion is at present sharply divided on the question whether high interest rates have played a major part in the recovery of Britain's finances in the past year or two. The evidence would be clearer if interest rates had been allowed to work alone—though no one suggests that the authorities should have relied on this instrument entirely. In fact, a few months after Bank rate had been brought into active use in 1955, the banks were directed to restrict, selectively, their advances to customers. How much the subsequent restriction of credit is attributable to reduction of demand caused by the rise in interest rates, how much to the banks' obligatory rejection of requests for advances, is not apparent; but the investigators will probably be able to get some useful information on this matter from the banks. Interest rates themselves form a complex structure. The Committee may find that this structure is not now properly adapted to modern needs. The traditional relation between Bank rate on the one hand, and the Treasury bill rate (and, therefore, market rates of discount generally) and the rates charged by the banks for overdrafts on the other, is, perhaps, an impediment to the working of the short-term monetary mechanism.

A related problem is the Treasury's management of the national debt, which, in turn, affects the banks' liquidity. It is generally believed in the City of London that the Government has stimulated inflation by financing its current deficits by means of Treasury bills, which become a part of the liquid base on which (since bank credit does not follow the principles of structural engineering!) a superstructure of longer-term loans can be built. It is possible that the Committee will report that this potential inflation has been controlled by the directives that restrict the banks' lending. The implication, then, would be that the Treasury must always be ready to impose this direct control of lending unless it is able and willing to finance more of its borrowing by means of long-dated stock. This proposition raises, however, the fundamental question—a question that is outside of the Committee's terms of reference. Can any monetary system be firm and healthy while the Government is persistently borrowing? Which raises another question: is this investigation itself really necessary, when the techniques which are being investigated are those used to control an inflation that should not have been generated in the first place?

Financial opinion in London is too realistic to give a negative reply to the latter question. The elements of inflation exist, and they seem to be active again. The Government is still over-spending and over-taxing, and it is only sensible to find the best means of moderating the effects of these evils. But financial opinion is equally certain that the Committee's recommendations must not be used as an excuse for making no changes in policy. Meantime, the authorities have no clear preference for any particular method of control, and, indeed, seem reluctant to apply consistently any control at all. The Budget did not apply the recognised deflationary instrument, an overall surplus. Interest rates have lately tended downward, the banks' lending is increasing—even, it seems, with official approval. It will be unfortunate if the Radcliffe Committee is used as an excuse not merely to continue wrong policies but also to put in abeyance the techniques of control that have worked, however imperfectly, in the past two years.

COAL POLICY IN INDIA

By

Andrew Farquhar

This booklet consists of reprints of articles written by Mr. Andrew Farquhar, former Coal Adviser to the Tata Iron and Steel Co. Ltd., which have appeared in *Capital* in recent years. As expert analyses of India's coal problems and policies, they have attracted widespread interest since they were originally published. The articles are now conveniently gathered in a 120-page publication, priced at Rs. 4.

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INCREASING PRODUCTION OF NON-FERROUS METALS

THE production of non-ferrous metals has increased, notably in the case of such items as copper, lead and antimony. Only aluminium output has fallen compared with the level of 1955, because of a prolonged labour dispute. Since imports of virgin metals have also been higher, demand for non-ferrous metals has clearly risen. Inaugurating the annual meeting of the Indian Non-Ferrous Metal Manufacturers Association in Calcutta on Friday, Mr. Manubhai Shah, Union Minister for Industries, said that the Government is taking a keen interest in the development of the industry, and a Development Council for Non-Ferrous Metals has been set up. Mr. P. R. Kamani, president of the Association, recalled that the progress of the industry during the first plan has been "credible." There has been an all-round increase in production capacity, and it will increase further during the second plan. Prospecting operations for copper are going on, although their success is still uncertain. Bigger supplies of copper are needed, since total annual requirements are over 35,000 tons while production amounts to about 7,000 tons. Mr. Kamani, therefore, urges the Government to start prospecting in the Khetri mines in Rajasthan. The proposal for establishing an electrolytic copper refinery, he thinks, would provide a valuable adjunct to the electrical industry. But it is desirable that such a refinery should not compete with alloy-makers. Electrolytic copper refineries have been built in Germany and Italy in spite of the fact that these countries have inadequate domestic resources of copper.

The aluminium manufacturing units are increasing their production capacity. The Aluminium Corporation, for example, has plans to raise its production three-fold. The capacity of the industry will go up sharply when the Hirakud smelter of the Indian Aluminium Company is commissioned. It is hoped to produce about 8,000 tons of lead by 1960, and if the power supply is adequate, about 12,000 tons of zinc a year. In spite of all this, various virgin metals and metal scrap will still have to be imported. Mr. Kamani thinks that the growth of the non-ferrous metals industry has been helped by the liberal import policy of the Government. But he stresses the need to maintain an adequate stockpile of metals. The Government, however, has little assurance to offer on this point; as Mr. Shah says, whether India can continue to keep virgin metals on the O.G.L. depends on the foreign exchange position. But he appreciates that as non-ferrous metals are basic materials, the Government will have to be as liberal as possible in allowing imports; otherwise consuming industries might not be able to undertake the expansion programmes on account of the shortage of raw materials. Mr. Kamani refers to the problem of idle capacity which exists in the case of brass and copper sheets, zinc and lead sheets, lead pipes, copper and yellow metal rods, and copper and yellow metal wires. "While the import policy has generally been very helpful to these and has assisted the utilisation of indigenous capacity, I will add that there would seem to be no necessity to import items as brass rods, bronze rods, brass and bronze wires, aluminium foils, phosphor copper, phosphor tin in nickel alloys in castings, zinc up to 18 gauge, phosphor bronze sheets up to 30 gauge, soft, hard and cored solder, etcetera." Mr. Kamani suggests that in framing its stores purchase policy, the Government should take into account the components which can be manufactured in India.

CURRENT COIN

Raw Materials for Paper.—In his address from the chair to the Indian Paper Makers Association last week (reported at length on another page), Mr. P. H. Sykes has emphasised the raw material problem which the expanding paper industry will have to face in the future. Consumption has been increasing in line with the Planning Commission's estimates, and Mr. Sykes thinks that the targets of production fixed in the second plan are realistic. But it is difficult to be certain how things will go in the third and fourth plans. This uncertainty arises not because of any doubt about the demand prospects, but because raw material resources are inadequate and have to be shared with a number of other consumers, such as village industries. "When one thinks of the vast potential business in the wrapping and packaging trade alone," Mr. Sykes says, "the fringe of which has barely been touched, one can well believe, assuming that industrialisation continues at the same tempo and that education is on the increase, that demand and consumption will continue to climb for a long time yet, but what is going to be worrying is the raw material position in, say, ten years' time." Unless a big planting programme is initiated very soon, the industry will tend to "run out of bamboo." So, in the meantime, it should exploit "to the full the possibilities of bagasse, reeds, grasses and various

types of wood." The Government's suggestion to rely on waste material for pulp manufacture might mean that "the national (railways, etcetera) and other industrial demands for certain types of woods and the commercial demand for bamboo may continue to receive preference over our demand for timber and bamboo for paper-making purposes." The mills situated in bamboo-growing regions are able to get what they need, but eventually the shortage might affect them also unless large-scale planting is undertaken now. Those who have to obtain supplies from the States other than where they are located face a worse prospect. The continuity of existing leases has been guaranteed, but they can no longer obtain new long-term leases. They can put up new pulp-making units in States where the raw materials can be found, but that might be a waste of money compared with an expansion of their existing pulp-making units. Furthermore, the shortage of raw materials means that new paper mills cannot be set up in the States which do not produce these materials. The obvious remedy, to Mr. Sykes's mind, lies in breaking away from the present system of integrated paper-pulp making units, and making pulp-making an altogether new industry, "situated where the raw material grows." This will not only enable separate paper-making units to be established near the paper markets, but "it would also encourage the exploitation of remote areas and would lay the foundation of an export business."

Scope for Sugar Exports.—Sugar had to be imported to relieve domestic shortages only three years ago. There has been a heartening reversal of the position since and there is now a surplus. Total production was 1,589,000 tons in 1954-55 and 1,856,000 tons in 1955-56; it is estimated to reach 2,020,000 tons during 1956-57. In addition to this record output, there is a carry-over of well over 500,000 tons. Referring to this remarkable increase in supplies, Mr. C. R. Srinivasan, chairman, has said at the annual general meeting of the East India Distillers and Sugar Factories Ltd. (reported more fully on a later page) that new sugar mills are being started while the crushing capacity of several old ones is being expanded. Domestic consumption of sugar is estimated at 1,900,000 tons at present and it is expected to increase to 2,250,000 tons (as against a total production of 2.5 million tons) at the end of the second plan period. "If sugar economy is to be protected, obviously, apart from expanding internal consumption, a regular outlet by way of export has to be created, developed and maintained. By good luck, we have made a promising beginning and if only the Government will take note of the export potential and the need to build it up in all possible ways, I believe the sugar industry, apart from safeguarding its own economy, is destined also to play an important part in the balance of payments position of the country." The importance of sugar exports cannot be underestimated while foreign exchange is scarce. The Government, Mr. Srinivasan says, is ready to release stocks for export and it has no idea of imposing any rigid limit. But it will be necessary to see that exports do not create a shortage of sugar, leading to a rise in prices. The sugar industry has developed an export market partly because of fortuitous circumstances; the closure of the Suez Canal created a shortage in the Middle East, which gave an opportunity to producers here to export at remunerative prices. At present, these exports are being handled by the Indian Sugar Mills Association. So far, orders amounting to about 86,550 tons have been booked and shipments have commenced in accordance with an agreed schedule.

Satisfactory Year for Punjab National.—Among the economic trends which have special relevance for banking activity, that towards tighter money is the most striking. In his address at the annual general meeting of the Punjab National Bank, Mr. S. P. Jain (whose speech is reported more fully elsewhere in this issue) says that India, like the U.K., should realise that a policy of making money dearer in order to curb inflation has had no significant effect. He welcomes the liberalisation of the terms of the bill market scheme and the revival of open market purchases of securities by the Reserve Bank, but warns that new money is not being attracted to the banks from small investors and the mofussil areas. Referring to the foreign exchange shortage, Mr. Jain points out that the system of deferred payment for capital goods, though costly, functions as a screening process, in so far as projects which are not adequately remunerative will not be implemented immediately. As for the investment outlook, not everyone will share his optimism that because industries are making reasonable profits, savings and investment will revive and the share market will improve once the uncertainties about the forthcoming Budget are out of the way. Mr. Jain pleads for the extension of effective credit to agriculturists, tapping of rural savings through the extension of commercial banking activity in the rural areas, bolder and more positive operations by industrial

finance institutions and the removal of uncertainties about the Government's economic policy. The Finance Minister, he believes, should evolve a policy which would induce people to part with their gold, even if that involves the Government in buying the metal at a premium over the world price. For the Punjab National Bank, the past year has been one of considerable progress, with profits, deposits, advances and foreign exchange business reaching new high levels.

Prospects for Tea.—The tea industry has had a fair year in 1956. There has been no burdensome surplus, thanks to the crop regulation scheme, and exports have increased by as much as 43 percent over the 1955 figure. Export earnings total Rs. 26 crores more. Discussing this, Rai Saheb H. B. Kanoi, president of the Tea Association of India, says that 1956 exports have exceeded even those of 1954 by 14 percent, and are "an all-time record." Such factors as Russian buying and increased imports by Egypt, (which could not buy from Ceylon due to foreign exchange difficulties) have helped. "One of the main factors contributing to the improvement in tea prices," the Rai Saheb adds, "was the crop regulation scheme which helped north Indian planters to improve the quality and cut the quantity, the season ending with a total of 536 million lbs only." During the year, Pakistan has increased her exports by 2 million lbs, but Ceylon has exported 5 million lbs less and Indonesia 4 million lbs less. Referring to the negotiations for reviving the International Tea Agreement, he says that there was a time when "the Agreement had a great influence on the tea industry the world over, and it was welcome to India as the production and absorption was to be kept under close study and control through this machinery." But conditions have changed since. East Africa is expanding her acreage rapidly, and her production costs are lower because labour is cheap there. Thus, under the present conditions, if the Agreement is to be effective and if it is to be of any use to India, it should cover all producing nations. Otherwise, it might actually harm India's interests, as those outside it will gain markets at her expense. Rai Saheb Kanoi points to some of the difficulties which are hampering Indian tea exports, the main one being high taxation. The industry is "subject to large-scale taxes which are not only heavy but also multi-point." The export duty, in particular, is not only reducing the industry's competitive strength, but is practically eating away the exporter's profits. The levy varies so often that it proves "irritating to overseas buyers as they alter their buying programme whenever the duty is increased in India." They then prefer to purchase teas from alternative sources. It also undermines the producers' financial strength. It does so particularly at the present time when their liquid resources are over-strained.

Handloom Development in Andhra.—Andhra Pradesh has few large-scale industries, but it possesses a large variety of cottage industries, among which handlooms are the most important. The latter number more than 450,000, and a large percentage of the population depends on them for a living. It is not surprising, therefore, that successive Governments of the State have devoted particular attention to the promotion of handlooms and the welfare of the weavers. At present, the State has three sales emporia, one each in Delhi, Madras and Bombay. It is proposed to open a fourth one in Calcutta so as to promote the marketing of handloom products. The total amount provided in the second plan for the development of industries in Andhra is Rs. 250.87 lakhs, for the year 1957-58. Of this, the ceiling for handlooms producing cotton fabrics is Rs. 96 lakhs. The year's programme includes the provision of a number of housing colonies for weavers. Mr. K. A. Padmanabhan, Secretary to the All-India Handloom Board, has been studying the progress the handloom industry has already made, with special reference to production. He is to examine schemes to develop it and advise on how to step up output so as to fulfil the target fixed under the second plan. About 14,000 handlooms in the State produce woollen fabrics, and 80 percent of these are located in the Telengana region. There is a proposal to expand the woollen handloom industry. The kambals produced in Andhra Pradesh are in great demand in the Nilgiris and other parts of India and Ceylon.

Outlook for Engineering Industry.—The engineering industry has an important role to play in the programme of industrial development. Its progress during the last five years has been remarkable, for while the general index of production, with 1951 as the base year (equalling 100), was 143 in 1956, it was as high as 293 for sewing machines, 467 for transformers, 574 for bicycles and 144 for automobiles. Speaking at the annual general meeting of the Engineering Association of India, Mr. P. R. Bagri, president, has said that the targets fixed under the second plan will be realised provided the industry is supplied with raw materials and allowed to work under favourable conditions. Mr. Manubhai Shah, Union Minister of Industries, has claimed that the country will be able to produce machinery worth Rs. 90 crores to

Rs. 100 crores every year by the end of the second plan, compared with the present figure of Rs. 23 crores only. A large variety of engineering goods, particularly plant and machinery, has to be imported. These imports, amounting to Rs. 310 crores, represent about 45 percent of total imports. "The engineering industries can do a great deal to make the country more or less independent in the matter of such supplies and, in doing so, we shall be helping the country to solve one of the most serious problems, that is to say, the problem of foreign exchange." At present, the export of engineering goods is insignificant, being only Rs. 8 crores in the total export trade of Rs. 642 crores. The Engineering Export Promotion Council is trying to explore new markets; but the existence of a home market, which is ready to absorb all that is produced, hinders an increase in exports. Mr. Bagri says that the conventional ways of price fixation do not always work in foreign markets. He, therefore, urges that an organisation in the Ministry of Commerce and Industry be set up to consider in what manner special assistance should be given in extraordinary cases. A smooth procedure for the refund of import duties on materials used for export, facilities to discount export bills and the remission of taxes on export profits can help manufacturers. The industry needs large supplies of iron and steel, but the production of these will not substantially increase before 1959-60.

Information for Employees.—Strange as it may seem, an enquiry into the disclosure of financial information to employees—conducted by the British Institute of Management to ascertain the advantages or disadvantages of a widely discussed procedure—shows that workers are more interested in their firms' wider trade prospects and developments than they are in profits and what is done with them. The results are made available in a report, *Presenting Financial Information to Employees*, which costs 21 shillings, but is worth the expense for the guidance it affords over a rather ticklish problem in labour relations. Between 32 percent and 53 percent of workers interviewed in six out of seven companies chosen for detailed investigation said that they were interested in new developments and whether trade was getting better or worse. Between 3 percent and 18 percent were interested in profits and what was done with them. As few as 2 percent, 4 percent and 7 percent of the workers interviewed at the seven companies said that they were "not interested in any information other than that which affects me personally." The highest percentage choosing this answer was 15. The signs were that more companies were giving their employees financial information, but the number at present was probably less than a fifth. Only three of the 160 firms which co-operated in the survey have given financial information to employees for 20 years or more. Of the 89 companies which habitually present information, 75 have done so for less than ten years. The main object of giving financial information, says the report, was to help to identify the employees' own interests with the company's continuing success.

LITIGATION AND LAWYERS

AS the Apostle Paul said: "All things are lawful, but all things are not expedient;" and with every sympathy with the endeavour of the Government of India to check litigation in Bengal, we doubt if the times are in joint for carrying out their views, and we fear that the remedies suggested, if put in force, will lead to considerable discontent. There is no doubt that litigation in Bengal is increasing enormously. We see that the total number of civil suits instituted in India in 1894 was 1,743,640. Of this number only 395,212 were contested, yet the appeals numbered 113,319, that is to say, about 30 percent of the contested cases were appealed against. Having stated this, the Government of India, in addressing a letter to the Government of Bengal, proceed to an examination of the English statistics. These show that in 1894 the total number of suits instituted in England was 1,136,042. Considering that the population of India is probably eight times as much as that of England, the comparison of institutions certainly is in favour of India. But when we come to the appeals, we find that, whereas those in India were about 1 in 3, those in England were 1 in 4,000; here, to our thinking, lies the crux of the situation. The people in England generally are satisfied with their tribunals; they have confidence in the Judges who preside over them; and, unless the case be one of very great importance, the decision of the first Court is almost invariably accepted as final. But we have not the same personnel in our Courts in India, the people have not the same confidence in administration of justice here as they have in that at home, and hence appeal after appeal is filed until the litigants are ruined, or the ultima thule of litigation is reached. If the Government of India desire to reduce the spirit of litigation they must, among other things, take steps to reduce, to use the words of Lord Roberts, the horde of unscrupulous pleaders that have sprung up to encourage useless litigation, impoverish their clients and create much ill-feeling against our laws and administration.

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INDUSTRIAL TRENDS IN THE UNITED KINGDOM

MERGER OF COURTAULDS AND BRITISH CELANESE

(FROM A SPECIAL CORRESPONDENT)

THE most recent reports of industrial companies show heavy reductions in profits, although in most cases, the turnover has been maintained. The falls range from £1 million in the case of the well-known engineering concern, Babcock and Wilcox, to over £3 million for Imperial Chemical Industries. In every case, the explanation given is that it has been necessary to cut profit margins sharply in order to meet foreign competition, which has gathered additional strength over the past year. These results, however, have failed to damp the exuberance which has been a pronounced feature of the industrial temper. Indeed, the argument has been heard that it is just as well that these declines in profits should have occurred, because it will make labour more reasonable in its demand for wage increases. How near this supposition is to the truth can be seen from the preliminary recommendation of the Amalgamated Engineering Union, which extends to £20 a week for skilled workers. It is true that this figure is not representative of the Union as a whole, and that other sections are content merely to insist upon "a substantial increase." But the proposals of no section suggest that wages should fall when profits suffer recession, that they should be subject to any kind of stabilisation, or that an increase of wages should be strictly related to an increase of output.

The amalgamation of Courtaulds Ltd. and British Celanese Ltd. came as a great surprise. It is true that this idea had been in the air at various times, even in the distant past, but then the possibility of such a consummation was denied by both parties. Those were the days when Courtaulds were noted for financial conservatism to a degree unshared by the Brothers Dreyfus, who then controlled the fortunes of Celanese. The brothers, on the other hand, were distinguished by the possession of a technical genius unequalled elsewhere in the realm of rayon. Over the past decade, Courtaulds have greatly strengthened themselves on the research side, and a more conservative element has been introduced into Celanese finance. The gulf between the two companies has, therefore, narrowed considerably, and, for this reason, conditions for an amalgamation had become more propitious than

formerly. There is little doubt that the growing competition in the field of man-made and synthetic fibres generally has been an important, if not a deciding, factor in bringing about this latest development. The vast U.S. company, Du Pont, has gained a marked success with its fibre "Orlon", which is so far the only one of the man-made fibres closely resembling wool. Consumption of this fibre steadily increases in Europe, including the U.K. and Du Pont has recently created an extensive European marketing organisation. The manufacture of Orlon is closely guarded by patents, but, of course, it is not beyond the bounds of possibility to evolve a fibre differently constituted, yet having similar or superior characteristics. The pooling of the research knowledge of Courtaulds and Celanese, with its cross-fertilisation of ideas, adds to this likelihood.

While, in a sense, this textile "close association" (as it is officially called) stands by itself, it should be noted that the amalgamation tendency in general is undergoing a revival. It may be recalled that shortly after the first world war, a similar movement became manifest. But amalgamations then were rather desperate ones of companies, often comparatively small, which had been weakened by years of industrial depression, and whose uniting offered the only chance of survival. The sequence of a demand for rationalisation followed, with its insistence that British industry could not continue without better machinery and equipment and the command of far larger amounts of capital. But today, the companies that are uniting are not weaklings; indeed, they are veritable giants which have no lack of capital, or, at least, of the means of readily obtaining it. The emphasis is put much more upon the technological advantages to be gained, than was the case from 1920 to 1938, and of the desirability of companies having similar technological needs and aims working together. This is a logical offspring from the great scale of operations which the fulfilling of so many modern industrial contracts require. As matters are, the receiver of a contract award can often only cope with his responsibilities by apportioning a good deal of the work, and the planning, to sub-contractors. That is a convenient system with many advantages. But the practice can be a weakening one, and at the expense of centralisation and sureness of direction.

Miscellaneous Companies

This kind of amalgamation, having a truly common interest as its prompting, must not be confused with the collecting together of all sorts of enterprises in harmony on paper, but which

in reality, are engaged in, occupations far removed from each other. The temptation to effect these groupings and giving them an allegedly common head, has arisen from companies having made very large profits in their original line of business during the abnormal conditions of the last few years, and not knowing what to do with their abundance of surplus funds. Investment possibilities in their own native field yielding further opportunity. So we find a mixed bag of undertakings being nominally controlled by one company, on the old theory that if you take over the management staff, then you need have no special knowledge of the business yourself. Company after company is now finding that it only requires the process of time to reveal a management staff taken over in such a way, deprived of any individual interest, falls back upon the equally comforting and equally fallacious idea that, with plenty of money at the back, the day for unduly exerting oneself is for ever gone. When practised by large companies, this system of acquisition is socially reprehensible, and if not its objectionable features. Further, when the acquirer finds that all is not going well with what has been taken up, it seeks to dispose of that interest and perhaps to purchase another instead. So what was thought of as a factor making for solidarity, may, in actuality, cause instability in old-established businesses. For this reason, companies which through being excessively flush of funds, go outside their legitimate range of business, as indicated by past activities, are being suffered disquiet among investors, who have suffered disillusionment concerning resultant profits. They are also criticised by persons anxious to preserve a sound basis to the national industrial system.

A. E. I. Results

One of the most interesting of company meetings has been that of the Associated Electrical Industries. This vast combine, with a capital of nearly £104 million and employing 88,000 persons, provides virtually all kinds of industrial, transport and domestic electrical equipment, its turnover last year amounting to £133 million. It has participated recently in the extensive hydro-electric schemes in New Zealand and Rhodesia, and is prominent in nuclear physics and automation. It is, in fact, one of the chief examples of industrial modernity in action. The chairman mentioned in his annual speech that the company continues to make "remarkable advances" in the use of germanium and silicon. For the first time in the world, an electric train using power from a germanium rectifier has been on trial. Both germanium and silicon are non-metallic elements in the fourth group of the periodic system. Their great value for rectifiers has been known for some years. Germanium has been known for a special report issued under the auspices of the Department of Scientific and Industrial Research. This element was formerly regarded as very rare, but an investigation into the ways and means of recovering it from coal has eased the position. Three factories of the Associated Electrical Industries are now engaged in the manufacture of germanium products. A new electronic plant is being constructed, which will occupy 70,000 square feet, with ample room for expansion. A special industrial laboratory, "the first of its kind in Britain" for investigating the properties of radio-active materials is being built in Manchester. The chairman expressed the belief, when announcing various other activities of the company (it has a manufacturing space of 16 million square yards) that, in the electrical industry, "to stand still is to die."

Profitable Textile Lines

It has been long contended that the future of Britain's textile industry depends upon an expansion of the output of high quality fabrics, and that the trade in low qualities will inevitably pass to the younger textile nations. That being so, interest is lent to the fact that one of the Manchester groups of textile manufacturing companies, namely, Ashted Brothers and Co., which has been a strong upholder of the fine quality policy, announces a substantial increase in profit for last year—a rare experience among textile concerns. Several factors have contributed to this success, but the rise in the value of stock, as shown in the balance sheet, is evidence that the proportion of the company's output of high priced fabrics to low, is much greater than it was a year previously. Indeed, the chairman, Mr. Oliver L. Jacks, said that the yarns used in the company's superior fabrics cost as much as 30s a lb. Note must also be taken of the fact that while the company's interests were at one time wholly cotton, it has vigorously undertaken the development of synthetic yarns and fabrics, which have often required specialised machinery for their manufacture.

It is significant that the company is now taking delivery of weaving machines from the Swiss Sulzer Company. This concern has a wide reputation for the ingenuity of its looms, which embody exclusive features. The trade unions have agreed to allow these machines to be operated on a three-shift system. In addition, steps have been taken to render the company's organisation more vertical and for quality control to be closer—al together, an example of a thoroughly progressive concern, and of the results which can be forthcoming from the pursuance of an enterprising policy in a keenly competitive world. It is not surprising that the chairman showed no hostility to the creation of a European free trade area. He could describe it as a far-sighted plan which could ultimately be a great benefit to industry.

May 9, 1957.

It is difficult to follow just what made Pandit Pant, Home Minister, ask the State intelligence chiefs the reasons for Congress election reverses in certain areas; that, one should have thought, was primarily a subject for the party to enquire. The impropriety of the enquiry apart, the police appear to have given the Home Minister some quite interesting information. The majority of Government employees in West Bengal, the police think, voted against the Congress. (How do they know—unless the ballot is not really secret?) The report I have seen in a Calcutta daily can have been based only on what some participant in the presumably secret conference had confided to a reporter, and the official concerned may be representative of his colleagues in not being a very strong friend of the Congress Party. The Press is entitled to go to the official who will talk, but I am wondering whether the Prime Minister's recent advice to Ministers to cultivate mass contact is not being taken by certain officials a little too literally. Hardly a day passes in Calcutta now without some newspaper coming out with revelations of corruption in one department or another. Excellent for the exposure of official corruption is one of the chief functions of a free Press. What I find mildly disturbing is that most of the recent revelations have been possible because some other department of the same Government, or some other officers of the same Corporation, have let the Press into secret files. The public is naturally angered by inside stories of corruption; it must also be wondering whether the principle of competitive co-existence among departments and officials is not degenerating into downright malice and ill-will.

The proposal to establish a specialised cadre of economists and statisticians in permanent Government service is intrinsically sound, and will fulfil an old need. But I wish I could feel sure that the gentlemen who populate the cadre will be able to enjoy the independence without which their work may be nearly worthless. Not a few of the Government and semi-Government institutions existing today have done valuable research on economic and statistical problems. Business men and journalists well know that the Planning Commission itself, which is the progenitor of the new cadre idea, has become one of the most important sources of information in New Delhi. But as the volume of information that is gathered and collated has increased, the application of the critical faculty to interpret it has, it seems to me, steadily decreased. Why this should have been so, it is not easy to say, but I imagine it must have something to do with the morale in various departments and ministries. The Reserve Bank, for instance, probably has equipment for economic and statistical analysis which is as good as any available elsewhere; but whether it can put it to the best use in the face of constant threats and pin-pricks on general policy matters from New Delhi, as have been coming for some months past, seems to me rather doubtful. I do not suggest that economists in the Government's employ should be proving their independence and critical acumen every so often by rising up in arms and saying that such-and-such policy is nonsense. On the contrary, loyalty is the first need in any institution, including the Government. But the expression of honest differences of opinion is an essential element in loyalty, and it is this element which strikes me as becoming somewhat rarer these days. I do not think that civil servants alone can be blamed for the tendency; if the senior-most among them find their positions becoming shaky when they cannot concur with ministerial opinion, the rapidity with which de-

A DITCHER'S DIARY

moralisation seeps down the ranks can hardly be a source of surprise.

De mortuis nil nisi buncum, but if an exception has been made by some newspapers in the case of the late Senator McCarthy, it is because his own brief political career had consisted largely of what can only very charitably be called bunkum. Not many politicians in the United States see any virtue in verbal restraint, but Senator McCarthy of Wisconsin went far beyond irresponsible speaking. He was to blame for the creation in America of an atmosphere which discredited democracy the world over and provided Communism and its friends with ammunition which may not have been exhausted with the death of the Senator. There must have been something human even in McCarthy, for, I read somewhere the other day, he felt the absence of a child in his home to the extent of adopting one; but there must be many children in the United States who are today suffering in consequence of what McCarthy did to their fathers. The actual harm wrought by him was probably exaggerated beyond all proportions by those who only wanted a stick to beat America, or simply the Republicans, with—this is a danger we must still beware of—but he did succeed in setting up for a time a régime of fear and suspicion in which personal relationships, the essence of a liberal society, looked like counting for nothing and in which officials and professors could not consider themselves free to act according to what they believed to be good for America. With McCarthy gone, the question will be asked whether McCarthyism is gone too. A more useful subject of enquiry, I suggest, is what made McCarthy possible. "Wall Street" is probably the Communists' pat answer. Perhaps closer to the truth is—Radio City. Without T.V., radio and the Press, I doubt whether McCarthy would ever have been anything bigger than the small man he really was.

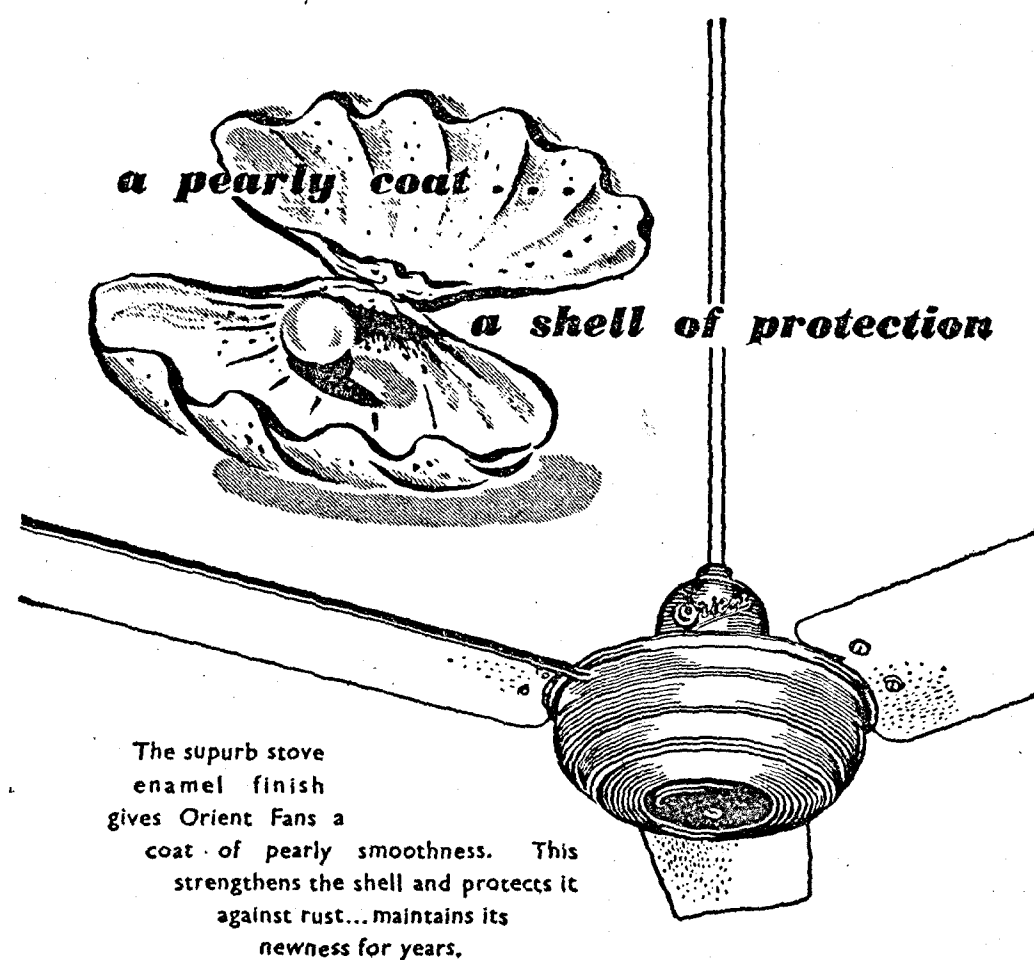
What precise function the National Book Trust which the Government is sponsoring is intended to serve, I am still, to my great regret, unable to fathom. But I am inherently suspicious of all attempts to breed literature in official hothouses, and my doubts can hardly have been expected to wane after reading the apt, if disparaging, comments even *Pravda* has found it necessary to make on the qualities of the Russian Press. Not that I am suggesting that literature and the Press are invariably the same thing; they are not, but even so, when Big Brother takes over, the effect on both is likely to be identical. As we have seen, the Indian Government's experiments with culture, with all due apologies to Dr. Keskar and Maulana Azad, have in no case so far been a memorable success. Writers, I feel, must learn to flourish solely on the support of their readership; to establish a new and select coterie of publisher-critics, even if it be blessed with the title of an autonomous Trust, can hardly create the atmosphere of freedom and controversy in which good literature is born. In the comments I refer to, *Pravda* has described Russian newspapers as colourless, lifeless, boring and difficult to read; perhaps the compliment could be returned, but the description seems nonetheless true, judging from such of Moscow's English language publications as I have seen, including *New Times*. It is equally true of the books and pamphlets the Indian Government issues; its Publications Division, which is to be the principal publisher of the Trust, already gives the impres-

sion of having more work than it can conveniently cope with, without taking on the additional responsibilities involved in the Trust's literary ventures. It may be true that many good authors today are starving, not only in India, but elsewhere, too; but it is hard to see what special qualifications the Government or its nominees might have in picking them out and providing the crutches with which they may limp along to prosperous recognition.

Personalities rarely make institutions; but there can be few institutions of its kind, I think, which owe so much to a single individual as the U.N. Economic Commission for Europe does to Gunnar Myrdal. His resignation as Executive Secretary of the organisation which he has built in a mere ten years into one of the United Nations' finest research institutions has come as a surprise to many; yet the decision dates back to three and a half years ago, when he made an extensive tour of south-east Asia, where he is now coming to conduct a special study under the auspices of the Twentieth Century Fund. Looking back on his years in Geneva, Mr. Myrdal can recall with particular satisfaction two of E.C.E.'s major achievements. One is that it has established an independent research division whose economic studies have won the respect and attention of many besides the Commission's member-Governments. The other is that it has provided a forum where the Governments of eastern and western Europe have been able to meet and discuss their economic problems. But the achievements of E.C.E. have not been only in the rarefied atmosphere of research. In unobtrusive ways, it has done useful work in arranging the allocation of Polish coal and timber, for instance; and a standard code for engineering contracts, which one of its committees has produced, might do much in the future to facilitate the growth of trade in capital equipment between eastern and western Europe. To the extent that E.C.E. has had its shortcomings, many of them can be traced to the cold war; some of the controversies which have erupted at its meetings have been traceable purely to the political rivalries of our time. But Mr. Myrdal will be leaving Geneva with the satisfaction that he, and E.C.E., have done their useful best to temper these rivalries with realism in the economic sphere.

I see that Lord Heyworth, Chairman of Unilever, has followed his now established pattern of devoting his annual statements to shareholders to a different topic of general industrial interest, and this year his choice has fallen upon research. No fewer than 2,250 people are employed in his organisation on research and development, and 665 of them are qualified scientists and engineers. Stressing the importance of market research, Lord Heyworth says that each year the group spends on it one-half of its total outlay on scientific research and development throughout the world. An important part of the research effort is in the United States, where on the spot enquiries are essential for business success. Of particular interest is his emphasis on the benefits that can accrue from the continued search for raw materials. If, for example, synthetic detergents had not been invented, current world demand for vegetable oils and fats for soap-making would be greater by nearly one million tons a year. This extra fat is now available for food, and is sufficient to provide the portion of diet bought as fat each year for about 50 million people in the West, or about 250 million people in Eastern countries.

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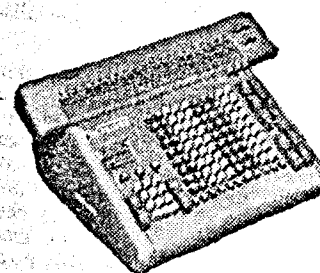
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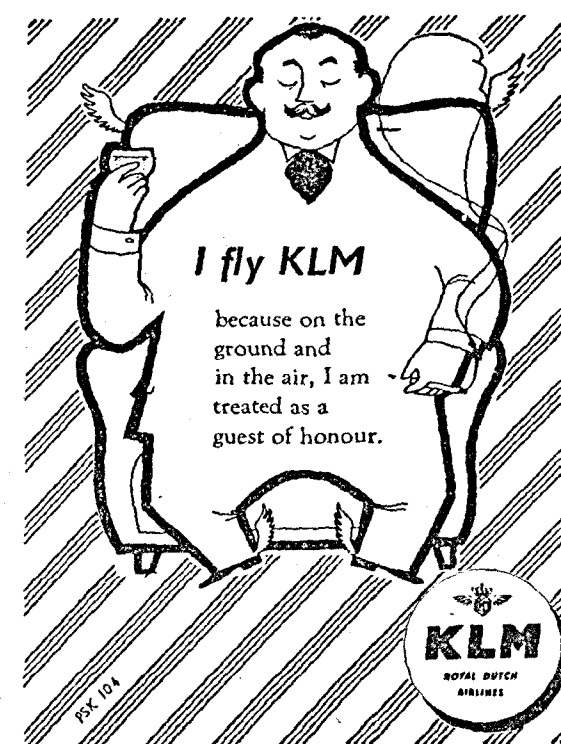
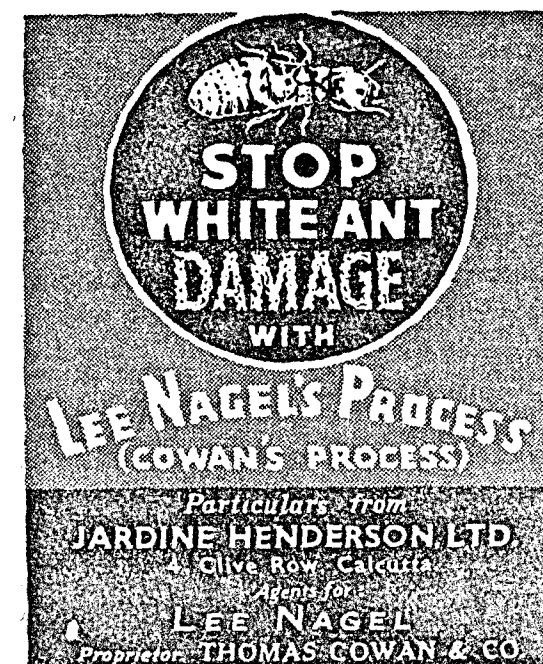
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THE PUNJAB NATIONAL BANK LIMITED

MR. S. P. JAIN REVIEWS ECONOMIC TRENDS

COMMERCIAL BANKS TO COLLECT RURAL SAVINGS AND EXTEND CREDIT TO CULTIVATORS

The 110th Ordinary General Meeting of shareholders of The Punjab National Bank, Ltd., was held on Saturday, the 27th April, 1957, at the Head Office of the Bank, Shree Niwas, 8, Underhill Road, Delhi.

Following is an extract from the speech delivered by the chairman, Mr. S. P. Jain :—

Gentlemen,

I extend to you all a hearty welcome to the 110th Ordinary General Meeting of the Bank.

The past year has been one of outstanding progress for your Bank with profits, deposits, advances and foreign exchange business touching new peaks.

Balance Sheet 1956

The Accounts show a profit of Rs. 90.20 lakhs including Rs. 2.35 lakhs brought forward as against a profit of Rs. 69.49 lakhs in 1955. This profit has been arrived at after provision for contingencies. After transfers—Rs. 27.5 lakhs to taxation, Rs. 27.5 lakhs to Reserves, Rs. 13 lakhs for bonus to staff, Rs. 2 lakhs for gratuity to staff and charity—the Board has proposed a final dividend of Rs. 2/- per share in addition to the interim dividend of Rs. 2/- per share. This raises the rate of dividend to 16% per annum. It has been proposed to form a Trust under which a fund will be built up by annual appropriations from profits for gratuity benefits to employees.

Deposits

The working capital has risen by Rs. 28 crores to Rs. 141 crores registering 21 times increase over 1950. Against our paid-up capital of Rs. 67.5 lakhs, our reserves stand at Rs. 125 crores including the share premium amount of Rs. 37.5 lakhs. Deposits rose to Rs. 106 crores registering an increase of Rs. 16 crores during the year against Rs. 14 crores in 1955. It will be noted that the quantum of increase in the total deposits of all scheduled banks in 1956 declined as compared with 1955. The growing confidence of the public in your Bank is reflected by the fact that of the increase in the deposits of all scheduled banks in 1956, 20% was gained by the Punjab National Bank. Your Bank did not make any general increase in the interest rates and the cost of money remained, therefore, steady in the year under review.

Liquidity

The figures on the assets side indicate a strong liquid position. Cash in hand, bank balances, money at call and short notice and investments aggregate Rs. 59.3 crores constituting 55.7% of the deposits. If the bills discounted and purchased amounting to Rs. 8.77 crores are added, we have a total of Rs. 68 crores raising the ratio of our liquid assets to deposits to 64%.

Loans

Our loans and advances show an increase of Rs. 12.84 crores from Rs. 42.02 crores in 1955 to Rs. 54.86 crores in 1956. There has been 31% increase in our advances. Our efforts to step up advances to meet the developmental needs are continuing and we are strengthening our organisation to that effect both in the Head Office and in the field.

Foreign Exchange Business

You will be glad to know that there has been rapid increase in our Letter of Credit business. "Acceptances, endorsements, and other obligations" which are mainly in connection with foreign exchange business amounted to Rs. 13.4 crores in 1956 as compared with Rs. 6.53 crores in 1955 registering 100% increase.

Bonus Shares

Your Bank's application for issue of bonus shares about which I had mentioned in my review at the last meeting is still pending with the Finance Ministry. The required permission should be obtained before long, because your Bank's issue is against share premium which are but receipts of capital from the shareholders themselves.

Branch Offices

Our network of branches continues to expand. With the opening of 14 branches during the year, we have 340 offices including one office in Rangoon and two in Pakistan. The demand for lockers was well sustained and we are continuing to develop this business. You will be glad to know that the Head Office building in New Delhi is coming up and will be complete in about a year for occupation. The removal of the Head Office to New Delhi will meet the convenience and wishes of a large number of the Bank's customers. With regard to branch offices also, we are trying to improve the premises and follow a policy of progressive extension of service to the public. In this connection, our expansion programme is also receiving careful consideration.

Tight Money

The problems of the banks during the last year were the consequences of the problems that faced the country. What have agitated all minds are the acute-ness of finance for domestic needs as well as to pay for imports and the rising trend of prices. There were the large needs for development, imports of steel, capital machinery, etc. There was an increase of Rs. 158 crores in advances and bills against an increase of Rs. 77 crores in deposits. The banks had to resort to increased borrowings from the Reserve Bank, liquidate a small part of

their investments and reduce cash balances to meet the demand. Shri T. T. Krishnamachari, the Commerce Minister, on taking over the Finance portfolio was confronted with the serious problem of credit for trade and industry and the limited capacity of the commercial banks to meet the same. Laying up to his reputation for prompt and dynamic action the Finance Minister had consultations with the Governor of the Reserve Bank and liberalised the bill market. This very largely assisted the commercial banks to meet the demand for funds from industry and commerce and Shri T. T. Krishnamachari rightly earns the credit for the easing in the otherwise tight situation. The higher money cost aimed at curbing inflation in India has had no significant effect. Similar is the experience in the U.K. and they are in the process of reversing gears. The gilt-edged market has been adversely affected and but for the open market operations which induced confidence, there would have been a greater drop in prices. The stamp charges and higher interest rates raised the cost of money to banks. The banks had to incur the stamp charges on bills even when the bills were not ultimately fully utilised. The stamp charges could have been covered if of all necessary in the interest rates. The cost of money from the Reserve Bank induced the banks to raise their interest rates. This affected money already with the banks and pushed up its cost in large commercial centres. New money was not attracted to banks from small investors and mofussil areas.

Rise in Prices and Decline in Agricultural Production

The second significant economic trend as regards rise in price levels was characterised as inflationary arising from large developmental expenditure. In the White Paper published in March, the Finance Minister has analysed that the rise in prices has been basically due to declining agricultural production. There has been some complacency in this respect due to the comparatively comfortable position in regard to agricultural supplies at the end of the First Plan. The White Paper states: "The success of the Plan, it is apparent, would turn largely on the realisation of the targets of agricultural production. Apart from the obvious effect of agricultural production on prices and on the balance of payments, the flow of savings in the economy also depends to a significant extent on production in this sector. Scarcity of food grains and agricultural products in India often leads to relatively sharper increases in agricultural prices than in the prices of manufactures and this in turn leads to a redistribution of national income away from both the fixed income groups and the investing classes". This has been the crux of our problem.

Foreign Exchange Scarcity and Deferred Payment Terms

The foreign exchange scarcity is another serious problem to be effectively tackled. The difficult foreign exchange position arising from developmental activities is being understood and appreciated all over the world. The appearance of this scarcity condition earlier than expected only confirms that the rate of development has been faster and larger than planned. The position was also aggravated by higher prices of capital equipment and increased transport cost that has been evolved is of course very costly but it is a screening process by itself. Projects which are not adequately remunerative will not be proceeded with immediately and foreign exchange curtailed. Representatives of capital exporting countries abroad who have visited our country after the announcement of deferred payment scheme have understood and appreciated the value and desirability of such a scheme. Our efforts in the direction of rapid economic and industrial development are also appreciated. In order, however, that import of necessary equipment in line with the policy enunciated by the Government takes place, certain institutional facilities have to be arranged for. They are (i) the normal trade risk by Government or any Government acceptable guarantee to the overseas seller (ii) manufacturers in industries of national importance should be able to obtain financial assistance for development from institutions like the World Bank, International Finance Corporation etc. It will be necessary for the Finance Ministry and the Reserve Bank to work out details.

Magnitude of Second Plan and Standard of Living

Second Plan aims at increasing the national income by 1961 to Rs. 13,480 crores from Rs. 10,800 crores. The rise in the national income at the end of the present saving of Rs. 2,680 crores. Against Rs. 1,482 crores. The increase in our savings for re-investment and development will be Rs. 682 crores. Thus three-fourths of the additional income viz., Rs. 2,000 crores, will be available for sustaining a higher standard of living. If our effort is not of the magnitude planned, our national income will not go up as envisaged. If our national income does not go up as targeted, the quantum available for consumption will be curtailed with its consequence on the standard of living. What we have to fulfil is no doubt a big task but we have to gear ourselves to the best effort.

Rural Savings and Banks

More funds are needed by both the public and

private sectors. There has to be a proper apportionment of the available resources if the overall economic activity has to be stepped up. The tax policy of the Government has to be such as to leave savings in the hands of that class of society which has the habit of saving for investment. While there has been more expenditure in the rural sector, the burden on the urban sector has been increasing. As the Taxation Enquiry Commission has stated: "The per capita tax is uniformly and distinctly higher in urban than in rural areas. The per capita Central taxation in the urban sector is a little over two and half times the rural estimate while the State taxes come to nearly three times". Vast sums of money are thus diffused and not drawn into the money stream.

The Commercial banks have to organise themselves to collect money from the unorganised sectors and supplement their deposits through other facilities. In large towns there is already keen, rather unhealthy, competition. The current deposits are being converted to Call deposits which were paid higher interest rates. This does not create any additional money but only makes the money dearer. The commercial banks have, therefore, to expand their activities in the rural areas either directly or through the agency of subsidiary or small banks. To a large extent, the success of this effort will depend on the policy and support of the Government of India and the Reserve Bank. Fortunately, we have at our helm a Finance Minister who is bold and who has ideas and vision. The greater the difficulty of a problem the greater appears to be his resourcefulness and courage. The new Reserve Bank Governor, Shri H. V. R. Iyengar has intimate knowledge of the problems relating to the development of our economy and is aware of the needs of industry and trade. This knowledge and experience will help him to have a practical outlook in his new task.

In the banks' expansion in the country-side, there are certain factors of primary importance. The Government should provide facilities for security of cash and other assets so that banks may be saved of large expenditure on employment of chowkidars, which forms an appreciable percentage of expenditure in small branches. This may be done by giving instructions to the police authorities to take special care for the safety of the property of banks. Some scheme of co-operative insurance may also be evolved by the banks themselves or through Insurance Companies. Secondly, to enable large banks to open branches, the wage structure for the new offices should be in consonance with the prevailing living conditions in the rural areas concerned and not according to the bank classification.

Credit to Cultivator

The third factor is that the banks should be in a position to cater to the credit needs of the rural areas. It is difficult for the banks to make available such credit from their existing resources. The Reserve Bank is not finding a proper agency in the Co-operative banks to make available the entire money that they have apportioned for supplementing credit to the rural areas. The Co-operative banks are only confining their activities to co-operative societies and, knowing as we do, the weak structure of the co-operative societies, in certain States especially, we should not insist on credit being made available only through them. By commercial banks expanding in the countryside, rural credit will be augmented. The commercial banks may also in turn take the help of agencies which have commercial dealings with agriculturists at present such as sugar factories, ginning presses, rice mills, oil mills, etc. The Reserve Bank may lay down a condition at the time of discounting that the bills of commercial banks for rural credit that the cost of money to the cultivator should not be higher than what he will have to pay when he obtains credit through co-operative societies. We are under the impression at present that credit through co-operative societies is cheaper. What we find to-day in many parts of the country is that the ultimate cost of money to the cultivator is 3% to 4% higher than the rate at which the Reserve Bank makes available the money. When we are keen on increased agricultural production we should use all agencies to make available to him necessary credit at reasonable cost. The utilisation of the commercial banks in this sphere will achieve a dual purpose. The non-monetised savings of the country will be channelised through savings of the rural sector coming into banks. The agriculturist will get organised credit in his effort to increase food production which is admittedly the key to the success of the Second Plan. I hope the Reserve Bank will find this proposal worth pursuing.

Financial Institutions

In the growth of new industries, a great handicap is sluggishness in the Stock Exchange. It is difficult for any new enterprise or even the existing ones to raise additional finance through the stock exchange. Therefore, it is important that the financial institutions in the country should carry on a more positive and active role. The Industrial Finance Corporation, the State Finance Corporations and also the Industrial Credit and Investment Corporation have done satisfactorily during the last year. But for meeting the tempo of development in this country they have to do very much more. The present limit of advances at the State level should be increased considerably. It should be brought up to something of the order of Rs. 25 lakhs. All small and medium needs should be met by the State institutions. The State Corporations should be strengthened by additional resources through the Reserve Bank. The Industrial Finance Corporation of India should increase their limit from 1 crore to 21 crores of rupees. Most of the large industrial organisations to-day cost us anything between 3 and 8 crores. Money should be advanced when the Corporation is satisfied that the undertaking or project in question is in line with the general policy and pattern of the National Plan. The Industrial Credit and Investment Corporation should also, in my opinion, be more active and finance large industries like non-ferrous metals, chemicals and large engineering workshops are of very great importance. These industries have been left under the Second Plan to be developed by the private sector. In this connection, it is heartening that a Refinance Corporation is being formed to utilise the U.S.A. Wheat Sales Fund for extending medium term credit. The terms that have been announced are very sound and I am confident

dent that banks will take advantage. It will greatly improve money market conditions and the requirements of industry for expansion will be met considerably.

Better Climate and Investment Prospects

The industries in this country are, by and large, making reasonable profits and I am confident that with the better atmosphere that may now be created with the removal of the uncertainties when the new budget will come, the share market will improve and the investor will come forward to invest his savings in the industrial projects of this country. The process will be greatly aided if the investors find it convenient to borrow money against their industrial securities whenever money is needed and the advances against industrial shares could be rediscounted by the Reserve Bank. The Finance Minister should come out with a clear cut policy and a four-year budget that will give him the resources that he requires and enable the people to budget as he does

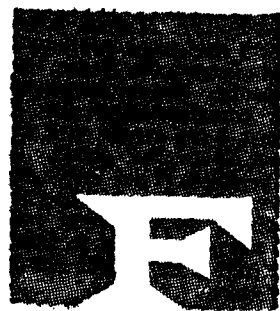
and fulfil their responsibilities under the Plan with the resources that they require. I am confident that with the boldness and imagination that he possesses, Shri T. T. Krishnamachari will see that he gets what he requires for carrying on the responsibilities of Government and at the same time creates conditions and an atmosphere under which the people will have the enthusiasm and resources to fulfil a difficult but essential task.

People's Gold for Development

A suggestion that I would like to refer here is that of the Prime Minister in one of his speeches that the people should give their gold to the Government so that hoarded wealth may be put to use. The Finance Minister should evolve a policy that will induce the people to part with their gold. Even if the Government buys gold at a price higher than the world price the gold stock with the Government will help to strengthen our currency considerably and will enable Government to get money from abroad at

more reasonable cost. What the exchequer will lose in the purchase price will be adequately compensated by the large financial resources that could be obtained and by the early development of our country.

Before I conclude, I must express my thanks to all our worthy constituents for their continued co-operation and confidence. I owe more than formal thanks to my colleagues on the Board and the Local Advisory Committees. I would also like to welcome our new General Manager, Mr. A. M. Walker, whose experience with the erstwhile Imperial Bank of India should prove of real value to our institution under the present fastly developing conditions in the country. I must also record my appreciation for Shri R. L. Tuli who has carried on with diligence and ability, the responsible and onerous duties of General Manager till Mr. Walker's taking over. I have also to thank other officers and staff at all levels at the Head Office and elsewhere for their loyalty and sense of devotion to the interests of the Institution.



What Forum of Free Enterprise Stands for

SINCE the Forum of Free Enterprise came into being with the object of educating public opinion on the values of Free Enterprise and the significant contribution which it can make to the rapid progress of economic development, a great deal of enthusiasm for its cause, and interest in its work has been generated. Along with this, controversy has been provoked as to whether the tenets of Free Enterprise are consistent with the social and economic ends which the country seeks to attain. The Forum is convinced that they are; and in this statement reiterates its attitude towards some of the basic issues which have been raised so that no misconception or doubt on its point of view can be left in the public mind.

Free Enterprise not "Laissez Faire"

We consider that "Laissez Faire" or Nineteenth Century Capitalism has no place in contemporary Indian life. These systems, whatever their usefulness might have been, have outlived it. Today they are as dead as the dodo and can make no contribution to the industrial, social and economic advancement we seek. Equally do we hold that the Marxist approach to socialism through State ownership of the means of production is outmoded in time and thoroughly discredited in practice.

Capitalism of today, or as we prefer to call it "Free Enterprise", operating within a planned economy, is the most alive and the most vigorous economic system in the world. Its motive power is rooted in the fulfilment of the individual, controlled and bounded always by the values and principles of the society in which he lives. Thus, Free Enterprise contributes to the moral and material betterment of society by the voluntarily harnessed efforts of the people which compose it. From this must spring a happier and a richer life for all. Reverse the process by introducing authoritarian planning, which places the State above the individual, and the result

will inevitably be confusion, frustration and the loss of liberties.

"The Socialist Pattern of Society"

As far as we know, this phrase has not yet been defined in specific terms. The Forum unreservedly accepts the concept of a fuller and better life for all, equality of opportunity, eradication of unjust privilege; in brief, the establishment of a Welfare State. Indeed we hold that these objectives will be attained more rapidly, more effectively, and with a greater degree of enthusiastic co-operation of the people, through Free Enterprise, than through any other system. Inherent in our acceptance of these social aims is also that of a planned economy, and the common existence and mutual interdependence of a State-controlled and Free Enterprise Sector. What we do not accept is the theory that this State-owned sector should continuously expand until it dominates the national economy, for then, as night follows day, will there be a regimentation of life, totally at variance with India's outlook and traditions, which have always recognised the place and worth of the individual in society.

The Bhakra-Naung Dam, the Fertiliser Factory at Sindri, the Aary Milk Colony in Bombay, to take only a few examples, are State achievements which are matters of pride not only to their authors but to the whole country. On the other hand, the Nationalisation of Life Insurance, the introduction of State Trading and the

acquisition of the Kolar Gold Fields are equally in our opinion examples of unwarranted State intervention. It is this trend which must be curbed and halted if the free way of life in our country is to be preserved and its economic progress through the democratic processes assured.

Free Enterprise and Scientific Advancement

A good deal has been said recently on the need to avoid obsolescent thinking in this age of atomic power and of breathtaking scientific advancement. It is important that we define our stand on this issue. We believe that the challenge of our times is to evolve a synthesis of these techniques and their effective use by free members of a democratic society. In many ways our country is blessed by the fact that she is embarking on her plans of industrialisation at a time when superb scientific aids are available to her. Possibly for the first time in history conditions prevail when the question of Bread or Freedom need not even be asked. For, today, science offers us not only Bread and Freedom, but also Speed of attainment thrown in for good measure. It would be a tragedy indeed if this bountiful opportunity were distorted and misconstrued to impose Centralised State Control as the instrument of applying the benefits of science to a regimented society. This and not our approach would be a demonstration of obsolete thinking.

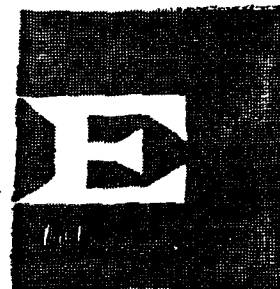
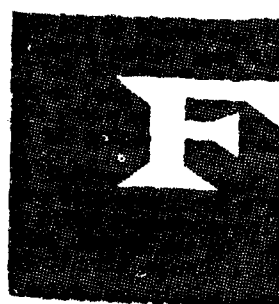
Conclusion

For the reasons which we have given we claim that socially responsible private initiative, or Free Enterprise as we term it, is the most dynamic and effective system available to attain the moral and material ends which all of us so ardently hope for. That is why the Forum has pledged itself to the task it has undertaken, and that is why it will continue its effort in the certainty that in our good country the values of Free Enterprise will ultimately prevail.

Forum of Free Enterprise

235, DR. DADABHAI NAOROJI ROAD, BOMBAY 1.

A non-political organisation to educate public opinion on Free Enterprise



THE EAST INDIA DISTILLERIES & SUGAR FACTORIES LIMITED

CHAIRMAN MR. C. R. SRINIVASAN'S REVIEW

Statement by Chairman, Mr. C. R. Srinivasan at the Annual General Meeting of The East India Distilleries and Sugar Factories Limited, held at Bare House, Parry's Corner, Madras, on Tuesday, the 30th April 1957.

Last year, when I had the privilege of addressing you for the first time, as Chairman of the Company, I indicated to you in broad outline the shape of things to come, following the merger of Parry's with E.I.D. Now that I have the opportunity of addressing you again, you will not doubt be interested to know what progress we have made in the objectives set out. The E.I.D. is now a director-managed concern, with a majority of Indians on the Board. You will remember that at the time the merger proposals were placed before you, only myself and Sri V. Ramakrishna were on a Board of five, the other three being Messrs. Winton, Noel-Tod and Hadfield. The Board invited two distinguished Indians Dr. U. Krishna Rau and Sri R. Venkataswamy Naidu to join the Board and I may take this opportunity to record how much we valued their co-operation and goodwill, their knowledge and understanding of the problems that came for assessment at the Board level. May I also take this opportunity of recording my appreciation of the spirit of loyalty and sense of duty that uniformly characterised my British colleagues on the Board who were all in executive charge and entrusted with the responsibility of implementing the decisions of the Board. I have nothing but praise for the way the Directors on Parry Board also responded to their call. The Parry Board all along has been a close preserve of senior British Executives but today we have two Indian nationals on the Board and I have no doubt that in due course more Indians will find their place on it. It is the accepted policy of the Company that other things being equal, Indian nationals will have preference and priority in recruitment to the service cadre of the Company. It is also the policy of the Company to have these recruitments to the covenanted ranks by open competition. For the first time posts were advertised and applications invited towards the close of last year and I may confess I was amazed at the thousands of applications that came pouring in. From a study of these applications two things emerge viz. that there is plenty of qualified talent in this country waiting for openings and opportunities and that service in Parry's set-up is greatly coveted even by men already in service elsewhere. My only regret is that we are not in a position yet to make fuller use of the abundant talent available. Of those who are in the service of the Company today it is but right that I should record that I have found them in good fettle, eager and willing to give of their best, especially in the new set-up.

And now let me turn to the Report and the Accounts for the year ending 30th September 1956. These have been in four hands for the statutory period and with your permission I shall take them as read. I regret very much that these Accounts are submitted to you later in the year than has been done in the past. The delay however has been quite unavoidable. It has been largely occasioned by this being the first time that consolidated Group Accounts have been furnished and the preparation of Accounts in this form has necessarily had to be done with great care. Also, the provisions of the Indian Companies Act 1956, regarding the charging of expenses by a Managing Agent to Managed Companies, have delayed the finalisation of the accounts of our subsidiary, Parry & Company Ltd. To enable the Directors of Parry & Company Ltd., to formulate an equitable assessment of the amounts of overheads etc., that should correctly be charged to the Managed Companies, an elaborate system of recording through Time Sheets, the time spent by each member of the staff on the affairs of each Company in the Group was introduced. The consolidation of the information made available by these Time Sheets took some time to complete but in order to comply with the spirit and the letter of the Indian Companies Act it was quite essential that this additional work should be undertaken. Having now accumulated reliable statistics, I expect, it will not be necessary in succeeding years to undertake this work in such detail and I therefore hope that it will be possible to issue the Accounts for the current year well before this time next year. You are of course aware that in order to ensure that dividends were paid within the fiscal year ended 31st March 1957 your Directors declared a second interim dividend of 10% in anticipation of these Accounts being adopted and thereby shareholders have been saved the embarrassment of the final dividend being paid the next fiscal year.

Export Market

The operations of the year have been fully reviewed in the Directors' Report and there are only one or two points I should like to refer in this context. You would have noticed with interest that the sugar industry has developed a new facet with the emergence of an export market due to fortuitous circumstances. Part failure of the beet crop in Europe and the closure of the Sugar Cane Estate of sugar supply in the Middle East which it was possible for India to cover at remunerative prices. Exports are being handled through the agency of the Indian Sugar Mills' Association, on a non-profit basis. Such profits as are made are carried over to a Reserve with a view to balance any loss that may be incurred in the future in the maintenance of the export market. So far, firm orders to the extent of about 86,550 tons have been booked and shipments in substantial measure have already commenced according to an agreed schedule. Further orders are expected and the Government of India, I understand, are agreeable to release stocks for export and they had no idea of imposing any rigid limits in this respect. In hammering out the export scheme and giving it dynamic expression you will be

glad to know that Mr. P. Hadfield, Deputy Managing Director of this Company, played a notable part as Vice-President of the Indian Sugar Mills' Association. Our Group has not yet sold any sugar for export. This is understandable against the background that South India is still deficient in sugar and it is easier to negotiate freight at the two ports Bombay and Calcutta, from which exports are now made. But the value of this offset by means of exports cannot be overlooked or underestimated in sugar economy. Today there is an all India surplus in production, supply outpacing demand. This no doubt is a heartening reversal of the position three years back when sugar had to be imported to relieve shortage in the country. In 1954-55 the total production of sugar in the country was 15.89 lakhs of tons; in 1955-56 it moved up to 18.56 lakhs of tons; in 1956-57 it is estimated production will touch 20.2 lakhs of tons. Besides expanding production, we have also a carry over of well over 5 lakhs of tons. The present pace of consumption is rated at 19 lakhs of tons and at the end of the Planning Period it is expected this may move up to 22.5 lakhs of tons. At the same time, with new sugar mills progressively coming into production during the Plan Period and several of the old ones expanding their crushing capacity the total production in the country is expected to reach up to 25 lakhs of tons at the end of the Second Planning Period. If sugar economy is to be protected, obviously, apart from expanding internal consumption a regular outlet by way of export has to be created, developed and maintained. By good luck we have made a promising beginning and if only Government will take note of the export potential and the need to build it up in all possible ways, I believe the sugar industry apart from safeguarding its own economy is destined also to play an important part in the balance of payments position of the country. Before leaving this subject, may I crave your indulgence to correct a misstatement in the Directors' Report. In the last para under the heading "Sugar" in page 6 of the Report the closing sentence says that the export target at the end of the Second Five Year Plan has been fixed at 2,500,000 tons. This is obviously a mistake, the figure refers to the total production target.

You will also have observed that in the Report mention is made of the substantial increase in Fertiliser turnover. The turnover in fertilisers during the period under review amounts to just under two crores of rupees equivalent to £13 million sterling and that of chemical imports to 61 lakhs of rupees equivalent to 457,000 pounds sterling. Business in these lines bids fair to increase in the coming years as people in the agricultural sector are getting fertiliser minded and it is the policy of the Government to increase food production by extensive as well as intensive cultivation. With a view to simplify and streamline operation and control of the Group's factory at Ranipet where the major part of our fertiliser manufacture is carried on, the transfer of Parry's interests in the fertiliser business to East India Distilleries & Sugar Factories Ltd., has just been completed and in addition it is proposed to set up another factory at Bezwada to which I shall refer in greater detail presently. It is obvious that a turnover of this magnitude running into millions of pounds will require careful consideration of our cash and credit resources. On the basis of our present capital and reserves it seems to me our credit resources are fully extended and it would be unwise to base our further expansion programme on such additional banking facilities as may be available to us. Your Directors are now exploring various alternatives by which further capital can be introduced into the Group and we shall come forward presently with proposals to this end. In this context it may be just as well to correct a possible misapprehension arising from the acquisition of Parry's equity shares. Although the total cost of cash for the purchase of the Parry ordinary shares amounted to £558,000, the actual net outgoing of cash from the Group on this account is £204,000 only. This is because £255,000 of the outgoing amount was immediately used by the main sellers the Coromandel Investment Trust Ltd., to purchase the E.I.D. shares then held by Parry & Co. Ltd., and they also agreed to accept deferred payment in respect of £144,000, balance of the purchase price. Of this amount of £144,000 for which deferred payment over 5 years was agreed, a first instalment of £15,000 only has just been paid.

Financial Results

Turning to the results of the year, I would like to stress that the Accounts of our two main subsidiary Companies, Messrs. Parry & Company Ltd., and Messrs. Parry Murray and Company Ltd., are for 9 months only, but it is most satisfactory to note that for these 9 months they have recorded profits on a par with their results for the previous 12 months which confirm the view taken by your Directors 18 months ago on the profitability of acquiring the ordinary capital of these Companies. If we convert these figures to a basis of twelve months and if we reduce the taxation charge by the sum applying to previous years, we find that the net profit after taxation would have been increased by some £60,000/- and that our present dividends would be covered three times by earnings. On the basis of a full year's income, the figures for 1956 show that the purchase price of ordinary shares in Parry & Co. Ltd. (on an annual basis of 22.4%) works out to less than five years' yield on these shares. I may also make a reference to the amount of taxation paid on the Group profits for the year under review, as set out in note 3 of page 18 of the Report and Accounts. The total amount of tax represents the very high figure of about 56% of the profit and of the total amount of taxation, £66,223/- consists of additional taxation imposed by the Indian Finance Act 1956 and the Indian Finance (No. 3) Act 1956. This sum represents 13% of the profit or, viewed in another way, 12% on the Ordinary Capital. I feel therefore that it may be recorded as a matter

for satisfaction that in spite of the burden of this upsurge in taxation your Directors have been able to maintain a total dividend of 15% on the Ordinary Share Capital. To what extent the burden of taxation may have varied during the current year is of course dependent on the contents of next month's budget and I cannot therefore venture on any forecast but the figures I have quoted will establish beyond doubt and dispute that private enterprise, rightly directed, will prove a bulwark to our national economy.

Turning to the prospects for the current year I am glad to say that progress is well maintained in all directions. It is common knowledge that import restrictions have progressively been tightened in recent months. To the extent that the policy is dictated by a desire to protect indigenous industries we may take comfort that the trading activities of Parry & Co. Ltd., will not be seriously affected, as in Parry's sales agency portfolio we hold a high proportion of goods of Indian manufacture. The major items in the import agencies that we hold are essential commodities such as sulphur, phosphates and plant for generation of electricity in respect of which, I expect, restrictions will be relaxed. Incidentally Shareholders will be interested to learn in connection with the last item that over the past eighteen months Parry's have secured orders for three Diesel generating equipment manufactured by Messrs. Mirless-Bickerton & Day Ltd., of Stockport to a total contract value of just under two crores of rupees or very nearly £12 million. These orders include about 6,000 kilowatts of power for the Kovva Project in Bombay, 6,000 kilowatts of power for the construction of the Russian Steel Plant at Bhilai in Madhya Pradesh, and over 20,000 kilowatts for the Delhi State Electricity Board. It must however be recognised that the general exchange position has sadly deteriorated and its shadows have begun to fall even in respect of capital goods. Unless long-term credit facilities, exchange restrictions, I am afraid, will affect the flow of orders in respect of capital goods. It may be possible to arrange medium if not long-term credit facilities to can find ways and means to guarantee exchange rates. I understand, Government are considering at the moment representations to this effect from concerned interests and I hope that the problem posed will be resolved soon.

Apart from the direct activities I have so far referred to, you are aware that Parry & Co. Ltd. perform the duties of the Managing Agents for the three Companies, The Deccan Sugar & Akbari Co. Ltd., The Travancore Sugar & Chemicals Ltd. and Parry's Confectionery Ltd. You will be glad to hear that all these companies are in good shape and have maintained their dividends. In respect of the Deccan Sugar & Akbari Co. Ltd., you will be interested to know that the Company is at the moment engaged in a programme of modernisation and reorganisation of its factories at Samalkot and Pugalur which will considerably improve the efficiency of both units. The Company is issuing 3,40,000 shares at par totalling about 20 lakhs of rupees which I expect will easily be taken up by the shareholders having regard to the record of the Company in the past and current market quotations for these shares.

Cauvery Sugars and Chemicals

Last year the Cauvery Sugars & Chemicals Ltd., was promoted with the goodwill and co-operation of the East India Distilleries & Sugar Factories Ltd., and Parry & Co. Ltd. Capital issued was of the order of 49 lakhs and the entire issue was underwritten. Orders have been placed for the requisite machinery and the factory is now under construction. The factory is well located at Pettavathal in Kulitalai Taluk, Tiruvellore District, as good quality cane is in sufficient supply is confidently expected to be available. The capacity of the factory is 800 tons of cane per day. The East India Distilleries & Sugar Factories Ltd. have been appointed Technical Consultants and Parry & Co. Ltd. are the Secretaries & Treasurers. The main reason which prompted our association with this new Company is the desire to have a common selling organisation which will not only operate economically but also ensure a fair margin for the production of Nellikuppam Factory, Pugalur Factory and Cauvery Factory. The new factory is expected to go into production in June/July next year.

Earlier, I referred in another context to our intention to set up a factory at Bezwada for Fertilisers to cover the needs of the Krishna & Godavari Delta. In which Company (Andhra Fertilisers Private Ltd.) in which the East India Distilleries & Sugar Factories Ltd. will be equal partners with Messrs. K. C. P. Ltd. will shortly be formed. It is proposed to establish a superphosphate manufacturing unit, for which Government approval has already been obtained. The sales franchise of this new company will be exercised by the East India Distilleries & Sugar Factories Ltd. I don't think I need say anything more about the value or importance of this unit intended as it is to enable us to improve our coverage in Andhra in respect of fertilisers.

One other Company that we propose to interest ourselves in is the Pamba River Starch Co. Private Ltd. in which the East India Distilleries & Sugar Factories Ltd. will be an equal partner with Messrs. Corn Products Ltd. and Messrs. Travancore Sugar & Chemicals Ltd. The object of the Company is to manufacture starch from Tapioca roots a high grade starch principally for the export markets. We are holding up the integration of the Company pending clarification of the conditions under which companies may be required to deposit a part of their Reserves with the Government, pending also the issue of an import licence for the plant required and finally pending a clarification of the policy of the present Government of Kerala on the issue of nationalisation.

I shall now revert to the Report and Accounts placed before you, before proposing the adoption of the Report and Accounts for the year ending 30th September 1956. I shall be glad to answer to the best of my ability any questions which any shareholder may wish to put to me concerning the Report and Accounts.

The Directors' Report and the Accounts for the year ended 30th September 1956 were unanimously adopted. Mr. R. Venkataswamy Naidu and Mr. P. Hadfield were re-elected to the Board, and the Auditors, Messrs. Lovelock & Lewes, were re-appointed.

N.B.—This does not purport to be a Report of the Proceedings of the General Meeting.

INDIAN PAPER MAKERS ASSOCIATION

CHAIRMAN MR. P. H. SYKES'S REVIEW

Speech delivered by the Chairman, Mr. P. H. Sykes, at the Annual General Meeting of the Association held on 1st May, 1957, in the Bengal Chamber of Commerce and Industry.

This has been a dull year, by comparison with its predecessors, if one rates as excitement the usual series of worries over labour troubles, transport difficulties, adverse legislation, etc., from all of which I am glad to say there has been some relief—a sign, perhaps, that the country is steadily surmounting its growing pains. The year has however been far from dull from the point of view of the development of the industry that is taking place at present. In this connection progress has been remarkable. I speak not only in respect of increase in production achieved but also in increase in production planned but also in respect of the great interest now being taken by the Government in our industry and of the very real understanding of our problems they are so clearly demonstrating.

This interest is being shown in many ways, the latest of which being their appreciation of the rise in our costs and their sanctioning of an increase in the price of our run—its complete understanding still—in the long run—is their complete understanding of the raw material problem and the necessity to link it with their desire for increased production. This desire, I can assure you, is tempered by the realisation that more paper cannot be made unless there is something—and an indigenous something—out of which to make it. Within the framework of their demand, they say, is likely to go up by 400% within the next 15 years, but they realize production targets (a) supply of the necessary raw materials is assured and (b) the new projects they finance are only for lines of paper in maximum demand or for lines hitherto imported.

I feel there has been too much slanging of Government and too much talk of Private and Public come under the Industries (Development & Regulation) Act but Government are clearly showing that they expect plenty of co-operation from them. If our projects are sound we can go ahead, so can Government or, alternatively, they are happy to join hands with us in joint enterprises and find these signs of willing co-operation, and of goodwill towards us, eminently satisfactory and it is up to us to show what we are made of.

Production Targets

I referred just now to production targets. A year ago I myself was staggered by the size of the targets being fixed by Government and I was sceptical of their chances of achievement but to-day I am a convert, at least so far as the Second Five Year Plan is concerned. The fact of the matter is that the rate of consumption is going up on the lines of the Planning Commission's calculations and you have only got to study to-day's demand to realize this. It is however difficult to be certain of how things will go in the Third and Fourth Plans. When one thinks of the vast trade alone, the fringe of which has barely been touched, one can well believe, assuming that industrialisation continues at the same tempo and that education is on the increase, that demand and consumption will continue to climb for a long time yet but what is going to be worrying is the raw material position in 10 years' time. I believe that, unless a big plant programme is initiated, and very soon at that, we will tend to run out of bamboo and that it is up to the industry in the interim to exploit to the full the possibilities of bagasse, reeds, grasses and various types of wood. Government are of the opinion that waste materials are what the paper industry should rely on for their pulp manufacture. That should give us to think. It means that the national (i.e. railways, etc.) and other industrial demands for certain types of wood, and the commercial demand for bamboo may continue to receive preference over our demand for timber and certain types of wood may be denied us and the public's demand for bamboo for commercial and village industry purposes will continue to be given first preference.

The paper industry is already experiencing difficulty in obtaining its full requirements of bamboo because not only are the various units competing amongst themselves but, as I have already mentioned, there are extensively in the villages, there is a large cottage industry use for it and there is a big commercial trade in it (scaffolding, lathis, etc.). There may, for the time being, still be supplies of bamboo available for mills established in forest areas sufficient for them to expand but, even in those cases, a declining supply position will, unless large-scale planting is undertaken, eventually bring expansion to a halt. Mills situated in States short of raw materials cannot expand under present conditions for, whilst they are infinitely grateful for the decision taken at the end of 1955 guaranteeing continuity of their existing leases in other States and for the way those States are honouring this guarantee, they cannot obtain new long-term leases of forest areas in States which, as opposed to their own, are rich in pulp-making raw materials. Thus, unless they are permitted to import wood pulp independently (which will not be the case) they cannot expand and, up to the present, their only means of securing their pulp requirements so as to enable them to increase production is to agree to put up new units in waste of money when compared with expansion of their existing units, which could be effected much more quickly and cheaply. Furthermore, the shortage of raw material supply means that new paper mills cannot be set up in other non-raw material producing States.

To my mind, the remedy is obvious and that is a source of supply of indigenous pulp which will enable

paper (as opposed to paper-cum-pulp) units to be sited anywhere. At present, because of the integrated mill system (mills producing both pulp and paper), not only, as I have already said, are paper mills being confined to States with raw materials but, because of transport and other material problems, they are naturally tending to be further confined to those raw material-rich areas which are central and easily accessible.

An independent pulp industry sited where the raw material grows would not only enable separate paper-making units, small as well as large, to be established near the paper markets but it would also encourage the exploitation of remote areas and would lay the foundation for an export business. The indigenous pulp would replace imports of wood pulp and of paper at present made from imported wood pulp worth, together, many crores of rupees per annum.

Pulp-making Enterprise

It is for these reasons that a decision has been taken by a group to embark on a pulp-making enterprise and Assam has been selected as a suitable site for the mill. I am glad to tell you that the Governments of India and Assam are in full accord with the promoters and the theory I have just outlined and have given every encouragement and assistance to the project. Let us therefore wish the sponsors well in this new venture which is of obvious importance, pioneering as it will a new industry for our country.

Another point I have to make is that a pulp mill of this nature will greatly assist the railways. Bamboo, reeds and grasses take up a lot of room and the railways cannot enjoy locking up great numbers of wagons over long hauls. The short hauls contemplated by the pulp mill in Assam will be confined to a small congested area, while river-rafting, road transport and, perhaps, aerial ropeways, will help out. The finished article, pulp in bales, will be definitely more economic to transport, for the wagon space occupied by the amount of bamboo necessary to manufacture one ton of pulp is about 3½ times as much as that required by one ton of pulp in bales.

I now propose referring to the new Panel for the Pulp and Paper Industry that has recently been set up by the Government of India. The formation of this Panel, which, I am glad to say, has industrial representation on it as well as governmental, marks, I consider, a very great step forward in the development of the industry. It is a well-knit body, with representatives from the Development Wing of the Ministry, the Planning Commission, the Forest Service and the Railway Board serving on it and it embraces the interests of the rayon industry as well as those

of ours. Our Association has always been keen on an Advisory or Development Council for the paper industry but one has never been formed. Now this Panel has been set up and it will provide a very adequate substitute. It will furnish a close link between the industry and Government on all matters of development and its scope will be very wide. It will, for instance, examine the whole of India's forest materials position and thus be in a position to recommend to Government the best places for siting new units. It may even study the marketing and distribution of the end-product and the types of paper that are being manufactured or need manufacturing. It will certainly organize the dissemination of technical information within the industry and it will advise the Government on the manufacture in India of paper-making plant and equipment. Sub-committees have already been established in most of these various connections and the one that deals with forest resources may very possibly take the place of the Ad Hoc Committee, a purely governmental body, which was established towards the end of 1953.

I think it will be in the interests of all of us to get used to the idea of pulp and paper machinery and equipment being manufactured in India. Though it will take a long time it has got to come and, until the new industry has become properly established, we shall undoubtedly have to make allowances for many teething troubles. Engineering firms are so booked up at the moment that the process will be a protracted one but the determination of India to manufacture her own machinery is both obvious and natural and the desire to get a move on is being spurred on by the current foreign exchange difficulties. We all know that the importation of capital plant for new projects, now necessitating arrangements for deferred payment, etc., is not going to be so easy as it was and the more equipment therefore that we can get made out here the better for us. Government are going to do all they can to promote indigenous manufacture and we must do our best to co-operate but only to the point that the quality of our paper is not affected for—I think we all agree, and so do Government—the raising of the standard of Indian-made paper is of equal importance. I wish very much we could get our prices down but with the trend in costs as it is—it looks as though another rise in freight rates was coming—and with the possibility of having to pay more for our equipment it is quite impossible.

Before I close I would like for a moment to touch on a not very pleasant matter. It concerns the cornering of the shares of one of our oldest member-companies. It is disgraceful that an attempt should have been made by people of no experience whatsoever of our industry to oust from its managing agency a firm that over the past sixty years has shared extensively in the building up of the Indian paper industry to its present position and has invariably helped its managed company to surmount the many grave difficulties that that company, in common with the rest of the industry, has had to face during the past.

It gives me pleasure to acknowledge the services of our efficient Secretary and of our parent body, the Bengal Chamber, and to thank my fellow committee members for the assistance they have given.

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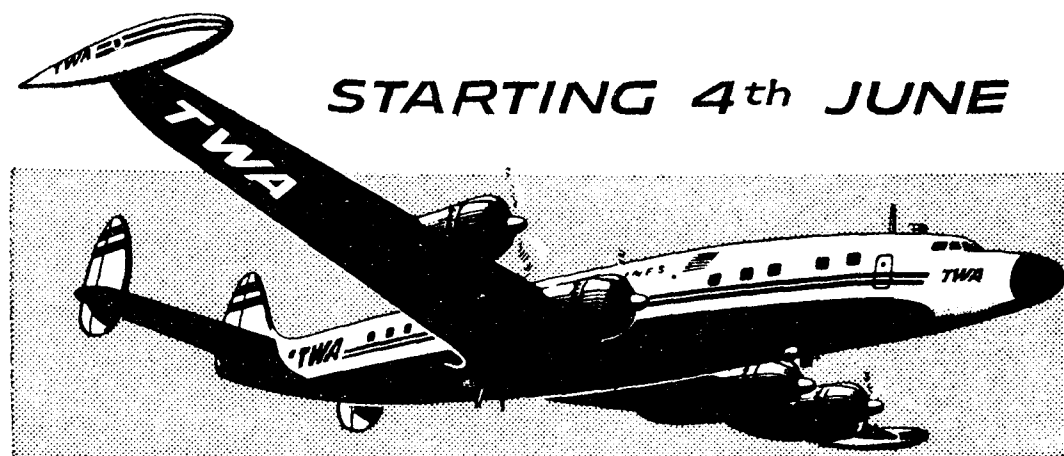
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HINDUSTHAN MERCANTILE BANK LIMITED.

BALANCE SHEET AS AT 31st DECEMBER, 1956.

CAPITAL AND LIABILITIES		Rs.	As P.	Rs.	As P.	PROPERTY AND ASSETS		Rs.	As P.	Rs.	As P.
1. Capital:						1. Cash:					
Authorised Capital:						2. Balances with other Banks:					
2,00,000 Shares of Rs. 100/- each				2,00,00,000	0 0	(a) In India				2,96,772	5 11
Issued and Subscribed Capital:						(ii) Outside India				1,30,000	0 0
1,00,000 Shares of Rs. 100/- each				1,00,00,000	0 0	3. Money at Call and Short Notice					
Amount Called and Paid up:						4. Investments (at cost):					
1,00,000 Shares at Rs. 70/- per share				50,00,000	0 0	(a) Securities of the Central and State Governments and other Trustee Securities, including Treasury Bills of the Central and State Governments				85,77,240	12 4
2. Reserve Fund and other Reserves:				1,77,500	0 0	(ii) Shares					
Deposits and other Accounts:						Fully paid up Preference Shares				45,123	14 6
Fixed Deposits (including Staff Security Deposits, Short Term Deposits and Cash Certificates)				54,50,632	5 1	Fully paid up Ordinary Shares				4,67,046	14 4
Savings Bank Deposits				7,51,798	14 3	Fully paid up Deferred Shares				8,062	0 0
Current Accounts, Contingency Accounts, etc.				1,17,61,589	0 9	Partly paid up Ordinary Shares				22,481	4 0
4. Borrowings from other Banking Companies, Agents, etc.						(iii) Debentures or Bonds					
(a) In India						(iv) Other Investments					
(i) Secured by part of Investment as per Contract				32,40,000	0 0	(v) Gold					
(ii) Unsecured				Nil		(Total Market Value Rs. 80,25,437-4-0)				91,39,857	12 8
(iii) Outside India				Nil		5. Advances:					
5. Bills Payable				72,358	15 6	(Other than bad and doubtful debts for which provision has been made to the satisfaction of the auditors)					
6. Bills for Collection being Bills Receivable as per contract						(a) Loans, Cash Credits, Overdrafts, etc.					
(i) Payable in India				13,49,696	6 6	(i) In India				1,45,09,163	8 0
(ii) Payable outside India				1,973	2 0	(ii) Outside India				Nil	
7. Other Liabilities:						(iii) Bills Discounted and Purchased (excluding Treasury Bills of the Central and State Governments)					
Branch Adjustments				92,471	13 0	(i) Payable in India				2,94,674	0 3
8. Acceptances, Endorsements and other Obligations per contract				4,25,969	7 8	(ii) Payable outside India				Nil	
9. Profit and Loss:						Particulars of Advances:					
Balance Profit as per last Balance Sheet				1,518	8 0	(a) Debts considered good in respect of which the banking company is fully secured				1,30,31,063	9 0
Add Profit for the year (brought from the P. & L. Account (Subject to Taxation))				4,630	9 11	(b) Debts considered good for which the banking company holds no other security than the debtors' personal security				12,49,362	2 3
Less Appropriations:				6,149	1 11	(iii) Debts considered good, secured by the personal liabilities of one or more parties in addition to the personal security of the debtors				5,02,471	13 6
Reserve under Sec. 17 of the Banking Companies Act				2,500	0 0	(iv) Debts considered doubtful or bad, not provided for				1,48,63,837	8 3
10. Contingent Liabilities:						(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons				Nil	
(a) Claims against the Banking Company not acknowledged as debts				4,51,584	13 3	(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members				8,96,632	12 6
(b) In respect of Guarantees issued (against part of which Bank's Investments of the Face Value of Rs. 21,000/- are deposited)				31,707	1 3	(vii) Maximum total amount of advances, including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons				Nil	
(c) In respect of partly paid up Shares held in Investment A.C.				10,050	0 0	(viii) Maximum total amount of advances, including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies, as members				16,92,132	7 3
Total Rupees				2,81,59,443	2 8	(ix) Due from banking companies				9,13	0
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST DECEMBER, 1956.						6. Bills Receivable being Bills for Collection as per contract					
EXPENDITURE						(i) Payable in India				13,49,696	6 6
1. Interest paid on deposits, borrowings, etc.				3,84,040	2 0	(ii) Payable outside India				1,973	2 0
2. Salaries and Allowances and Provident Fund (including Salaries and Allowances paid to the Chief Executive Officer Rs. 20,475-0-0)				4,63,032	4 8	7. Constituents' Liabilities for Acceptances, Endorsements and other Obligations per contract					
3. Directors (Rs. 1,500/- a. Con. mtee members) and Local Committee members' fees and allowances				2,825	0 0	8. Premises less Depreciation					
4. Rent, Taxes Insurance, Lighting, etc.				56,238	2 9	9. Furniture and Fixtures less Depreciation (including Vehicles)					
5. Law Charges				14,876	1 6	Cost less deductions as per last Balance Sheet				3,48,940	13 1
6. Postage, Telegrams, Stamps and Telephone				14,303	1 5	Additions during the year				3,254	1 3
7. Auditors' Fees				2,500	0 0	Less Deductions during the year				3,52,194	14 4
8. Depreciation on and repairs to the banking company's property				19,500	14 2	Less Depreciation written off to date				14,925	2 1
9. Stationery, Printing, Advertisement, etc.				31,596	5 6	10. Other Assets, including Silver:					
10. Loss from sale of or dealing with non-banking assets				23,095	9 9	Interest accrued and outstanding on Investments				96,854	0 4
11. Other Expenditure				4,630	9 11	Income Tax deducted at Source (Unadjusted)				3,03,840	5 0
Total Rupees				10,16,638	3 5	Stationery and Stamps				56,807	6 11
INCOME—(Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)						Library (at cost less Depreciation)				908	4 0
1. Interest and Discount				8,63,824	15 8	11. Non-Banking Assets Acquired in Satisfaction of Claims				Nil	
2. Commission, Exchange and Brokerage				1,52,499	15 1	12. Profit and Loss				Nil	
3. Rents				267	4 8	Total Rupees				2,81,59,443	2 8
4. Net profit on sale of investments, gold and silver, land, premises and other assets				Nil							
5. Net profit on revaluation of investments—gold and silver, land, premises and other assets				Nil							
6. Income from non-banking assets, and profit from sale of or dealing with such assets				Nil							
7. Other receipts				Nil							
8. Less				Nil							
Total Rupees				10,16,638	3 5						

AUDITORS' REPORT TO THE SHAREHOLDERS

We have audited the annexed Balance Sheet of HINDUSTHAN MERCANTILE BANK LIMITED as at 31st December, 1956, and also the annexed Profit & Loss Account of the Bank for the year ended upon that date in not visited by us.

In accordance with the provisions of Section 29 of the Banking Companies Act 1949, read with the provisions to Sub-sections (1) and (2) of Section 211 and Sub-section (5) of Section 211 and Section 227(5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be and are not drawn up in accordance with the Sixth Schedule to the Companies Act, 1956. The Accounts are therefore drawn up in conformity with Forms A & B of the Third Schedule to the Banking Companies Act, 1949.

We report that subject to the provisions for Income-tax for the completed assessments for the year 1952-53, the Balance Sheet and Profit & Loss Account of the Bank for the year ended upon that date in not visited by us.

(a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory; (b) The transactions and balances of the Bank which have come to our notice, have been within the powers of the Bank; (c) In our opinion, proper books of account as required by law have been kept by the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the branches of the Bank; (d) The Bank's Balance Sheet and Profit & Loss Account drawn up by the Bank in accordance with the provisions of the Companies Act, 1956, and the Balance Sheet and Profit & Loss Account of the Bank as at 31st December, 1956, and the Profit & Loss Account of the Bank for the year ended upon that date, give a true and fair view of the state of the affairs of the Bank as at 31st December, 1956, and the Profit & Loss Account of the Bank for the year ended upon that date.

K. N. GUTGUTIA & CO.
P. A. GHOSH & CO.,
Chartered Accountants,
Auditors.

Calcutta the 21st March, 1957.

M. L. JALAN,
Chairman,
B. KANORIA,
M. M. BHUWALKA,
M. R. JAIPURIA,
RAM KUMAR PODDAR,
RANGAL BAGARIA,
Directors.
Sri A. K. Jain being out of India could not sign.

P. H. KOTHARI,
General Manager,
H. L. GOSWAMY,
Chief Accountant.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

RISE IN ADVANCES CONTINUES

Wednesday, 8th May.

ADVANCES have risen again in the Calcutta money market during the past week. A substantial increase is reported in accommodation for grains and seeds. Sugar credit is higher, but jute advances are around the previous levels. Cotton mills' borrowings show a small decrease. There has been some activity in the interbank market, and the call rate has risen to 3½ percent.

The exchange market is dull, with only a trickle of gunny bills reported. Remittance has been on a moderate scale. Sterling is steady, having been helped by the publication of the figures for the sterling area's gold and dollar reserves.

Gold was firm at Rs. 107.50 because of good offtake and restricted arrivals.

Silver reacted to Rs. 181.50 on profit-taking induced by the prospect of increased imports of Tibetan coins.

During the week ended 3rd May, Government of India Treasury bills for Rs. 93,46,50,000 were sold in favour of the Reserve Bank.

An increase of Rs. 15,20 crores to Rs. 1,577.11 crores in active notes, and of Rs. 3.67 crores to Rs. 1,596.15 crores in notes in circulation, was a notable feature of the return of the Reserve Bank of India for the week ended 3rd May, 1957. The currency expansion was covered by increasing rupee securities by Rs. 4.97 crores to Rs. 929.87 crores. Deposits showed a general decline. Deposits of the Government of India decreased by Rs. 1.02 crores to Rs. 51.81 crores, and other Government accounts by Rs. 2.12 crores to Rs. 4.26 crores. Balances of commercial banks, at Rs. 64.06 crores, were Rs. 3.54 crores lower. Balances held abroad fell by Rs. 8.49 crores to Rs. 83.90 crores, while investments increased by Rs. 14.72 crores to Rs. 127.14 crores. Other loans and advances increased from Rs. 96.24 crores to Rs. 105.31 crores, of which advances to scheduled banks against usance bills rose from Rs. 53.24 crores to Rs. 59.98 crores. Such advances amounted to Rs. 208.25 crores since 1st January, 1957. Ways and means advances stood at Rs. 15.72 crores (Rs. 16.27 crores).

The return of the State Bank of India for the week ended 26th April, 1957, shows a drop of Rs. 5.33 crores in total deposits to Rs. 299.15 crores. Investments in Government securities and other authorised investments remain unchanged at Rs. 94.07 crores and Rs. 11.46 crores, respectively. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased, have advanced by Rs. 2.40 crores to Rs. 183.38 crores. Cash and balances are, in consequence, shown at Rs. 27.65 crores or Rs. 7.25 crores less.

The statement of the position of scheduled banks for the week ended 26th April, 1957, shows Demand and Time liabilities at Rs. 729.09 crores (Rs. 8.63 crores on account of borrowings from banks) and Rs. 502.90 crores (Rs. 2.52 crores), compared with Rs. 732.08 crores (Rs. 9.85 crores) and Rs. 495.66 crores (Rs. 2.13 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have declined by Rs. 31 lakhs and Rs. 3.98 crores to Rs. 37.97 crores and Rs. 65.86 lakhs, respectively. There is a drop of Rs. 52 lakhs in investments to Rs. 344.51 crores. Advances and bills discounted, at Rs. 907.94 crores, indicate a rise of Rs. 6.63 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.4 percent and 73.4 percent, against 8.8 percent and 73.4 percent.

Provisional figures of foreign trade of India by all routes—sea, air and land—on private and Government accounts, during February 1957, according to data so far available in the Department of Commercial Intelligence and Statistics, Calcutta, are as follows: Merchandise, excluding transit countries, namely, Nepal, Tibet, Sikkim and Bhutan: exports Rs. 5,425 lakhs, re-exports Rs. 30 lakhs, imports Rs. 7,132 lakhs; total trade Rs. 12,587 lakhs. Treasure; exports of currency notes Rs. 5 lakhs, currency notes Rs. 510 lakhs, others—nil. Balance of trade: the merchandise import figures are exclusive of the value of certain consignment of Government stores awaiting adjustment. Subject to this deficiency in import figures, the total value of exports (including re-exports) of merchandise and gold fell short of imports by Rs. 1,679 lakhs.

The HINDUSTHAN MERCANTILE BANK has made a profit of Rs. 4,631 for the year ended last December. Deposits amounted to Rs. 1.78 crores. Investments were shown at Rs. 91.40 lakhs. Advances stood at Rs. 1.46 crores. Cash totalled Rs. 18.35 lakhs.

The Central Bank of India, Ltd.

(Incorporated in India. Liability of Members is Limited).
(Established—December, 1913).
Head Office—MAHATMA GANDHI ROAD, FORT, BOMBAY-1.

Authorised Capital Rs. 6,30,00,000
Subscribed Capital Rs. 5,76,66,125
Paid-up Capital Rs. 3,14,54,250
Reserve Fund and other Reserves Rs. 4,02,77,122
Deposits as at 31-12-56 Rs. 1,39,01,90,571

DIRECTORS

Sir Homi Mody, K.B.E. (Chairman), Cooverji Hormusji Bhabha, Esq. (Vice-Chairman), Dinshaw D. Rorer, Esq., Dharamsey Multaj Khatau, Esq., Mannohandas Mohandas Amarsey, Esq., C. P. Wadia, Esq., Chinai Lal B. Parikh, Esq., Ramroze J. Gajdar, Esq., Sir Jamsetjee Jejeebhoy Bart. His Highness Sir Jawahar Madhavrao Chindia, G.C.S.I., G.C.I.E., Maharaj of Gwalior, Mr. S. K. Karanjia General Manager.

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

London Branch—159 Fenchurch Street, London, E.C3.
New York Agents—The Guaranty Trust Co. of New York, The Chase Manhattan Bank.

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

LOCAL BRANCHES

Calcutta—33, Netaji Subhas Road—Ballygunj—200/2C, Road, Benari, Avenue, Barrabazar—71, Cross, Street, Howrah—8A, Russa Road, Halkhola—109, Seva Bazar, Street, New Market—10, Lindsay Street, Shambazar—133, Cornwallis Street, Howrah—8A, Grand Trunk Road.
Branches in West Bengal—Asansol, Bankura, Burdwan, Jalpaiguri, Kalmansing, Purulia, Raiganj, and Singur.
Branches in East Pakistan—Chittagong, Dacca, Dinajpur, Khatunani, Mirskadim, Mymensingh, Narayanganj, Rangpur.
Branch in Orissa—Sambalpur.



THOSE WHO COMMAND—DEMAND...
QUEEN ANNE
SCOTCH WHISKY
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We know the drill!



for saving
India's
foreign currency

Oil from abroad costs valuable foreign exchange. Oil from inside India saves it. And we must have ever-increasing quantities to cope with the expansion of industry and agriculture.

Scientists and engineers are keeping Assam's oil industry working at full pressure to produce as much oil as possible from our own oilfields. Additional wells are constantly being drilled, yet even in an established area they are not always productive; in spite of modern knowledge and equipment, successful drilling still remains something of a gamble.

But no effort is spared to find oil and turn it into the fuel, lubricants and by-products which are so vital to the progress and prosperity of India.

ASSAM OIL COMPANY



A Member of the Burmah Group of Oil Companies.

to Rs. 481. Richardson and Cruddas met with selling pressure and were marked down from Rs. 17 to Rs. 16.31. Textile Machinery at one time improved to Rs. 19.20, but in sympathy with the general trend, closed easier at Rs. 18.90.

In paper, Sirpur were better at Rs. 9.25, as were Titagur at Rs. 33.75. India Paper Pulp were shaded at Rs. 21.06, while Orient fluctuated narrowly around Rs. 30.20.

In cement, Ashoka were reported at Rs. 10, while Dalmia were lower at Rs. 11.50. Jaipur Udyog met with good enquiry and improved from Rs. 11.43 to Rs. 13.06 but receded at the close to Rs. 12.62. Orissa Cement were maintained at Rs. 13.25, while Sone Valley were slightly better at Rs. 6.25.

In shipping, India Steamship recovered slightly from Rs. 9.94 to Rs. 10.09, while India General Navigation were unchanged at Rs. 66 and Port Shipping at Rs. 16.37. Calcutta Landing recorded a small improvement to Rs. 12.25.

In the miscellaneous section, Alkali and Chemical were enquired for at Rs. 11.75 while Angelo Brothers were unchanged at Rs. 18.25. Assam Saws attracted a few bargain hunters and the price improved slightly to Rs. 3. Britannia Biscuit closed lower at Rs. 12.87, as did British India Corporation at Rs. 6.70. Clive Row Investment were better at Rs. 9.56 and Dunlop Rubber changed hands freely around Rs. 24. Indian Cables met with selling pressure and were marked down from Rs. 25 to Rs. 24. The announcement of a final dividend of Re. 1 a share by Indo-Burma Petroleum Co. Ltd., making 20% for the year as against 40% for the previous year, was received with disappointment. The shares, after recovering from Rs. 28.50 to Rs. 30.50, slid back at the close to Rs. 28.87. Imperial Tobacco were better at Rs. 14, while Jardine Henderson were unchanged at Rs. 78 and Martin Burn at Rs. 23.31. National Carbon were offered at the lower rate of Rs. 24.75 and Rallis were neglected at Rs. 30. Rohas Industries were better at Rs. 18.25.

In the mining section, Burma Mines improved to Rs. 2.45, as did Indian Copper to Rs. 3.28 and Karanpura Development to Rs. 12.50. Orissa Minerals were slightly better at Rs. 18.62.

Dr. B. C. Roy's suggestion in his address to the Tea Association on Sunday that tea companies should not distribute dividends exceeding 6% or 7% introduced a note of caution in an already depressed tea section. Bishnauth eased to Rs. 19.25 and Hattikhira to Rs. 14.50. New Doars were marked back from Rs. 272 to Rs. 270. Jutibari from Rs. 21.37 to Rs. 21.25, and Tezpur from Rs. 19.37 to Rs. 19.19.

The profit of GODFREY PHILLIPS, INDIA, LTD. has increased by Rs. 3.37 lakhs to Rs. 22.38 lakhs for the year ended last December. Providing Rs. 11.2 lakhs (Rs. 9.1 lakhs) for taxation, there is a balance of Rs. 10,87,734. Bringing in Rs. 11,96,811 and adding other miscellaneous receipts, the distributable amount totals Rs. 23,32,206. The ordinary dividend is the same at 20 percent. Gratuitous reserve is allocated Rs. 1.06 lakhs against Rs. 79,000, leaving a carry-forward of Rs. 13,04,518.

BRUSHWARE LTD. has increased its profit from Rs. 7,280 to Rs. 24,322 for the year ended last November. The dividend is increased from 12 annas to Re. 1 a share. Rehabilitation reserve absorbs Rs. 7,500 against Rs. 3,500, leaving a carry-forward of Rs. 6,549 against Rs. 7,251 brought in.

Providing Rs. 33 lakhs (Rs. 29.1 lakhs) for taxation, the profit of the BOMBAY DYEING AND MANUFACTURING COMPANY has increased from Rs. 25.30 lakhs to Rs. 54.16 lakhs for the year ended last December. Bringing in Rs. 73,129, there is a balance of Rs. 54,89,593. The dividend has been maintained at Rs. 25 a share, including an interim

of Rs. 7-8 a share (same). Development rebate is allocated Rs. 23,14,077, leaving a carry-forward of Rs. 2,41,366.

Bombay Market

RISE IN SHARES NOT MAINTAINED

CAUTIOUS TRADING AS BUDGET DAY APPROACHES

Wednesday Evening.

THERE was a short-lived rally in prices on the Bombay stock market during the past week as money conditions were temporarily easier. In the beginning, speculators were encouraged by rumours of relief in taxation on earned income. Towards the close, sentiment suffered a setback and top gains were shaded on realising. Trading was cautious and there was a general inclination to reduce commitments in view of the Central Budget, which is expected to be presented on 15th May. Revival of pressure on funds, coupled with the Reserve Bank's circular asking commercial banks to be more discriminating in their advances against shares, caused a great deal of uncertainty.

Tata Steels reacted to Rs. 169.25 and Indian Iron were quoted lower at Rs. 20.35 after touching a peak of Rs. 20.75. Buying orders for the latter came especially from Calcutta interests. Tata Locomotive declined to Rs. 147 on profit-taking, while Alcock Ashdown were freely offered at Rs. 257.50, with sellers predominating. Premier Construction were quietly steady around Rs. 163.50. Routine turnover was seen in automobile shares. Premier Automobiles came to hand at Rs. 91 and Hindustan Motors were talked around Rs. 7.25.

The closing prices of cotton mill shares were

May 9, 1957.

below the best of the week. In spite of a satisfactory report, Bombay Dyeing reacted to Rs. 542.50 and Century declined to Rs. 461 on long liquidation. Kohnors realised Rs. 321.50, and S. 214 by knowledgeable Sivasdeshi were bought at Rs. 214 by knowledgeable Sivasdeshi and India United Ordinary were freely available at Rs. 10.10.

Fluctuations in miscellaneous shares were mixed. Cement shares were fairly steady, and Associated Cement were transacted at Rs. 159.25. Digested were done at Rs. 145.50, and Belapur were taken in sugar shares, and Belapur were made Rs. 250.50. Profit-taking receded the prices made Rs. 18.35 on pressure, but India Steamship were quietly steady at Rs. 10.10 on short-covering. Great Eastern Shipping were done at Rs. 18.60. Mining shares were subdued, and Shrivraipur Syndicate were sold at Rs. 84. B. B. Petrol were bought at Rs. 2.64. National Rayon were shaded at Rs. 16.25 on 27.25, as were Tata Chemicals at Rs. 16.25 on 27.25. Wimco were steady at Rs. 170 on main-realising. The distribution. Godfrey Phillips improving to Rs. 23.4 on a good report, indicating payment of the same ordinary dividend of 20 percent.

Limited turnover was seen in banking shares. Bank of India were transacted at Rs. 132.50 and Central Bank of India fetched Rs. 51. Insurance shares showed minor variation, with New India coming to hand at Rs. 41.25.

Electricity supply shares met with selective support. Ahmedabad were taken at Rs. 94 and Tata Power came to hand at Rs. 1,225.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations. Quotations for the Corresponding Closing Date a Year Ago, the last named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paise].

GOVERNMENT SECURITIES

3 % Loan (1986)—Rs. 74/50—74/63—74/12—74/40
3 % " (1970-75)—Rs. 86/75—87/00—86/75—87/00.
3 % " (1957)—Rs. 89/62—89/62—89/62—89/62.
3 % " (1963-65)—Rs. 94/12—94/12—94/12—94/12.
3 1/2 % " (1964)—Rs. 98/35—98/35—98/35—98/35.
3 1/2 % " (1974)—Rs. 98/53—98/53—98/53—98/53.
3 1/2 % " (1964)—Rs. 98/12—98/12—98/12—98/12.
3 1/2 % " (1965)—Rs. 98/31—98/31—98/31—98/31.
4 % U.P. (1968)—Rs. 97/69—97/69—97/44—97/44.
4 % Bihar (1963)—Rs. 97/37—97/37—97/37—97/37.
4 % Orissa (1968)—Rs. 97/44—97/44—97/44—97/44.
4 % Madras (1968)—Rs. 97/25—97/25—97/25—97/25.

BANKS

Hindustan Commercial—Rs. 9/50—9/75—9/50—9/75—
(9-10).
United Bank of India (D)—Rs. 4/31—4/31—4/25—4/25—
(4-5).
United Commercial—Rs. 53/00—53/75—53/00—53/75—
(50).
Punjab National—Rs. 53/50—53/50—52/87—52/87—(50-4).

COTTONS

Basanti—Rs. 5/25—5/37—5/25—5/37—(6).
Cawnpore—Rs. 6/00—6/03—5/93—5/93—(8-5).
Jayshree—Rs. 5/87—6/00—5/87—6/00.
Kesoram—Rs. 13/25—13/25—13/25—13/25—(17-7).
New Victoria—Rs. 1/87—1/87—1/81—1/81—(2-10).
Do. (Pref.)—Rs. 4/75—4/81—4/75—4/81—(4-7).

COALS

Bharat (Pref.)—Rs. 55/75—55/75—51/00—51/00.
Burrakur—Rs. 22/00—22/00—21/87—22/00—(14-3).
Bhalgora—Rs. 4/62—4/75—4/62—4/75—(6-14).
Bokaro & Ramgarh—Rs. 11/06—11/25—11/06—11/25—
(12-1).
Central India—Rs. 6/06—6/12—6/06—6/12—(7-3).
Goutangai—Rs. 1/50—1/50—1/50—1/50.
Katras Jheriah—Rs. 53/87—54/62—53/87—54/62—(55).
Lakurka—Rs. 7/50—7/50—7/50—7/50.
New Manbhoon—Rs. 9/00—9/50—8/50—9/50—(11-8).
Western Bengal—Rs. 5/44—5/50—5/34—5/34—(7).
West Ghusiek—Rs. 12/25—12/25—12/25—12/25.

JUTES

Anglo-India—Rs. 139/00—139/00—139/00—139/00—(168).
Barragore—Rs. 90/00—90/00—90/00—90/00—(135).
Birla—Rs. 14/50—14/62—14/44—14/62—(18).
Belvedere—Rs. 89/50—89/50—89/50—89/50—(160).
Chitavalasah—Rs. 12/44—12/50—12/44—12/50—(14-14).
Delta—Rs. 139/00—139/00—139/00—139/00—(201).
Fort William—Rs. 16/35—16/37—16/00—16/00.
Gondalpara—Rs. 680/00—680/00—680/00—680/00—(1,200).
Hooghly (Pref.)—Rs. 8/00—8/19—7/94—7/94—(13-13).
Howrah—Rs. 15/50—15/56—15/12—15/12—(23-2).
India—Rs. 133/00—133/00—133/00—133/00—(138).
Kamarhaty (B' Ord.)—Rs. 92/00—93/00—92/00—92/00—
Do. (Ord.)—Rs. 95/00—96/00—95/00—96/00—(135).
Kanknarrab (B' Ord.)—Rs. 60/00—60/00—59/50—59/50—
Magna—Rs. 78/00—79/50—78/00—79/50—(78-4).
National—Rs. 20/00—20/35—19/90—20/10—(24-8).
Nuddea—Rs. 30/75—31/50—30/75—31/50—(39-8).
New Central—Rs. 12/31—12/31—12/25—12/25—(16-14).
Waverley—Rs. 3/06—3/12—3/06—3/12—(6-5).

MININGS

Burma Mines—Rs. 2/40—2/50—2/40—2/40—(4-5).
Consolidated Tin—Rs. 1/50—1/56—1/25—1/56—(2-14).
Christian Mica (Pref.)—Rs. 55/00—55/00—55/00—55/00—
(58-12).
Indian Copper—Rs. 3/28—3/35 c.t.—3/26—3/28—(6-9).
Karanpura Development—Rs. 12/50—12/50—12/50—12/50—
(28-2).
Metal Corp.—Rs. 8/00—8/12—8/00—8/12—(10-4).
Orissa Minerals—Rs. 18/50—18/50—18/50—18/50—(24-2).
Tavoy Tin—Rs. 0/50—0/56—0/50—0/53—(Re. 1).

CEMENTS

Ashoka—Rs. 10/00—10/18—10/00—10/18.
Dalmia (Bharat)—Rs. 11/69—11/69—11/50—11/50—(15-14).

Jaipur Udyog—Rs. 12/00—13/06—11/93—12/31.
Orissa—Rs. 13/25—13/25—13/21—13/25.
Sone Valley—Rs. 6/25—6/31—6/25—6/25—(8-3).

CHEMICALS

Alkali & Chemical (Ord.)—Rs. 11/63—11/75—11/31—11/75—
(20-3).
Do. (Renunciation Letter)—Re. 0/14—0/18 Rn.—
0/10 P.m.—0/10 Rn.
Do. (Pref.)—Rs. 96/00—96/00—96/00—96/00—(105).
Smith Stanistreet—Rs. 11/50—11/69—11/50—11/69—(16-4).

ELECTRICS

Calcutta—Rs. 12/62—12/62—12/44—12/57—(13-4).
Do. (Pref.)—Rs. 9/25—9/25—9/19 x.d.—9/19 x.d.—
(11-5).
Mirzapore—Rs. 10/50—10/50—8/25—8/25—(9).

ENGINEERS

Arthur Butler—Rs. 8/00—8/00—8/00—8/00—(7-13).
Bhartha Elec. Steel—Rs. 15/31—15/50—15/31—15/50—
(17-6).
Braithwaite & Co.—Rs. 24/62—24/62—24/47—24/47—
(27-10).
Britannia Engineering—Rs. 13/50—13/75—13/50—13/75—
(18-8).
Guest, Keen, Williams—Rs. 27/12—27/12—25/18—26/37.
Hooghly Docking—Rs. 130/00—151/00—150/00—151/00—
(114-8).
Indian Iron—Rs. 20/00—20/75—19/87—20/30—(37).
Do. (New)—Rs. 18/63—19/54—18/78—19/18.
Do. (Pref.)—Rs. 98/50—98/50—98/50—98/50—(107).
Indian Steel & Wire Products—Rs. 59/75—59/75—59/75—
59/75—(47-4).
Jessop & Co.—Rs. 24/18—25/06—23/50—24/56—(35-1).
Kumardhubi—Rs. 9/06—9/12—9/06—9/06—(10-4).
Marshall's—Rs. 4/72—4/85—4/72—4/81—(6-4).
National Iron & Steel—Rs. 7/06—7/06—7/00—7/00—(7-2).
Richardson & Cruddas—Rs. 17/00—17/00—16/00—16/25.
Do. (Pref.)—Rs. 67/50—68/50—67/00—68/50.
Saran Engineering—Rs. 6/56—6/56—6/56—6/56—(8-2).
Textile Machinery—Rs. 18/85—19/20—18/75—18/90—
(24-2).

MISCELLANEOUS

Aluminium Corp.—Rs. 9/31—9/43—9/31—9/43—(10).
Angelo Brothers—Rs. 18/22—18/50—18/19—18/25—(21-10).
B. I. Corp.—Rs. 6/85—7/00—6/25—6/75—(11-7).
Do. (Pref.)—Rs. 122/00—122/00—121/50—121/50—(122).
Britannia Biscuits—Rs. 12/87—13/00—12/75—12/81—(15-4).
Balmer Lawrie—Rs. 145/00—145/00—145/00—145/00—
(177).
Clive Row Investment—Rs. 9/50—9/62—9/50—9/62—
Dunlop Rubber—Rs. 24/00—24/12 c.t.—23/87—24/06—
(30-5).
F. & C. Osler (Pref.)—Rs. 41/75—42/00—41/75—42/00—
Gillanders Arbuthnot—Rs. 11/12—11/31—11/12—11/31—
(14-3).
Ganges Rope—Rs. 103/00—103/00—103/00—103/00—(179).
Indian Aluminium—Rs. 12/81—12/87—12/60—12/81.
Do. (Pref.)—Rs. 64/00—64/00—62/00—64/00—(73-8).
Imperial Tobacco—Rs. 13/81—13/94—13/75—13/75—
(14-12).
Indian Cables—Rs. 24/44—24/44—24/31—24/31—(20-15).
Jardine Henderson—Rs. 74/00—74/00—74/00—74/00—
(100-8).
Metal Box—Rs. 27/50—27/62—27/50—27/62—(27-8).
Martin Burn—Rs. 23/25—23/37—23/25—23/31—(25-1).
National Carbon—Rs. 25/00—25/00—24/00—24/75.
National Insulated Cable—Rs. 19/19—19/31—19/19—19/31—
(22-13).
National Tobacco—Rs. 9/87—9/85—9/75—9/75—(12-2).
Osler Electric Lamp—Rs. 3/12—3/12—3/12—3/12.
Rohtas Industries—Rs. 18/00—18/37—18/00—18/37—
(22-13).
Shaw Wallace—Rs. 11/12—11/50—11/00—11/44—(15-10).
Western Stockholders Invest—Re. 0/80—0/80—0/80—0/80.
Walford Transport—Rs. 2/00—2/02—2/00—2/02.

OIL SHARES

British Burma Petroleum—Rs. 2/53—2/68—2/50—2/66—
(4-6).
Indo-Burma Petroleum—Rs. 28/62—30/62—28/62—28/87—
(43).

PAPER MILLS

India Paper Pulp—Rs. 21/06—21/06—21/06—21/06—(25-5).
Orient—Rs. 30/20—30/50—30/10—30/20—(36-11).
Shree Gopal—Rs. 15/12—15/25—14/50—15/12—(18-10).
Star—Rs. 9/62—9/62—9/62—9/62—(11-2).

SAW MILL

Assam Saws—Rs. 3/03—3/03—3/03—3/03—(4-12).

SHIPPINGS

Calcutta Steam Navigation—Rs. 16/00—16/00—16/00—
16/00.
Fraser & Co.—Rs. 14/25—14/25—14/25—14/25—(14).
India Steamship—Rs. 10/00—10/12—9/91—10/12—(8-11).
India General Navigation—Rs. 68/00—68/00—68/00—68/00—
(108-8).

SUGAR SHARES

Belsund—Rs. 11/06—11/12—11/06—11/12.
Carew & Co.—Rs. 7/43—7/43—7/43—7/43—(8-11).
Cawnpore—Rs. 15/94—16/25—15/94—16/25—(19-8).
Shree Krishna Gyanodaya—Rs. 10/19—10/25—10/12—10/12—
(11-14).

TEA SHARES

Banarhat—Rs. 265/00—266/00—264/00—265/00.
Barmah Jan—Rs. 17/93—18/00—17/81—17/81—(22-12).
Brooke Bond—Rs. 18/19—18/25—18/12—18/19—(24-10).
Brahmaputra—Rs. 5/87—6/00—5/87—6/00.
East India—Rs. 23/87—23/87—23/50—23/81—(25-12).
Hansqua—Rs. 26/50—26/50—26/37—26/37—(24-1).
Jayshree—Rs. 11/25—11/31—11/18 c.d.—11/18 c.d.
Ledo—Rs. 21/25—21/25—21/25—21/25—(5).
Namburnad—Rs. 19/00—19/00—19/00—19/00—(23-8).
Sapoi—Rs. 30/00—30/00—29/87—29/87—(22-14).
Sonal River—Rs. 12/25—12/31—12/25—12/31.
Tezpur—Rs. 19/25—19/25—18/94—18/94—(25-8).
Teloiian—Rs. 22/25—22/25—22/12—22/19.

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5 % Cal Elec Supply—Rs. 97/25—97/25—97/25—97/25.
4 % (1953-63) Calcutta Port Trust—Rs. 100/00—100/00—
100/00—100/00.
5 1/2 % Caltex Refinery—Rs. 98/00—98/00—98/00—98/00.

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Engineering and Transport

PROTECTION FOR PISTON ASSEMBLY INDUSTRY NEED TO IMPROVE QUALITY AND CUT COSTS

IN its report on the automobile industry, the Tariff Commission placed special emphasis on the development of ancillary industries. Piston assembly is one such industry. It has a vital rôle in the development of the automobile industry, but to maintain quality is of prime importance. As transport requirements are steadily increasing with the progress of the second five year plan, the demand for automobiles will increase in the future, and with it, the demand for piston assemblies also. The industry, therefore, has a bright future before it, provided it succeeds in maintaining high quality and in keeping its costs low.

Mr. C. Ramasubban, member of the Tariff Commission, opening the public enquiry into the question of continuing protection to the piston assembly industry, recalled that the Tariff Commission enquired into the claim of the industry to protection first in 1935. It recommended giving protection up to 31st December, 1957 by levying a protective duty of 50 percent *ad valorem*, standard, on trunk piston assemblies of diameter 6 inches and below, and pistons, rings (excluding chromium-plated rings) and gudgeon pins required for such piston assemblies imported separately. The preferential rate was left to be fixed according to the relevant trade agreements. The Government accepted those recommendations and protection was granted to the industry from 23rd November, 1955.

At present, the scheme of protection is restricted to the following items: trunk piston assemblies of diameter 6 inches and below, trunk pistons of diameter 6 inches and below, trunk piston rings (excluding chromium-plated rings) of diameter 6 inches and below and gudgeon pins for trunk pistons of diameter 6 inches and below. Protection has been granted on the condition that they are adapted for use as parts and accessories of internal combustion engines of all kinds. These exclude such articles as are used exclusively as parts and accessories of internal combustion engines of agricultural tractors and aeroplanes. The Commission has received representations from the industry to enlarge the scope of the present enquiry to cover chromium-plated rings and cylinder liners

(wet and dry). Chromium-plated rings are not yet produced in the country. But it could be examined whether there was any case for extending the same quantum of protection to chromium-plated rings as had been given to other types of rings. Mr. Ramasubban said. As for cylinder liners, the Commission prefers to hold a separate enquiry, if necessary.

Domestic Demand

At the 1955 enquiry, the Commission estimated the domestic demand, outside the requirements of the Defence Services, at 600,000 each for pistons and gudgeon pins and 4,800,000 for piston rings. The demand was expected to increase by 10 percent during next two years. In connection with the present enquiry, the Commission has received varying estimates of demand from the Development Wing and two of the producers. The Development Wing has estimated the current demand for pistons at 738,000 numbers, for piston rings at 5,900,000 numbers, and for gudgeon pins at 738,000 numbers. One of the producers has estimated the demand at 650,000 numbers for pistons, 4,500,000 numbers for piston rings and 650,000 numbers for gudgeon pins. The corresponding estimates of the other producer are 894,400 numbers, 7,633,600 numbers and 894,400 numbers. One of the producers is of the view that the demand is likely to receive a setback during 1957. The basis to be adopted in arriving at the above estimates of demand would be examined by the Commission which also would see whether the estimates furnished by the Development Wing required modification.

In 1954, only India Pistons Ltd., Madras, was manufacturing pistons, rings and gudgeon pins for use as original equipment as well as for replacement. Its capacity on single shift was estimated at 3,600,000 for pistons, 1,800,000 for piston rings and 480,000 for gudgeon pins. Another unit, namely, Hindustan Motors Ltd., Calcutta was manufacturing piston assembly for use in engines manufactured by it. One more unit, Goetze (India) Ltd. of New Delhi, with a capacity of 1,500,000 piston rings in the first year, was expected to go into production early in 1956. Besides, there were some small engineering units manufacturing component parts of piston assembly according to orders, but necessary details about them were not available. The position at present remains more or less the same.

Existing Capacity

The present capacity of India Pistons Ltd. has been furnished by the firm at 300,000 for pistons, 2,280,000 for piston rings and 360,000 for gudgeon

pins. The lower capacity for pistons and gudgeon pins submitted by the company is attributed to the wider range of large-size pistons in its manufacturing programme. Goetze (India) Ltd. could not commence production as scheduled and the firm now expects to go into production of piston rings, including chromium-plated rings, in July, this year. Its capacity remains unchanged at 1,500,000 rings on single shift. The capacity of Hindustan Motors Ltd. has been furnished by the Development Wing at 80,000 pistons a year. As was the case during the last enquiry, no statistics are available about the small engineering units engaged in the manufacture of component parts of piston assemblies for their own use. The output of India Pistons Ltd. during last three years, showing a steadily upward trend, was as follows:

	1954	1955	1956
Nos.	Nos.	Nos.	Nos.
Pistons	114,223	132,042	1,602,38
Piston rings	1,575,668	1,917,762	2,080,528
Gudgeon pins	22,790	134,056	142,187

Referring to the quality of the indigenous products, Mr. Ramasubban said that at the last enquiry, the general opinion was that the quality of pistons, piston rings and gudgeon pins manufactured by India Pistons Ltd., was satisfactory. But the evidence now received revealed that consumers' opinion on their quality is divided. Some of the consumers have stated, he said, that indigenous products have given satisfactory service and that they compare favourably with the corresponding imported products, while others have complained that indigenous products are inferior to imported ones. "We would like to know from the consumers the specific defects in the domestic products noticed by them and would also like to discuss with the manufacturers the steps taken by them to remedy these defects."

Import Classification

At the last enquiry, piston assemblies were classified for the purpose of issue of import licences, under various serial numbers of the Import Trade Control Schedule, according to their uses. Since then, imports have been canalised for all types of internal combustion engines, other than aircraft, under List III of Appendix XXVI of the I.T.C. Schedule. The current import policy is as follows. In the case of piston assemblies, a quota of 100 percent general and 100 percent soft, of one-half of their best year's imports has been fixed for established importers, but not more than 25 percent of the face value of the quota licences can be utilised for the import of piston assemblies of 6 inches diameter and below. Further, licences will not be valid for the import of piston rings except as component parts of complete piston assemblies. Actual users' applications from garages for import of complete piston assemblies of certain makes will also be considered *ad hoc*. Licences granted against this item will also be valid for the import of (a) piston assemblies of 36 m.m. diameter and below and (b) piston assemblies for auto attachments of all types provided the pistons are of 40 m.m. and below. The quota will be calculated on the basis of imports of complete piston assemblies and pistons. The established importers' quota for piston rings is the same as in the case of piston assemblies, that is, 100 percent general and 100 percent soft, but not more than 10 percent of the face value of the quota licences can be utilised for the import of piston rings of 6 inches diameter and below. Piston rings will also be allowed to be imported when they are imported with (a) original equipment either C.K.D. or assembled and (b) fitted to pistons when imported as complete piston assemblies.

Imports

The statistics of imports of piston assemblies and their components are being maintained separately by the D.G.C.I. and S. only from January 1956. The total imports during 1956 as furnished to the Commission were:

	Quantity Nos.	Value Rs.
1. Trunk piston assemblies of diameter 6 inches and below	93,923	13,75,260
2. Trunk pistons of diameter 6 inches and below	71,385	12,81,240
3. Trunk piston rings (excluding chromium plated rings) of diameter 6 inches and below	190,264	7,30,993
4. Gudgeon pins for trunk pistons of diameter 6 inches and below	20,406	59,904

The protected categories of trunk piston assemblies and their components are assessed to protective duty of 50 percent *ad valorem*, standard, and 42½ percent *ad valorem*, preferential.

AIR FRANCE PLACES ORDER FOR SEVEN MORE BOEINGS

Air France has increased its order from ten Boeing 707 inter-continental airliners to 17, fully to equip its fleet for operation on long distance routes. By placing this order, Air France becomes number one European airline to possess the largest number of four-engine jet planes of the inter-continental type. The delivery will commence in November, 1960, and will be completed by November, 1961. Air France thus will be able to put into service a large fleet of four engine jet aircraft during the peak season of summer 1960.

New Delhi

DECISION ON HEAVY ENGINEERING PROJECT EXPECTED SOON

REPORTED PREFERENCE FOR RUSSIAN RECOMMENDATIONS

(FROM A NEW DELHI CORRESPONDENT)

THOSE critics of the second five year plan, belonging mainly to the extreme Left but representing also a section of the Congress Party, who have been unhappy because of the reduced targets of heavy industrial development, may soon have some good news. In Professor P. C. Mahalanobis' plan-frame, the proposal for the creation of machine-building capacity to fabricate annually, from 1961, the equipment required for a one million ton steel plant, and other producer goods involved an estimated expenditure of Rs. 150 crores. The provision was later whittled down in the memorandum drawn up by the Planning Commission's advisory panel of economists. Not all members of the panel were convinced that the cut financial provision for the development of the railways and other transport. Subsequently, the mission's Informal Consultative Committee, consisting of members of Parliament, it was officially reported that "with reference to the pattern of allocations proposed in the plan, several members suggested an increased provision for heavy industry, especially for machine building." But the final version of the plan, issued in May 1956, made no mention of any proposal to create indigenous capacity for the fabrication of a one million ton steel plant each year from 1961. The document said that about Rs. 35 crores would be available to the National Industrial Development Corporation "for pioneering new basic and heavy industries." It spoke in general terms of "the desirability of ensuring conditions for the fabrication within the country of the bulk of the heavy machinery that will be required in the third five year plan." When the second plan was debated in Parliament last year, Mr. A. K. Gopalan, leader of the Communist group, was joined by some Congress members in criticising the allocation for heavy industries as inadequate. On the other hand, it was Mr. Asoka Mehta, the Praja Socialist Party leader, who asserted that "the democratic fabric will not be able to stand the strain" of any increase in the industrial component of the plan, as demanded by Mr. Gopalan.

Subsequent Developments

Subsequent developments served to confirm the impression that the plan-frame concept of heavy industrial development had been abandoned, and a more modest scale of development was planned. When Russia last winter offered to deliver machinery and equipment worth Rs. 60 crores on long-term credit, during the last three years of the utilisation of the aid were in terms of fertiliser factories, optical glass manufacture, mining equipment and an oil refinery in the public sector, leaving little for machine-building. It was, therefore, thought that the recommendations of the Russian expert team on heavy engineering, for a giant machine-building establishment to turn out equipment for steel plants, could be implemented only with additional Russian aid. The cost was estimated at Rs. 42 crores in the first stage and Rs. 52 crores in the second. The limitations imposed by the plan provision of only Rs. 35 crores was very much on the minds of the members of the Jehangir Ghandy Committee in their examination of the proposals made by the Russian team and by the Coates mission from Britain. The latter, it should be remembered, concerned itself with the manufacture of equipment for a number of industries besides steel and lying outside the scope of the Russian report, such as heavy machine tools, fertilisers and other chemicals.

Under the present programme for the development of heavy industries, with assistance not only from Russia but also from Britain, Western Germany and any other source of long-term credit, be sought. It now seems probable that the size and scope of the machine-building project will be far bigger, and much closer to the first stage outlined in the Russian report than was thought possible by most people—including the members of the Jehangir Ghandy Committee. The emergence of this prospect, which means a return to the plan-frame idea of creating capacity to fabricate steel plants, it is understood, is due directly to the Prime Minister. He is believed to have proposed that the plan provision for heavy industry should be increased, and that the first priority in utilising Russian credit be given to machine-building, by sacrificing some of the original projects. The subject of utilisation of Russian aid was discussed by the Planning Commission at a meeting last week in which Mr. Nehru participated. The Government, it is expected, will reach its decision shortly.

Cost Estimates

An estimate of the cost of the machine-building project, and of the extent of Russian credit it will entail, must await a technical examination of the question whether a foundry-forge should form part of it. This has been recommended in the

Russian experts' report. It is stated that it is not unusual even in Russia to have large castings transported over long distances from favourably situated centres of production. On the other hand, there are advantages in having a forge-foundry at the same site. While the distribution of capacity for heavy castings and forgings, for which three units were originally planned by the N.I.D.C. remains to be decided, the latest preference for the fabrication of steel plant equipment seems unlikely to be reversed, initiated as it has been by the Prime Minister himself. The governing idea is said to be that the country should become self-reliant by the middle of the third plan, at least in three strategic industries—steel, coal and cement. The machine-building project for the manufacture of steel plant components is, therefore, held to be indispensable, even if it calls for the postponement of some other second plan schemes. Among the likely casualties that have been mentioned are the proposed dry dock in Vishakhapatnam, and the development of synthetic fibres among consumer industries. The former Production Ministry was already pursuing a scheme for the manufacture of

coalmining equipment. It will now be pursued by the Department of Heavy Industries. The manufacture of cement machinery has not posed any comparable problem for the Government since a large project in the private sector, estimated to cost Rs. 20 crores, has been approved for this purpose. The project, in which two foreign firms—Babcock-Wilcox and Vickers—are collaborating with A.C.C., is expected to start production in 1960-61, and attain the full level of its output in 1964. It is designed to produce, besides cement machinery, some mining equipment, water tubes and high-pressure boilers. With plans thus in hand for coal and cement and most probably steel, the Government's attention should now turn to the prospects of securing assistance from Britain and the Continent concerning any foundry-forge units that it may decide to set up outside the machine-building project, the fertiliser and chemical industries, and heavy machine tools.

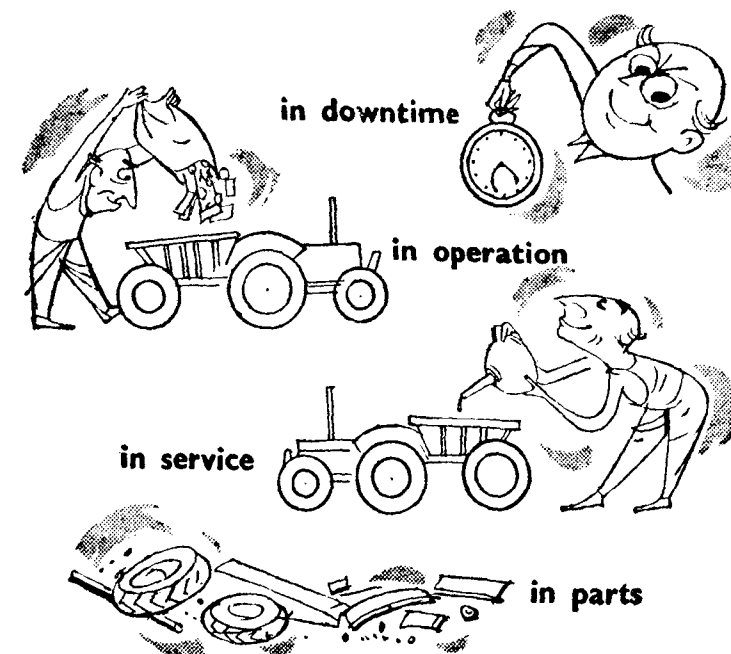
The increase in the size of the plan, and the heavy demand which it will make on the country's resources and the railway system, have been criticised by many responsible people including a member of the Planning Commission, Mr. K. C. Neogy. They feel that even if the foreign exchange needs are covered by long-term credit, an increase in the heavy industries programme, with the priority calls it will make on internal resources as well as the ports and railways, will starve the consumer industries of both finance and transport.

Views on Company Reserve Deposit Scheme

A deputation on behalf of the Federation of Indian Chambers of Commerce and Industry last week met Mr. A. K. Roy, Revenue Secretary in the Union Finance Ministry, to discuss the Government's draft rules for the deposit of a portion of current company profits with the Reserve Bank. The members of the deputation,

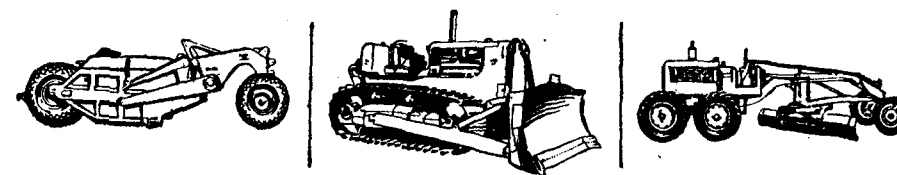
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who later paid a brief courtesy call on the Finance Minister, included Mr. Sri Ram, Mr. G. D. Somani, Mr. G. L. Bansal, Mr. G. P. Kapadia and Mr. B. P. Singh Roy. The discussion was on the basis of a memorandum already submitted by the F.I.C.C.I. in response to the Finance Ministry's invitation when the draft rules were published last month. The following are some important suggestions made in the memorandum:

(1) *Proportion of profits for deposit:* It has been urged that the percentage of current profits to be deposited should be fixed at 37½ percent, against the 50 percent specified in the draft rules and the maximum of 75 percent sanctioned by the Finance Act (No. 3) of 1956. The argument advanced is that the actual saving to a company under the deposit scheme is not the absolute amount of depreciation allowance or development rebate, but the amount of tax that would otherwise be levied on that. Therefore, the saving is to the extent of only about half the amount of depreciation allowance and/or development rebate. Since it is obviously the intention of the Government to leave a reasonable margin with the company, the deposit, it has been submitted, should be fixed at 37½ percent.

(2) *Rate of interest on deposits:* The Federation has submitted that the interest to be paid by the Government on the deposits should be not less than one percent above Bank rate. The memorandum says that, in certain circumstances, companies may have to borrow money in order to make the deposit at rates of interest much higher than Bank rate. According to the draft rules, interest will be allowed at the rate which may be notified by the Central Government for each financial year.

Approved Purposes

(3) *Definition of "approved purposes":* The Federation has urged that, in addition to what the draft rules provide, the following heads of expenditure should be specifically included in the definition of "approved purposes": capital expenditure for the expansion of existing business and working capital for the development and maintenance of business; loans of any kind, and not only those raised on fixed assets, and the payment of interest; expenditure on stock-in-trade and stores, and other trade outstandings and advances; cash resources required for the purpose of the business; and investments in Section 15C or 56A and such other companies and industries as may be considered important for the country's industrial development.

(4) *Definition of total income:* It is urged in the memorandum that income, for the purposes of the deposit scheme, should be computed according to commercial principles and should not mean assessable income. Otherwise, donations and other expenses which are added back to assessable income would have gone out of the company's hands, but the company would still be called upon to make a deposit relating to that portion of income. It is also urged that receipts in kind, in the form of shares or debentures, should be exempted from the computation of total income. Another suggestion is that allowance should be made for taxes paid in foreign countries, and for restrictions placed on remittances from foreign countries, in computing the statutory surplus for the purpose of the deposit scheme. The business profits tax levied in Pakistan has been cited in support of the plea that only the total income received in India should be taken into account.

(5) *Use of reserves:* The memorandum says with reference to draft rule 11 (1) that "reserves and accumulated profits" should be clearly defined, and it should also be made clear what exactly would constitute "a substantial portion" of such reserves and accumulated profits. More fundamental is the objection raised in the memorandum to the requirement that the utilisation of reserves in the past must have been for approved purposes now defined. It is argued that a company should not be penalised for having utilised its funds in previous years for purposes which then appeared necessary but might not now qualify for approval. The rules, the Federation has urged, should, therefore, provide that the question of a deposit should rise only if current profits are not utilised for approved purposes.

(6) *Board of Referees:* Finally, the memorandum urges that the Board of Referees, to whom any differences between a company and the Commissioner of Income-tax are to be referred and against whose decision there will be no appeal, should be constituted as an independent body. The draft rules do not say anything about the composition of the Board, but provide that it shall work under the general control of the central Government. The Federation has urged that the Board of Referees should be free from the

Cement from North Viet-Nam

control of the Central Government, like the Income-tax Appellate Tribunal, so that it can create confidence among the assesses.

It is understood that the import of cement from North Viet-Nam is being negotiated in addition to the purchase of 7,000 tons of rice, which was announced last week. The rice agreement included by the State Trading Corporation with a visiting trade delegation from North Viet-Nam marks the first major transaction with that country. Under the contract, North Viet-Nam has agreed to use the proceeds for the purchase of Indian commodities including jute manufactures, textiles, and engineering goods.

London

ENQUIRY REPORT ON LABOUR DISPUTES IN U.K.

DETAILS OF OVERSEAS TRADING COMPANY TAX RELIEFS

(FROM OUR LONDON CORRESPONDENT)

THE labour situation looms large on the economic scene at the moment, for the Court of Enquiry's reports into the recent disputes in the engineering and shipbuilding industries have been presented to the Minister of Labour. It has suggested that the parties must now choose between either a straightforward wage increase of 5 percent, or a larger increase of roughly 6½ percent in return for important concessions by the unions which include a promise to refrain from further wage claims for a year, to settle all disputes by negotiation, encourage better productivity and time-keeping, and end restrictions on earnings. The unions, it will be remembered, asked for 10 percent, and the employers' best offers were 3½ percent in the engineering industry and 5 percent in the shipyards, with "strings" attached. The three-man court has gone further by proposing the establishment of National Joint Industrial Councils for both industries, and of an authoritative and impartial body to consider "the wider problems of wages policy in an inflationary setting." The Government has already welcomed the last of these proposals and has promised to give it "urgent consideration" which will involve discussions with both sides of industry. The attitudes of the employers and the unions to the court's findings will not be made known for another week or two and until the reports have been studied fully, but initial reactions, at least in the more moderate circles, are not unfavourable.

The 5 percent "pattern" gets more and more established. It has just been accepted by the N.U.M. executive, and the employers will no doubt be prepared to go even further if the unions are, in fact, prepared to implement the attached conditions. On the other hand, the belligerency displayed at the annual conference of the Amalgamated Engineering Union, at the instance of the Communist element, in pressing a fresh wage claim before the present one has been decided, suggests that any further negotiations between the two sides might be both protracted and perhaps acrimonious. Short time working is contracting again, with only 75,000 involved on 26th April against 82,000 a month earlier; motor-car manufacturing is getting back to normal; the effects of the oil and fuel crisis have not been so great as many expected; and labour's recent fears of unemployment are fading fast.

Overseas Trading Corporations

The complex task of drafting the Finance Bill has been completed, and it duly made its appearance last week. Part IV, which concerns the position of companies trading abroad and the special tax treatment to be accorded them calls for detailed consideration. The "Overseas Trading Corporation" (abbreviated to O.T.C.) is defined as a company carrying on trade outside the U.K., or a non-trading company which has a trading subsidiary overseas, and no U.K. subsidiaries which are not O.T.C.s. Activity in Britain other than the exercise and control of central management disqualify from O.T.C. status. There is an exception here for companies of this type producing commodities such as rubber, tin and tea and they may sell their commodities on recognised commodity markets in Britain. An O.T.C. which exports British goods must buy them f.o.b. and not incur expenses or provide services relating to the goods in Britain before the f.o.b. point. A company disqualifies as an O.T.C. unless its profits are chargeable in some country to a tax similar to U.K. income-tax or profits tax; or if its profits are the kind that would be liable to income-tax in some country if the whole world has a tax identical with the U.K. income-tax. As already stated in the Budget speech, certain businesses are expressly excluded from the scheme. The most important are banking, hire-purchase finance, dealing in securities, insurance, shipping and air transport.

The benefit conferred by the O.T.C. scheme is in general limited to the excess of the U.K. rate of tax over the rate of tax appropriate to the particular company in the country where it operates. But, where the other country's general rate is as high as the U.K. rate, there may still be a benefit if the company could enjoy special reliefs—say for depletion of minerals or as a pioneer industry—in the overseas territories. An O.T.C. will not be liable to income or profits tax on its trading profits. It will remain liable to both taxes on any investment income. Moreover, the O.T.C. will be liable to income-tax, subject to double taxation relief, on trading profits. A shareholder which is a U.K. company will be liable to profits tax on dividends and other distributions from an O.T.C.

An O.T.C. deducts income-tax from its dividends at the standard rate and accounts to the Treasury for the deducted tax. But it is granted credit for tax which it has paid abroad. Subject to the new provisions relating to double tax relief, non-resident shareholders (other than subsidiaries of U.K. companies which are not O.T.C.s) are entitled to repayment of the deducted tax. For this purpose, an O.T.C. which has an O.T.C. subsidiary will be treated as a non-resident. Relief for repayment of deducted income-tax is limited to the standard

rate less the credit for the tax paid abroad. A U.K. company which is a shareholder in an O.T.C. pays profits tax on dividends received since these are not franked income.

Transfer of Profits

For the larger and more complex British companies, the most important new provision is the means whereby they can transfer profits from one overseas country to another without incurring U.K. tax. Until now dividends from a locally-controlled subsidiary remitted to the holding company in Britain incurred U.K. tax, even when the money was reinvested in another overseas subsidiary. An O.T.C., on the other hand, can operate in several overseas countries. Moreover, a non-trading company which has only O.T.C. subsidiaries can itself be an O.T.C. and would not have to be the top company in its group. Profits can thus be transferred from one country to another, and dividends would become liable to U.K. tax only when paid by the O.T.C. to its parent which was not an O.T.C. In addition, there is the convenience of having centralised management and control in Britain instead of having to form local boards divorced from U.K. control.

It would be quite wrong, however, to think that there are no snags. The biggest will arise in the political sphere in the case of those large groups who have fostered local control and management of overseas subsidiaries to accord with sentiment in the countries concerned and have benefited thereby. To switch back now would certainly be a retrograde step of doubtful value. Attempts will no doubt be made during the Committee stage to overcome this difficulty, but may not prove successful. As dealing in securities does not qualify, mining finance houses would have to "hive-off" this part of their business. Provision of technical and managerial services in their mines, it is thought, would qualify as an O.T.C. Investment income could stay in the O.T.C., but is always taxable whether from home or abroad. At all events, the new proposals will certainly mean busy days for the Registrar of Companies, for there is little doubt that any company qualifying will take advantage of the new concessions.

Industrial Production Checked

The rise in industrial production in January and February came to a halt in March, according to the index compiled by the Central Statistical Office. The provisional estimate for March is 142.143, against 143 in February and 141 for March a year ago. The figure adjusted for seasonal factors is 135.136, which was actually lower than the February level of 137. March had no holidays in it this year, and should have shown an increase over February which had fewer working days, but the strikes in the shipbuilding and engineering industries cut back production at the end of the month, with falls in the motor industry particularly severe. The April figures will be affected, too, but after that, if the present trends continue, there should be an upturn.

Gold and Dollar Reserves Up

The gold and dollar reserves rose last month by \$111 million to a total of \$2,320 million, largely due to the American and Canadian decision to waive the year's interest on the postwar loans, which allowed \$104 million to be taken back into the reserves from the temporary suspense account. There was also a receipt of \$2 million of United States aid. On the other hand, \$6 million was paid to the European Payments Union to settle the March deficit and a further \$3 million to repay old debts. In April, the transactions with the E.P.U. produced a surplus of \$16 million, of which three-quarters will be received this month in gold. This reversal of the preceding month's experience reflects the normal heavy imports of sterling area raw materials into Europe at this season, reinforced by abnormally large French imports until last week, when restrictions were imposed. In contrast to the trend in February and March, there was no further drawing of dollars by India from the International Monetary Fund. In view of the fact that heavy dollar payments for oil imports have so far been made without touching the credit from the Export-Import Bank, nor indeed the stand-by credit from the I.M.F., the gold and dollar position is not unsatisfactory, though the build-up to meet the adverse seasonal factors experienced in the autumn cannot get very far unless the U.K. can do better than earn a net surplus—excluding all special payments—of only \$14 million a month.

Capital Expenditure by Industry

One of the major criticisms of Mr. Peter Thorneycroft's first Budget, put forward both by the Opposition and some economic experts in the City, was that it failed to provide any incentives to industry to invest more heavily. They contended that the slackening of demand resulting from the credit squeeze would ultimately result in a widespread falling-off in orders for capital goods. The Chancellor, however, has continued to assert that the only approach to this matter must be a cautious one if we are not to see a repetition of what happened following Mr. Butler's cut in Bank rate in 1954—an investment boom and some revival of inflationary conditions generally. Some figures in the Treasury's latest *Bulletin for Industry* help explain Mr. Thorneycroft's refusal to relax his present firm grip on credit. They disclose that although there was a smaller rise in investment spending by manufacturing industry in 1956 than in 1955, (20 percent against 27 percent), the quarterly figures show an upward trend after an initial setback, and this is expected to persist in the current year, so that total investment in manu-

facturing, especially on plant, machinery and vehicles, will "remain at the high level now attained." The nationalised industries spent £537 million last year against £505 million in 1955; this year, an expenditure of £643 million has been approved, which is a rise of nearly 20 percent. Central Government spending, which is being largely inflated by the atomic energy programme, was not cut at all last year; it rose by 15 percent to £226 million and is expected to grow again by that amount this year. Even the local authorities increased their capital spending last year by 5 percent to £567 million, though in their case, "a lower rate of increase" is expected for 1957. These figures suggest that fears should be occasioned less by prospects of any decline in capital spending as by once again spending too much.

Credit Squeeze Continues

That the Government is serious about the maintenance of the credit squeeze, in spite of suggestions that relaxations are "just around the corner," is made evident in the April statements of the London clearing banks. These show that between 20th March and 17th April advances rose by £17 million to £1,993.5 million. During the same period, bank borrowings of nationalised industries rose by £12.6 million to £524 million. Bank lending to the private sector thus rose by only £4.4 million, which is insignificant in view of the steadily expanding requirements of essential industries. It implies that the seasonal increase in advances, noticeable in February-March, has come to an end. The banks' liquidity ratios are almost unchanged on the month at 32.65 percent but Lloyds had to sell £22 million of its investments to get back into line, while the National Provincial has dropped below the accepted working minimum of 30 percent. Gross deposits have risen by £41.7 million to £6,203 million, but the index of net deposits compiled by Lloyds Bank, which smooths out seasonal variations, is down from 105.9 to 105.6.

The squeeze by directive in the case of the banks is also being maintained in another quarter. The capital expenditure of local authorities is also being checked. Figures just released show that loans sanctioned in England and Wales in the first three months of 1957 were £15 million lower than in the same period last year, the totals being over £118 million against £131 million. Sterling on a wide range of capital projects is being restricted, and a number are being deferred. Housing, school building and certain major work on roads are excepted from the restrictions. The education figure, nevertheless, is about £3½ million lower. The biggest cuts are on account of sewage schemes and water supplies which between them show a total fall of over £3½ million. Expenditure on libraries has also been heavily curtailed and that on town halls and offices nearly halved. Large sums, however, were sanctioned for car parks and highways.

Lancashire Delegation Visits Pakistan

The delegation from Lancashire under the leadership of Sir Cuthbert Clegg, Vice-President of the Cotton Spinners' and Manufacturers' Association, has just left for Pakistan, the same delegation visited India and Hongkong earlier this year for discussions with representatives of the cotton industries in those countries on the possibility of reaching agreement on a voluntary limitation of textile exports. It will hold similar discussions with the leaders of the Pakistan cotton industry. The talks will complete the circle of discussions, which started in January, between the Lancashire industry and the foreign industries which compete in the British home market. It will be remembered that the delegation met with a most encouraging response in Bombay, where the Indian representatives agreed to put a ceiling on their exports to Britain if the leaders of the industry in Hongkong would do the same. Hongkong, however, refused and the Indians later announced that since the essential condition of the agreement had not been fulfilled, it must be regarded as inoperative. Later, after the delegation had returned to Britain, it decided to bring Pakistan into the scope of the discussions, and a hint was given that if this proved to be successful another approach might be made to Hongkong.

Brevities:

Motor insurance rates are to be increased by varying amounts of up to 33½ percent from 1st July, because of the ever increasing cost of claims, it is announced by the Accident Officers Association, whose members write a substantial share of the motor insurance business in the United Kingdom. Private cars, commercial vehicles and motorcycles are all involved.

Lack of transport facilities in India has continued to affect the results of Central Provinces Manganese Ore. Profit for the past year, after transferring £225,622, against nil, to ore stock reserve, was slightly lower at £529,067, against £1,574,340. The latest figure includes only £10,685 relating to earlier periods, against £30,111 last time. Tax absorbs £1,080,000, against £931,000. The distribution is held at 35 percent tax-free, a final of 16½ percent and bonus 6½ percent again being paid.

Mr. Leo d'Erlanger, Chairman of the Channel Tunnel Company, informed shareholders at the annual meeting that the Suez Canal Company is to make a technical study of the possibilities of a Channel tunnel. The cost of a geological survey is estimated at between £250,000 and £275,000. A syndicate will be formed consisting of the Suez Canal and Channel Tunnel companies, with British and French railways and British, French and American banks.

Bombay

CASE FOR WITHDRAWING CONTROL ON COTTON

TEXTILE MARKETS CONTINUE

TO IMPROVE

(FROM OUR BOMBAY CORRESPONDENT)

THE East India Cotton Association has made a case for the withdrawal of the control on cotton from the new season. In a communication addressed to the Textile Commissioner, the Association, it is reported, has pointed out that the control on cotton loses much of its meaning in the absence of a similar control on cloth. It is further stressed that the present control prevents the formulation of a realistic hedge contract, and does not permit the futures and the spot sections of the market to move in sympathy and in accordance with the normal laws of supply and demand. The Government contention seems to be that the statistical position of cotton does not warrant a removal of the present restrictions. The Association is reported to have suggested that a stricter control on exports and a more liberal import policy may help the situation. If, however, the Government feels that it is not possible to remove the control, the Association suggests that the floor prices for the new season's crop be raised from Rs. 495 to Rs. 600 for Jarilla 25/32 in, with the ceiling at Rs. 825. This will narrow the differential between the floor and the ceiling prices to Rs. 225, against the present gap of Rs. 325. It is believed that this will also encourage the grower to step up production. Meanwhile, the futures market has picked up again following the recent depression. Despite the introduction of higher marginal deposits in relation to the Jarilla May contract, it shot up to Rs. 710, against the previous week's Rs. 696.50. The Vijay June contract finished at Rs. 849, having gained Rs. 849. There is still no enthusiasm for the 20,000 bales of Egyptian growths permitted to be imported under the special payments system. There was

some interest in spot lots of Californian cottons. The recent improvement in the cotton textile market continues. Amritsar, Delhi, Kanpur, Patna and Andhra have been Bombay's best customers. Business with Calcutta has been disappointing, while Rajasthan accounted for moderate transactions. Superfine and fine varieties continue to be in demand. On the export side, moderate business has been reported with Singapore and Burma. Further business with the latter is expected shortly. Moderate business has been reported with Ghana and the United Kingdom for grey cloth. It does not seem likely that business with Indonesia will be possible for some time because of the foreign exchange crisis there. But the overall picture is not entirely depressing. Exports of cotton piece-goods from Bombay during the first quarter of this year amounted to 239,250,000 yards valued at Rs. 16.46 crores. This compares with an export figure of 177,380,000 yards valued at Rs. 12.3 crores for the corresponding three months of last year. Exports of greys increased from 100,920,000 yards to 141,460,000 yards. White cotton piecegoods exports were considerably higher at 45,380,000 yards, while coloured goods rose to 49,410,000 yards. Exports of apparel and other textiles fetched Rs. 2,220,000.

Yarn Market Better

After a long period of inactivity, the cotton yarn market showed some signs of life. There were enquiries, particularly for the coarse counts. Some mills held on to stocks in the expectation that the demand would broaden further leading to a higher price level. It was reported that some manufacturers of rayon yarn in Europe were offering fine deniers for quick shipment at a price reduction of around 4d a lb. This led last week to a near crisis in the local market with 120 dull cones May delivery touching Rs. 790. The June contract lost over Rs. 10 a case and fell to Rs. 803. The June contract for 2/40 lost even more and declined from Rs. 614 to Rs. 602 a case. Staple fibre was easy following a lack of interest in Punjab and Uttar Pradesh. Dealers are carrying heavy stocks and reports that south Indian producers are willing to sell their production at reduced prices further depressed the market.

P. N. B. WORKING RESULTS AT A GLANCE

STATEMENT OF ACCOUNTS AS ON 31-12-1956

LIABILITIES	
i. Paid up capital	Rs. 87,50,000
ii. Reserve Fund and other Reserves	Rs. 1,25,00,000
iii. Deposits	Rs. 1,06,38,58,201
iv. Other Liabilities (including contra items such as Bills for collection and acceptances, endorsements and other obligations)	Rs. 32,52,11,363
Total ..	Rs. 1,41,03,19,564
ASSETS	
i. Cash and balances with Bankers	Rs. 12,39,23,611
ii. Investments	
(a) Investment in G. P. Notes, Municipal Loans and shares guaranteed by the Central and State Govts.	46,89,66,671
(b) Other investments	1,40,42,990
iii. Loans and advances	48,30,09,661
iv. Other assets (including contra items such as Bills Receivable being Bills for collection and constituent liabilities for acceptances, endorsements and other obligations)	54,86,00,526
Total ..	Rs. 1,41,03,19,564

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FIRST MEETING OF CENTRAL ZONAL COUNCIL

ASSESSMENT OF RESOURCES

FOR PLAN

(FROM OUR LUCKNOW CORRESPONDENT)

A HIGH-POWERED committee to assess the resources and needs of the central zone comprising Uttar Pradesh and Madhya Pradesh has been set up by the zonal council which met last week. The Union Home Minister, Pandit Pant inaugurated its discussions. The headquarters of the zone will be in Allahabad. It has a population of 89 million and an area of 284,600 square miles. Although Madhya Pradesh is the larger State in area, it has a smaller cultivated area. Of the total cropped land of 92 million acres in this zone, more than 78 million acres are under foodgrains. The areas under oilseeds, cotton and sugarcane are 9.4 million acres, 2.5 million acres and 2.7 million acres, respectively. While sugarcane is produced in Uttar Pradesh, most of the cotton growing area lies in Madhya Pradesh. Jute, with an area of 33,000 acres, is grown in Uttar Pradesh only. Normally both Madhya Pradesh and Uttar Pradesh are self-

sufficient in food supply, but the zone as a whole is relatively deficient in communications—a fact which was particularly stressed by Pandit Pant.

As against the total outlay of Rs. 444 crores in the second plan, the contribution of the two States is estimated to be Rs. 142 crores—Rs. 114.3 crores from Uttar Pradesh and Rs. 27.7 crores from Madhya Pradesh. The gap of nearly Rs. 300 crores has to be covered, which appears to be the chief problem. Some important projects of the Central Government are located in this zone. The completion of the Bhilai steel project and the heavy electrical plant in Madhya Pradesh and the development of coal mining are expected to assist the diversification of the economy. The first meeting of the council discussed, among other things, the construction of the Rihand dam and the Matatila dam. A proposal for the extension of the Northern Indian Canal and Drainage Act of 1873 to Madhya Pradesh was considered. It was suggested that the administration of the canals belonging to U.P. and irrigating that area be taken over by the U.P. Government. It was also suggested that the Madhya Pradesh Government accept the *jemabandis* presented by U.P. irrigation authorities and the realisation of irrigation dues be made on the basis of those records. The Home Minister's reference to the border between Madhya Pradesh and Uttar Pradesh which in the opinion of many, he said, "was not rational" has given rise to some specula-

tion whether boundary readjustments are again in the offing.

Textile Mill Closure

The U.P. Government has moved the Government of India to appoint some authorised controller or to contact some millowners to take over the textile mill run by the British India Corporation, Kanpur, where about 5,000 workers are facing retrenchment. The State Government has itself contacted the mill authorities to prevent closure of the mill. The Corporation had announced its intention to close the Kanpur Cotton Mill branch with effect from 12th May. A joint statement, issued by the chairman, Mr. Mundhra, and the Deputy Managing Director, Mr. R. L. Powell, says that since 1952, the mill has been incurring heavy losses. The statement adds that to continue the cotton textile business will endanger the Corporation's other businesses. Consequently, in the interests of the Corporation and the 7,000 workers it employs in its other branches, it has been decided to close the cotton textile mill.

According to industrial circles in Kanpur, the closure of this mill might have been prevented if the Government had allowed the management to go ahead with its rationalisation plans. Its losses since 1952 have amounted to Rs. 90 lakhs, and it is possible that this money could have been better employed in introducing technical improvements on the production side. It is also stated that matters have gone so far that even if the Corporation is offered the choice of rationalisation now it is not in a position to accept it. It may be recalled that the Kanpur Textile Rationalisation Enquiry Committee had anticipated a redundant surplus of only a little over 2,000 workers in the event of its proposals for rationalisation in only seven of the Kanpur mills being implemented. The Committee had also suggested ways and means of absorbing this surplus. The number of workers affected by the impending total closure of one mill alone is more than double the number anticipated by the Rationalisation Committee.

Co-operative Farming Controversy

At the Development Commissioners' recent conference in Mussorie, a sharp controversy over the question of co-operative farming was expected. But the controversy did not prove a sharp one. Only U.P.'s spokesmen gave their views against co-operative farming. The case for the State Government was stated in a pamphlet published over the signature of the Revenue Minister, Mr. Charan Singh, and with a foreword by the Chief Minister, Dr. Sampurnanand. According to the Chief Minister, the consolidation of holdings, now being carried on in Uttar Pradesh, is itself a great step, so its results should be watched carefully before embarking upon other experiments. Mr. Charan Singh's argument is that if *zamindari* abolition was psychologically right, co-operative farming is psychologically wrong, because the peasant-proprietor will no longer be his own master, but be subject to the control and direction of group management. He concedes that the co-operative principle may be fruitful in agriculture, but when stretched to the point of the merger of holdings, it violates, he holds, the essence of co-operation. Another objection he has advanced is that large-scale farming, whether collective or co-operative, will inevitably attract mechanisation. Mechanised tilling, in his view, reduces and not enhances the yield. Another evil, he says, is the reckless waste of money by co-operative managers. He is, however, willing to try co-operative farming on an experimental basis in the Bhodan lands, provided an independent evaluation of the results is made.

Increased D.A. for Government Servants

The U.P. Government is considering the question of giving increased dearness allowance to Government employees. The Chief Minister told a meeting of the Federation of Ministerial Service Associations that even if only Rs. 5 more was given, the increased cost to the Exchequer would be Rs. 3.5 crores. The Union Government is prepared to contribute Rs. 2 crores towards the cost, in which case the State's liability would be reduced to Rs. 1.5 crores. But the Central subvention would cease after five years and the whole burden would fall on the State.

Company Reserve Scheme

In a communication to the Central Board of Revenue, the U.P. Chamber of Commerce has proposed a number of modifications to the draft rules on current profit deposits by companies. The Chamber has suggested that there should be a definite time limit within which the Board of Referees should dispose of applications from companies for the refund of deposits. It has also requested the Board to provide for a system of staggered payments to enable companies to meet their liabilities under the deposit scheme. It is stated that only a small portion of the companies' profits and reserves is kept in cash and it is ploughed back into business. Most of the companies will, therefore, be obliged to borrow from banks and pay a higher rate of interest. The Chamber has also proposed a modification of the period within which the excess deposit may be determined by the income-tax officer and the interest on it has to be made. Thirty days allowed for the purpose, it is considered, is too short. In the case of an appeal, preferred or pending against an assessment order, the Chamber holds that the amount of deposit to be made should be computed on the basis of the return submitted by the assessee. The Chamber is further of the view that in determining the statutory surplus of a company, the total income of the company for the previous year should be reduced by the amount of losses carried forward.

Commodity Markets

WORLD TRADE IN COTTON TEXTILES

JAPAN ESTABLISHES NEW RECORD

WORLD production of cotton yarn reached a record high level in 1956, according to the Cotton Board's latest Quarterly Statistical Review, which covers the fourth-quarter returns. Exports of piecegoods were not quite so good over the year as a whole, although the experience of individual countries varied. Man-made fibres established new trading records, and it is significant that Japan is rapidly re-establishing her pre-eminence in almost every sphere of activity. In those countries for which regular figures are available, yarn output increased in the final quarter of the year, reaching a level 3½ percent higher than in the corresponding period of 1955. Output in 1956 as a whole was about 2½ percent greater than in 1955. Japanese production increased rapidly from the second quarter onwards as restrictions were removed, and the Indian mills also recorded steady progress. Almost all the main western European industries succeeded in expanding their output during 1956, but in the United Kingdom—despite some improvement in the final quarter—production throughout 1956 remained below the 1955 level. In the U.S.A., the rate of activity slackened in the second half of 1956, and for the year as a whole cotton yarn output was less than in 1955. World trade in cotton piecegoods normally shows a sharp seasonal expansion in the fourth quarter. Last year the increase was particularly great and in the final quarter, the volume of exports from those countries for which statistics are regularly avail-

able, exceeded the level reached in the corresponding period of the previous year. The increase in Japanese exports in the fourth quarter was particularly striking, but all the other main exporting countries with, probably, the exception of Hongkong, share in the increase to varying extents. Exports in 1956 from those countries for which statistics are available were about 3 percent less than in 1955, but increased exports from other countries, notably China, eastern Europe and Pakistan, probably brought the world total to slightly above the 1955 level. Japanese exports increased from 1,139 million square yards in 1955 to 1,262 million square yards in 1956. Exports from India (about 740 million square yards), the U.S.A. (about 520 million square yards) and the United Kingdom (474 million square yards) were all less than those in 1955, while the U.S.A. took over Britain's place as the third largest exporter of cloth. Exports from Hongkong, France, Germany and Italy were all less than in 1955, but Dutch, Belgian, Swiss and Portuguese exports increased to varying extents. World trade in piecegoods of man-made fibres established a new record in the final quarter of 1956, with Japanese exports showing another impressive increase. Exports from most of the other important exporting countries also increased in the fourth quarter, but British and French exports declined once again. World trade in these fabrics in 1956 was about 12 percent greater than in 1955, with Japan by herself accounting for the whole of the increase. Exports from most of the smaller European countries were also greater than those in 1955, but British, French and German exports declined somewhat, while American exports showed little change.

U.K. Trade in Textiles

Since the beginning of December there had been a marked slackening in the rate at which new

orders had been received by the producing sections of the British cotton industry, and order books had shown a general tendency to shorten. Clearly many merchants had anticipated their requirements in the previous flurry of buying. However, the vast majority of mills were fully occupied in working off the orders they received in that period. The daily rate of cotton, spun rayon and mixture yarn output in February was the best for any month since March 1955. Output of spun rayon yarns continued at a high level, thanks to the new trade in coarse yarns for tufted carpets. The weaving section had been more badly hit by the shortage of labour than other sections and the daily rate of output in January was less than it had been in all but two months of 1956. Compared with a year ago the decline in the output of rayon fabrics was much more severe than that of cotton fabrics, but the production of synthetic fibre fabrics and mixture fabrics had been well maintained.

Exports of cotton piecegoods increased from 112 million square yards in the third quarter to 126 million square yards in the fourth quarter, but the total of 474 million square yards for 1956 as a whole compared very unfavourably with the 555 million square yards exported in 1955. The major increases in shipments in the fourth quarter were directed to Burma—a result of the "triangular" deal based on American aid, and to British West Africa. There were also increases in exports to the Belgian Congo, French West and Equatorial Africa and the U.S.A., and in these three cases the volume of trade was greater than in the corresponding period of 1955. Exports to Australia and New Zealand in the final quarter of last year were slightly below the third quarter level but slightly greater than in the fourth quarter of 1955. Shipments to Rhodesia declined again but trade with South Africa continued to show little alteration.



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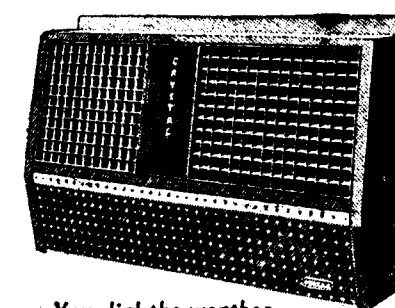
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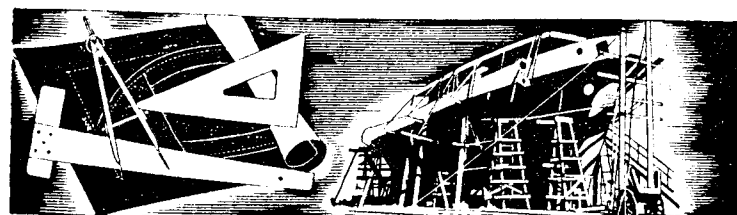
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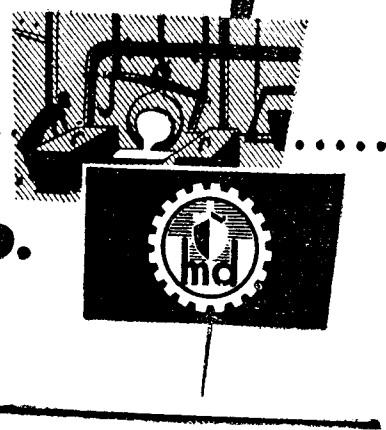
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Unlike exports of cotton fabrics, those of man-made fibres and mixtures declined further in the fourth quarter and for 1956 as a whole totalled only 121 million square yards against 134 million square yards in 1955. Shipments to Australia and Indonesia declined sharply in the fourth quarter and, as in the case of cotton cloth, the trade with Rhodesia had been decreasing since the beginning of 1956. In contrast with the trade in piecegoods, exports of cotton yarn in 1956 were maintained at the previous year's level. There is little doubt that only the closing of the Suez Canal prevented an increase in the imports of cotton piecegoods in the fourth quarter of last year. In fact, there was a moderate decrease in imports from India and little change in the quantities coming from other sources.

Setback in the U.S.A.

The signs of a revival in the outlook for the U.S. cotton industry which were reported last autumn proved to be short-lived. In January, the daily rate of cotton consumption was less than in the corresponding month of the previous year for the eighth consecutive month. Spun rayon was hit earlier and presumably more than cotton, largely because of the competition from the natural fibre aided by new finishes. These trends are well brought out by the available statistics. In the fourth quarter, consumption of cotton in spinning mills was 4 percent less than in the fourth quarter of 1955; consumption of rayon staple decreased by 14 percent, but there was some recovery in the consumption of nylon staple. The effect of the automobile industry's buying policy could be illustrated by the 19 percent drop in tyre cord and fabric output in the fourth quarter compared with a year earlier. The latest figures of cloth production relate to the third quarter when, in comparison with the third quarter of 1955, cotton cloth output showed a drop of 3 percent, rayon cloth output 22 percent (especially marked in spun fabrics) and nylon cloth output 39 percent. There was a fair measure of recovery in American exports of cotton cloth in the final quarter of 1955, no doubt largely because of the subsidy paid to exporters by the Government as rough compensation for the higher domestic price of raw cotton. The chief increase in the fourth quarter were in exports to Canada and the Philippines; exports to the former market were running above the 1955 level, but shipments to the Philippines and Cuba—the two next most important markets—have declined since 1955. There was little change in exports of fabrics of man-made fibres in the fourth quarter, and the total for the year, as a whole, was much the same as that for the preceding year.

Details are now available of the agreement in accordance with which the Japanese Government is to restrict the exports of cotton goods to the U.S.A. from 1957 onwards. The agreement is to last five years and it contains a provision for annual review. It provides a quota for cotton piecegoods (113 million square yards) and for four broad classifications of made-up goods; the limit for any of these five groupings may be exceeded by up to 10 percent, provided the grand total square yardage does not exceed 235 million square yards in any year. (This compares with total exports of 270 million square yards in 1955.) Within the five broad groupings, subsidiary limits have been fixed for individual products, including one of 35 million square yards for gingham and one of 2.5 million square yards for velveteens. As a result, it is understood that the applications for tariff increases on these two items have been shelved. It is also reported that Italy has agreed to restrict the export of velveteens to the U.S.A.

Increase in Japanese Exports

With the removal of restrictions on output, the production of cotton yarn and cloth in Japan reached new postwar record levels in the fourth quarter and for the year as a whole. Both domestic and export demands were very strong during 1956. In the man-made fibres sector, too, output,

was still leaping ahead, leading to fears of possible overproduction of spun rayon yarn. All cotton spindles had to be registered by 20th October, which accounts for the rapid increase in spindleage since the early summer. The intention is that there will be a strict control over any further additions to capacity, and there are provisions to eliminate the spindles which prove to be redundant. In addition to the 9 million cotton spindles, there were 2.8 million operable spun rayon spindles in October; thus the combined spindleage is virtually as great as the prewar peak.

There was a very great expansion in Japanese exports of cotton cloth in the fourth quarter, the total volume constituting a new postwar record. Exports in 1956 as a whole totalled 1,262 million square yards which, while well above the 1955 level, was just short of the postwar record of 1,278 million square yards achieved in 1954. The fourth quarter increase was directed to almost all of Japan's main markets with the exception of the U.S.A., to which exports were voluntarily limited, and Hongkong, whose re-export trade with Indonesia has virtually disappeared. The biggest increases were in trade with Burma, a consequence of the "triangular" deal involving American aid, Siam and Singapore. The Philippines and Ceylon were two markets which had been taking a rapidly increasing volume of Japanese cloth, apparently at the expense of American and Indian trade respectively, and exports to Indo-China remained at a very high level. Exports of rayon piecegoods were also at a record level in the final quarter of last year, with very large quantities having been shipped to British West Africa, Hongkong and Iraq.

Indian Mill Production Exceeds Demand

In the fourth quarter of last year, mill production of cotton yarn and cloth in India continued to be greater than in the corresponding period of the previous year. Mill production of cloth in 1956 set up a new all-time record, but yarn output was slightly less than the 1943 record. Stocks of cloth are reported to be mounting steadily, as the increased excise duty is restraining consumption. In the absence of any expansion in weaving capacity, the increased production has come about primarily through the extension of shift working—almost half the spindles and over a quarter of the looms are now working three shifts. Exports of Indian cotton piecegoods by sea fell fairly sharply in the third quarter. Most of India's main markets took smaller quantities, especially the Sudan, British East Africa, Aden and the United Kingdom. In contrast, shipments to British West Africa and Ceylon improved substantially. It is understood that there was a very pronounced recovery in exports in the fourth quarter.

Bigger Output in Western Europe

The cotton industries of most of western Europe were exceedingly active in the final quarter of 1956. In contrast to the position in the United Kingdom, cotton yarn output in the region as a whole in the fourth quarter was about 8 percent greater than in the corresponding quarter of 1955. Output in 1956 was about 4 percent greater than in 1955 and about the same as in 1954. French output of both cotton and rayon goods expanded very strongly in the fourth quarter. The Government is understood to be considering the restriction of imports of raw cotton to save foreign currency and to compel the substitution of home-produced rayon staple. The production of cotton goods in Germany continues to increase, although there might have been some decline in the output of spun rayon yarns and fabrics. Output in Italy, Belgium and Austria seems to have been well ahead of the level reached in the corresponding period of 1955, and the improvement is noticeable in both the cotton and the rayon sections of each industry. The experience of the Dutch industry seems to have been rather different; indeed, production in the fourth quarter of 1956 appears to have been slightly less, at least in spinning, than in the fourth quarter of 1955. It is understood that

the Dutch mills are suffering from an acute shortage of labour.

Western European exports of cotton piecegoods made the usual strong seasonal recovery in the final quarter of 1956, but the year's total was about 7 percent less than the 1955 figure. With the disappearance of the re-export trade with Turkey, German exports in the second half of 1956 were well below the level reached in the corresponding period of 1955. Exports to Sweden have also declined, and Denmark is now Germany's principal foreign market. Italy has also suffered from the decline in the Turkish trade, but Italian exports of cotton piecegoods seem to have been stabilised, at an admittedly low level, with the U.S.A. the main market in October and November. The steep drop in French exports, as a result of the drying-up of the Indo-China trade, appears to have run its full course by now. Dutch exports continue to expand strongly; shipments to Indonesia declined sharply in the fourth quarter, but there has been an upward trend in trade with Germany, Belgium, French West Africa and the Belgian Congo. Exports from Belgium continue to make a good showing, due to an increasing trade with the United Kingdom, the Netherlands and Germany—the three main markets. Exports of piecegoods of man-made fibres from western Europe expanded seasonally in the final quarter of last year, and the volume exported in 1956, as a whole, was probably much the same as the previous year's figure. German exports as declined during 1956 for the second year in succession. French exports appear to have decreased in the final quarter of the year, but exports from Italy continued to run at round about the previous year's level. Austrian exports have recovered strongly and exports from the Netherlands and, especially, Belgium expanded markedly during 1956.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August 1939=100) advanced by 0.5 percent to 423.1 during the week ended 20th April, 1957 compared with 421.2 (revised) for the previous week. The index was higher by 0.3 percent and 7.9 percent respectively when compared with the corresponding week of the previous month and that of a year ago. The index for Food Articles went up by 1.0 percent to 410.7 compared with 406.6 (revised) for the earlier week as a result of an increase in the prices of tea for internal consumption (+2.9%), coffee (+3.5%) and wheat in Amritsar and gur (+2.2%) in spite of a decline in the prices of wheat (new crop) in Hapur (-1.6%) and in Jabalpur (-1.1%) and gram (-4.4%). Higher prices of manganese ore (average export price) (+9%), manganese ore (average export price) (+9%), rapeseed and copra linseed in Bombay (+5.4%), rapeseed and copra linseed in Bombay (+5.4%) raised the (+2.2% each) and groundnuts (+1.1%) raised the index for Industrial Raw Materials by 0.5 percent to 516.4; the prices of castorseed (-6.1%) and raw hides (-1.1%) were, however, marked down. By index for Semi-Manufactures also moved up, 0.2 percent to 400.4. Items which exhibited noticeable variations during the week were: castor oil in Madras (+9.9%), mustard oil in Kanpur (+8.8%), linseed oil in Bombay (+6.6%), buffalo hides (+5.3%), cow hides and coconut oil (+2.2% each), copra cake (-10.1%), mustard oil in Patna (-3.3%) and gingelly oil (-2.2%). The index for Manufactures remained unchanged at the previous week's level of 384.1. A rise of 0.2 percent to 568.5 compared with 567.4 (revised) for the previous week in the index for the miscellaneous group was caused by an advance in the prices of black pepper in Cochin (+4.4%) and cashewnuts (+3.3%) although the price of chillies in Patna declined by 3 percent.

INDEX NUMBERS BY GROUPS AND SUB GROUPS

(Base: Year ended August 1939=100).

Groups and Sub-Groups	20-4-57	13-4-57	23-3-57	21-4-56
I Food Articles :	410.7	406.6(R)	403.6(R)	361.3
Cereals	529*	541*(R)	534*(R)	464
Pulses	412	423	440	347
Others	261	241	240	233
II Industrial Raw Materials :	516.4	513.6	520.8(R)	475.4
Fibres	509*	508	509(R)	461
Oilseeds	556	550	561	536
Minerals	520	511	554	448
Others	415*	417(R)	412	388*
III Semi-Manufactures :	400.4	399.6	403.8	378.7
Leather	401	391	410	409
Mineral oils	211	211	210	208
Vegetable oils	573	561	578	538
Cotton yarn	482*	484	485	457
Metals	328*	328	328	281
Oilcakes	403*	419	418	426
Others	375	375	387	362
IV Manufactures :	384.1	384.1	383.9	376.0
Textiles	409*	409*	410	409
Jute	...	414	408*	491
Cotton	412*	412*	414*	408*
Rayon and Silk	...	...	442*	502*
Woollen	266	266	266	264
Metal Products	392	392	392	371
Others	305	305	302	286
V Miscellaneous :	568.5	567.4(R)	567.1	496.5
All Commodities	423.1	421.2(R)	422.0(R)	392.2

R = Revised

* = Estimated.

Jute

DELAY IN ARRIVAL OF NEW CROP LIKELY

SIGNIFICANCE OF RISE IN RIVER LEVELS

ALTHOUGH there has been rain in many places in Assam and in a few places in north Bengal, there are large areas which are still suffering from drought and it is now certain that the Indian crop will be late. In the days when mills had the money to carry large stocks and when there was always a big carry-over of old crop, that would not have mattered. But, in these times, when their stocks are small and there is no large surplus of old crop available for purchase, it may have a material effect on the raw jute market, for it widens interval between the stage when old crop jute will be getting scarce and the arrival of new crop in substantial quantities begins. Much will depend on just how much of the 1956 crop of jute and mesta there is still to come forward. At times like these, reports from the districts invariably tell us that imports into the mofussil centres are small and that there is little jute left in the villages. But, in the past, these reports have always been found to be exaggerated. It is natural that growers and upcountry dealers should propagate such stories in order to obtain better prices. It is also natural that they should withhold supplies in the hope of getting better prices, which, in turn, gives the impression that there is truth in what they say about the supplies available.

The latest bit of propaganda that is being put out is that, because the rivers are now rising in Assam, it may be necessary to cut the lowland crop before maturity and, as the sowings were late, early harvesting will substantially reduce the yield. It is really too early to discuss such a contingency. The rivers are rising but that is normal at this time. Heavy rains have been reported in the hill districts in north-east Assam, but the rise in the rivers which is taking place now is due more to the melting of the snows than to excessive rainfall. What may cause an early rise in the rivers is the unusually early melting of the snows due to the excessive heat which has prevailed recently. It is too early yet, however, to pay heed to these Cassandra-like prophecies. As far as the mills' raw jute stock position is concerned there does not at present seem to be any cause for anxiety. At the end of March—the April figures are not yet available—they had jute in their godowns equal to approximately 13 weeks' consumption, which would take them to the end of June. It is estimated that the jute which they received in April was not far short of their consumption and, if that is correct, they now have enough to carry them on towards the latter half of July. So, if they can get from the balance of the current crop jute equivalent to two months' consumption, they will be safe, though the margin may be small. It is impossible to estimate accurately how much jute is actually available, but there is in Cossipore, roughly, sufficient for two weeks' consumption and the arrivals there do not show any marked sign of falling off. Mill purchases in April are estimated to have been only about half the month's consumption. It is probable, therefore, that arrivals at mills' stations in May will be less than the monthly average but, if so, it must not be deduced that that is due to a decrease in supplies, as it may be only the result of smaller purchases.

I.J.M.A. Stocks of Manufactures

For the past week or ten days, there has been some nervousness in the gunny market over the poor shipment of goods during April. It was expected that there would be an increase of about 10,000 tons in the mills' stocks at the end of this month. The figures now issued show that hessian stocks are higher by 5,600 tons than those at the end of March, while sacking stocks have increased by 2,300 tons. There was a decrease of 600 tons in other kinds, leaving a net increase of 7,300 tons. An increase in stocks at this time of year is more or less normal, and last month's increase should not cause any alarm. Comparison with last year does not, of course, give a true picture because mills had then in operation looms which had a short while ago been unsealed and stocks were mounting up rapidly. Two years ago, when the number of looms at work was the same as at present, stocks increased by 8,700 tons. The present position may, therefore, be considered not unsatisfactory. Out of the 105,000 tons held by the mills at the end of April, 35,400 tons or 33.7 percent were hessian and 58,800 tons or 56.0 percent were sacking. Of the stocks at the end of April, 1956, hessian accounted for 33.3 percent and sacking for 58.7 percent. It is noteworthy that there is very little difference between the percentages at the end of April this year and those at the end of April last year, in spite of the reduction in sacking output and the increase in hessian.

THE JUTE MARKETS

Manufactured Goods: The market has been firm. This has partly been due to the continued drought over a large part of the jute-growing areas, as may be deduced from the fact that, as soon as there were reports of rain from a considerable number of places, there was an immediate and sharp drop in the fatka market. Prices did not, however, remain down for long. Shipper buying for the Argentine was reported and there was a report that the Burmese Government had called for tenders for a further quantity of heavy

goods. Some enquiries for specialities and orders for internal consumption were reported. Mills have been reserved on account of the firmer tendency of raw jute and it is reported that it has been difficult to place orders with them.

On Wednesday morning, the market opened easier and quotations were as under:

	Ready Rs.	May Rs.	June Rs.	July-Sept. Rs.
40in. 8oz.	34.50	34.50	34.50	34.50
40in. 10oz.	42.75	42.60	42.70	42.50
B Twills	115.10	115.35	115.35	115.30
Heavy Cees				
(Plain)	114.25	115.10	115.35	115.30
A Twills	140	138.50	138.50	138.50
Liverpools	128.25	128.75	128.75	128.75
Cornstecks	115	115.50	115.65	116

Raw Jute : Early in the week, there was fairly heavy buying by mills. Later, business continued on a reduced scale. It was mostly for mesta but Purnea, north Bengal and Assam white jute and Murshidabad Tossa came in for attention. After the buying early in the week, sellers were reserved but rain in a number of places brought more offers and prices dropped by Re. 1 a maund. The fall did not last long, however, and prices soon recovered. Assam and Northern jute, after being sold at Rs. 30.50 basis Bottoms, dropped to Rs. 29.75 and then recovered to Rs. 30.50. Assam and Northern Middles alone were done at Rs. 31.75

I.J.M.A. STOCK FIGURES FOR APRIL

The Indian Jute Mills Association reports the total stocks of jute goods for the month of April as follows:

Description	30th April, 1957		31st March, 1957		Increase over (+) or decrease from (-) last month		30th April, 1956	
	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons	Lakh Yds.	000 Tons
Hessian Cloth and Bag	13.24	35.4	10.86	29.8	+ 2.38	+ 5.6	13.26	35.9
Sacking Cloth and Bag	14.14	38.8	13.74	36.5	+ 1.40	+ 2.3	15.02	40.3
Others			10.8	11.4		- 6.6		8.7
Grand Total (000 Tons only)		105.0		97.7		+ 7.3		107.9

N.B.—These figures are based on replies received and represent all members of the Association and Gagalbhai with estimates for three non-member mills.

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Mofussil: The import position remains much the same but there is a tendency on the part of stockholders to wait for better prices.

Rain fell in most districts in upper Assam. There were scattered showers in the rest of Assam and in parts of north Bengal. There were also showers in some of the Daissee districts, but elsewhere the drought continued.

GUNNY SHIPMENT STATISTICS

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

	Hessian (Tons)	Cloth (Tons)	Total (Tons)
1st to 30th April 1957	2,603.3	22,844.0	25,447.3
1st to 31st March 1957	3,030.3	32,415.7	35,446.0
1st to 28th February 1957	2,054.4	27,761.0	29,815.4
Sacking			
1st to 30th April 1957	26,176.6	1,401.3	27,577.9
1st to 31st March 1957	40,095.4	5,412.2	45,507.6
1st to 28th February 1957	27,004.9	3,433.4	30,438.3

THE FOREIGN JUTE MARKETS

FIRMER TENDENCY IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

CONDITIONS have been pretty bad in the jute trade for some weeks past, but the prolonged spell of idleness may end soon. Buyers of jute yarns and cloth are showing more interest because of the continued firmer tendency in raw jute, there has been more trading this week in anticipation of an advance being granted in prices of jute yarns. Spinners are complaining bitterly because there has been no increase in the fixed rates for their manufactures, while, since the last change in prices was notified to take place from 7th February, prices of fibre have risen by £12 or £14 a ton. The Pakistanis have so often unwarrantably raised their prices for raw jute during the past few seasons that the trade is reluctant to exploit anything that can be seized upon to firm up the market. At the moment, reports state that the weather is hot and dry and that good rains are required to permit sowings to continue in both India and Pakistan. It is stated that the crops are likely to be at least one month late.

Meanwhile, there is not so much offering in raw jute, presumably because of the holidays in Pakistan. But the tendency has been in an upward direction and Mill Firsts are raised to £122, Mill Lightnings to £113, Mill Hearts to £108 and grade Hearts to £102, with good marks of Daissee-2/3 at £112 and grade at £108, grade Tossa-2/3 at £119 and grade at £112, all c.i.f. U.K., May-June shipment. Spinners have bought a few thousand bales, mainly on spot and afloat, but also a little for prompt shipment. It is distressing to learn that there are some parcels of jute which should have been shipped as long ago as September-October which are only now being sent from Chalna or Chittagong. Tentative offers of new crop Lightnings have been made for August-September shipment at £102 a ton, but no business has been reported. Calcutta goods have advanced this week to 64s 3d for 40in. 10oz. and 48s 6d for 74oz. May, 64s 6d and 48s 6d June and 65s and 48s 6d July-September, with B Twills at 176s 3d, 176s 6d and 177s 6d for the respective positions of shipment, all f.o.b. Calcutta.

THE PAKISTANI JUTE MARKETS

SHARP RISE IN FIBRE

(FROM A NARAYANGANJ CORRESPONDENT)

DESPITE reasonably low prices which prevailed over the past month or so, the undertone remained bullish, as sellers were merely looking for an excuse to raise their prices. The excuse at last turned up, and over the past seven days, prices have risen sharply. Arrivals have been poor as rail bookings from the north have been stopped, partly due to trouble on the line. Evidence is increasing firstly, that the current crop is not as large as was expected; secondly, that it will have to be stretched further due to the late arrival of the new crop; and finally, of course, that there is a lack of rain which is the real factor behind this speculative increase in prices. The news that the Chinese have bought 3,000 tons privately from a big baler for ready shipment at the c.i.f. Continent equivalent of £110, and that they are openly in the market for ready shipment at the equivalent of £115, has also contributed to it. The reaction, naturally, has been a swift rise of prices, mainly in pucca bales.

Loose jute prices, where available, are quoted at Rs. 32-8 for B Bottoms, Rs. 30-8 for C Bottoms and Rs. 28-8 for X Bottoms with dry jute scarce. With these high prices, arrivals should have increased were it not for the fact that wagon arrivals from the north have been scarce. As most of the purchases made by China are for ready shipment, the rise in prices is reflected mainly in pucca bales which are now quoted at Rs. 210, for Export Firsts, Rs. 200, for Export Lightnings and Rs. 187 for Export Hearts even Cuttings are steady at Rs. 90 ready, with a slight premium on forward. The rise in loose jute has been

mainly sympathetic and also due to the Idd holidays. It may soften slightly in the near future. On last Friday and Saturday, there were very heavy rains and Saturday's rains, it is reported, were very widespread. Although this may help the crop, it is rather late to have much effect on the market.

While there is no doubt that the crop will be late, it appears fairly certain that the Jat area is not adversely affected except possibly that the growth may have been slowed down, and as a result, the chur land crop which is about 2 annas of the total, may have to be harvested earlier or immature. The district area, as it could be seen from the air, appears to be growing very sparsely and the ground is quite dry. Reports indicate that conditions are the same in the north, but with the rains that have started it may be that these crops will come up well if somewhat late. Reports from overseas indicate interest mainly in prompt shipment in small quantities. The afloat market is at a premium except, of course, for Dundee which is well bought. New crop business is also reported at improved prices.

Several of the Pakistani mills came into the market when Calcutta prices showed signs of increasing to Rs. 112 for B Twills and Rs. 41-8 for hessian. Since then the Calcutta market has risen to Rs. 116 for B Twills and Rs. 42-8 for hessians, but due to the holidays, the Pakistani mills, with a few exceptions, have been unable to take advantage of this rise. The Karachi market remains unchanged, and there is still no news of the local sacking tender. South Africa again came into the market for Pakistani goods and bought fairly well before the rise which occurred during the Idd holidays.

Plantation Topics

COCHIN TEA SALES

A T Dust Sale J. 700,000 lbs of tea were on offer. There was less demand and prices were irregularly 15 to 25 nP easier.

NORTH INDIAN TEA CROP REPORTS

The following summary of crop and weather telegrams has been received for the month of April 1957.

Upper Assam: Weather reasonable and wet with heavy rain in the last half of the month; hail damage is reported in Doom Dooma and Dibrugarh, though generally fair to good prospects are indicated in the region as a whole.

Central Assam: Rainfall deficient in Jorhat and Golaghat, though elsewhere satisfactory; red spider blight severe in Golaghat; immediate prospects generally fair.

Lower Assam: All districts except Borsola suffering from hot and dry weather, which is affecting outturn; the prospects in Nowgong are unfavourable and Tezpur has suffered extensive hurricane damage; immediate prospects elsewhere are fair.

North Cachar: Red spider blight is prevalent; the outturn for last month was poor, and hail has caused damage in Lakhimpur; rain has now improved prospects.

South Cachar: Hot, dry weather relieved in second half of month by rain; hail damage is reported in Hailakandi; rain still needed in Chargola and Longai; red spider blight prevalent; outturn last month was poor.

Eastern Doonars: Dry, hot weather; red spider blight prevalent.

Central Doonars: Abnormally hot; red spider blight prevalent; outturn last month normal, but immediate prospects are bad.

Western Doonars: Hot and dry with rain badly needed; outturn poor; red spider blight is prevalent.

Darjeeling: Outturn last month good, but immediate prospects bad; weather abnormally dry; red spider blight is severe in some districts.

Tera: Severe drought conditions; crop prospects nil unless rain falls; red spider blight is severe.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 25-4-1957 (Rupees a lb.)	Average for the week (Rupees a lb.)
Sheet:		
No. 1	1.26	1.26
No. 2	1.23	1.23
No. 3	1.20	1.20
No. 4	.96	.96
No. 5	.91	.91
Crepe:		
Water white	—	—
R.M.A. No. 1X	1.12/15	1.13
R.M.A. No. 1	1.09/12	1.09
Scrap Crepes:		
Sc. Crepe No. 1	.95	.95
Sc. Crepe No. 2	.92/94	.92
Sc. Crepe No. 3	.85/91	.86
Flat Bark	.75/80	.78
To arrive at f.o.b. Colombo prices add 53.53 cents a lb. for crepe other than scrap crepe, and 31.53 cents for scrap crepe to the above market prices.		

Calcutta Markets

FAIR GENERAL DEMAND AT TEA DUST SALE

A T Internal Sale No. 45, held on 7th May, tea dust offerings amounted to 20,715 chests. There was a fair general demand which weakened as the Sale progressed. C.T.C. Assams were irregular, but were generally easier while the orthodox kinds from this district were 10 nP easier at the close of the Sale. Commons and Doonars were also easier, and at the close, were selling up to 12 nP below last rates. Once again the black leafy types suitable for export were the strongest feature.

Quotations:	1957 Rs.	1956 Rs.
Medium Doonars Dust	1.60	1 8 0 to 1 9 0
Medium Assam Grassy Dust	1.60 to 1.65	1 9 0 to 1 10 0
Medium Assam C.T.C. Dust	1.65 to 1.70	2 12 0 to 2 14 0
Best Assam C.T.C. Dust	Not quotable.	

There was a good demand for Leaf at irregular rates for the 1,186 chests on offer.

WEAK UNDERTONE IN FREIGHT MARKETS

THE weakness observed in most freight markets last week has intensified and there have been reductions all round. The American coal trade fell to 60s 9d for single voyages and, with tonnage plentiful in June, will probably fall further. Coal from Australia to Japan was fixed at 84s f.i.o.s. with a 1,500-ton load which compares most favourably from the importer's point of view with the current indication of 125s from Calcutta with a 750-ton load. There seems very little prospect of Indian coal ever recapturing the Japanese market. In the Indian ore trades, a number of fixtures were made at very reduced rates compared with recent business. Two Ports East Coast-Poland paid 130s, Mormugao-Rotterdam-Emden 126s 6d gross terms and 112s 6d f.i.o. to Rotterdam direct and Vizagapatam-Antwerp-Rotterdam 120s, f.i.o. Grain rates were also lower with various fixtures from Pacific Coast to Bombay at rates ranging from 137s 6d down to 132s 6d and Geelong-Karachi was done at 110s with Chittagong 115s.

LINSEED STEADY

A steady undertone has been maintained during the past week due to the continued withdrawal of upcountry sellers, and an acute scarcity of arrivals. Buyers and sellers have been rather reserved, and trading has been poor. The oil section has been fairly inactive, as local prices were out of parity with overseas markets; small ready lots have been sold to shippers in fulfilment of previous contracts. Latest quotations were as follows: Ready Rs. 22-12 a maund and May-June Rs. 23 a maund.

MIXED TREND IN HIDES AND SKINS

The market in skins ruled steady, while that of hides was easier. Stocks were less than in the previous week.

Bazaar Sales

(Between 30th April and 6th May, 1957)
Cowhides: Wet salted (Slaughtered) 12,000 pcs. on the basis of Rs. 12.50 to Rs. 20.
Goatskins: Wet salted (Daissee, Killed) 6,700 pcs. on the basis of Rs. 310 to Rs. 350 and Rs. 375; Puneah-Kissenganj 14,200 pcs. on the basis of Rs. 285 to Rs. 300; Muzafferpore-Patna 20,000 pcs. on the basis of Rs. 317.50 to Rs. 320.

Bazaar Stocks

(6th May, 1957)
Cowhides: Wet salted 2,11,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 18,000 pcs.; Assam-Dinajpur 22,100 pcs.

SHELLAC QUIET

During the week ended 7th May, the market was quiet. The range of quotations was as follows:

Pure Buttonlac	Rs. 102, 100 buyers.
Lemon No. 1 Shellac	Rs. 105 done buyers; 102.50, 101.50 buyers.
Lemon No. 2 Shellac	Rs. 97.50, 98, 65.50 buyers.
F.O. Std. 1 Shellac	Rs. 90, 90.50, 88.50 buyers.
Pure TN Shellac	Rs. 86, 85 basis done buyers; 83, 84 buyers.
4% I.T.N. Shellac	Rs. 76.50 to 75 buyers.
No. 1 Kusmi Seedlac	Rs. 94 buyers; 93, 92 value.
No. 2 Kusmi Seedlac	Rs. 89.50, 88 buyers; 89, 88.50 value.
Fine Bysaky Seedlac (Manbhumi)	Rs. 87.50 to 85 buyers; 84 done and buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 83.50, 82.50, 83 buyers; 82 done and buyers.
Ordinary Bysaky Seedlac (C.P.) Under 5%	Rs. 78 to 76 buyers.
Ordinary Bysaky Seedlac (C.P.)	Rs. 74 value, 73, 71 buyers.
Kireelac	Rs. 33 to 32 buyers.

Shipments during April until the 30th were 22,220 packages comprising shellac 13,763 packages, seedlac 6,384 packages, buttonlac 640 packages and others 1,433 packages.

COMPANY AND PUBLIC NOTICES

THE CALCUTTA JUTE MANUFACTURING CO. LTD.

NOTICE is hereby given that an Extraordinary General Meeting of the Shareholders of the Calcutta Jute Manufacturing Co. Ltd. will be held at the registered office of the Company, Stephen House, 4, Dalhousie Square East, Calcutta on Tuesday, the Fourth day of June 1957 at 3 p.m. to consider, and if thought fit, to pass with or without modification the following resolutions:—

1. As a Special Resolution

RESOLVED that the Articles 127, 128 and 129 of the Articles of Association of the Company be deleted and in its place the following articles be adopted in substitution for and to the exclusion of the existing articles Nos. 127, 128 & 129 of the Articles of Association of the Company.

127 (1) At every Ordinary General Meeting which shall be held within nine months after the expiry of each financial year ending with 31st December in each year the directors shall lay before the company a Profit and Loss account in compliance with the requirements of part II of Schedule VI of the Act so far as they are applicable in case of the company and a Balance Sheet in the form prescribed by the Act and giving information required by the Act made up to a date not earlier than the date of the meeting by more than nine months or if the company is carrying on business or has interest outside the Union of India by more than twelve months, subject in either case to the right of the Registrar to extend the period for any special reason.

127 (2) The Auditors report (to be prepared in accordance with the provisions of the Act) shall be attached to the Balance Sheet or there shall be inserted at the foot thereof a reference to the Report, and the Report shall be read before the company in General Meeting and shall be open to inspection by any shareholder.

128. Every such Balance Sheet and Profit and Loss account shall be accompanied by a Report of the Directors as to the state and condition of the company and as to the amount (if any) which they recommend to be paid out of the profit by way of dividend or bonus to the members and the amount (if any) which it is proposed to carry to the Reserve Funds according to the provisions in that behalf hereinbefore contained; and the account, Report and Balance Sheet shall be signed by two Directors or if there be only one Director for the time being in the Union of India by such one director and in either case shall be countersigned by the Managing Agents. Whenever any such Balance Sheet is signed by one Director only there shall be subjoined thereto a statement signed by such one Director explaining the reason why it has not been signed by a second Director.

129. A printed copy of such account and Balance Sheet together with the Reports of the Auditors and Directors shall at least twentyone days previously to the meeting be sent to the Registered address of every member of the company and a copy shall also be deposited at the Registered office of the company for the inspection of members of the company during a period of at least fourteen days before the meeting.

Special Resolution

RESOLVED that the consent be and is hereby accorded to the appointment of Sri Durga Prasad Poddar, who is a brother of Sri Debi Prasad Poddar and a nephew of Sri Satnarain Poddar, directors of the company, as the Secretary of the company on terms and conditions set out in the draft agreement placed before the meeting and for the purpose of identification signed by the Chairman.

3. As an Ordinary Resolution

RESOLVED that the Register Book and documents of the company required to be maintained and kept open for inspection under the provisions of the Companies Act 1956, and particularly under Section 49, 118, 136, 143, 144, 150, 151, 152, 163, 193, 196, 301, 303, 304, 307, 356 to 360, 362, 372 and Schedule VIII to the Act be kept open for such inspection by the persons entitled thereto under the aforesaid provisions to the extent in the manner and on payment

of fees, if any, specified in the aforesaid provisions at the registered office of the company between the hours 2 p.m. to 4 p.m. on any working day except when the Register Books are closed under the provisions of the Companies Act 1956 or the Articles of Association of the company.

The Share Transfer Book of the company will remain closed from the 23rd May to 4th June 1957 both dates inclusive.

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

By Order of the Board.

for the CALCUTTA JUTE MANUFACTURING CO. LTD.

DAYARAM & SONS,

Managing Agents.

Stephen House,

4, Dalhousie Square East,

Calcutta

Dated, 30th April 1957.

Explanatory Statement as required under Section 173 of the Companies Act 1956.

1. Special Resolution No. 1

Under the existing Articles, General Meeting are held and accounts of the company are examined twice in every year. In view of the new statutory definition of "Financial Year" which included even less than a year for which a "Profit & Loss Account" is prepared and laid before a general meeting of the company and the provisions of the Act relating to the steps to be taken at the end of "Financial Year", it is proposed to close the accounts on the 31st December in each year and not to continue with financial half-years which will tax the company's administrative resources. The other alterations are necessary to bring the articles in conformity with the provisions of the Companies Act 1956.

2. Special Resolution No. 2

The company intends to appoint Sri Durga Prasad Poddar as the Secretary of the Company in place of Sri Debi Prasad Poddar who has resigned his office. As he is a brother of Sri Debi Prasad Poddar and nephew of Sri Satnarain Poddar, Directors of the Company, sanction of the company for such appointment is necessary under provisions of Section 314 of the Companies Act 1956. The draft agreement of appointment is open for the inspection of the members at the Registered Office of the company between 12 and 2 p.m. Be it noted that the terms and conditions of appointment is similar to those on which Sri Debi Prasad Poddar was acting.

3. Ordinary Resolution No. 3

Under the relevant sections of the Companies Act 1956, the company in general meeting is entitled to impose reasonable restrictions on keeping such Register and documents for inspection by the persons entitled thereto so that no less than two hours in each day are allowed for inspection. The hours of inspection sought to be prescribed by the said resolution are reasonable and convenient from the administrative point of view.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Presidency Jute Mills Co., Ltd.	21-5-57	3-30 p.m.
Mahindra & Mahindra, Ltd.	22-5-57	4 p.m.
Assam Match Co., Ltd.	24-5-57	12-30 p.m.
Guest, Keen, Williams, Ltd.	29-5-57	11 a.m.
Jay Shree Tea Gardens, Ltd.	31-5-57	3 p.m.
Alliance Jute Mills Co., Ltd.	31-5-57	3 p.m.
Godfrey Phillips, India, Ltd.	31-5-57	4 p.m.
Calcutta Jute Mfg. Co., Ltd. (E)	4-6-57	3 p.m.
Calcutta Gas Co. (Proprietary), Ltd.	7-6-57	4-15 p.m.
Minerva Mills, Ltd.	17-6-57	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Brushware Ltd.—10 p.c. Punjab National Bank Ltd.—Rs. 2 per share (I); Svadeshi Mills Co. Ltd.—Rs. 14 per share (o) including a bonus of Rs. 2; Tata Mills Ltd.—Rs. 3.50 per share (o) including a bonus of 50 nP; Godfrey Phillips, India, Ltd.—20 p.c. (o).

O.—Ordinary Dividend.	Int.—Interim Dividend.
P.—Preference Dividend.	†—Less Income Tax.
P.O.—Preference Ordinary Dividend.	‡—Final Dividend.
D.—Deferred Dividend.	Cm.—Cumulative.
‡ Less Tax at 8s 6d in the £	

CALCUTTA GAS COMPANY (PROPRIETARY) LIMITED.

NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the Shareholders of Calcutta Gas Company (Proprietary) Limited will be held at the Registered Office of the Company, No. 8, Dalhousie Square East, Calcutta, on Friday the 7th June, 1957 at 4-15 P.M. to transact the following business:—

- To receive and adopt the Audited Accounts for the year ended 30th September, 1956 and the Directors' and Auditors' Reports thereon.
- To consider the declaration of the Dividend as recommended by the Directors.
- To elect Directors in place of those retiring by rotation.
- To appoint Auditors and to fix their remuneration.
- To consider and if thought fit to pass the following resolution as an Ordinary Resolution of which a special Notice as required under Section 381 of the Companies Act, 1956 has been received by the Company

"Resolved that pursuant to the provision of Section 281 and other applicable provisions (if any) of the Companies Act, 1956 the appointment of Dr. N. N. Law, who has attained the age of 69 years be and is hereby approved as a Director of the Company and it is hereby specifically declared that the age limit of Directors prescribed under Section 280 of the said Act shall not apply to him."

Any other business that may be transacted at an Annual General Meeting.

The Share Transfer Registers of the Company will be closed from the 31st May, 1957 to 7th June, 1957 both days inclusive.

A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

By Order of the Board,

For & on behalf of

CALCUTTA GAS COMPANY (PROPRIETARY) LIMITED.

SOORAJMULL NAGARMULL,

Secretaries.

8, Dalhousie Square East,

Calcutta-1.

Dated the 30th April, 1957.

NOTE:—Warrants for the dividend when declared will be forwarded in accordance with registered instructions, but if no such instructions have been received, to the registered address of the Shareholders whose names appear on the Company's Register at the date of declaration.

Explanatory Statement as required by Section 173 of the Companies Act, 1956.

ITEM No. 5. In respect of item No. 5 of the Notice of the Annual General Meeting it is notified that Dr. N. N. Law has attained the age of 69 years and hence he cannot continue as a Director of the Company except by a resolution in respect of which special Notice has been given in accordance with the requirements of Sections 190 and 281 of the Companies Act, 1956. The Company has received such a special Notice from some members notifying their intention to move the resolution as set out. Dr. N. N. Law joined the Board of Directors of the Company in 1947. (Since inception).

He is a business man of wide experience and during the long period of his association with the Company he has rendered very valuable services to the Company. As it is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board, it is desirable that he be appointed as a Director.

THE BRITISH INDIA CORPORATION LIMITED.

NOTICE is hereby given that the Share Transfer Books of the Corporation will be closed from 25th May, 1957 to 22nd June, 1957, both days inclusive.

By Order of the Board,

E. C. CALDWELL,

Registrar.

Kanpur,

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise

Wednesday 8th May, 1957.

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GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs	Interest per cent	Year of Issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of Issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of Issue	Repayable	Market quotations Rs
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY				
2,48,97,41,000	3	1946	1986 or later	74/40	90.24.300	4	1914	1974	99/00	36,50,000	4	1904	1964	98/00
			At the option of the Government of India after 3 months' notice.		76.90.100	4	1915	1975	99/00					
8,93,35,000	3	1896-97		73/00	68.02.300	3	1921	1st 1981	82/00	15,00,000	4	1906	1966	98/00
					1,50,00,000	6 1/2	1921	2nd 1981	144/00	44,00,000	4	1907	1968	98/00
57.00.69,000	2 1/2	1946	1961	93/50	£892,600	5	1923	1953-82	£79	75,00,000	4	1908	1969	98/00
45.63.07,000	2 1/2	1946	1960	96/45	£901,000	5	1924	1954-84	£79 1/4	40,00,000	4	1909	1970	98/00
50.35.63,000	3	1951	1958	99/65						56,00,000	4	1910	1971	98/00
1,16,17,46,000	3	1938	1963-65	94/12						75,00,000	4	1911	1972	98/00
1,10,11,78,000	3	1943	1966-68	92/00										
55,86,72,000	2 1/2	1947	1962	93/85										
		2nd issue	1962	93/85	1,49,49,500	5	1927	1957-87	101/50					
30.33.10,000	3	1950	1964	94/35	1,49,30,000	5	1928	1958-88	102/50					
14,77,48,000	2 1/2	1946	1976	83/15										
63,30,26,000	4	1926	1960-70	100/80	80,00,000	4	1931	1991	95/00					
1,15,05,83,000	3	1945	1970-75	97/00	£835,100	3 1/2	1932	1962	£91 1/2					
34,78,08,000	3	1944	1967	99/75	50,00,000	3 1/2	1935	1965	97/50					
5,85,73,000	4 1/2	1928	1958-68	101/75	50,00,000	3	1936	1976	84/75					
75,29,00,000	3 1/2	1953	1961	99/53										
1,13,65,64,000	3 1/2	1945	1959-61	97/75										
1,58,17,90,000	3 1/2	1944	1964	98/28										
1,03,87,92,000	3 1/2	1955	1965	98/28										
66,51,64,000	3 1/2	1956	1967	98/30										
33,91,33,000	3 1/2	1956	1966	98/30										
57,25,82,000	3 1/2	1956	1962	97/85										
BOMBAY					MADHYA PRADESH					MADRAS				
3,44,00,000	3	1944	1958	98/75	98/25									
6,00,00,000	3	1949	1962	94/00	93/00									
3,00,00,000	3	1950	1960	96/25	98/00									
3,00,00,000	3 1/2	1951	1962	98/12	93/12									
3,50,00,000	4	1952	1964	100/00	96/00									
5,00,00,000	4	1953	1963	100/00	98/50									
MADRAS					UTTAR PRADESH					WEST BENGAL				
1,29,76,600	3	1939	1959	96/56	90/87									
1,08,00,000	3	1944	1958	93/50	98/87									
2,82,19,000	3	1945	1960	96/00	93/05									
3,90,83,200	2 1/2	1946	1961	93/12	97/87									
4,47,00,000	3	1950	1960	96/00	98/87									
5,00,00,000	4	1952	1964	98/50	98/75									
1,00,00,000	4	1953	1963	98/56										
UTTAR PRADESH					MADRAS					HYDERABAD				
1,69,39,800	3	1936	1961	90/87	36,00,000	5	1928	1958	102/00					
9,23,96,800	3	1944	1958	98/59	25,00,000	5	1929	1957	101/50					
2,36,31,900	3	1945	1960	96/00	15,49,000	3 1/2	1951	1960	97/00					
2,41,19,800	2 1/2	1946	1961	93/05	16,33,000	3 1/2	1951	1961	97/50					
2,00,00,000	3 1/2	1951	1962	97/87	66,88,000	3 1/2	1951	1966	97/50					
2,00,00,000	4	1952	1964	98/87	10,00,000	5 1/2	1952	1962	108/00					
5,00,00,000	4	1953	1963	98/75	33,91,000	3 1/2	1935	1965	94/00					
WEST BENGAL					MYSORE					COCHIN				
1,75,00,000	3 1/2	1951	1962	98/25	100/20									
2,00,00,000	4	1952	1964	98/87	72,50,000	4 1/2	1954	1979	100/00					
8,60,23,300	4	1953	1963	99/87										
7,00,00,000	4	1955	1967	99/31										
7,00,00,000	4	1956	1968	99/00										
2,95,85,200	4	1933	1953-63	100/20										
5,99,72,900	3	1936	1956-61	98/87										
5,08,05,700	3	1946	25-1-1958	98/69										
8,00,00,000	3	1953	15-7-1963	98/53										
COCHIN					HYDERABAD					MADRAS				
30,00,000	3 1/2	1936	1956-61	98/75	60,00,000	3	1936	1966	90/00					
1,00,00,000	3 1/2	1945	1955-58	98/00	47,60,000	3	1938	1968	90/00					
					17,64,400	3 1/2	1942	1959	96/50					
HYDERABAD					MADRAS					MADRAS				
8,34,70,000	4	1953	1963	99/00	31.13.600	4	1939	1956	99/25					
2,12,21,800	4	1955	1967	99/00	21.10.000	3 1/2	1942	1972	92/50					
					15,56,800	4	1940	1957	99/50					

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 1000's Rs.	Rate per Share	Paid-up Share	Market Quotations 8-5-57 A year ago	Year of Issue	NAMES	Amount Issued in 1000's Rs.	Rate per Share	Paid-up Share	Market Quotations 8-5-57 A year ago
1901	BANK.					1920	Birds Investments (Dec.)	24.00	51T	100	70/00
	Allahabad Bank (May Nov.)	15.00	6	100	107/00	1918	Bombay Steam Navigation (July)	15.00	6T	250	154
	COAL.					1920	Britannia Biscuit (Feb. Aug.)	15	8	10	14/00
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85/00	1905-99	British Ceylon Corporation (14) (Apr. Mar.)	7.50	6	5	12/50
1896-97	Borra (June Dec.)	4.00	6 1/2	100	102/00	1903-50	British India Corporation (Feb.)	31.00	8	100	128/00
1901-20	Burrakur (June Dec.)	22.98	7	100	112/00	1908-11	Burn Engineering (Feb. Aug.)	13.00	7	100	110/00
1905	Burrakur (June Dec.)	4.50	6T	10	7/75	1905	Calcutta Electric Supply (Mar. Sept.)	15.00	5	10	9/19
1895	Equitable (May Nov.)	4.00	6	100	99/00	1906	Calcutta Silk Manufacturing (July Jan.)	21.900	6	100	55/00
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	5/00	1938	Calcutta Tramways (Jan. July)	22.50	5T	1	7/75
1920	New Beedham (Jan. July)	2.00	7	10	11/00	1905-24	Carew & Co. (January)	8.00	6 1/2	100	99/00
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	104/00	1946	Chawnpore Sugar Works (Feb. Aug.)	10.00	8	100	119/00
	COTTON MILLS.					1940	Chrestien Micro Industries Ltd.	30.00	51T	100	59/00
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	103/75	1937	Dacca Electric Supply (July)	6.00	6	100	94/50
1894	Bangore (Jan. July)	6.00	6 1/2	100	120/00	1945	Dalmia Cement (Bharat)	3.500	6	40	34/00
1938	Basanti (Oct.)	5.00	6 1/2	100	7/00	1945	Delhi Flour Mills (Oct.)	2.90	7T	100	101/00
1890	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	98/00	1916	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	91/00
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	125/50	1935	Deshergarh Power Supply "B" (Jan.)	12.00	4 1/2	100	84/00
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	63/50	1946	Duncan Brothers & Co. Ltd.	45.00	4	100	119/00
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324/37	1926	Dunlop Rubber "First" (Jan. July)	30.00	6	100	92/50
1921	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	142/75	1928-29	Dunlop Rubber "Second" (Apr.)	40.00	6T	100	92/50
1928	Central India (Apr. Oct.)	50.00	5	500	531/25	1897	East India Distilleries (Jan. July)	22.00	7	100	17/00
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20/00	1928	Eastern Investments Ltd. (Apr.)	2.500	5T	100	66
1912	Elgin (May Nov.)	11.00	8	100	124/75	1947	General Investment & Trust (Feb. Aug.)	1.00	5	100	70/00
1943	Elgin "B" (Nov.)	4.20	5	10	9/00	1947	Gillanders & Poonja (Feb. Aug.)	1.00	6T	100	61/00
1919	Elphinstone (May Dec.)	25.00	7T	100	90/00	1947	Gillanders & Poonja (Apr. Oct.)	2.500	5T	100	60/75
1919	Kesari (June Dec.)	20.00	7	100	116/00	1947	Gladstone Lyall & Co. Ltd.	15.00	6T	100	61/00
1921	Khatia Makani (Nov.)	10.00	6	100	79/00	1946	Godfrey Phillips India Ltd.	30.00	51T	100	62/00
1937	Kothari (Nov.)	12.00	6	100	10/12	1946	Gwalior Sugar (Decemable) (Dec.)	6.75	7	100	67/00
1907	Muir (Feb. Aug.)	30.00	6	100	27/00	1946	Gwalior Sugar (Dec.)	5.00	7	100	67/00
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	180/00	1946	Humayan Properties Ltd. (Nov.)	12.00	6	10	9/00
1920	New Victoria (Apr. Oct.)	26.05	6	5	4.81	1936	Indo Aluminium (Mar. Sept.)	40.00	5T	100	64/00
1933	Palani Andavar (Mar.)	2.00	7	50	58/50	1945	Indo Burma Petroleum (Jan. July)	50.00	7T	100	97/00
1935	Swadeshi (Bombay) (May)	15.00	5	100	105/00	1947	Indian General Navy & Railways	2.244	6	10	68/50
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90/00	1939	Indian Cable Co. (Nov.)	12.88	6	10	30/00
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	111/25	1923	Indian Standard Wagon (Aug. or Sept.)	1.966	7	100	126/50
1908	Vishnu (Apr.)	16.00	7	500	557/50	1936	Indian Iron & Steel	2.695	5	100	98/50
	JUTE MILLS.					1946	Investment and Finance (Feb. Aug.)	2.00	5	100	70/00
1927	Agarpara (Jan. July)	10.00	7	100	99/00	1935	Investment and Finance (Feb. Aug.)	2.00	6T	100	61/00
1905	Alexandra (Feb. Aug.)	10.00	7	100	98/00	1945	James Wright (Jan. July)	1.30	6	50	36/00
1896	Alliance (Mar. Sept.)	9.00	7	100	98/00	1946	Jardine Henderson Ltd.	50.00	51T	100	69/00
1917	Anglo-India (May Nov.)	10.00	6	100	79/00	1946	Jessop & Co.	10.00	5	100	95/00
1908	Auckland (July Jan.)	10.00	5 1/2	100	102/00	1945	Jupiter General Insurance (Sept.)	4.99	6 1/2	10	..
1945	Auckland (July Jan.)	15.00	4 1/2	100	78/00	1916	Kumardhubi Engineering (June)	12.00	5	100	100/00
1918	Bally (Jan. July)	20.00	7	100	103/00	1915	Do Fireclay & Silica (June)	2.00	7	100	115/00
1896	Barnagore (Oct. Dec.)	4.00	5T	100	35/00	1915	Martin Burn Ltd.	30.00	5	100	97/50
1906	Belvedere (Jan. July)	7.00	7	100	101/00	1946	McLeod & Co.	10.00	5T	100	56/00
1949	Bengal (June Dec.)	10.00	5 1/2	100	77/00	1936	McLeod & Co.	40.00	6	100	68/50
1919	Birla (June Dec.)	23.54	7 1/2	100	96/00	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50
1924	Calcutta (Jan. July)	6.00	6 1/2	100	102/00	1936	Mettur Chemical & Industrial (Sept.)	20.00	6T	100	92/00
1919	Caledonian (June Dec.)	10.00	7	100	100/00	1938	Mettur Chemical & Industrial (Sept.)	8.76	5	100	92/00
1919	Chittavasi (Mar. Dec.)	10.00	7	100	100/00	1938	Mettur Chemical & Industrial (Sept.)	2.00	5	100	9/50
1900	Clive (First) (Mar. Dec.)	5.00	7	100	101/00	1938	Mettur Chemical & Industrial (Sept.)	2.00	5	100	9/50
1905	Clive "A" (Second) (May Dec.)	8.00	6	100	71/00	1942	National Insulated Cable	10.00	5 1/2	100	..
1903-12	Dalhousie (July Jan.)	15.00	7	100	90/00	1942	National Tobacco (June Dec.)	25.00	5	100	69/00
1897	Delta (June Dec.)	5.00	5	100	82/50	1944	National Tobacco (Jan. Dec.)	25.00	4 1/2	100	61/00
1912	Empire (Jan. July)	10.00	7	100	98/00	1946	Northern India Oil (Jan. July)	2.00	6	100	40/00
1890-95	Fort Gloster (Jan. July)	14.00	7	100	103/50	1935	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	111/25
1943	Fort Gloster (2nd)	7.00	7	100	69/50	1936	Premier Construction "First" (Apr.)	10.00	61T	100	99/50
1911	Fort William (May Nov.)	10.00	5	100	102/00	1932	Premier Construction "Second" (Apr.)	15.00	61T	100	99/50
1916	Ganges (June Dec.)	6.00	8	100	113/00	1936	Purtapore (Sugarcane) (Oct.)	6.00	10	10	15/00
1895-96	Gouropore (June Dec.)	26.50	6	100	79/00	1936	Ramugger Cane & Sugar (Aug.)	20.00	6	100	100/00
1935	Hasling (Aug. Feb.)	25.00	6	100	85/00	1936	Rohas Industries (April)	20.00	7	100	122/50
1913	Howrah (Jan. July)	11.00	10	100	7/94	1936	Rohas Industries (April)	86.00	4 1/2	100	62/50
1903-06	Howrah "A" (Jan. July)	8.75	7	100	102/00	1946	Shaw Wallace & Co. Ltd.	75.00	6T	100	67/50
1919	Hukumchand (June Dec.)	40.00	7	100	102/00	1937	Shree Gopal Paper	7.50	6	100	116/00
1893-94	Kamathay (Apr. Oct.)	16.00	6	100	104/00	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	5	100	87/00
1900	Kankarnah (Apr. Oct.)	10.00	6	100	84/00	1936	Shree Krishna Gyanodaya Sugar "B" (Nov.)	12.00	5	100	74/00
1935	Kandhar (Jan. July)	2.00	7	100	68/00	1936	Smith Stanistreet (Chemists) (Nov.)	5.00	10	100	36/00
1907	Kardah (May Nov.)	10.00	7	100	103/00	1936	South Behar Sugar (Oct.)	23.20	61T	100	9/00
1900-12	Kinnison (May Jan.)	9.00	6	100	80/00	1936	Spencer & Co. "A" (Provisions) (Jan. July)	36.80	81T	100	10/37
1910	Landsdowne (July Jan.)	15.00	7	100	102/00	1936	Spencer & Co. "B" (Provisions) (Jan. July)	10.00	5	100	74/00
1912	Lawrence "A" (July Jan.)	5.00	7	100	99/00	1936	Sural Electricity (Apr.)	5.00	6 1/2	100	115/00
1905-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	102/00	1925	Tata Chemicals (Nov.)	60.00	5	100	98/50
1905	Naihati (July Jan.)	7.50	7	100	88/00	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	110/00
1945	National (May Nov.)	10.00	4 1/2	100	59/00	1939	Tata Iron & Steel (First) (Nov.)	75.00	6T	150	153/25
1917	Nellimarla (Apr. Oct.)	5.00	7	100	91/00	1939	Tata Iron & Steel (Second) (May)	69.82	7 1/2	100	115/00
1929	Nellimarla (Apr. Oct.)	5.00	6	100	76/00	1939	Tata Power (May Nov.)	86.97	7 1/2	1,000	1,140/00
1915	New Central (Jan. July)	33.00	7	100	91/00	1939	Tezpur-Balipara Tram (1) (June Dec.)	2.25	6	100	19/00
1908-09	Northbrook (July Jan.)	15.00	5 1/2	100	76/00	1939	Tezpur Paper Mills (Mar. Sept.)	11.50	8	100	119/00
1935	Rameshwara (Jan. July)	7.00	6	10	10/00	1939	Tezpur Paper Mills "2nd" (Mar. Sept.)	15.00	4 1/2	100	90/00
1906-12	Reliance (Jan. July)	20.00	7	100	79/00	1934	Vellore Electric (Sept. Mar.)	1.25	6	10	81/19
1901	Samsagar (Feb. Aug.)	21.50	8	100	80/50	1934	Vizagapatam Electric Supply (July)	1.00	6 1/2	100	82/50
1928	Shree Ambica (Mar. Sept.)	11.70	7 1/2	100	100/00		TEA.				
1929	Soorah (Feb. Aug.)	10.00	6	100	70/00	1903	Amluckie (May Nov.)	75	7	100	400/00
1895-01	Standard (July Jan.)	9.00	6	100	70/00	1903	Banarhat (Jan.)	118	8 1/2	100	119/00
1897	Titagur (Feb. Aug.)	21.50	6	100	102/00	1901	Birpara (Jan.)	118	8 1/2	100	119/00
1901-02	Union (July Jan.)	6.00	7	100	102/00	1900	Brooke Bond Estate India Ltd.	35.00	6T	100	84/50
1899	Victoria (Feb. Aug.)	21.50	6	100	102/00	1900	Choonabhatti (Jan.)	2.00	6 1/2	100	120/00
1918	Waverley (Mar. Sept.)	750	5	50	45/00	1901	Dhankus (June Dec.)	70	8	10	12/50
	MISCELLANEOUS.					1901	Dhankus (June Dec.)	70	8	10	12/50
1938	Alkali & Chemical (Mar. Sept.)	31.00	5	100	96/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1938	Aluminium Corp. (Oct.)	20.00	6	100	94/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1944	Aluminium Corp. (Oct.)	20.00	5	100	74/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1936	Amalg. Elec. (Belgaum) (Oct.)	6.25	5 1/2	100	101/50	1901	Dhankus (June Dec.)	70	8	10	12/50
1949	Andhra Valley Power (May Nov.)	20.00	4 1/2	100	61/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1917	Arthur Butler (Mar.)	49.34	7T	1,000	1092/50	1901	Dhankus (June Dec.)	70	8	10	12/50
1919	Asst. Hotels of India (Mar. Sept.)	1.30	7	10	8/50	1901	Dhankus (June Dec.)	70	8	10	12/50
1916	Bengal Assam Steamship (Nov.)	3.00	7T	100	66/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1925	Bengal Chemical (Aug.)	9.00	7 1/2	10	75/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1889	Bengal Paper Mill (Mar. Sept.)	2.00	4	50	13/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1928	Bengal Paper Mill "A" (Mar. Sept.)	4.00	7	100	82/00	1901	Dhankus (June Dec.)	70	8	10	12/50
1897	Bengal Timber Trading (Oct.)	3.00	8	100	33/00	1901	Dhankus (June Dec.)	70	8	10	12/50

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Amount Allocated	Marketing Agency	Net Profits including taxation	Carry forward	Dividends per cen			out of 100	latest Market quotations as available units		
	spindles	looms									Rs.	Rs.	Rs.		1935-36	1936-37	1937
33,00,000	48,652	1,016	78,94,641	23,32,650	13,56,778	Ahmedabad Advance F	6	269	13,76,721	17,089	..	7	12	100	172/50	172/50	173 1/2
50,00,000	48,254	396	20,17,010	3,99,907	10,78,394	Apollo	12	228	1,49,501	-2,24,436	Nil	..	..	100	2 3/4	2 1/4	173 1/2
48,254	396	..	58,44,085	24,30,405	34,33,371	Benarasi Ramcharan	5	195	4,14,858	45,944	..	..	..	100	39/00	39/00	54 1/2
2,50,98,000	2,03,942	1,211	1,95,20,220	129,32,051	1,83,58,662	Bombay Dyeing etc	12	193	54,80,356	73,129	..	10	..	250	545/00	542/00	658 1/2
10,00,000	35,052	948	4,48,718	25,25,759	7,44,104	gradurly P.	3	262	11,48,339	92,245	..	..	..	250	542/00	542/00	658 1/2
1,00,42,000	28,948	496	26,33,370	5,00,300	38,705	broach Fine Arts	3	43	13,08,997	11,64,692	..	..	..	250	462/50	212/50	190
48,87,500	1,18,296	2,760	94,77,147	1,63,96,826	32,49,545	Century	12	22	30,90,708	5,34,564	22	22	..	100	212/50	459/00	551
48,87,500	1,15,185	2,062	92,64,620	14,62,622	46,03,866	Central India P.	6	269	37,631	23,119	2	3	Nil	100	114/50	115/00	140
49,00,000	1,42,394	394	17,34,961	16,30,548	38,376	Coltala Land & Mill	12	144	-12,33,292	33,88,438	..	..	..	100	65/00	65/00	71 1/2
28,00,000	24,916	719	31,34,829	32,35,454	1,01,357	Comptex	12	144	1,01,357	1,07,566	..	..	..	100	131/30	131/00	182 1/2
18,00,000	43,512	..	13,26,202	26,53,597	18,49,460	Dawn	12	262	2,92,576	1,07,566	..	..	..	100	205/50	252/50	325 1/2
34,00,000	49,164	920	8,87,007	27,75,000	26,87,929	Edward Textiles	12	380	1,92,674	30,168	74	..	..	200	235/50	252/50	325 1/2
49,00,000	33,846	782	24,22,107	1,00,000	33,29,439	Elphinstone P.	12	59	19,06,991	49,374	..	..	..	50	59/00	59/00	50
39,04,700	46,072	784	43,83,234	28,21,476	43,47,458	Finlay	12	341	31,74,097	35,682	..	..	..	100	284/50	282/00	343
50,00,000	77,865	..	19,78,306	43,26,176	23,64,700	Gokak	12	156	12,85,523	95,195	..	..	..	100	189/00	191/25	233 1/2
12,00,000	71,672	1,387	61,31,596	2,46,297	52,907	Hind Mills Ltd P.	6	156	1,20,791	1,807	4	..	..	1,000	5525/00	5,325/00	3,825
..	10,856	1,116	54,14,598	68,13,239	17,70,332	Hindustan	8	305	4,22,954	5,195	..	..	..	1,000	5525/00	5,325/00	3,825
2,00,00,000	..	..	..	..	..	Indian United	12	15	1,32,22,197	5,89,811	..	..	..	10	10/10	10/05	13 1/2
9,00,000	47,824	1,202	75,60,490	61,57,161	4,26,274	Indian	3	305	..	..	..	..	..	10	1/60	1/58	2 1/2
50,00,000	50,074	1,426	31,41,539	3,16,447	21,31,331	Indore Malwa United	12	103	25,31,563	9,551	6	9	..	1,000	137/00	137/00	3,830
..	..	..	..	..	..	Khandesh	12	122	1,96,716	63,142	..	..	..	1,000	..	..	..
28,92,500	55,260	1,514	50,33,012	49,54,660	24,69,407	Khatrau Mankanji P.	6	149	4,92,85	22,265	..	..	..	100	177/00	180/50	227 1/2
1,00,00,000	1,11,464	1,846	80,10,490	1,37,00,000	8,02,384	Khoonor	12	146	41,28,822	1,62,802	18	18	18	100	322/50	319/25	371 1/2
32,00,000	51,972	1,213	35,78,446	77,40,640	9,87,456	Lakshmi P.	12	44	13,97,807	14,744	134	17	..	250	650/00	650/00	650
29,59,700	36,416	551	39,80,596	19,98,091	12,15,147	Minerva	12	126	1,98,449	16,386	6	6	..	100	172/50	180/50	227 1/2
94,91,850	32,408	1,020	75,24,442	15,31,276	9,17,444	Model Mills Nagpur	6	78	4,77,622	27,241	..	..	..	250	180/00	180/00	150
51,75,000	71,652	1,652	59,39,038	37,05,298	1,17,444	Morjari Goudaris	6	104	17,68,613	1,41,408	14	14	15	100	220/00	220/00	245
24,83,500	48,794	500	43,78,635	50,54,445	30,78,517	Mysoor Spg & Mfg F	6	261	49,43,378	19,401	17	12	18	50	101/25	101/25	108 1/2
24,00,000	45,944	432	23,52,780	7,45,700	10,79,300	New City of Bombay	12	42	15,67,795	8,456	..	..	..	100	133/73	133/73	140 1/2
30,00,000	44,808	1,028	22,77,098	25,72,444	27,32,598	New Great Eastern F	12	42	12,48,697	153	..	..	..	100	226/25	229/00	234 1/2
49,94,100	24,708	469	51,34,094	35,25,828	39,96,658	Sassanahshi	10	273	12,98,408	1,79,403	..	..	..	100	147/50	147/50	123 1/2
45,00,000	34,244	728	53,94,222	35,02,894	1,54,213	Sassanahshi	12	119	21,927	27,395	..	..	..	100	147/50	147/50	123 1/2
28,50,000	3,520	277	98,277	1,13,656	3,28,231	Jsmson & Alliance Silk	12	257	2,10,343	8,507	..	..	..	10	9/80	9/80	14 1/2
40,00,000	50,246	1,288	47,75,324	60,49,474	45,94,671	Sassoon Spinning	12	339	22,21,695	10,145	..	..	..	10	39/50	39/50	35
1,11,356	2,234	1,146,629	1,51,25,292	38,22,324	32,22,324	Sholapur	3	183	24,31,965	1,95,119	..	..	..	1,000	1225/00	1,225/00	1,700
60,00,000	34,846	1,276	15,08,546	19,02,106	18,89,2961	Siddex	3	46	18,98,596	35,939	..	..	..	50	171/00	171/50	218
1,00,00,000	55,044	2,004	78,20,221	98,06,251	18,83,395	Sree Nivas Cotton P.	12	327	20,80,611	1,53,662	..	..	..	100	179/00	178/00	215
45,00,000	31,435	528	66,34,546	56,58,670	12,465	Swadeshi P.	12	341	15,47,509	67,811	8	12	..	100	215/50	214/50	230 1/2
32,78,300	63,248	1,109,897	52,71,006	17,34,476	12,465	Swan	12	269	8,25,358	43,485	10	10	..	25	47/50	47/50	54 1/2
32,00,000	54,208	1,495	59,56,889	36,84,372	6,72,046	Vishnu P.	12	44	7,71,492	23,125	4	8	..	100	125/00	125/00	192 1/2
15,00,000	45,508	1,308	62,07,441	12,11,933	31,81,227	Western India	3	305	52,10,385	8,027	..	..	..	1,000	5,200/00	5,200/00	3,875

TEA COMPANIES

TEA COMPANIES

Paid-up Capital and Ordinary	Net Block Account	Reserve & other Funds	Accrue under Tax	Jutta and Average Price realised for				estimate	NAMES	Accounts closed	Shareholders	Net Profit including taxator	Dividends per cent			Part of Share	Latest Market Quotations available							
				1954		1955							1956				1957			8-5-57		1-5-57		A year ago
				Lbs.	A. P.	Lbs.	A. P.						Lbs.	A. P.	Lbs.		A. P.	1956	1957	1958	1956	1957	1958	
4,45,700	4,80,540	6,11,774	625																					
2,76,500	4,66,236	4,51,500	312																					
2,50,000	8,37,750	8,43,250	429																					
6,50,000	10,48,038	11,21,541	575	5,17,920	58-7	5,00,800	39-11																	
1,80,000	7,61,404	1,40,000	221	6,86,320	19-11	7,32,400	40-11	7,60,000																
5,10,000	6,76,272	9,10,000	377	5,29,360	54-0	5,22,560	34-3	8,40,000																
3,30,000	4,55,027	5,10,000	569-2	7,35,396	48-0	6,64,000	35-61	7,20,000																
1,20,000	1,78,138	8,70,000	594	6,66,480	59-7	7,01,840	41-3																	
16,50,000	31,57,500	30,25,000	4,002	37,58,823	48-63	37,68,852	39-11	88,000																
6,00,000	8,71,851	2,50,000	400	3,04,000	50-1	3,72,400	34-0	3,84,000																
4,00,000	5,07,801	4,92,000	451																					
1,50,000	9,50,337	7,27,550	549	6,10,560	50-23	6,16,240	35-8	5,84,000																
3,00,000	7,13,500	2,82,500	549	4,00,636	51-11	5,07,768	35-61	6,40,000																
15,00,000	52,37,215	11,78,802	2833	1,78,474	53-11	3,60,748	33-6																	
1,20,000	4,26,723	4,25,426	284	1,084,598	45-10	1,58,880	39-12	3,68,000																
6,00,000	9,98,251	9,31,000	1,444	1,28,124	53-11	1,46,698	30-10	1,52,000																
87,45,400	19,49,227	3,75,000	1,820	5,56,498	42-3	5,86,000	46-4	5,84,000																
4,66,970	7,59,445	3,95,000	633-4	5,77,760	52-1	5,79,800	38-3	5,84,000																
4,50,000	5,69,500	8,71,700	623	4,91,108	46-1	6,95,088	35-11	6,88,000																
5,60,500	6,97,119	9,37,000	1,151	9,51,149	48-6	9,51,538	39-8	9,60,000																
10,00,000	14,63,500	1,40,000	1,151	1,29,941	45-73	1,54,233	35-41	1,64,000																
5,38,760	5,28,313	3,40,000	607	4,68,406	58-4	3,99,520	39-2	3,40,000																
2,03,000	9,13,000	7,63,000	446	3,56,976	45-01	6,13,588	38-6	6,00,000																
7,41,540	27,20,160	17,32,810	1,910	13,25,920	47-7	19,64,720	32-0	8,88,000																
3,61,185																								
5,00,000	5,29,781	5,75,000	476	4,66,720	49-6	4,67,040	37-5	5,00,000																
8,70,000	5,77,697	12,17,716	1,310	3,99,600	45-61	3,77,450	37-5	5,60,000																
7,50,000	11,24,271	7,35,000	945	6,53,920	41-1	1,16,160	35-1	1,60,000																
2,40,000	1,78,000	1,16,452	1,166																					
5,00,000	7,12,134	2,25,010	268	2,77,508	47-0	3,14,374	28-10																	
1,00,000	1,81,000	5,000	66	25,680		10,800																		
6,50,000	5,69,508	1,83,887	635-9	5,01,840	41-4	4,58,153	25-10	4,80,000																
1,00,000	1,82,202	450,000	817																					
18,00,000	14,80,968	900,000	617	7,84,240	50-2	3,97,200	37-5	3,40,000																
6,80,000	7,65,701	30,000	673	3,90,565	11-1	3,64,774	27-1	3,76,000																
2,50,000				3,31,040	51-6	3,58,680	36-8																	
	3,67,463	10,66,864	433	3,59,786	43-11	4,12,960	39-7	4,40,000																
1,17,50,000	4,10,684	5,05,000	344																					
3,00,000																								
2,77,500	7,82,592		542	3,94,853	45-9	5,67,675	27-0	6,00,000																
8,30,000	5,82,002	1,75,000	810	3,94,080	48-0			4,00,000																
6,00,000	3,98,306	1,38,000	437	3,76,104		3,76,104	32-10	4,80,000																
2,00,000	4,09,837	7,52,500	353-2	1,81,338	42-11	4,42,560	34-8	1,80,000																
1,00,000	10,34,676	1,15,770	332-4	1,80,324	42-4	1,38,470	37-0	1,60,000																
4,30,000	4,05,800	4,90,000	482	5,58,382	38-4	3,59,952	42-10	3,68,000																
9,80,000	8,01,881	7,78,000	511	7,73,289	39-10	4,52,880	36-6	5,76,000																
1,00,000	5,95,613	10,73,724	482	3,37,366	40-10	4,02,560	33-61	3,00,000																
1,00,000	7,55,421	7,85,127	516	3,30,000	38-9	397,280	38-10																	
1,00,000	1,15,587	1,00,000	776	25,63,120	38-8	25,62,720	29-8	22,40,000																
1,15,587			777	1,15,770	38-8	12,55,440	29-3	12,80,000																

† Liquid Assets.

1 1956

MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary.		Net Block Account	Reserve & other Funds and Premiums on Shares if any	Cash & Securities	NAMES	Accounts closed	Dividends per cent	Carry forward	Dividends per cent	Latest Market Quotations as available	Quotations in Rupee	
Rs.	Rs.	Rs.	Rs.	Rs.			1954	1955	1956	Rs.	Rs.	
MININGS.												
£2,369,796 300,000 15,000,000	43,47,289	£1,73,459	£2,534,230	Burma Mines Ltd.	12	153	£600	£304	..	3 1/2	2.40	
£318,088 £914,200 £9,943,000	2,238,426 2,876,054 61,58,847	£57,484 £1,853,056 2,01,886	£112,681 £1,376,161 13,721	Chrestien Mica Industries Ltd P Consolidated Tin Mines Indian Copper Corporation	12 3 12	152 57 38	£1,97,133 £10,533 £1,299,804	10,883 £22,218 £117,083	7 1/2 10 25	..	14/34 7/12 3/28	
2,63,673	61,58,847	2,01,886	13,721	Medal Corpn P.	3	143	-2,39,771	-4,51,131	Nil	..	1/56 3/28 8/12	
20,00,000	23,45,841	35,94,529	34,50,188	Orissa Mineral Development	6-12	21	3,32,669	1,00,667	10-10	10-10	10/10 18/50 18/37	
£375,000	£445,323	£317,481	£234,026	Favoy Tin Dredging	12	14	£9,051	£19,118	Nil	..	00/56 0/36	
CEMENT LIME SLATE, ETC.												
43,14,600 70,976	41,51,412	21,43,429	29,64,072	Assam Bengal Cement	3	80	1,70,813	6,44,675	..	..	6/44 1/19	
31,70,655	33,23,186	14,32,394	1,06,702	Bengal Potteries	12	155	8,02,000	12,651	10	10	2/83 2/73	
10,00,000	25,95,360	27,63,242	4,20,854	Bisra Stone Lime	3-9	21	5,47,558	20,179	5-8 1/2	3 1/2-8 1/2	32/00 32/00	
60,00,000	62,91,811	98,26,913	2,11,38,275	Dalmia Cement (Bharat) P.	12	123	56,57,131	2,87,995	10	12 1/2	11/50 00/56	
25,50,000	77,49,749	72,13,323	2,14,327	Kumardhubi Fireclay & Silica P.	12	21	6,05,311	49,404	15	15	17/00 17/00	
15,00,000	10,81,502	8,02,309	90,355	Reliance Firebrick & Pottery	12	34	1,10,343	18,301	Nil-Nil	10	20/00 20/00	
6,00,000	59,94,174	22,45,000	6,74,212	Sree Valley Portland Cement	12	..	7,88,487	41,941	10	10	6/25 6/12	
75,00,000	1,63,551	61,267	2,27,012	Sutna Stone & Lime	6-12	3	69,568	652	3 1/2-5 1/2	3 1/2-6 1/2	18/00 18/00	
CHEMICAL INDUSTRIES.												
62,00,000	1,57,65,178	84,81,273	1,55,677	Alkali & Chemical Corp of India	9	121	29,84,232	92,495	10	8	11/75 11/75	
40,00,000	99,765	60,000	37,863	Bathgate & Co. Ltd P.	12	324	2,18,875	20,63,382	Nil	Nil	1/25 1/25	
11,45,800	56,08,902	43,35,000	1,49,08,740	Bengal Chemical & Pharm P.	4	245	14,18,430	11,70,500	6	6	101/00 101/00	
11,08,900	4,95,000	82,695	69,070	Frank Ross P.	2	129	46,893	859	Nil	Nil	2/13 2/19	
22,54,700	4,60,152	11,00,929	3,05,878	Smith Stanistreet P.	6	191	7,14,527	1,18,395	10	20	11/69 11/75	
ELECTRIC LIGHTING POWERS.												
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-9	32	3,05,594	46,084	5-5	5-5	143/00 145/00	
8,00,000	26,70,592	6,55,886	4,84,369	Bareilly Electric Supply	6-12	32	33,783	38,507	5 1/2-6	5 1/2-6	15/25 15/25	
17,00,000	80,72,095	22,47,869	11,75,299	Bareilly Electric Light Power	6-12	32	5,94,018	41,818	5 1/2-6 1/2	5 1/2-6 1/2	17/19 17/19	
5,91,360	10,96,663	5,90,855	85,218	Bhagalpur Electric Supply	12	90	1,44,138	£136,163	6 1/2	6 1/2	8/62 8/62	
£4,262,646	£18,897,213	£7,242,386	£595,368	Calcutta Electric Supply P.	12	202	£1,526,226	26,455	3	3	12/57 12/62	
6,00,040	17,68,438	5,34,904	93,144	Cuttack Electric Supply	12	202	1,24,869	12,706	..	..	8/75 8/75	
17,51,050	38,10,419	10,41,599	39,348	Dacca Electric Supply P.	12	202	3,89,244	12,706	..	..	4/12 4/12	
3,21,640	8,42,566	1,65,000	3,037	Jhansi Electric Supply	12	168	71,308	27,527	11-4	11-4	8/50 8/50	
22,49,550	42,84,132	14,91,996	6,31,332	Jubbulpore Electric Supply	3-9	32	2,14,454	27,739	11-4	11-4	12/81 12/81	
4,95,000	5,44,853	2,51,056	1,13,128	Mirzapur Electric Supply	12	202	58,676	7,077	..	..	8/25 5/50	
5,82,390	17,12,129	1,78,813	83,850	Muzaffarpore Electric Supply	12	329	73,139	2,295	..	..	6/07 6/07	
6,98,760	5,47,357	77,521	3,48,163	Muttia Electric Supply	6-9	32	30,921	68,003	7 1/2	7 1/2	10/62 10/62	
35,07,380	85,46,044	37,10,223	11,51,661	Patna Electric Supply	12	202	7,40,28	68,003	7 1/2	7 1/2	10/75 10/75	
3,00,000	2,87,192	92,919	1,24,719	Saugor Electric Supply	6-12	32	26,549	2,248	2 1/2-2 1/2	2 1/2-2 1/2	10 10	
9,10,000	7,57,951	2,72,396	1,20,999	Shajahanpur Electric P.	9	202	65,624	14,394	5	5	5/87 5/87	
16,80,000	27,99,590	5,36,596	3,30,039	Sijua (Jharnah) Electric	12	31	3,29,87	44,259	5 1/2	5 1/2	10/75 10/75	
56,00,000	1,62,42,470	35,82,319	13,28,418	United Provinces Electric	3-6	32	5,39,38	7,022	18-4 1/2	18-4 1/2	146/00 146/00	
5,98,500	10,14,094	2,71,543	6,41,801	Upper Ganges Valley Elec.	6-12	32	56,850	28,289	6 1/2-6 1/2	6 1/2-6 1/2	13/56 13/56	
4,97,500	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,319	28,289	6 1/2-6 1/2	6 1/2-6 1/2	18/00 18/00	
ENGINEERING & METAL.												
6,00,000	1,74,680	6,49,870	2,10,157	Arthur Butler (Muzaffarpore) P	10	300	1,52,744	1,01,965	..	..	8/00 8/00	
50,00,000	51,82,373	16,39,587	1,37,153	Bharatia Electric Steel	12	31	11,67,211	3,95,940	10	12 1/2	15/30 14/69	
58,58,790	51,44,314	63,54,991	28,56,980	Braithwaite India	12	289	30,48,096	1,99,239	16 1/4-18	25	20	24/47 24/62
12,00,000	11,00,577	20,99,831	2,31,294	Bridge & Roof	3-12	24	6,16,247	1,51,297	7 1/2-7 1/2	7 1/2-7 1/2	36/00 36/00	
19,78,500	31,90,232	5,14,361	3,12,992	Britannia Building & Iron P.	3	109	1,08,001	51,637	5	5	6/46 6/46	
39,37,520	31,30,167	36,42,365	1,64,998	Britannia Engineering	12	165	1,14,752	1,36,319	15	15	13/75 13/00	
5,00,000	5,44,177	1,00,000	6,594	Cuttack India Electric Cons.	6-12	24	91,788	-5,26,929	Nil-Nil	Nil-Nil	12/00 12/00	
84,00,000	1,54,84,115	1,30,96,539	15,49,678	Burn P. (Engineering)	4	32	95,08,82	1,12,715	10	15	312/00 312/00	
2,00,00,000	1,97,21,022	1,68,27,018	53,41,813	Guest, Keen, Williams	12	227	1,53,63,802	17,04,234	..	..	26/37 26/75	
12,50,000	20,64,770	22,00,000	45,133	Highway Machine	12	268	1,72,120	2,037	12 1/2	12 1/2	151/00 151/00	
21,95,070	19,83,384	1,36,275	39,748	India Machinery P.	6	288	83,089	7,725	..	..	3/50 3/50	
36,94,580	23,07,100	6,65,000	55,518	Indian Galvanizing	12	32	5,46,700	41,267	10	10	18/00 19/00	
5,18,37,080	18,00,34,354	11,70,76,011	6,37,45,037	Indian Iron & Steel P.	3	32	4,54,28,168	4,49,314	10	10	20/30 19/93	
2,85,000	3,90,976	40,000	3,47,063	Indian Malleable Casting	3	2	-26,934	-82,872	..	..	1/25 3/56	
1,54,000	30,46,716	47,33,985	13,61,471	Indian Standard Wagon P.	3	32	41,06,370	24,072	19	25	168/00 168/00	
19,49,250	41,51,487	2,74,14,189	2,14,40,051	Indian Steel & Wire Products	3	22	15,05,632	9,71,508	30	30	59/75 66/00	
26,580	55,37,847	57,91,388	15,35,612	Jessop & Co. P.	10	290	47,27,193	14,130	15	30	5/50 24/56	
32,00,000	43,15,822	43,12,118	1,56,283	Kumardhubi Engineering P.	11	21	6,23,373	21,425	16 2/3	16 2/3	2/43 9/06	
51,00,000	45,37,847	57,91,388	15,35,612	Jessop & Co. P.	10	290	47,27,193	14,130	15	30	5/50 24/56	
15,30,000	43,15,822	43,12,118	1,56,283	Kumardhubi Engineering P.	11	21	6,23,373	21,425	16 2/3	16 2/3	2/43 9/06	
10,50,000	4,14,165	24,87,561	4,85,613	Marshall Sons (India)	6	170	5,19,244	1,01,089	12 1/2	15	4/81 4/74	
49,96,000	37,32,077	4,90,831	5,22,904	National Iron and Steel	3	192	1,68,033	5,28,39	Nil	24	7/00 7/00	
6,00,000	9,22,727	6,10,321	1,36,108	Saran Engineering	3	25	1,68,352	1,264	..	..	6/56 6/62	
80,00,000	1,55,63,547	3,51,516	12,37,737	Textile Machinery	12	22	9,44,777	1,47,573	10	..	18/90 18/85	
SUGAR BREWERIES, ETC.												
14,00,000	12,16,880	12,32,202	1,10,436	Bairampur Sugar	6	25	-37,960	48,371	15	2 1/2	6/50 6/50	
19,49,025	9,79,539	5,00,000	1,42,483	Belsund Sugar	9	234	1,38,925	49,906	10	15	11/12 11/00	
15,00,000	5,64,327	1,51,513	18,14,343	Bharat Sugar P.	6	316	1,94,561	2,330	..	..	17/00 17/00	
13,57,580	22,31,255	38,89,916	26,41,199	Buland	10	92	14,31,922	8,477	..	..	7/43 7/43	
32,00,000	44,63,474	27,37,030	3,39,366	Carew (Sugar) P.	6	158	6,25,567	12,445	7 1/2	7 1/2	16/25 30/06	
50,00,000	77,03,997	65,63,722	9,45,476	Cawnpore Sugar P.	10	25	9,18,131	91,991	10	15	19/12 19/12	
10,00,000	28,46,921	37,91,683	2,42,443	Chamora Sugar	6	25	1,25,844	29,503	10	15	25/75 25/75	
16,20,630	20,87,662	38,37,013	4,95,670	Darbhanga	8	171	17,37,748	2,35,636	15	15	6/12 6/12	
12,56,649	16,38,916	41,32,111	1,32,111	Dyer Meakin (Breweries)	3	110	7,70,601	3,143	..	..	76/00 76/00	
23,89,532	2,24,658	3,84,913	3,84,913	Gwalior Sugar P.	9	237	-57,978	8,819	..	..	..	

† Liquid Assets. * 1956

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	7-5-57 1-5-57 A year ago
SUGAR BREWERIES ETC.											
11.00.000	5,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	10	140	95,431	52,205	.. ..	10	5/75 5/75 6 1/4
9,00,000	12,45,157	19,64,817	1,62,880	Purabpur Sugar P.	10	25	2,94,625	20,705	7 1/2 7 1/2 7 1/2	10	17/62 17/62 17 1/2
16,39,820	26,52,127	35,90,000	4,84,151	Ramnagar Cane & Sugar P.	10	1	18,11,004	20,350	15 20 ..	10	25/18 25/18 24 1/2
19,39,600	25,62,555	39,88,218	13,92,315	Raza Sugar	10	92	10,78,193	3,144	.. ..	10	.. ..
8,00,000	6,07,233	7,72,778	3,77,846	Ryam Sugar P.	10	5	4,21,492	13,264	5 Nil 17 1/2	10	21/50 21/50 20 1/2
11,99,000	21,07,973	19,42,074	40,572	Samasapur Central Sugar	10	35	33,559	3,554	5 Nil Nil	10	11/50 11/50 14 1/2
49,00,000	72,49,554	19,00,000	11,24,771	Shree Krishna Gyanodaya Sugar P.	10	335	8,85,387	16,381	15 17 1/2	10	10/12 10/12 10/10
7,94,500	13,48,558	11,38,111	11,16,185	Shree Sitaram Sugar	10	146	1,90,385	7,991	.. ..	10	13/00 13/00 11 1/2
9,99,950	14,69,227	26,825	75,569	Sitalpore Sugar	10	94	77,391	-4,25,477	Nil Nil Nil	10	4/37 4/37 4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	10	341	4,23,380	39,061	12 1/2 ..	10	13/50 13/50 19 1/2
4,00,000	47,67,000	29,24,348	3,58,383	Upper Ganges Sugar P.	10	316	12,95,211	32,829	25 25 30	10	70/00 70/00 127
14,00,000A	14,24,740	23,74,426	10,72,324	Upper India Sugar	10	302	16,80,986	86,393	15 20 ..	100AC 121BC	280/00 280/00 28/50 15
MISCELLANEOUS											
8,00,000	2,20,232	1,56,206	9,53,5261	A Firpo (Restaurateurs)	10	35	94,518	4,475	.. ..	10	4/19 4/19 4 1/2
1,50,00,000	1,40,80,594	6,21,715	51,961	Air India Ltd.	12	269	-6,02,598	-14,30,401	.. ..	100	.. ..
1,30,00,000	2,58,39,684	69,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	.. ..	100	.. ..
47,50,000	3,08,51,605	17,00,000	16,26,711	Aluminium Corp P.	10	132	25,21,116	1,16,199	Nil Nil 5	100	9/43 9/43 10
2,50,000D	42,38,502	14,30,000	54,97,530	Anderson Wright, Ltd P.	12	12	-89,402	18,284	7 1/2 Nil	10	11/50 11/50 11 1/2
20,00,000	11,39,552	19,18,823	14,94,091	Angelo Bros.	10	268	15,15,199	3,35,874	12 1/2 20	10	18/25 19/19 21 1/2
30,00,000	17,54,434	27,66,265	5,49,634	Assam Match	12	274	3,35,902	1,18,395	12 1/2 12 1/2	10	20/37 20/37 19 1/2
13,99,999	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	10	21	-97,345	-5,14,537	Nil Nil ..	3	3/03 2/93 4 1/2
20,00,000	61,61,507	23,00,000	61,64,091	Associated Hotels of India P.	10	204	8,82,932	32,687	2 4 ..	10	10/75 10/75 7 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13 12 1/2	100	145/00 144/00 177
12,00,000	2,55,604	8,49,890	4,52,019	Bararee Coke	10	128	2,19,706	45,399	7 1/2 7 1/2 6 ..	100	16/25 16/25 19 1/2
6,00,000	76,414	Nil	10,72,417	Bengal Timber Trading P.	10	128	6,43,169	-1,19,102	.. ..	100	41/00 41/00 44
50,00,000	19,53,822	Nil	19,59,159	Bharat Airways Ltd.	10	22	-3,19,589	-3,19,229	.. ..	10	5/25 5/25 4 1/2
20,00,000	76,85,085	31,11,114	66,68,956	Birds Investments P.	10	160	4,59,013	37,512	12 1/2 12 1/2	10	14/37 14/37 17
45,97,020	19,88,796	43,18,775	2,09,476	Britannia Biscuit P.	10	50	8,19,261	1,79,277	10 10 10	10	12/81 12/81 15 1/2
1,25,00,000	13,98,796	43,18,775	3,39,871	British Ceylon Corporation P.	12	3	27,75,295	1,85,955	.. ..	7 1/2	36/70 36/70 8 1/2
3,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	39,23,938	27,36,584	1 1/2 Nil	5	6/75 7/03 11 1/2
32,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr) Ltd P.	10	235	60,996	1,550	5 6 5	10A	6/75 6/75 8 1/2
32,50,000B	5,92,780	2,40,694	1,92,376	Calcutta Silk Manufacturing P.	10	213	45,711	22,586	.. ..	10B	4/12 4/12 4 1/2
90,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	162	43,51,864	9,97,914	12 11 ..	100	100/00 100/00 123
1,50,00,000	3,06,30,528	3,40,86,174	35,55,133	Dunlop Rubber Co (India) P.	12	12	1,02,44,457	13,25,505	15 15 15	100	24/06 23/87 130 1/2
51,26,000	54,10,811	1,72,19,436	1,72,19,436	Eastern Investments Ltd P.	12	21	11,20,304	3,27,918	9 9 9	100	106/50 106/50 110
75,00,000	13,79,357	4,33,828	1,02,21,271	F & C Oiler (India) Ltd P.	10	34	-4,26,249	-3,26,954	.. ..	10	6/37 6/37 20 1/2
30,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	10	51	8,97,594	1,26,757	12 1/2 12 1/2	20	21/87 21/87 20 1/2
14,00,000	14,92,000	10,02,000	11,389	Ganges Rope	10	9	89,571	27,194	7 1/2 7 1/2 7 1/2	100	103/00 120/00 179
2,25,000	33,54,049	53,17,330	1,08,48,711	General Investments Trust P.	10	357	18,383	12,435	2 1/2 2 1/2 3 1/2	75	43/00 43/00 14 1/2
65,00,000	27,68,494	5,00,324	12,84,351	Glaxo India Ltd P.	10	105	30,03,640	89,541	7 1/2 14 1/2 16	10	11/31 10/75 ..
40,00,000	31,71,333	7,80,000	98,384	Godfrey Phillips (India) Ltd P.	12	316	19,01,201	11,96,811	10 20 ..	10	23/50 23/50 240
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	10	225	5,30,579	16,373	.. ..	250	226/00 226/00
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	10	3	43,377	24,274	.. ..	5	1/25 1/25 1 1/2
35,00,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co Ltd	12	294	2,05,330	1,33,076	Nil Nil ..	10	7/56 7/56 14 1/2
15,16,000	7,42,66,399	1,89,86,788	5,59,42,187	Imperial Tobacco	10	325	3,66,59,515	24,94,274	8 8 8	10	13/75 13/62 20 1/2
2,01,10,000	2,83,61,126	55,27,506	8,59,214	Indian Aluminium Co. Ltd P.	12	293	42,79,225	7,97,410	Nil 9 10	10	12/81 12/75 25 1/2
1,52,89,220	1,27,87,878	1,37,00,000	11,88,406	Indian Cable P.	10	34	1,21,59,498	32,04,214	10 12 1/2	15	24/31 24/87 5 1/2
5,00,000D	22,07,267	2,21,285	11,89,467	Indian National Airways	12	93	36,302	-12,62,971	.. ..	10PO	6/75 6/75 5 1/2
83,75,000D	1,44,397	5,38,000	17,67,876	Indian Rubber Manufacturers P.	10	173	1,79,618	32,616	.. ..	10D	00/50 00/50 11 1/2
1,25,00,000	4,64,737	18,15,487	10,93,705	Indian Wood Products	10	88	17,28,038	2,76,619	.. ..	10	27/00 27/00 39 1/2
2,40,000	15,30	..	1,39,321	Investments and Finance P.	10	28	27,880	51,001	2 1/2 2 1/2 3 1/2	10	40/00 40/00 65
5,87,500D	2,16,659	3,24,161	64,65,89	Ivan Jones Ltd.	10	194	1,39,321	36,496	.. ..	2	3/00 3/00 2 1/2
1,17,500D	51,37,81	70,00,000	4,02,27,618	James Wright P.	12	281	90,996	1,550	5 5 5	50	4/12 4/12 4 1/2
2,90,00,000	6,34,000	6,02,598	3,21,617	Jardine Henderson Ltd P.	10	39	31,24,445	5,11,852	Nil Nil ..	10D	00/62 00/62 100 1/2
66,30,000D	3,17,30	6,02,598	3,21,617	Macfarlane & Co.	10	133	-14,078	-4,849	.. ..	50	74/00 79/00 2 1/2
1,50,00,000	88,50,00	63,33,428	2,57,13,417	Macneill & Barry Ltd P.	10	334	52,06,340	6,31,124	.. ..	10D	00/56 00/56 25 1/2
1,43,96,500	35,89,139	69,82,736	2,07,03,941	Martin Burn Ltd P.	10	309	93,42,590	2,70,207	.. ..	100	23/31 23/25 240
40,00,000D	37,46,231	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17 22 1/2	10	240/00 240/00 240
1,15,00,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd P.	10	167	62,82,608	16,24,249	12 17 1/2	10D	27/62 27/19 27 1/2
40,00,000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	10	3	58,72,160	1,44,447	10 15 20	10	19/31 19/31 9 1/2
40,00,000	72,01,992	15,00,000	33,33,333	National Rolling & Steel Ropes	12	7	3,79,123	75,726	6 1/2 5 1/2 5 1/2	10	10/00 10/00 12 1/2
79,97,000	51,97,295	78,53,576	23,37,325	National Tobacco P.	12	79	12,06,160	9,03,430	.. ..	10	9/75 9/75 65
23,32,100	2,232	5,11,187	29,55,297	New India Investment Corpn.	12	35	1,38,595	1,72,173	.. ..	75	53/00 53/00
50,00,000	1,51,805	47,22,151	1,01,47,683	Octavius Steel & Co. Ltd.	12	321	29,59,170	1,25,910	7 1/2 10 ..	100	12/06 12/06 12 1/2
1,86,00,000	2,35,68	2,10,439	2,89,453	Publicity Society of India	10	145	1,47,248	27,315	25 25 ..	4	.. ..
2,25,00,000	1,01,05,141	8,71,248	36,83,503	Rallis India Ltd P.	10	332	13,16,241	4,94,624	Nil Nil Nil	100	29/50 29/50 25 1/2
1,72,24,400	4,08,39,719	1,57,10,208	2,22,14,171	Rohtas Industries P.	10	335	83,77,395	1,15,150	15 15 ..	100	18/37 18/37 1 1/2
75,00,000	51,99,869	59,00,000	1,58,00,403	Shaw Wallace & Co. Ltd P.	12	278	33,27,377	8,65,280	12 10 ..	10	11/44 11/44 2 1/2
1,00,000	45,479	94,865	73,329	Spence's Hotel	10	111	-35,475	-64,659	.. ..	2	1/00 1/00 2 1/2
2,											

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until.		
									1954	1955	1956		7-5-57	30-4-57	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,32,062	Associated Cement	7	53	2,53,38,245	2,93,968	8½	10	10	100	160/25	159/75	221½
ELECTRIC LTG. POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6½	5	6½	100	94/00	94/00	98½
2,92,83,500	4,18,62,358	62,34,507	65,30,599	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7½	7½	..	1,000	1,207/50	1,207/50	1,207½
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100	107/50	107/50	115
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,83,015	..	..	..	..	100	123/00	128/00	146
1,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power Sup. P.	6	267	37,75,587	21,171	7½	7½	..	100	123/00	121/00	125½
5,02,78,750	8,98,37,405	1,41,56,576	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000	1,225/00	1,215/00	1,307½
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12½	..	..	100	262/50	255/00	362½
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	5	50	66/00	66/00	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	10	15/05	14/80	13½
40,95,100	81,25,752	2,02,500	49,033	Machinery Mfgs. Corp. Ltd. P.	3	330	2,02,666	64,676	Nil	Nil	..	100A	76/00	76/00	98½
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,085	64,938	..	..	..	109	162/25	163/75	178½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	162/25	163/75	178½
1,31,250F	5,90,52,365	1,17,73,382	23,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	100	147/50	145/50	155½
4,20,00,000	32,44,07,755	16,93,05,536	12,34,83,519	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	170/25	168/25	253½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,696	..	..	..	10	13/37	13/37	13½
5,15,000	..	11,04,84,087	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/00	350/00	675
8,46,120	..	36,33,999	46,38,893	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45/50	45/50	45½
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,951	4,65,315	Nil	..	..	15	7/00	7/00	9½
1,06,81,590	..	1,68,81,793	27,25,19,952	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	41/25	40/00	41
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	200	3775/00	3,775/00	3,900
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	10	15/60	15/60	15½
MISCELLANEOUS															
90,79,065	31,95,408	3,97,409	12,61,996	Air Service of India	6	336	15,61,405	37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	229/50	228/50	233
40,00,000	2,20,64,303	4,12,86,155	2,67,21,639	Bombay Burnham Trading	5	285	47,93,172	61,990	16	21	..	125	564/00	567/00	651½
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	210/00	212/50	7½
45,00,000	3,51,93,454	1,03,93,734	98,20,769	Hindustan Lever	12	91	2,23,86,720	94,17,000	..	..	..	25	19/05	19/12	..
5,57,00,000	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	6,81,909	2,83,136	4½	4½	12½	100	75/00	76/00	72
99,99,250	13,82,957	7,34,142	2,99,042	Kemp (Chemists)	3	87	68,232	4,69,42	6	..	..	200	197/50	197/50	215
11,99,900	5,74,05,779	1,81,13,445	1,28,40,991	National Rayon Corp.	12	352	53,19,604	5,72,076	10	..	..	100	228/25	228/00	213½
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,822	5,62,020	2½	2½	5	20	18/45	18/40	18½
7,00,000	27,45,055	57,30,000	11,27,080	Shivrajpur Synd. (Manganese)	11	146	35,49,059	21,661	80	80	..	10	84/75	91/50	100
1,39,95,990	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	7½	10	16/35	16/10	16½
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	259	3,00,461	11,453	9	8	12	25	44/00	43/00	48½
2,75,00,000	1,46,45,903	2,43,20,936	1,50,49,201	Western India Match	12	274	74,05,281	3,61,984	11	11	..	100	170/00	170/00	203½

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry Forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	8-5-57	1-5-57	A year ago
												Rs.	Rs.	Rs.
CALCUTTA														
17.24.000	20.62.356	2.00.804	Ahmedpur Kutwa S.S.G.	3	165	-29,367	..	2½	2½	2½	100	60/00	60/00	69½
21.69.300	33.40.889	6.00.702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67/50	67/50	73
34.00.000	41.30.202	3.11.043	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	2½	100	58/75	58/75	59½
19.00.000	29.09.643	4.91.171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	2½	100	10/00	10/00	11
17.90.000	21.78.786	2.20.877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	2½	2½	100	59/00	59/00	60½
31.00.000	35.46.011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1.29-1.23	1½-1½	1½-1	100	51/00	51/00	56½
4.75.000	3.20.040	4.75.000	Cherra Chhatrak Ropeway	3	88	7,071	9,917	12½	5-..	Nil	5	7/50	7/50	7½
2,47.650	2.75.015	65.025	Darjeeling Ropeway	3	101	18,097	4,549	1½	2½	2½	10	6/00	6/00	7½
22.50.000	62.20.813	13.52.600	Dehri-Rohtas	3	335	6,42,311	37,814	6½	7½	10-12½	10	10/42	10/42	13½
11.49.700	20.10.843	1,68.140	Futwah Islampur S.S.G.	3-9	32	-32,016	5,917	98-98	99-1	1-1	100	63/37	63/37	56½
16.00.000	50.82.188	17.87.954	Howrah Amia D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	51/00	51/00	72½
6.00.000	13.87.138	4.43.410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65/00	65/00	51½
19.50.000	27.95.689	2.47.135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	58/00	58/00	61½
8,91.100	15.16.175	10.551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	72/00	72/00	74½
15.00.000	62.56.929	28.77.041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	115/00	115/00	146½
1.75.000	5.41.779	2,04,841	Tezporc Balipara Tramway P.	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

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

320. F. W. J. Penn—United Breweries, Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay.	349. Chandmull Batia—7, Canning Street, Calcutta.
321. E. C. Williams—14, Old Court House St., Calcutta.	330. Lahindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheriyan—Travancore.	350. K. E. Agarwal—Empire House, Hornby Road, Fort, Bombay.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort, Bombay-1.	331. N. L. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road, Calcutta.	351. L. & T. (Management) Private Ltd., J. K. Building, Douglas Road, Ballard Estate, Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
324. Indo Corporation Private Ltd.—5, Swinhoe St., Calcutta-19.	333. Jaipuria Bros., Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	353. N. K. Bhargava—14, Netaji Subhas Road, Calcutta.
325. John Rutherford Blake—Virginia House, 37, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. I. Piloni—Victoria Bunder, Colaba.	354. L. C. Kanol—P. S. Mission Road, Calcutta.
326. Berwala Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahu Jain Ltd.—Dalmianagar.	345. The National Tea Corporation—120, Cotton Street, Calcutta.	355. G. G. Robertson—16, Strand Road, Calcutta.
327. Marwar Textiles (Agency), Ltd.—Waudby Road, Fort, Bombay-1.	336. Pundis Kilachand—Scindia House, Douglas Road, Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory, Alway.	356. B. Bajoria—10, Clive Row, Calcutta.
328. John Taylor & Sons (India), Ltd.—Mysore, Gorge, South India.	337. Berwala & Co.—63, Netaji Subhas Road, Calcutta.	347. Associated Commercial Co., Ltd.—151/1, Harrison Road, Calcutta.	357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta.
	338. B. R. Sons, Ltd.—Hornby Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.	358. L. P. Goenka—14, Old Court House St., Calcutta-1.



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THE DILEMMA IN FINANCING RAILWAY EXPANSION

DOUBTFUL JUSTIFICATION FOR NEW FREIGHT SURCHARGE

THE Railway Budget for 1957-58, presented by Mr. Jagjivan Ram, Railway Minister, in the Lok Sabha on Tuesday, reflects a dilemma that is becoming increasingly familiar in the running of the State's biggest commercial enterprise. The first manifestation of this dilemma came 14 months ago, when the previous Railway Minister, Mr. Lal Bahadur Shastri, spotlighted the fact that the railways have been asked to undertake expansion on a huge scale, but have not been given enough money for it. Mr. Shastri, never unmindful of the railways' virtual monopoly in India's transport system, sought to solve the problem in the least inconvenient way it could be solved: by mulcting railway users through a 6½ percent surcharge on practically all types of goods traffic. Mr. Jagjivan Ram has now emerged as a devoted admirer of the precept, and has decided to raise the surcharge to 12½ percent with effect from 1st July. The only lucky commodities to escape the surcharge are grains and pulses, fodder, manure, khadi, newspapers, newsprint and books; but as far as railway revenues are concerned, they are of relatively little importance. In a full year, the higher surcharge would have been likely to bring in Rs. 12.5 crores more; since it takes effect only on 1st July, the extra revenue during 1957-58 will be around Rs. 9½ crores.

The justification or otherwise for the surcharge has to be considered against the background of the railways' growing difficulties. This background is by now fairly familiar. At the time the second five year plan was finalised it was estimated that over the quinquennium the railways would have to provide for a 30 percent increase in passenger services, and that goods traffic would rise by 60.8 million tons to 180.8 million tons. To cope with these increases, it was stated that an outlay of at least Rs. 1,480 crores would be necessary. The Government and the Planning Commission, while not challenging any of the estimates, merely provided to find Rs. 375 crores from their own resources. The railways estimated that with the reduced provision, they could increase their carrying capacity by no more than 47 million tons; 5 million tons out of this increase would be absorbed by the demand for their facilities which remained unsatisfied at the time, with the result that net increase in capacity over the second plan period would be only 42 million tons. Of this, 25 million tons would be required to carry coal and other raw materials for the new steel plants; 6 million tons for coal for other consumers; and 4 million tons for cement. The margin left to meet increases in the general merchandise traffic demands of trade and industry would, in the words of both Mr. Shastri and Mr. Jagjivan Ram, have been "very meagre."

Even these calculations, worrying as they were, have now been

initiative and to widen and sustain popular zeal. This is, however, the place to mention that while a "psychological revolution" in India's villages would perhaps be a welcome event, capable of releasing much latent energy, it is also possible to place too much emphasis on the psychological aspect of development with a consequent under-estimation of physical achievements. A school can be the result of a community's efforts (as it can be that of Governmental initiative) but a school, however built, is capable of improving the community in important respects.

A little less talk about changing minds—always a more difficult thing to do in which it is almost impossible to assess results—and a clearer view of the objectives—where "social justice" now enjoys a priority that does not belong to it—and we might see that some of the laments of the Programme Evaluation Organisation are really not so relevant. Indeed, it might then be possible to appreciate the results obtained. If it is true, as the report says it is, that items including physical change, especially constructional and irrigational activity, and those involving changes in production attitudes in agriculture and animal husbandry have been comparatively successful, then clearly something substantial has been achieved. Interest in adult literacy or *panchayat* activities, which the report says is limited, can only follow the satisfaction of the basic physical needs of the villager, and if the community development projects' success in these latter departments has been below expectations it may be only a matter of time. The way to attack this second problem may be through greater efforts with regard to the first. The Evaluation Organisation, now the Board, will probably find that, once the farmer's harvest has been good because of what he has learnt from the project officers, he will be found in the community centres and youth clubs as often as his boy is at the primary school.

Another conclusion arrived at by the Programme Evaluation Organisation is that there is "wide disparity in the distribution of achievements." This is where the question of "social justice" has been brought in, perhaps very prematurely. Pace the Programme Evaluation Organisation, it is not a matter of immediate concern that some areas have done better than others or that the large holder is better off than the small. Reference is also made to the political consequences of these inequalities, which tends to suggest that the problem of rural uplift is already getting mixed up with political considerations. These may be inescapable in a democracy, but the Government must recognise that this detracts from the economic effort. It may even lead to greater attention being paid to the question of distribution of benefits than to their production, a tendency painfully noticeable in some other financial policies of the Government too.

"People's Plan" and slogans like these are other obscurers of visions. It may be a pity that the Indian villager today shows so little initiative, but it is a fact that cannot be talked away. Thus, to say that community development is a programme which must start at the bottom and is not meant to be enforced from the top, as is often said, is to evade, possibly unconsciously, responsibility at the top. For reasons it is not necessary to go into, almost nothing in India has started from the bottom in recent centuries, and it is admitted in the report that the Government's well-intentioned plan to show the way and then leave it all to the villagers themselves has already proved disappointing. What is called the "post-intensive programme," the stage at which the Government bows out and the people are supposed to take over, is beginning to expose the falsity of the assumption that a large mass of poor and illiterate peasants can be made to take charge of themselves in a short time. It should have been foreseen that "inactivity or what largely appears to be so" would succeed the intense activity initiated by the Government. It is not, in this context, wholly encouraging to be told that in the next few years the whole country will be covered by the community development projects or the nation-

COAL POLICY IN INDIA

By

Andrew Farquhar

This booklet consists of reprints of articles written by Mr. Andrew Farquhar, former Coal Adviser to the Tata Iron and Steel Co. Ltd., which have appeared in *Capital* in recent years. As expert analyses of India's coal problems and policies, they have attracted widespread interest since they were originally published. The articles are now conveniently gathered in a 120-page publication, priced at Rs. 4.

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al extension blocks. There is reason to suspect that effort is being spread thinly over too large an area, with no appreciable lasting benefit anywhere.

If, therefore, it is conceded that the administration's responsibility will continue to be great for a long time to come, it is necessary to examine the Programme Evaluation Organisation's recommendations in this behalf. They are quite drastic. "Unless the whole administrative machinery of the Government," says the report, "gets permeated with the philosophy of community development, problems of co-ordination will continue to hamper the programme." Let us, again, leave alone the "philosophy" part of the proposal, and look at the concrete things the report suggests. The district officer, it is pointed out, is tending to become the kingpin of the development programme, although it is complained that the administrative implications of this transformation have not been realised either at the district level or at the State level. It is difficult to follow just what the report is getting at here, until one comes to the suggestion that "the primary function of the administrative head of the district should be recognised as development and he should be given special assistants for dealing with law and order and revenue functions rather than the other way about." The revolutionary character of the suggestion is obvious; it is nothing short of a complete reversal of the priorities of district officers today. The importance of community development cannot be exaggerated but to subordinate law and order and revenue collection to it is to take a very big risk, perhaps bigger than the present Government will, or even should take. Many will wish the Programme Evaluation Organisation had made its recommendations a little more practical and a little less revolutionary. One of the objects of the community development programme is the avoidance of a revolution.

NEW SCHEME FOR MANAGEMENT EDUCATION

A NEW scheme for management education, providing training in business, industrial and general management, has been approved by the Management Board of the All-India Board of Technical Studies. The scheme will serve as a model for reorganising management education, and is to be implemented in selected centres in each region. The Board's recent meeting, held under the chairmanship of Sir Jehangir J. Ghandy, has decided to provide training facilities to managerial personnel through comprehensive courses in two stages—intermediate and final. The intermediate stage is intended to bring candidates of different academic disciplines to a level of initial preparation for management training, while the final stage will provide for specialised training in any of the three branches of management education. The new scheme does not treat training for management as a course, since a candidate aspiring to managerial responsibilities must have sufficient knowledge and practical experience in the different branches. Keeping this broad perspective in mind, the Board has recommended that the scheme for training should be open to those who are employed in industrial or commercial organisations or in Government departments. The scheme will be conducted on a part-time basis extending over a period of four years, and many aspiring candidates will try to avail of its facilities; the Board says that it will be organised on a full-time basis as soon as the required facilities are available.

The Board has appointed a four-man expert committee which will visit different centres and discuss details for adopting the scheme. The centres chosen by the Board for providing management education appear to be appropriate; they include the Indian Institute of Technology, Kharagpur, and the All-India Institute of Social Welfare and Business Management, Calcutta, in the eastern region; the Delhi School of Economics, Delhi, in the northern region; Bombay University and the Victoria Jubilee Technical Institute, Bombay, in the western region; and the Madras University and the Indian Institute of Science, Bangalore, in the southern region. These centres will gradually adopt the new scheme and will provide training facilities in business, industrial and general management.

The response made by industrial and commercial organisations to the scheme has been heartening. In fact, the demand for seats from candidates has been far in excess of what the Board can provide. The Board has accordingly decided to extend the facilities to meet the increasing demand for management education. It also notes with satisfaction the Government's decision to send a team of five Indian experts to the United States to study the organisation of important business schools in that country. A team of professors from some leading American management schools will come here to advise how management education should be organised. These visits will be sponsored under the U.S. Technical Co-operation Mission programme providing assistance for the development of management education.

CURRENT COIN

Enquiry on Amending Company Law.—The Government of India's decision to set up an *ad hoc* committee to examine what amendments are necessary in the Companies Act, 1956, has been widely welcomed. The legislation is a little over a year old, but serious practical difficulties have already arisen in its working and administration. The committee is expected to complete its work within three months. It has Mr. A. Viswanatha Sastri, a former Judge of the Madras High Court, as chairman. Its members are Mr. C. C. Shah, Solicitor, Bombay; Mr. G. Basu, former President of the Institute of Chartered Accountants; Mr. J. D. K. Brown, director of Jardine Henderson Ltd., Calcutta; and Mr. K. R. P. Aiyangar of the Department of Company Law Administration. Considering the aims and objects of the Companies Act, the committee is expected to recommend such changes as may be necessary to overcome practical difficulties in its working and in its administration; (b) to remove such drafting defects and obscurities as may have interfered with the proper working of the Act; (c) to ensure the better fulfilment of the purposes underlying the Act; and (d) to consider what changes in the form or structure of the Act, if any, are necessary or desirable to simplify it. Chambers of commerce, associations representing other business or shareholding interests or any other body or individual interested in this matter may communicate in writing to the Government in the Department of Company Law Administration in the Ministry of Finance such views as any of them may like to express on any matters connected with the working of the Companies Act, 1956, which fall within the terms of reference. All communications may be addressed to Mr. F. N. Sanyal, Under-Secretary Department of Company Law Administration, Reserve Bank Building, Park Street, New Delhi, so as to reach the Department not later than 15th June, 1957.

Ancillaries to Large Industries.—In a letter to 3,000 large industrial units licensed under the Industries Act, the Ministry of Commerce and Industry has asked them to consider to what extent collaboration with small units might help the latter to grow up as ancillary enterprises. The letter emphasises the need to foster collaboration between large and small industries, in order that both can develop as complementary to each other instead of being competitive. A suggestion has been made that large units should try to secure their supplies of components and accessories from small industries, as far as is practicable. The large units have been asked to put forward their suggestions to the Development Commissioner for Small-scale Industries, the National Small Industries Corporation, the Directors of the Regional Small Industries Service Institutes or the State Directors of Industries, especially if specific technological improvements are required to ensure better quality and precision in small industries' products. This closer inter-dependence may be welcomed to the extent that it will provide an opportunity to small industries to improve their prospects. The larger units might also find it possible to invest less in machinery and equipment if they can secure components and accessories from small units. Heavy industries in Japan restrict their manufacturing activities only to parts requiring precision, while other parts which are comparatively easy to produce are obtained from small units. But the problem here is that small industries are not adequately developed and may not be able to supply components and accessories at an economic price or of the right quality and specifications. Large units will hardly be inclined to obtain accessories from small units if they can produce them with their own machinery. That close co-operation between large and small enterprises cannot always be organised has been seen in the case of the automobile industry here. But a number of large units have accepted the scheme for collaboration in principle. A big bicycle factory, for example, has prepared a detailed plan for establishing eight small-scale ancillary units to manufacture components, and entrepreneurs have already been selected for setting up three of these units. Another bicycle factory is obtaining its requirements of handle bars and brake fittings from small units. An automobile manufacturing works in Bombay and the Government-owned Hindustan Machine Tools Factory in Bangalore are reported to be among the large manufacturers who have accepted the scheme for collaboration in principle.

Food Scarcity and Statistics.—Disturbing reports have recently appeared of food scarcity in parts of Bihar and West Bengal. Rice prices in West Bengal have risen from Rs. 22 to Rs. 26 a maund, reflecting shortages even in some districts which usually have a surplus. The West Bengal Government has started test relief works to ease hardship in the affected areas. About 350,000 people, it is reported, have been brought under a modified rationing scheme. In spite of this, hunger

has not been alleviated in Murshidabad district, while people in other areas are still demanding measures to bring down rice prices. Border trading and smuggling to East Pakistan, which appears to be chronically short of rice, and the ban on exports from Orissa have depleted supplies in West Bengal. Mr. P. C. Sen, Food Minister in Calcutta, has said that the population of the State has increased from 21.2 million in 1947 to 28 million, and total consumption requirements are now about 4.2 million tons. He estimates a deficit of 400,000 tons, "provided every ounce of grain comes on the market." Bombay, Bihar and U. P. have also complained of scarcity. The damage to cereal crops in these areas has been caused mainly by drought or excessive rainfall. There has been considerable damage to the *rabi* crops in parts of Bihar; such areas as Khagaria sub-division have already been declared famine-stricken. Orissa, being anxious to avert near-famine herself, has demanded the introduction of physical controls on paddy. Faced with the bleak prospect, the Union Food Ministry has decided that the food scarcity in the eastern regions should be specially studied by the first meeting of the Eastern Zonal Council. State Governments, meanwhile, have opened many fair price shops to provide relief to consumers. Mr. A. P. Jain, Union Food Minister, has issued the assurance to them that there is no reason for alarm as the crop damage has so far affected coarse grains only. Certain official statistics seem to be encouraging the complacency. The final forecast of rice production estimates a harvest of 28.1 million tons; contrasted with the earlier forecast of 23.9 million tons, it implies an increase of 4.2 million tons. Against this background, the recent rise in rice prices would be difficult to justify—unless the statistics are defective.

U.S. Business Confidence Grows.—American business news during April has been reassuring, according to the latest monthly letter of the First National City Bank of New York. Two or three months ago, misgivings and uncertainties were spreading. They still persist, and good arguments can be found for a cautious attitude. However, business in overall terms has been well sustained, and there are few signs of early or general weakening. In spite of slackness in housing, sluggishness in automobile sales and contraction in steel operations, strength in other areas supports employment and trade; and both the action of the stock market and surveys of business expectations show that there are more optimists than was the case in February, when sentiment seems to have touched its low. "Optimism" probably should be defined as one who expects the trend to continue sideways. After the long advance, the soft spots and the evidence of topping out in key lines, few count ahead; most rather expect continued irregularity. Nevertheless, recent reports bolster the outlook. Backlogs are large in the heavy lines, and new orders are flowing in good, if somewhat reduced, volume. Notable among the April reports is the fact that, contrary to the general expectations, the Federal Reserve Board's index of industrial production for March did not decline, but held at 146 (1947-49 equals 100), the same level as in four of the five preceding months. Expectations of a drop doubtless were caused by attention being concentrated too much on steel and automobiles. One rise in fuel production, reflecting in part the Middle East shortage. Now petroleum production is being cut back, and the temporary stimulus is disappearing. More fundamentally, however, the strength in industrial activity is due to the engineering industries—machinery and tools, shipbuilding, railroad equipment, and aircraft—offsetting the relative softness in steel and automobiles, building materials and various appliances. It is worth noting that while weekly output of steel ingots dropped from 98 percent of capacity in February to 89 percent or lower by late April, except automobiles, increased or held steady in March. In spite of the inventory accumulation in recent months and the resulting need for adjustment, steel consumption evidently is still running strong. Retail trade figures show that consumer spending remains one of the chief business supports. With employment and consumer income at new high levels, department store sales set a record for the Easter season. Favourable first quarter earnings reports seem to show that in overall terms less severe than many had feared. These reports have added something to confidence, and have been reflected in stock market improvement. Finally, a new McGraw-Hill survey—suggesting that business men in the aggregate are tending to step up, not cut back, their capital spending plans for 1957 and the years beyond—both reflects and contributes to a confident view.

Trading with India.—It has long been felt that the main hope for continued participation in the Indian market for many foreign manufacturers,

even those with a long and valuable connection, would call for an entirely new approach and the adoption of different methods. Not all foreign traders appreciate this; but realisation of the inevitability of change is spreading, and this is apparent in the address given to shareholders of Mather and Platt Ltd. by Mr. L. E. Mather, the chairman. In accordance with a growing trend in the working of engineering firms of this nature, trading and gross profits show good progress, but the net profit is lower after meeting essential depreciation and taxation. Even the record trading results will only be maintained if capital investment is enhanced. This is especially true of trading overseas, for although Mr. Mather has reported gratifying progress in this sphere, he has also pointed out that more and more the company is having to consider the establishment of subsidiary companies, not only to meet fiscal requirements of countries served previously through branches or agents, but also to make use of more local materials for the purposes of assembly and, in some cases, for complete manufacture. In India, where capital investment is much in evidence due to developments under the second five year plan, conditions are said to be partly favourable and partly unfavourable. The import of capital goods from the United Kingdom is still looked on favourably and British goods are generally given precedence over other imports, provided quality and prices are comparable. Textile finishing machinery, for example, has been in good demand, but the firm's products are meeting with increasing foreign competition. There is a growing tendency, moreover, to encourage local manufacture with foreign technical and financial assistance. As a result of this tendency, foreign firms are faced with the need to make considerable changes in their method of trading. In this connection, Mr. Mather says, the company's secretary spent several weeks in India studying the implications and restrictions embodied in the Indian Government's recent legislation, which affects both the demand for imports and the service conditions of non-Indian staff.

Cost of Hungarian Repression.—Repressions are less expensive than wars, but still are highly costly operations. It is estimated that the overall expenses and losses of the Hungarian uprising totalled at least \$1,000 million in destruction of property, loss of production and foreign trade, cost of military expenditures, etcetera. The annihilation of such an amount had deep repercussions on the value of the currencies of the rouble group. In the May issue of *Pick's World Currency Report*, the monetary effects of these events are analysed in the following table:

BLACK MARKET RATES OF THE U. S. DOLLAR IN NATIONAL CURRENCY UNITS

	30th Sept. 1956	30th April, 1957	Percentage Rise
Berlin (East)			
(Ostmark)	17.30	18.70	8
Bucharest (Lei)	26.15	36.50	39
Budapest (Forints)	49.50	100.00	101
Moscow (Roubles)	19.00	37.50	97
Prague (Korunas)	39.75	54.00	36
Sofia (Levs)	34.00	45.00	32
Warsaw (Zlotys)	74.00	115.00	55
Shanghai (Yuans)	6.30	8.20	30

Most of these units have reached postwar lows of free market value and in spite of recent partial devaluations in Hungary and Russia, both creating new "tourist rates" for hard currencies, the monetary situation is critical. New devaluations seem inevitable. Comparisons of recent free market value, as opposed to official value, of the individual units show the Chinese People's yuan leading, with 30 percent of its official value. The free market value of the Rumanian lei is 16½ percent of its official rate, followed by 15 percent for the Bulgarian lev, 13½ percent for the Czech koruna, 11½ percent each for the East German mark and the Hungarian forint, 10½ percent for the rouble and only 3½ percent for the Polish zloty.

U.K. Hosiery Manufacturers Criticised.—An analysis of advertising expenditure in the British textile industries would show that competition is keenest in the hosiery section. This may explain the rather severe criticism of the apathy of the majority of manufacturers towards research activities, which is made by a team from Leicester University College led by Mr. A. G. Pool, Professor of Economics. Nearly 75 percent of manufacturers, the report finds, failed to give financial support to a co-operative research organisation. In 1954, the income of the industry's research association was £38 for every 100 workers employed, a much lower percentage than those of the other textile industries. The cotton industry, for example, contributed £108 a 100 workers. Moreover, there was little private research to make up for this. Attention is drawn to the need for an industrial consultant service to enable more economic planning of factories and methods. Suggestions are made for a hosiery and knitwear design centre and a co-operative export organisation. The report points out, however, that the setting up of these two services would be impeded

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by the fact that "competition is very much a matter of rivalry among differentiated products serving the same general purposes." On the subject of manufacturers' associations, that report suggests that a weakness of the present structure is the duplication of functions by rival associations. It suggests that amalgamation would make for greater financial strength. It is apparent that the industry is badly in need of rationalisation, but whether or not the report will be acted upon remains to be seen.

Man-made Fibres.—The rapid growth in the number of man-made fibres, and their increasing utilisation for a variety of purposes, has inevitably given rise to some confusion about their various properties and best usage. To avoid disappointment to the user, a clearer differentiation is certainly necessary. For some little time now, British Celanese Ltd. has been using the description "Tricel" tri-ester fibre for a new yarn and staple fibre which it is making from cellulose triacetate, the acetic acid tri-ester of cellulose. This description, the company explains, has been adopted to prevent confusion between the new products and those made from secondary cellulose acetate which have become widely known as "acetate." "Tricel" tri-ester fibre is in many ways different from acetate fibre, and it resembles the wholly synthetic fibres in several respects, particularly in that it can be "heat-set." This "heat-setting" property is largely responsible for certain valuable characteristics of tri-ester fabrics. These can be ironed with a very hot iron without damage. They have very high resistance to shrinkage and

stretching. Many of them have "drip-dry" and "non-iron" characteristics and can be permanently pleated and embossed. The adoption of the new name should emphasise the difference between the tri-ester fibre and the others. Development is proceeding with the use of the fibre in dresses, blouses, shirts, skirts, trousers and children's garments of all kinds, and it is arousing much interest in trade quarters.

Lancashire Trading Figures.—United Kingdom trade returns in recent months have shown a slightly better trend for the cotton textile industry, but the well-known annual analysis of trading results prepared by Frederick W. Tattersall Ltd. of Manchester, helps to reinforce Lancashire's claim that 1956 was a year of difficulties during which it suffered quite a serious setback. The aggregate profits reported by Lancashire textile companies last year, though they again exceeded £5 million, were nearly £3 million less than in 1955, and dividends declared showed a sharp reduction to give an average rate which was the lowest since 1948. Some of the details are worth examination. The earnings announced by 14 leading spinning and weaving combines and their subsidiaries last year amounted to £3,148,656, compared with £4,665,012 in 1955. The average profit was £224,804 a group, against £333,215. The average dividend paid was 13.23 percent, against 14.99 percent in 1955. The average profit announced by 52 independent spinning mills during 1956 was £19,861 for each company, compared with an average of £27,745 for 60 companies in 1955, and one of £31,226 for 67 concerns in 1954. The average

dividend paid by 55 spinning mills last year was 15.75 percent, against 23.42 percent for 62 companies in 1955. The average profit announced by 20 concerns combining spinning and weaving was £35,500 each company last year, compared with £57,999 in 1955. The average dividend for 22 companies was 11.86 percent, against 13.39 percent. For the whole of the 72 firms, the average profit was £24,205 in 1956, against £35,984 for 80 concerns in 1955, while the dividends announced last year for 77 companies averaged 14.65 percent, against 17.52 percent in 1955. The adverse conditions had their severest effects on firms solely engaged in weaving. The average profit of 24 such companies was £28,090 each firm, against £52,962 in 1955. Dividends averaged 9.61 percent, against 15.24 percent in the previous year.

New Use for Acetate Staple.—A new outlet for acetate staple, which may ultimately make it much more important than it has been in the past, has been developed by Courtaulds Ltd. Hitherto acetate staple has mainly been used for blending with viscose for various cloths, including a successful shirting of the taffeta type, and has met with some success in blended wool yarns for tufted carpets, underwear and so on. "Fibroseta" in a crimped form for the manufacture of resilient waddings is now available on a commercial scale and some half a dozen or more of the largest wadding manufacturers in Britain are taking it up and have the necessary plant to carry out the latest bonding process. Super-crimped acetate staple is bonded together by the application of a plasticiser followed by heat treatment. The bonded wadding can be made in a wide range of densities, thicknesses, rigidities and widths according to requirements and extending from dense, rigid film-like materials and waddings, to light and open floss-like structures, and a full range of colours is available. It lends itself particularly to welding by the modern radio frequency technique, so that when used as a padding for car upholstery and mattresses, or as the filling for the fluting of car seats, sealing, fluting and quilting are carried out without stitching. For moulded products, such as display material, toys and so on the moulding is carried out on the plasticised acetate before the final bonding takes place, and by this moulding process it is possible to make packaging materials to shape. Bonded material of this type for heat and sound insulation is claimed to be extremely easy to handle and is rot-resistant, not attacked by vermin and, as the fibres are bonded together, it is stable to vibration. For insulating aircraft, refrigerator doors and similar purposes, it does not "bend down", and fire-resistant and water-resistant qualities are available. It is said to compare favourably in price with existing similar materials in common use.

British Oxygen.—The British Oxygen Company, however much it might disagree with the more critical views of its activities taken by the Monopolies Commission in its recent report, has met the situation in a dignified manner. It has published a booklet in which the chairman actually welcomes the criticism by the Commission and agrees with many of its recommendations; so much so, that some of them will be applied at once. It is made quite plain, however, that the company does not agree with all the criticisms. On one point, the size of profits, it disagrees completely, and the booklet sets out its reasons.

INSURANCE OF TEA GARDENS

WE publish in our correspondence column a letter regarding the insurance of tea garden premises. Our correspondent thinks that it will be generally admitted that the rates charged are fair, but he considers that special conditions are unnecessary, and quotes a special case as evidencing that the insurance companies do not always act up to their profession. He points out that in the tariff published by the companies, it is stated that an allowance will be made from the rates charged for fire insurance if a certain number of buckets are kept in each room always full of water; and he complains that gardens that have complied with this condition have not always received the rebate on the ground of an insufficient water-supply, his grievance being that there is nothing about such supply of water in the tariff conditions. We cannot say that we are altogether in accord with our correspondent. Rules of this description must be read in a commonsense way: and we think that when the insurance companies provide that there shall be certain buckets filled with water, they contemplate that there shall be also a supply of water readily available when those buckets become empty. If this were not so in the case of a fire, the tea garden would be very much in the position of the Dutch captain who possessed an anchor to his ship but who, when he required to use it, found that it had been left at home.

FROM
CAPITAL

12th May, 1897.

REPUBLICANS need almost as much pageantry as benighted monarchists, and New Delhi had it in good measure on Monday when Dr. Rajendra Prasad was sworn in as President for a second term and then proceeded to address free India's second Parliament. (By the way, republicanism is a relatively recent thing in Delhi, which has probably seen as much pageantry as any other capital in the world.) If on the stage new faces were few, the audience was not exactly the same, and to many the display must have been quite a novel experience. In the inaugural address itself, the President did not say much that was startling; but there was a comprehensive review of the problems facing India and the world. The reference to the second plan was cautious in the extreme, and it could mean more than one thing; it is possible that the Government itself has more than one thing in mind. The omission to mention West Bengal's food shortage has been noted locally, but it is unlikely that the problem is not on that account exercising the appropriate ministry. The President's claim that his Government has obtained encouraging results in the past few years inside the country and worked for peace abroad will be endorsed by most observers. But, not long after the colourful ceremonies were over, Mr. Nehru addressed his Party in Parliament and spoke on specific problems. This is what the Lok Sabha will have to do in the next five years. The time for generalities is over, or at least should be.

With much of Mr. P. L. Verma's vigorous presidential address to the Indian Roads Congress on Sunday, I would heartily agree. And even on the points where I do not agree, I would readily admit that his approach is thoughtful, constructive and illuminating. There are too few rupees, and too few engineers, to build the roads we badly need. State Governments, which prattle away ceaselessly about accelerating the economic intercourse between town and country, have done their deplorable best, through their road transport policies, to hinder the intercourse. Yet, one aspect of what the shortage of transport can mean in terms of poverty and human suffering may be seen in many Bihar and West Bengal districts today, where near-famine conditions prevail at the same time as Mr. Ajit Prasad Jain, Central Food Minister, gaily issues reassurances about the size of his food reserves. I do not believe that our transport inadequacies, especially those concerning roads, are purely financial in origin. They are as much psychological—in the sense that planning nowadays seems to consist of fixing targets for production, and then taking consumption for granted, without bothering about how goods are to move from the conveyor belt to the retail shop. But the financial difficulties are there, too in road development as in other fields, though they would be less if the levies road users already pay are utilised for their benefit rather than diverted to the grandiose "welfare" schemes of our poverty-stricken States can really afford. Mr. Verma makes a very attractive suggestion about increasing the technical manpower for road construction; that students be taken out of engineering institutions, given practical experience in road-building for two or three years, and then returned to the institutions for completing their studies. This seems to me one of the finest methods of nurturing the empiricism which seems so lacking even in our professional pursuits nowadays.

In purely economic terms, Whitehall's decision to withdraw its objection to British ships floating

A DITCHER'S DIARY

up and down the Suez Canal represents a concession to realism. Yet, it must be admitted, it also represents a concession to Colonel Nasser—not himself at all times the most readily recognisable incarnation of that quality. The U.K. decision could not have been deferred much longer; a conference last week spotlighted the extent to which the Suez Canal Users Association has been splintered by the strains of economic self-interest. However, it is to the future that eyes will now be turned; and the first hope here will be that those who have done most to get the Egyptian colonel roughly what he wanted, will have enough effective persuasion left in them to ensure that he fulfils his obligations. At least one of these obligations—granting the right of passage to Israeli ships—I cannot see him accepting for a long while yet; but many countries, both to the east and to the west of Egypt, will have reason to hope that a selfish and arbitrary nationalism will not give rise to interference in other forms. If it does, Colonel Nasser may before long find himself having won not much more than a Pyrrhic victory. Egypt's interest, which has always lain in keeping the world as heavily dependent on the Canal as possible, has already suffered much since nationalisation. Europe now knows that even with the Canal shut and the pipeline from Iraq dynamited, she is only inconvenienced, not starved. And the new trends—towards building supertankers, laying pipelines in more secure territories, and investing more heavily in the possibilities of atomic energy—are likely to make Suez look a lot less important than it did, say, a year ago. While no one still knows where the money for the Aswan Dam is to come from, looking ahead it is not difficult to visualise Colonel Nasser with rather less of the smug satisfaction than he may appear to have today.

The long-proven futility of intermediate arts and science courses in Indian colleges is being belatedly realised; and the Deshmukh Committee's estimate that changing over to the three-year degree course will cost about Rs. 25 crores suggests that the sum is not too much to spend on what, I feel, will prove a welcome reform. Unfortunately, the way some of our educational authorities are setting about implementing the reform does not indicate that the results will be as good as one might expect. In West Bengal, for instance, the neat-looking formula has been followed that instead of students spending ten years in school and four years in college, they will in future spend eleven years in school and three years in college, with mainly this difference that a small chunk of their first year's intermediate course is nipped off and attached to their new school curriculum. Since study in the intermediate grades supposedly involves a certain amount of specialisation, it is hard to see what can be gained by burdening schoolboys and schoolgirls with an academically negligible titbit of specialised knowledge. Rather, I had thought that the distinctive feature of a good school education is that it is general in nature while thorough in providing the foundation on which specialised knowledge can later be built. It is important that firm steps should be taken to prevent lazy adjustments of this sort, and also to see that one of the other major benefits expected from the three-year degree course—less overcrowding in colleges—is realised. The Deshmukh Committee suggests that the number of students in each college should be restricted to 800 or 1,000, but many acquainted with conditions prevailing today will tell you that even these figures are too

high. The danger of having more students than professors can reasonably be expected to cope with is that "cramming" increases and standards deteriorate. To spend Rs. 25 crores on the three-year degree course reform would be a waste of money if the intellectual calibre of graduates remained much the same as it is now.

For once, I think, the Queen would have been amused. Dr. Ram Manohar Lohia's *satyagraha* in Uttar Pradesh was high farce right from the beginning, for he knew perfectly well that his few supporters could not constitute even a nuisance to the State Government, and the chances are that he will have fewer at the end of his campaign. And then to have offered to call off the *satyagraha* if the statues of foreigners were removed was to reduce the whole thing to the level of the lowest comedy. There was a report that, as the result of a tussle between the police and Lohia's men in Banaras, some negligible damage was done to a statue of Queen Victoria. This is the centenary year of the mutiny, the end of which saw Her Majesty take over the administration of this country. Both were serious events, and the serious discussions now in progress on both certainly do not lack in variety. The Queen herself was a very serious person, and that a statue of hers should have been the object of a comical fight between the police and some political agitators who do not know what they want, suggests a childish and frivolous attitude to history on the part of Dr. Lohia who, I am told, is a serious student of history and has written extensively on historical evolution. Perhaps he is thinking of Toynbee's challenge-and-response? He flatters himself when he thinks he is a challenge to the U. P. Government—or to the place in history of the Queen on whose statue Dr. Lohia let loose his young and thoughtless vandals. There is an older generation of Indians who still think of Queen Victoria with respect and affection, and they know more of what she did during her long reign.

Congressional threats to cut the President's allocation for the United States Information Agency appear to have had little effect so far on the U.S.I.S. in Calcutta, which continues to give the city a series of fine exhibitions. "The Family of Man" drew crowds counted by the hundred thousand, and now we have "Asian Artists in Crystal"—with no fewer than five Indian artists represented. This is art in industry as much as industry in art; artists like Gopal Ghosh and Jamini Roy have provided the designs, and Steuben Glass Inc., of New York has engraved them in crystal. The result is almost entirely satisfying—almost, because the feeling persists that one is not seeing the original creation. The feeling is rather like that of reading a very good translation of a foreign masterpiece; or, to put it differently, of reading the foreign translation of a work one is familiar with in one's own language. This is, of course, the result of not being familiar with this medium, which is also part of its attraction. The thirty-six pieces on view betray very little of the technical effort involved; the blowing and fashioning of glass and the rare and delicate art of glass engraving are not subjects on which I can pretend to be an expert, but that the lay viewer is almost unaware of the infinite pains undoubtedly taken in their making is itself a tribute to Steuben's craftsmanship. I was told that these pieces could not be mass produced, perhaps not an altogether bad thing.

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IRREGULAR TREND IN STOCK PRICES

SELECTIVE DEMAND FOR INDUSTRIALS

London, 15th May.

THE recent burst of strength was not maintained in the stock markets during the past week. Although conditions remained active, price movements generally were irregular. Profit-taking after the rise had its effect on prices, but a number of other adverse influences were also operating. These included the local election results, the appearance of a fairly large corporation issue and the prospects of more new issues to come. The absence of the expected reduction in Bank rate and the rise in the Treasury bill rate last Friday, were also adverse factors, which occasioned a good deal of selling in gilt-edged securities. In the foreign bond market, German and Japanese bonds tended higher while several rail shares improved. Dollar stocks advanced under the influence of Wall Street. Good selective interest continued to be shown in industrial issues, but the general trend in this market was irregular, although there were a few firm spots. Steels fell back sharply on Mr. Bevan's re-nationalisation warning while shipping shares reflected the decline in freight rates. There was very little interest in South African gold shares which recorded only minor changes on the week. Base metals inclined easier with the exception of tins which often recorded small gains. Oil shares responded to the news that British ships are to be allowed to use the Suez Canal and to the prospect of petrol rationing being ended shortly. Rubber shares were firm and active on bid possibilities, coupled with the favourable effects of the tax concessions on overseas trading profits in the Finance Bill. Many useful gains were recorded on reported eastern buying. Tea shares were selectively firm. Chandore and Sylhet responded to their increased dividends. Pundaloya were strong following their higher distribution. Nedem receded on the deferment of the preference dividend.

The Money Market

Active conditions have continued in the London money market during the past week, and the credit situation has been at times difficult. The expectations of a reduction in Bank rate have again failed to materialise. Last Friday, the Treasury bill rate reversed its trend of the past few weeks and moved up to £3 16s 18d percent from the previous level of £3 14s and 9d percent. The surplus of funds on that day proved short-lived, and on the following Monday, the credit position became acute with discount houses clutching at every form of relief. Full privilege was taken by some houses. Although the authorities provided both direct and indirect assistance, two or three houses were compelled to borrow from the Bank of England on full Bank rate terms.

Stock Market Prospects

"With no lack of bullish support, the stock markets have continued to move forward," writes the *Investors' Chronicle* newsletter. "In a wide-spread advance on Monday, the *Financial Times* industrial ordinary index rose 1½ points to 206.1 accompanied by an expansion of markings to the highest level since July 1955, the time of the previous market boom. Investors are back in the

market for good class industrial equity prompted by the upward trend in prices and wages and the consequent talk of continuing inflation. The recent profit announcements from the whales of industry have shown that for the moment at least, inflation is certainly leading to increased costs but not to better profits. On short term, therefore, the purchase of equities may give only limited protection against the erosion of money values. Meanwhile, the investors might consider some second string industrial concerns which appear to have been overlooked."

Activity on Wall Street

Foreign bonds have continued to be slow and mixed on Wall Street. German Nationals generally have shown only minor variations either way, although the 4 percents of 1952 have moved up over a point on small volume. Polish issues have been soft with losses ranging up to nearly 2 points. Australians and Italians have drifted irregularly in a narrow range with Denmarks 4½ percents and Norwegians steady at unchanged prices. Japanese Governments have been mixed with the 6½ percents of 1964 moving up and the 5½ percents of 1957 lower. Chile 3 percents have shown little change on the week. U.S. Government obligations have fluctuated in sluggish dealings with traders inclined to remain on sidelines to await the Treasury's decision to issue a new long-term bond. Investment quality corporates have been marking time and rails have been mixed in limited activity.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 8th May shows that the gold stock increased by \$1 million to \$22,319 million. Foreign deposits increased by \$42 million to \$353 million, but foreign investments fell by \$34 million to \$3,653 million. The Federal Reserve sold \$48 million worth of bills, but purchased \$59 million worth of securities under repurchase agreements. Total discounts and advances fell by \$291 million to \$804 million, while the aggregate excess reserves of member banks fell by \$143 million to \$352 million. Daily average excess reserves of member banks rose by \$91 million to \$497 million, while their daily average borrowings rose by \$263 million to \$867 million. Business loans of the New York city banks fell by \$71 million to \$11,592 million, compared with a fall of \$65 million to \$9,615 million a year ago.

Restricted Buying in Rubber

Trading in the rubber futures market has continued to be very light, with only 30 lots traded. In the ready contract prices were 10d to 20d higher on week-end covering, according to traders. In the physical market, modest factory buying was reported, while dealers did some buying of shipment rubber. Reliable trade sources said that manufacturers are keeping their natural rubber stocks low, because they can buy spot and nearby rubber from the Government stockpile. When the Government sells rubber to the factories, it must simultaneously buy equal amounts of rubber in the shipment rubber market. Traders said that the cost of rubber is secondary as far as the factories are concerned but they are assured of a continued flow of rubber for their operations.

Price of Quicksilver Raised

The London spot price of quicksilver has been raised a further 20s to bring the ex-warehouse price to £88 a flask. This follows a rise of 20s on 6th May. Dealers say that the reasons for this rise are the same, namely the shortage of physical metal on the spot in the U.K. and no prospects of an early relief from the main producing countries.

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	10-5-57	3-5-57	11-5-56
Liabilities—			
Notes in Banking Dept.	9,87.34	9,04.38	8,77.98
Notes in Circulation	15,95,36.03	15,77,11.07	15,25,88.36
Total Notes Issued	16,05,23.37	15,86,15.45	15,34,66.36
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Approved Foreign Exchange	4,12,51.91	4,12,51.91	6,81,44.72
Government of India Securities	5,30,27.94	5,30,27.94	7,21,46.43
Total of A	1,25,08.12	1,25,08.12	1,04,50.76
B Rupee Coin	9,49,87.31	9,29,87.31	7,08,89.17
Rupee Securities	1,20,43.08	1,21,15.45	36,04.94
Total	16,05,23.37	15,86,15.45	15,34,66.36

BANKING DEPARTMENT			
	10-5-57	3-5-57	11-5-56
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) 1 Central Govt.	54,92.36	51,81.43	65,37.70
2 Other Govts.	2,10.59	4,25.50	49,72.66
(b) Banks	59,46.01	64,06.24	12,86.10
(c) Others	84,70.64	76,02.34	7,86.14
Bills Payable	16,03.93	19,25.35	36,04.94
Other Liabilities	1,20,43.08	1,21,15.45	36,04.94
Total	3,63,86.61	3,62,56.31	1,98,53.88

SCHEDULED BANKS (In 000's of Rupees)			
	3-5-57	26-4-57	4-5-56
Demand Liabilities—			
(a) Borrowings from Banks	10,96.33	8,63.23	7,05.86
(b) Others	7,10,82.71	7,20,45.46	6,30,83.49
Time Liabilities—			
(a) Borrowings from Banks	3,04.00	2,52.00	2,86.30
(b) Others	5,01,99.36	5,00,37.65	4,26,73.96
Borrowings from State Bank—			
(i) Demand Liabilities	10,60.73	7,86.17	10,54.94
(ii) Time Liabilities	—	—	—
Borrowings from Reserve Bank—			
Bank	81,37.50	72,71.24	62,85.83
Cash	38,95.54	37,96.81	36,31.11
Balances with the Reserve Bank—			
Bank	64,65.23	65,85.54	49,17.75
Balances with other banks	10,00.21	10,17.12	10,16.53
in current account	18,02.23	17,09.92	8,37.87
Mutual at call and short notice	—	—	—
Investments in Central and State Govt. Securities	3,44,47.26	3,44,51.28	3,55,34.17
Advances	7,39,00.28	7,24,41.80	6,11,36.72
Inland Bills purchased and discounted	1,26,21.82	1,25,89.30	1,06,39.48
Foreign Bills purchased and discounted	58,38.91	57,63.28	45,51.15
Total	3,63,86.61	3,62,56.31	1,98,53.88

CLEARING HOUSE RETURNS (In thousands)			
	Week ended	Rs. (thousands)	Bombay
10-5-57	58,78.47	64,99.77	—
3-5-57	55,08.79	64,59.81	—
26-4-57	59,28.32	85,08.31	—
18-4-57	54,22.74	64,70.72	—

STATE BANK OF PAKISTAN ISSUE DEPARTMENT (In 000's of Rupees)			
	Week ended	Week ended	Week ended
	26-4-57	18-4-57	10-4-57
Liabilities—			
Notes in Banking Department	13,42.96	11,46.64	11,46.64
Notes in Circulation	3,28,06.87	3,28,06.87	3,28,06.87
Total Notes Issued	3,41,49.83	3,41,49.83	3,41,49.83
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	11,33.41
Approved Foreign Exchange	1,04,38.03	1,04,38.03	1,04,38.03
Government of India Securities	—	—	—
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30	43,02.30
B Rupee Coin	5,26.85	5,26.85	5,26.85
Govt. of Pakistan Securities	1,71,59.18	1,71,59.18	1,71,59.18
Held with Reserve Bank of India pending transfer to Pakistan	—	—	—
Gold Coin and Bullion	19.02	19.02	19.02
Sterling Securities	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee Coin	29.51	29.51	29.51
Total	3,41,49.83	3,41,49.83	3,41,49.83

BANKING DEPARTMENT			
	Week ended	Week ended	Week ended
	26-4-57	18-4-57	10-4-57
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	62,33.89	56,06.23	4,27.99
(b) Provincial Government	51.69	15,07.94	9,06.21
(c) Banks	15,36.73	9,15.61	8.81
(d) Others	9,15.61	15.32	13,32.56
Bills Payable	13,18.57	13,18.57	13,18.57
Other Liabilities	—	—	—
Assets—			
Notes	1,06,94.31	1,04,45.36	1,04,45.36
Rupee Coin	13,42.96	13,42.96	13,42.96
Subsidiary Coin	—	—	—
(a) Pakistan	18	18	18
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	2.27	2.27	2.27
(c) Govt. Treasury Bills	93.09	93.09	93.09
Loans and Advances to Govt.	11,62.47	11,62.47	11,62.47
Provincial Govt. Debtor Balances	7,48.03	7,48.03	7,48.03
Other Loans and Advances	62,25.22	62,25.22	62,25.22
Investments	11,14.04	11,14.04	11,14.04
Other Assets	—	—	—
Total	1,06,94.31	1,04,45.36	1,04,45.36

Finance in India and Abroad

BUDGET TAXATION PROPOSALS

BIG INCREASE IN REVENUE EXPECTED

THE following is a summary of some notable tax proposals put forward by the Finance Minister, Mr. T. T. Krishnamachari, in the Central Government's Budget, presented on Wednesday evening. He has explained that the purposes of these tax proposals are to increase revenue; restrain consumption in order to check inflation and encourage investment; and change taxes in order to make tax yields more responsive to increased incomes and to ensure orderly development. The total increase in revenue expected from the new taxation proposals is about Rs. 77.85 crores.

Union Excise Duties: Proposals in respect of these duties are estimated to yield Rs. 60.80 crores in a full year. For the remaining part of the current year, their yield is estimated at Rs. 53.20 crores.

Personal Income Tax and Super Tax: It is proposed to revise the schedule of these rates and introduce a new scheme of surcharge levy. This will mean that the total income-tax, super-tax and surcharge for the highest slab will be brought down from the existing level of 91.8 percent to 84 percent for unearned and 77 percent for earned incomes. The surcharge will be five percent on the tax computed at the standard schedule rates for earned income up to Rs. 1 lakh and ten percent on incomes in excess of that sum. For unearned incomes, there will be a uniform surcharge of 20 percent over the standard schedule rates. When a person's income is partly earned and partly unearned, the unearned income will be considered to belong to the slab in which the earned income ends and to higher slabs where necessary. The rates for the lower slabs have been adjusted in keeping with this change in respect of top slabs. To provide relief to middle classes, no surcharge on unearned income is proposed where the total income does not exceed Rs. 7,500.

There is to be a levy on wealth. Exemption has been granted up to Rs. 2 lakhs, and for Hindu undivided families up to Rs. 3 lakhs. The rate of the tax will be ½ percent for the first Rs. 10 lakhs, one percent for the next Rs. 10 lakhs, and 1½ percent thereafter. Companies will be exempt up to Rs. 5 lakhs, and thereafter a tax of ½ percent is proposed.

An expenditure tax, applicable to incomes above Rs. 60,000 a year, is proposed for the financial year 1958-59.

The minimum limit for income-tax has been lowered from Rs. 4,200 to Rs. 3,000 a year.

Taxation of Companies: The income-tax payable by companies is proposed to be raised from four annas in the rupee to 30 percent and the corporation tax from two annas nine pies in the rupee to 20 percent. While the net effect of the proposal will not be very significant it will, to some extent, help check tax evasion. In view of the increase proposed in the rate of corporation tax, it is proposed to reduce the excess dividends tax as follows:

To 10 percent on distribution of dividends between 6 percent and 10 percent of the paid-up capital;

To 20 percent on distribution between 10 percent and 18 percent of the paid-up capital; and

To 30 percent on the balance.

It is also proposed to raise the tax on bonus issues from the present level of 12½ percent to 30 percent.

It is proposed to reduce the rate of inter-corporate super-tax to 10 percent both for Indian and foreign companies on dividends received from Indian subsidiaries. At present the rate is 17 percent for Indian companies and 20 percent for foreign companies. The effect of the reduction will be, so far as foreign companies working through subsidiaries are concerned, the total tax payable by them will remain practically unaltered. Similarly, for foreign companies operating through branches and earning other incomes, the rate of corporation tax will be reduced from 36 percent to 30 percent. These changes are expected to give some encouragement to the investment of foreign capital in India.

With regard to the tax on undistributed profits of companies, it is proposed to reduce to 45 percent the minimum percentage of available profits which an industrial company of a specified type should distribute in order to avoid the penal consequences of inadequate distribution. For non-industrial companies the percentage will continue to be retained at 60 percent. For a company which derives profits partly from industrial activities and partly from other activities, the minimum distribution required will be 45 percent of available industrial profits and 60 percent of other available profits. Investment companies will be required to distribute 100 percent as usual. In cases where the accumulated profits and reserves of the firm assets, the minimum percentage required to be distributed is at present 100 percent for all companies. It is proposed to reduce the

FINAL BUDGET ESTIMATES

	Budget 1956-57	Revised 1956-57	Budget 1957-58
Revenue :	Rs. 527.39 lakhs	Rs. 571.49 lakhs	Rs. 634.97 lakhs Plus Rs. 77.85 lakhs (Effect of Budget proposals)
Expenditure :	Rs. 545.42 lakhs Minus Rs. 18.04 lakhs	Rs. 533.55 lakhs Plus Rs. 37.94 lakhs	Rs. 658.09 lakhs Minus Rs. 33.12 lakhs Plus Rs. 77.85 lakhs

percentage to 45 percent for industrial companies and 90 percent for others.

The changes proposed in the taxation of companies will bring an additional revenue of Rs. 7½ crores.

A newsagency summary lists certain duty changes as follows:

1. Customs duty has been increased on approximately 80 items to yield Rs. 6 crores.

2. The motor spirit duty has been raised from 98nP to 125nP.

3. Higher duties will be imposed on tea, coffee, tobacco, matches and paper.

4. The cement duty is up from Rs. 5 to Rs. 20 a ton.

5. The sugar duty is up from Rs. 5.52 to Rs. 11.24 a cwt.

6. The steel duty has been raised from Rs. 4 to Rs. 40 a ton.

7. The duty on paraffin oil has been increased from 18½nP to 20nP.

A series of railway fare taxes are proposed, which are estimated to yield Rs. 14 crores. These taxes are to be at the rate of 5 percent on distances of up to 30 miles, with season tickets exempted. On distances between 31 and 500 miles, the tax will be 15 percent, and on longer distances it will be 10 percent.

Rates for postcards have been raised. In the case of single postcards, they will go up from 5nP to 6nP and in the case of reply postcards from 10nP to 12nP. For local postcards the single rate will move up from 3nP to 4nP, and for reply postcards from 6nP to 8nP.

In the case of inland telegrams, for every additional word beyond the minimum of eight words the rate will be raised from 7nP to 8nP, and for express telegrams from 14nP to 16nP.

The Finance Minister has announced that a new series of National Plan savings certificates will be issued bearing compound interest at the rate of 4.25 percent.

The revenue deficit is now estimated at about Rs. 6 crores higher than the figure of Rs. 26.87 crores mentioned in the interim Budget. The overall deficit on capital and revenue accounts, which was estimated at Rs. 385 crores two months ago, is now expected to be Rs. 2.89 crores higher.

THE CALCUTTA MONEY MARKET

ADVANCES HIGHER AGAIN

Wednesday, 15th May.

THERE has been a moderate rise in advances in the Calcutta money market during the past week. Nearly all categories of borrowers are responsible for this. Cotton and jute credit is slightly higher, while accommodation for sugar and for grains and seeds has also increased. Funds have been in fair demand in the interbank market but supplies have been sufficient, so the call rate has remained at 3½ percent.

In the exchange market, a slightly larger number of bills have been transacted, mainly on account of gunny shipments. Remittance is reported to have been on a normal scale. The value of sterling in relation to the dollar and Continental currencies is almost unchanged.

Bullion was steady in minor fluctuations. Silver was quoted at Rs. 182 today for forward delivery and the rate for ready was quoted at Rs. 182.25. The London and New York prices remained the same as before.

Gold was firm on good demand and advanced to Rs. 109. The sovereign fetched Rs. 71.37.

During the week ended 10th May, Government of India Treasury bills for Rs. 53,93,50,000 were sold in favour of the Reserve Bank.

An increase of Rs. 19.08 crores to Rs. 1,605.23 crores in the total note issue and of Rs. 18.25 crores to Rs. 1,595.36 crores in active notes were the outstanding features of the return of the Reserve Bank of India for the week ended 10th May, 1957. The currency expansion was covered by increasing rupee securities by Rs. 20 crores to Rs. 949.87 crores. Deposits of the Government of India increased by Rs. 3.11 crores to Rs. 54.62 crores but other Government accounts declined by Rs. 2.15 crores to Rs. 2.11 crores. Balances of

commercial banks at Rs. 59.66 crores were Rs. 4.40 crores lower. Balances held abroad fell by Rs. 9.83 crores to Rs. 74.07 crores. Investments were Rs. 1.24 crores lower at Rs. 125.90 crores. Other loans and advances increased from Rs. 105.31 crores to Rs. 113.71 crores, of which advances to scheduled banks against usance bills amounted to Rs. 62.24 crores, against Rs. 59.98 crores. Ways and means advances stood at Rs. 19.23 crores (Rs. 15.72 crores).

The return of the State Bank of India for the week ended 3rd May, 1957, shows a drop of Rs. 2.19 crores in total deposits to Rs. 296.96 crores. Investments in Government securities and other authorised investments are down by Rs. 1 lakh and Rs. 16 lakhs to Rs. 94.06 crores and Rs. 11.30 crores, respectively. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 4.54 crores to Rs. 187.92 crores. Cash and balances are, in consequence, shown at Rs. 24.07 crores, or Rs. 3.53 crores less.

The statement of the position of scheduled banks for the week ended 3rd May, 1957, shows Demand and Time liabilities at Rs. 721.79 crores (Rs. 10.96 crores on account of borrowings from banks) and Rs. 505.03 crores (Rs. 3.04 crores), compared with Rs. 729.09 crores (Rs. 8.63 crores) and Rs. 502.90 crores (Rs. 2.52 crores), respectively, in the previous week. Cash has increased by Rs. 99 lakhs to Rs. 38.96 crores, while balances with the Reserve Bank have decreased by Rs. 1.21 crores to Rs. 64.65 crores. There is a drop of Rs. 4 lakhs in investments to Rs. 344.47 crores. Advances and bills discounted, at Rs. 923.61 crores, indicate a rise of Rs. 15.67 crores. The ratios to total deposits of cash and balances, and of advances and discounts, are, in consequence, shown at 8.4 percent and 75.3 percent, against 8.4 percent and 73.7 percent.

The following is a statement of the cash balances of the Central Government on the last day of February 1957:

	Rs.
(1) At the Reserve Bank of India in India	46,02,76,000
(2) At treasuries in India	13,99,000
(3) In England (Sterling converted at 18d the Rupee)	2,51,62,000
Total	48,68,

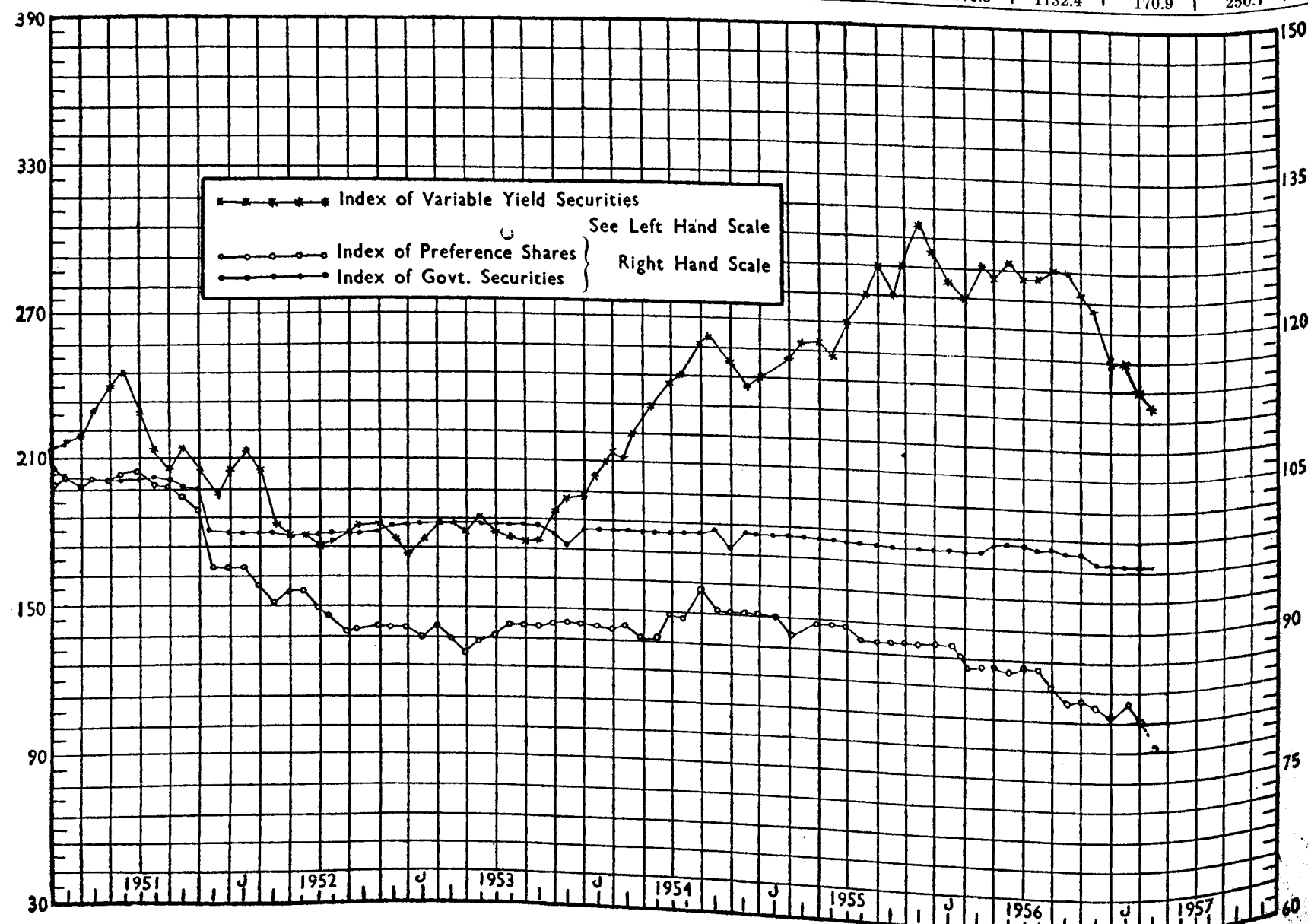
"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to March, 1957. Compared with February, the March index for preference shares indicates a drop of 2.7 points, while that for Government securities remains unchanged at 96.5 points.

There were decreases in coals 4.1 points, jutes 13.1 points, cements 2.6 points, engineering 8.8 points, teas 0.8 point, papers 14.6 points, and miscellaneous 7.8 points while increases occurred in banks 6.1 points, cottons 0.8 point, minings and oils 1.0 point and sugars 1.7 points.

Correlating all the factors, the Capital variable yield securities index shows that the index for stock prices in these classes of shares declined by 4.3 points during March 1957.

	Index of Govt. Securities	Index of Preference Shares	Variable-Yield Securities												Combined Index
			Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime etc.	Eng and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others		
Weights	...	...	7	12	9	11	10	6	17	8	9	8	11	100	
1953.															
April	98.1	85.1	135.9	203.7	181.2	144.0	95.3	92.1	168.7	192.2	548.6	153.9	219.3	181.9	
May	98.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	179.1	569.2	164.1	222.9	186.3	
June	97.8	86.8	135.5	199.2	179.2	144.4	97.1	93.2	166.0	203.7	560.6	161.9	213.6	181.9	
July	97.6	88.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	550.6	161.2	213.1	178.7	
August	97.6	88.5	134.0	197.6	156.3	135.3	88.8	86.3	162.0	177.8	539.4	162.6	215.1	175.2	
September	97.7	88.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3	177.1	
October	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	170.7	207.1	583.1	171.9	227.0	189.9	
November	96.1	88.7	134.0	201.7	167.5	144.4	112.5	97.5	183.0	247.4	628.1	171.9	230.1	193.8	
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2		
1954.															
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9	203.3	
February	97.8	88.0	132.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9	212.4	
March	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7	211.6	
April	97.8	87.6	134.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9	216.8	
May	97.8	86.9	135.2	220.7	180.7	133.7	153.7	95.4	217.4	288.9	835.5	188.9	261.6	222.9	
June	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	314.4	862.7	192.5	289.6	246.1	
July	98.3	92.6	127.7	236.7	200.5	146.0	162.9	108.5	253.0	350.9	926.3	196.9	294.1	260.4	
August	98.2	92.6	126.7	238.4	215.3	143.7	179.2	115.4	266.4	379.7	1009.8	198.6	309.5	262.0	
September	97.9	90.0	129.1	240.8	203.1	158.3	183.8	118.0	270.1	381.0	987.3	206.3	309.0	253.2	
October	96.9	90.2	128.8	243.4	193.4	163.8	173.1	120.9	255.0	384.0	1012.5	205.3	299.7	238.6	
November	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0	242.9	
December	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1		
1955															
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3	259.6	
February	97.8	88.3	122.5	209.5	185.8	146.0	159.0	107.4	297.4	376.8	984.0	202.6	278.6	252.4	
March	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3	260.8	
April	97.9	89.2	121.2	216.1	199.5	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	289.4	255.5	
May	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1105.2	190.3	289.4	251.1	
June	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4	251.1	
July	98.2	87.7	112.8	249.1	211.7	150.3	204.1	121.0	322.9	378.9	1148.3	210.6	302.3	263.8	
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3	263.0	
September	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2	266.8	
October	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	363.9	353.0	1176.8	224.3	317.8	271.9	
November	98.1	87.7	125.4	278.0	222.4	147.6	219.2	136.3	349.2	349.2	1304.7	223.6	350.3	311.9	
December	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2	302.4	
1956															
January	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1	288.5	
February	98.3	86.4	122.0	246.6	206.7	132.9	217.0	120.6	331.6	286.4	1242.4	193.6	301.8	285.6	
March	97.9	86.2	123.3	271.1	207.7	119.8	228.0	124.1	355.5	331.8	1310.0	183.6	298.2	290.5	
April	98.0	86.7	123.5	275.1	202.1	115.8	228.9	124.2	345.4	321.2	1287.4	181.9	296.6	288.8	
May	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7	290.9	
June	98.2	86.9	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	188.9	294.2	291.7	
July	97.9	86.0	128.3	283.7	201.1	112.7	226.6	124.9	313.6	336.6	1365.6	189.3	297.7	294.5	
August	98.0	84.5	134.0	295.7	204.1	119.4	212.4	128.5	337.3	303.8	1342.4	191.9	309.0	294.5	
September	97.4	83.6	132.5	277.1	206.7	121.0	230.0	130.7	331.3	294.9	1347.1	191.3	320.4	284.5	
October	97.0	83.8	132.2	270.1	206.1	114.6	223.5	125.1	311.8	309.7	1311.9	178.6	308.5	278.6	
November	96.6	82.5	132.2	268.9	214.3	106.7	202.9	111.7	311.5	330.5	1266.2	182.9	303.9	275.2	
December	96.5	81.8	129.6	255.3	195.5	95.2	183.2	104.4	283.9	277.5	1184.1	173.6	286.8	257.2	
1957															
January	96.2	83.3	138.2	253.2	198.5	96.0	178.5	111.5	287.3	275.8	1210.6	172.2	270.8	258.8	
February	96.5	81.3	120.1	241.3	191.4	99.6	163.2	103.1	265.8	279.6	1147.0	169.2	258.5	244.5	
March	96.5	78.6	126.2	242.1	187.3	86.5	164.2	100.5	257.0	278.8	1132.4	170.9	250.7	240.3	



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

Stocks and Shares

MARKET REACTS UNFAVOURABLY TO SEMI-KALDORIAN BUDGET

MOST PRICES MARKED DOWN: BANK RATE RAISED

Wednesday Night.

THE Calcutta Stock Exchange opened on a steady note when trading commenced during the special budget session tonight. As the various tax proposals started coming through, however, prices began to wilt under selling pressure. The steep increase in direct taxation has confirmed almost the worst fears of investors. Professor Kaldor's tax proposals appear to have been accepted to a substantial extent by the Government of India. Of the five suggestions made by him, three have now been implemented, namely, the expenditure tax, tax on wealth and (in the November supplementary budget) the capital gains tax. The steepening in the rate of bonus tax is a severe blow to investors. The annual tax on wealth may reduce interest in investment. The increase in indirect taxation on various commodities which are the products of industries in which the share market is interested, such as paper, cement, tea, tobacco and sugar will be burdensome. Much will depend on whether the incidence of these taxes can be passed on to consumers in the form of higher prices.

Here is a chart showing price movements of a representative list of shares during tonight's special Budget Session.

	Opening	Highest	Lowest	Closing
Indian Iron	19.42	19.72	18	18.03
Indian Copper	3.36	3.36	3.15	3.16
National Jute	20	20	19.30	19.50
Textile Machinery	18.25	18.25	17.75	17.75
Burrakur Coal	22	22	22	22
Orient Paper	27.87	27.87	27.50	27.50

The Reserve Bank of India's announcement this afternoon of an increase in Bank rate with effect from tomorrow from 3½ percent to 4 percent was not entirely unexpected in market circles. It caused a mild reaction in 3% Conversion Loan 1986 which was marked down from Rs. 74.40 to Rs. 74.20 and in Indian Iron and Steel from Rs. 19.45 to Rs. 19.18. The last change in Bank rate was in November 1951, when it was increased from 3 percent to 3½ percent. The increase in Bank rate will be welcomed by electricity supply companies in particular, as the standard rate of return, which has been fixed at 2 percent higher than Bank rate, will rise to 6 percent, as against 5½ percent prior to the change. As far as Government securities and other fixed interest stocks are concerned, the view is taken that prices have already adjusted themselves and that they are unlikely to fall to any great extent as it was well known that Bank rate was artificially pegged at interest rate on the Reserve Bank of India's advances to scheduled banks against Government and other eligible securities was increased by ½ percent to 4 percent.

Details of the week's pre-Budget trading follow:

The gilt-edged market eased further and at the close the undertone was quiet. Except in short-dated loans, sellers predominated and the prices of medium-dated and long-dated issues were fractionally lower. The 3% Conversion Loan 1986 was quoted nominally around Rs. 73. In short-dated loans, 3 percent 1957 and 1958 had buyers at Rs. 74.40 to Rs. 74.20, while Non-terminable Paper dated loans, 3 percent 1957 and 1958 had buyers at the official prices of Rs. 99.75 and Rs. 99.65; 3% 1959-61 was asked for around Rs. 97.50. The 2½% 1961 had buyers at Rs. 93.50, as did 2½% 1960 at Rs. 96.45, but 3½% 1961 turned sellers at Rs. 99.50. In the medium-dated group, 2½% 1962 met with good enquiry at Rs. 93.85 cum-voucher and later at Rs. 93.75 ex-voucher. However, 3% 1963-65 eased further to Rs. 94.10 and 3% 1964 was quoted lower back to Rs. 93.30; 3½% 1964 and 1965 were both marked dated loans were quotably unchanged but the enquiry for them had subsided and sellers once again predominated; 3% 1966-68 was offered at Rs. 92.06 and 3% 1970-75 at Rs. 87.20, while 3½% 1974 was traded around Rs. 98.50.

Little business was reported in State loans and prices, where changed, showed further falls. The 1968, which was marked down to Rs. 97.06, and 4% U.P. 1968, which fell to Rs. 97.55.

There was a little more enquiry for preference shares, though jute shares remained neglected. In fact, no transactions were reported in jute preference shares during the week. Among miscellaneous issues, Bengal Paper "A" were taken at Rs. 119.50 and British India Corporation were easier at Rs. 9.15 and Carew were crossed at Rs. 100, as came to hand at the higher rate of Rs. 46 and Gillanders Arbuthnot were done at Rs. 60. Indian Iron and Steel met with some enquiry around Rs. 99 and Indo Burma Petroleum were slightly

better at Rs. 98. Jessop changed hands at Rs. 89 and Metal Box were crossed at Rs. 91.50. Textile Machinery first preference changed hands at Rs. 94.50 and Titagur first were marked at Rs. 131.

In the banking section, Punjab National were unchanged at Rs. 53, as were United Commercial at Rs. 53.75. Hindustan Mercantile were transacted at Rs. 12 and United Bank of India "D" shares changed hands freely around Rs. 4.25.

In railways, Bukhtiarpur-Bihar came to business after a long interval at Rs. 21.

Cotton shares tended to lower levels and most issues showed losses. Bowreah came back from Rs. 181 to Rs. 115, Cawnpore Textiles from Rs. 5.75 to Rs. 5.62 and Dunbar from Rs. 175 to Rs. 167. Kesoram were unchanged at Rs. 13.50. Elgin were shaded at Rs. 19, as were New Victoria at Rs. 1.81. A few transactions were reported in Muir Mills, after a long interval, around Rs. 73.50.

Coal shares backed away in the absence of support, with the exception of Burrakur, which were steady around Rs. 22.25. Prices in most other cases were lower than those prevailing at the beginning of the period under review. Here is a chart showing representative price movements:

	Prices on 9th May 1957	Prices on 15th May 1957
Bengal	220	214
East Indian	24.75	24.50
Equitable	25	24.50
Western Bengal	5.31	5.25
New Beerboom	14.50	14.25

The recent enquiry for jute shares fizzled out and prices were marked down on a broad front.

HINDUSTHAN GENERAL INSURANCE SOCIETY LIMITED

FOR SERVICE & SECURITY

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Dr. N. N. Law, M.A., Ph.D., (Chairman)
Shri J. N. Sen Gupta, M.A., B.L.,
Raja Radharaman of Pilibhit.
Dr. S. B. Dutt, M.A., Ph.D. (London),
Barrister-at-Law.
Shri M. L. Dahanukar.

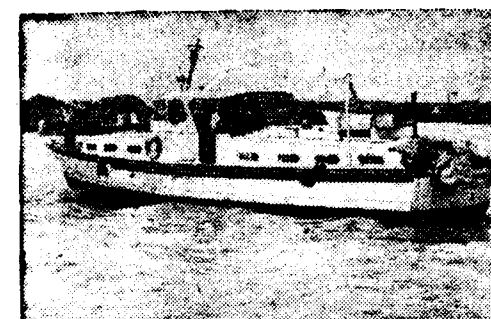
Shri P. N. Talukdar, M.A. (Cantab),
Managing Director.

Branches at:

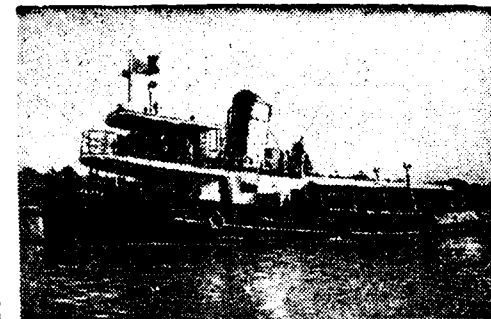
ASANSOL • BANGALORE • BOMBAY • COCHIN
CUTTACK • DACCA • GAUHATI • HYDERABAD (DNJ)
INDORE • JALPAIGURI • KATHIHAR • LUCKNOW
MADRAS • NAGPUR • NEW DELHI • PATNA

FIRE • MARINE • MOTOR MISCELLANEOUS ACCIDENT

Head office:
HINDUSTHAN BUILDINGS
CALCUTTA



60 ft. Single-Screw Diesel Steel Launch



Contrary to the general trend, National were steady at around Rs. 20. The following table illustrates representative price movements:

	Prices on 9th May, 1957	Prices on 15th May, 1957
	Opening	Closing
Anglo India	141	140
Champania	120	112
Chitavalah	124	125
Gourepore	230	227
India	123	127
Kamarhatti	95	94
Megna	79	77

Electric supply shares were more or less unchanged, with the exception of Calcutta which were slightly better at Rs. 12.56. Agra were offered at Rs. 138 and U.P. were reported around Rs. 136.

In sugar, the recent enquiry for Darbhanga, it appeared, had petered out, with sellers at the lower rate of Rs. 24.50. Belsund were slightly easier at Rs. 10.87, as were Cawnpore at Rs. 14.94. Carew and Dyer Meakin were fairly steady at Rs. 7.95 and Rs. 6.19. S.K.G. changed hands around Rs. 10.

Pre-Budget fears brought the price of Indian Iron and Steel shares down at one time to Rs. 19, against the opening quotation of Rs. 20.09. But towards the close bear-covering caused a small recovery to Rs. 19.39. Braithwaite changed hands freely around Rs. 24.50 and Britannia Engineering met with some enquiry, the price improving to Rs. 13.81. Burn were offered at Rs. 310 as were Jessop around Rs. 23.62. Richardson and Cruddas were quiet at Rs. 15.87. Guest, Keen, Williams, changed hands at Rs. 26.12 and Textile Machinery recovered from Rs. 18 to Rs. 18.25. Kumardhubi met with profit-taking and the price was marked down from Rs. 9.12 to Rs. 8.94 but the shares recovered to their former price later.

Pre-Budget rumours of an excise duty on paper brought some selling pressure in paper shares, particularly Orient, which were marked down from Rs. 28.20 to Rs. 27.70. Sirpur were easier at Rs. 9.06, as were Titagur at Rs. 33.50 and India Paper Pulp at Rs. 21.06. Shree Gopal, on the other hand, were unchanged at Rs. 14.94.

In cement, Sone Valley were easier at Rs. 6.19 and Dalmia were neglected at Rs. 11.56. Jaipur Udyog were easier at Rs. 12.12.

No business was reported in insurance shares.

In shipping, India Steamship, after being sold down to Rs. 9.94, recovered at the close to Rs. 10.03 on expectations of a further increase in freight rates. India General Navigation were unchanged at Rs. 66, as were Port Shipping at Rs. 16.37.

Among miscellaneous industrials, Alkali and Chemical had small buyers at Rs. 11.87 while Anglo Brothers were slightly easier at Rs. 18. Assam Saws were quietly steady at Rs. 3 while Boral Flour lost three points to close at Rs. 26. British India Corporation improved from Rs. 6.19 to Rs. 6.37, while Clive Row were slightly lower at Rs. 9.50. Dunlop Rubber were unchanged at Rs. 24 and Imperial Tobacco receded to Rs. 14, as did Indian Aluminium to Rs. 12.75. Indian Cable continued to meet with selling pressure and closed lower at Rs. 23.56. Indo-Burma Petroleum were offered at the lower rate of Rs. 28. Jardine Henderson were unchanged at Rs. 77 while Martin Burn eased to Rs. 23. Metal Box were offered at the lower rate of Rs. 27 and National Carbon were dull at Rs. 24.37. Rallis was a good feature, the price improving from Rs. 30 to Rs. 34. Rohas Industries were trimmed down to Rs. 17.56, while Shaw Wallace were better at Rs. 11.44.

In the mining group, good business was reported in Indian Copper, the price improving from Rs. 3.28

to Rs. 3.36 (after Rs. 3.43). All other mining issues were practically unchanged.

Tea shares spent another dull week and, in the absence of support, prices were marked down. Banarhat eased to Rs. 264 and Choonabhatti closed five points lower at Rs. 280. Dhelakhat reacted from Rs. 21.87 to Rs. 21.50 and Hantapara from Rs. 165 to Rs. 160. Jay Shree changed hands freely around Rs. 10.25 ex-dividend while Tezpur were unchanged around Rs. 19.

Providing Rs. 65,000 for depreciation and making other adjustments, the loss of the ALLIANCE JUTE MILLS COMPANY has amounted to Rs. 65,330. Bringing in Rs. 23,103, transferring Rs. 1 lakh from reserve and making other adjustments, there is a balance of Rs. 80,645. The usual preference dividends have been paid but the ordinary ones have again been passed over. The carry-forward is Rs. 34,402.

The profit of CAREW AND COMPANY has improved by Rs. 3.83 lakhs to Rs. 6.47 lakhs. Bringing in Rs. 12,445 and adding other miscellaneous receipts, there is a balance of Rs. 6,61,995. The taxation provision is Rs. 5.89 lakhs. The usual preference dividends have been paid, but the ordinary dividend has been passed over, as against 4 annas a share. The carry-forward is Rs. 20,716. The Rosa factory crushed 3,500,585 maunds with a recovery of 9.41 percent; the Darsana factory had a crush of 5,075,082 maunds and recovery amounted to 8.12 percent. The Darsana pharmaceutical division has earned a small profit for the first time.

Messrs. Tata Industries Private Ltd., managing agents for the TATA IRON AND STEEL CO. LTD., report that the total approximate production of iron and steel at the steel works in Jamshedpur during April, 1957, was: pig iron 92,300 tons; steel ingots 49,200 tons; semi for sale 14,700 tons; and finished steel 47,800 tons.

Bombay Market

DULL CONDITIONS BEFORE BUDGET

TATA STEEL OUTPUT FIGURES DISAPPOINTING

Wednesday Afternoon.

LISTLESS conditions prevailed in the Bombay stock market last week, and turnover was restricted before the Budget. The decline shown by the output figures of the Tata Iron and Steel Company for April was discouraging. Prices of speculative issues until today fluctuated according to various rumours about the Central Budget. There was a short-lived rally on bear-covering induced by the Railway Budget, which was taken as better than expected. Selected scrip were bought by knowledgeable quarters.

Tata Steels improved to Rs. 166 and Indian Iron to Rs. 19.27 on short-covering by Calcutta interests. Tata Locomotive gained at Rs. 148 on hopes of expansion plans. Alcock Ashdown were freely offered at Rs. 253.75 without attracting support. Premier Construction were barely steady at Rs. 149.50. There was little interest in automobile shares, and Premier Automobiles came to hand at Rs. 88.50, while Hindusthan Motors were freely sold down to Rs. 7.15.

The mill group showed minor gains on replacement buying. Bombay Dyeing were quoted at Rs. 527, and Century at Rs. 444. Kohinoors were

bought at Rs. 315 on investment account. Svadeshi were done at Rs. 210 and Central realised Rs. 110. India United Ordinary were transacted at Rs. 9.95.

The miscellaneous group showed minor variations. Sugar shares were fairly steady, and Belapur were bought at Rs. 219.75. Cement shares were steady, and Associated Cement were quoted at Rs. 157. Digvijay Cement increased to Rs. 145.50. The trend in mining shares was mixed. Indian Copper improved to Rs. 3.39 on rumours of a satisfactory final dividend, but Shrivraipur Syndicate were offered at Rs. 80.50. Interest revived in steamship company shares on hopes of an increase in coastal freight rates. Scindia Steam were fractionally higher at Rs. 18.25 and Great Eastern Shipping were bought up to Rs. 18.50. National Rayon recovered to Rs. 223.50 on short-covering, and Bombay-Burmah to Rs. 547. Tata Chemical were steady at Rs. 16.05.

Quiet trading took place in banking shares. Bank of India were transacted at Rs. 133.75 and United Commercial Bank were taken at Rs. 54.25. Insurance shares lacked interest, and New India Assurance came to hand at Rs. 41.25.

Electricity supply undertakings were selectively bought, and Ahmedabad improved to Rs. 93.25. Tata Hydro were bought at Rs. 122.50.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations. Quotations for the Corresponding Closing Date a Year Ago, the last named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paisel.]

GOVERNMENT SECURITIES

3 1/2 % Loan (1960)—Rs. 96/45—96/45—96/45—96/45.
3 % " (1960)—Rs. 74/30—74/30—74/22—74/25.
3 % " (1963-65)—Rs. 94/12—94/12—94/12—94/12.
3 % " (1970-75)—Rs. 87/23—87/23—86/78—86/78.
3 1/2 % " (1964)—Rs. 98/00—98/00—97/90—97/90.
3 1/2 % " (1974)—Rs. 98/50—98/50—98/50—98/50.
4 % West Bengal (1963)—Rs. 99/37—99/37—99/37—99/37.
4 % " (1963)—Rs. 100/12—100/12—100/12—100/12.
4 % U.P. (1968)—Rs. 97/94—97/94—97/94—97/94.
4 % Punjab (1968)—Rs. 97/87—97/87—97/87—97/87.
4 % Loan (1960-70)—Rs. 100/64—100/64—100/64—100/64.

BANKS

Hindusthan Mercantile—Rs. 12/00—12/00—12/00—12/00.
United Bank of India ("D" Shares)—Rs. 4/25—4/37.
Do. ("C" Share)—Rs. 2/94—2/94—2/94—2/94.
United Commercial—Rs. 53/50—53/50—53/00—53/00.

RAILWAY

Bukhtiarpur-Bihar—Rs. 21/00—21/00—21/00—21/00.
Basanti—Rs. 5/37—5/37—5/31—5/31.
Bengal Nagpur—Rs. 7/50—7/50—7/50—7/50.
Cawnpore—Rs. 5/75—5/75—5/69—5/69.
Dunbar—Rs. 175/00—175/00—175/00—175/00.
Jayshree—Rs. 5/93—5/93—5/43—5/43.
Jagatjit—Rs. 9/50—9/50—9/50—9/50.
Kesoram—Rs. 13/50—13/50—13/50—13/50.
Muir—Rs. 73/50—73/50—72/00—72/00.
New Victoria—Rs. 1/78—1/81—1/75—1/78.

COALS

Bhalgorah—Rs. 4/56—4/75—4/75—4/75.
Bengal—Rs. 214/00—214/00—214/00—214/00.
Bharat—Rs. 5/50—5/50—5/50—5/50.
Burrakur—Rs. 22/00—22/37—21/12—22/25.
Central India—Rs. 5/93—6/12—5/93—6/12.
New Manbhoon—Rs. 9/37—9/37—8/87—9/00.
New Beerbhoon—Rs. 14/37—14/37—14/37—14/37.
North West—Rs. 19/00—19/25—19/00—19/25.
Do. (Conty.)—Rs. 16/25—16/50—16/25—16/50.

South Karanpura—Rs. 8/12—8/12—8/12—8/12.
Tateher—Rs. 1/58—1/62—1/58—1/62.

JUTES

Agarpara—Rs. 8/25—8/25—8/25—8/25.
Biria—Rs. 14/56—14/56—14/37—14/37.
Bally—Rs. 142/00—142/00—141/00—141/00.
Ganges—Rs. 49/00—49/00—49/00—49/00.
Gourepore—Rs. 228/00—228/00—228/00—228/00.
Kankarrah—Rs. 59/00—59/00—59/00—59/00.
Do. ("B" Ord.)—Rs. 55/00—55/00—55/00—55/00.
Kamarhatti ("B" Ord.)—Rs. 85/00—85/00—85/00—85/00.
National—Rs. 20/10—20/10—20/10—20/10.
New Central—Rs. 12/06—12/31—12/06—12/31.
Nudde—Rs. 32/00—32/25—31/75—32/25.
Union—Rs. 112/00—112/00—112/00—112/00.
Waverley—Rs. 3/37—3/37—3/12—3/12.

MININGS

Burma Mines—Rs. 2/43—2/44—2/37—2/40.
Consolidated Tin—Rs. 1/56—1/56—1/56—1/56.
Indian Copper—Rs. 3/28—3/40—3/25—3/26.
Metal Box—Rs. 8/12—8/12—8/12—8/12.
Orissa Minerals—Rs. 18/62—18/75—18/62—18/75.
Tavoy Tin—Rs. 0/55—0/55—0/53—0/53.

CEMENTS

Ashoka—Rs. 10/12—10/12—10/00—10/00.
Bengal Poteries—Rs. 3/50—3/50—3/37—3/50.
Dalmia (Bharat)—Rs. 11/75—11/75—11/50—11/50.
Jaipur Udyog—Rs. 12/12—12/12—12/12—12/12.
Orissa—Rs. 12/94—12/94—12/94—12/94.
Sone Valley—Rs. 6/5—6/5—6/00—6/31.

CHEMICALS

Alkali and Chemical (Ord.)—Rs. 11/94—11/94—11/81—11/94.
Do. (Renunciation Letter)—Rs. 0/10 S.T.—0/10—0/10—0/10 p.m.

ELECTRICS

Calcutta—Rs. 12/50—12/62—12/50—12/56.
Do. (Pref.)—Rs. 9/19—9/19—9/00—9/15.
Daharghar Power—Rs. 79/50—79/50—79/50—79/50.
United Provinces—Rs. 140/00—140/00—140/00—140/00.
Mirzapore—Rs. 6/75—6/75—6/75—6/75.

ENGINEERINGS

Braithwaite & Co.—Rs. 24/30—24/30—24/40—24/50.
Burn & Co.—Rs. 312/00—312/00—310/00—310/00.
Britannia Engineering—Rs. 13/75—13/75—13/62—13/75.
Guest, Keen, Williams—Rs. 26/00—26/50—26/00—26/50.
Hooghly Docking—Rs. 139/00—139/00—134/00—135/00.
Indian Iron—Rs. 20/24—20/24—18/96—19/39.
Do. (New)—Rs. 19/12—19/12—18/00—18/24.
Do. (Pref.)—Rs. 99/00—99/00—98/50—98/50.
Jessop & Co.—Rs. 24/06—24/06—22/75—23/75.
Do. (Pref.)—Rs. 88/50—88/50—88/50—88/50.
Kumardhubi—Rs. 8/94—8/94—8/94—8/94.
Marshall—Rs. 4/75—4/75—4/70—4/70.
National Iron & Steel—Rs. 7/16—7/16—7/12—7/12.
Richardson & Cruddas—Rs. 15/36—16/06—15/44—10/03.
Textile Machinery—Rs. 18/80—18/80—18/00—18/25.
Do. (Pref.)—Rs. 94/50—94/50—94/50—94/50.

MISCELLANEOUS

Anglo Brothers—Rs. 18/06—18/19—17/87—18/12.
Always India—Rs. 4/94—4/94—4/94—4/94.
Aluminium Corp.—Rs. 9/00—9/25—9/00—9/19.
B. I. Corp.—Rs. 6/25—6/25—6/20—6/42.
Do. (Pref.)—Rs. 121/50—121/50—119/50—119/50.
Birds' Investment—Rs. 13/50—13/56—13/50—13/56.
British Ceylon Corp.—Rs. 9/12—9/12—8/94—8/94.
Cherra Chattak Rope—Rs. 4/88—4/88—4/88—4/88.
Clive Gas—Rs. 6/69—6/69—6/69—6/69.
Clive Row Investment—Rs. 9/62—9/62—9/50—9/62.
Dunlop Rubber—Rs. 24/12—24/12—23/50—23/50.
Eastern Investment—Rs. 107/75—107/75—107/75—107/75.
Electric Construction Equipment—Rs. 9/62—9/62—9/62—9/62.
F. & C. Osler—Rs. 5/81—5/87—5/78—5/87.
Do. (Pref.)—Rs. 46/50—46/50—46/00—46/00.
Gillanders Arbuthnot—Rs. 11/25—11/25—11/00—11/00.
Do. (Pref.)—Rs. 60/00—60/25—60/00—60/25.
Indian Aluminium—Rs. 12/81—12/87—12/75—12/87.
Indian Cables—Rs. 24/25—24/34—24/44—23/62.
Indian Wood Products—Rs. 39/50—39/50—39/37—49/37.
Imperial Tobacco—Rs. 14/00—14/12—13/75—13/75.
Iran Jones—Rs. 2/50—2/50—2/50—2/50.
Jardine Henderson—Rs. 75/00—75/00—75/00—75/00.
Martin Burn—Rs. 23/31—23/31—23/12—23/12.
Metal Box—Rs. 27/25—27/25—26/50—26/50.
Do. (Pref.)—Rs. 91/00—91/50—91/00—91/50.
National Carbon—Rs. 24/69—24/69—24/44—24/44.
National Safe Deposit—Rs. 10/25—10/25—9/81—9/81.
Oster Electric Lamp—Rs. 2/25—2/25—2/25—2/25.
Rohas Industries—Rs. 18/12—18/31—17/56—17/56.
Shaw Wallace—Rs. 11/44—11/44—11/44—11/44.
Walford Transport—Rs. 2/03—2/03—2/03—2/03.
Western Stockholders Investment—Rs. 0/83—0/88—0/83—0/88.

OIL SHARES

British Burma Petroleum—Rs. 2/55—2/60—2/47—2/50.
Indo-Burma Petroleum—Rs. 28/62—28/75—28/00—28/00.
Do. (Pref.)—Rs. 98/00—98/00—98/00—98/00.

FLOUR MILL

Bengal—Rs. 26/00—26/00—25/87—25/87.

PAPER MILLS

Bengal ("A" Pref.)—Rs. 128/50—128/50—128/50—128/50.
India Paper Pulp—Rs. 21/19—21/25—21/00—21/06.
Orient—Rs. 30/10—30/10—27/70—27/70.
Do. (Pref.)—Rs. 94/00—94/00—94/00—94/00.
Shree Gopal—Rs. 15/00—15/06—14/93—14/93.

Star—Rs. 10/00—10/06—9/87—10/06.
Titagur—Rs. 33/75—33/87—33/31—33/56.
Do. (Pref.)—Rs. 130/00—131/00—130/00—131/00.

SHIPPINGS

Calcutta Steam Navigation—Rs. 10/50—16/50—16/25—16/25.
India Steamship—Rs. 10/00—10/09—9/90—19/03.
Fraser & Co.—Rs. 14/37—14/37—14/31—14/31.

SUGARS

Belsund—Rs. 10/94—10/94—10/75—10/75.
Cawnpore (Pref.)—Rs. 110/00—110/00—110/00—110/00.
Do. (Ord.)—Rs. 14/94—15/25—14/94—15/25.
Carew & Co.—Rs. 7/19—7/31—7/19—7/31.
Champania—Rs. 17/81—18/00—17/81—18/00.
Darbhanga—Rs. 24/62—24/62—24/50—24/50.
Shree Krishna Gyanodaya—Rs. 10/00—10/06—9/93—10/09.

TEA SHARES

Birpara—Rs. 110/00—110/00—110/00—110/00.
Brooke Bond—Rs. 18/19—18/19—18/00—18/00.
Banarhat—Rs. 265/00—265/00—265/00—265/00.
Dhelakhat—Rs. 21/87—22/00—21/50—21/50.
Gangaram—Rs. 165/00—165/00—165/00—165/00.
Goupur—Rs. 29/75—29/87—29/75—29/87.
Hantapara—Rs. 157/00—160/00—157/00—160/00.
Jayshree—Rs. 11/25 S.T.—11/37—10/12—10/25.
Lackatourah—Rs. 18/50—19/00—18/45—19/00.
Looah—Rs. 3/81—4/00—3/81—4/00.
Pashok—Rs. 11/25—11/25—11/25—11/25.
Sungma—Rs. 10/50—10/87—10/50—10/87.
Tezpur—Rs. 19/12—19/12—19/00—19/00.
Tukvar—Rs. 11/37—11/37—11/37—11/37.

DEBENTURES

5 1/2 % Calcutta Refinery—Rs. 98/50—98/50—98/50—98/50.
6 % Textile Machinery—Rs. 99/00—99/00—99/00—99/00.
5 1/2 % Burma Shell Refinery—Rs. 99/00—99/00—99/00—99/00.

INCOME TAX LAW FOR THE LAYMAN

The Central Board of Revenue has, in an attempt to help the taxpayer in understanding the income-tax law, been from time to time bringing out various publications, dealing with various aspects of the subject. The latest of these is a new edition of *Income Tax for the Layman*. In this booklet, the law as it stands, after the passing of the Income-Tax Act, 1956 (No. 18 of 1956) has been explained in simple language. Technical terms have been avoided as far as possible, but where the use of some of them could not be helped without the risk of misinterpreting the law, effort has been made to explain them with suitable illustrations. The illustrations include maps and charts showing such details as the number of persons assessed, revenue yield from each group of assesses, the administrative set-up of the department, liability of different types of persons, etcetera. In particular, the procedure for submitting returns, obtaining refunds, filing appeals and such like matters has been clearly explained. As the layman has no concern with the complex provisions of the Income-Tax Act, which are designed to meet cases of a complicated type, details relating to such provisions have been omitted. Since it was first published in 1953, the booklet has already gone through three editions, in all of which a total of 25,000 copies have been printed.



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Engineering and Transport

OIL PROSPECTING IN WEST BENGAL

STANVAC STARTS DRILLING OPERATIONS

THE 147-foot high oil derrick with a 25-foot square base rigged up by the Standard-Vacuum Oil Company near Burdwan is specially designed for the drilling conditions likely to be encountered in West Bengal. Like all modern derricks, this one is capable of carrying the load of hundreds of tons of equipment needed for drilling the well, and to take the shocks of drilling operations. Being built of special steel, it has the rigidity to withstand violent storms. A distinct advantage of this rig is that it can be assembled within a short time and dismantled just as quickly.

When Drake drilled wells, he struck oil at a depth of only 69 feet. Today, wells more than a mile deep are numerous while many are two miles deep. The Stanvac well is expected to reach a depth of 10,000 feet, which is still considered unusual. The equipment for the Stanvac Project is specifically designed to drill wells to a depth of 8,000 to 10,000 feet, though with slight adjustments and some ancillary equipment, the depth to which the rig will go can be materially increased.

The type of equipment which Stanvac has installed is known as the rotary drilling rig—the more modern of the two principal methods for drilling oil. In this type of drilling, a hole is bored into the earth much the same way as with the carpenter's brace. A heavy turntable which rests on a steel base just above the derrick floor is rotated on roller bearings. This table grips and turns a pipe with the "bit", or the cutting tool attached to the lower end.

Hard alloy steel containing chromium, tungsten or vanadium are used for cutting the corners, edges and the faces of the drilling bits. There are many kinds of bits for rotary drilling and high technical skill and judgment come into play in the selection of the precise type that would yield the best results. The type of bit being used in Burdwan is called the tri-cone rock bit or roller bit, and is generally used for hard rock formations, whereas the fish-tail type is used where soft formations are encountered. The third type is called the diamond bit and is usually used for what is known as core drilling. As the diamond bit bores in, it cuts a core of the rock which is left in the centre of the diamond drill. These cores, ranging between 1½ in. to 3 in. in diameter, indicate to the oil technicians and oil scientists a great deal about the formation of the rock layers, especially if they are of the type which are usually associated with the presence of oil.

The unit is powered by three twin engine diesel units, each capable of developing 400 h.p. As a measure, two extra engines are kept ready for emergencies. The integral part of the equipment are the specially built tanks for mixing and storing drilling fluid, commonly referred to as "mud". Compounded of water, special kind of mud and chemicals, drilling mud, it is so complex and im-

portant that engineers have to be on duty 24 hours to maintain a constant quality control check on the fluid. Drilling mud which is pumped into the well through the drill pipe cools and lubricates the bit. The fluid is then forced upward through the drill hole to the surface. Here the drill cuttings which had been washed away by the fluid is separated from the mud and is examined to determine the kind of stratum which is being drilled.

As the drill eats deeper, the well may be lined with successive lengths of steel pipes called "casing." The purpose is to prevent the well from caving in as well as keeping out unwanted water. Each string of casing with a decreasing diameter slides down the previous one so that ultimately the casing extends from top to the bottom of the hole. The result is something like a telescope with the large end at the top and the small end at the bottom. Finally to firm up the casing, cement is pumped between the casing and the sides of the well.

Skilled Personnel

As can be imagined, every phase of the operation—from the rigging to drilling—calls for men of specialised skills and wide experience backed by expensive machinery. Even when one leaves out the expensive, patent and highly exacting work of oil technicians who carry out exploration work over a wide area using a variety of methods prior to the drilling stage, it is still true to say that it requires technicians skilled in hundreds of different trades and techniques for drilling a well. They include, to mention a few, transit men, equipment operators, riggers, welders, electricians, mechanics, derrick men, rotary helpers and drillers. A well presents the concerted efforts of many men of many skills. The materials required for an average 10,000 feet well all the way from 200 lbs of cotton waste, 5 tons of saw dust to 14,000 feet of drill pipe, 10,000 feet of wall casing and nearly 5,000 sacks of cement. The cost involved in a well of the same depth may be anything between Rs. 80,000 to Rs. 100,000 in operating cost alone. And there is never any assurance that oil will be found in the well. In a sense, drilling a well is like carrying out a major surgical operation. Once started, drilling must go on right round the clock till the well is either abandoned—or completed.

GUIDED WEAPONS IN U.K. DEFENCE

IMPORTANCE OF LONG-RANGE ROCKETS

THE age of "push-button" warfare will soon begin. Recent U.K. Government announcements have made this abundantly clear. The role of the defensive manned fighter will soon be partially taken over by guided weapons and, at a later date, bombers will be superseded by medium or long-range rockets—the "Intercontinental Ballistic Missiles". Defence against manned bombers flying at 50-60,000 ft. (15,240-18,288 miles) at more than 600 m.p.h. (966 km. p. h.) carrying nuclear bombs must be made as completely effective as possible. If only very few attacking aircraft survive to deliver their deadly loads, untold damage will be accomplished—perhaps a knock-out blow.

Work on guided weapons in Britain to counter this threat was initiated after the last war, but their development was influenced by the Staff assessment that there was little likelihood of a major conflict before 1957. The same calculation had influenced military aircraft development. This meant that a number of intermediate weapons—similar to some of those in service with the American forces today—were by-passed or not put into production.

The British guided weapon programme is co-ordinated by the Ministry of Supply. The English Electric-Marconi Wireless Telegraph-Napier Group is working on a ground-launched anti-aircraft missile, Bristol and Ferranti on a ramjet-powered ground-to-air device, Armstrong Whitworth and General Electric are collaborating on a ship-to-air missile for the Navy, and de Havilland Propellers are evolving an air-to-air weapon. In addition, Fairey has already produced the Fireflash for use by the R. A. F. as a training weapon, and a large number of other companies is engaged on power-plant, radar and guidance systems. These weapons are geared to the radar chain which encircles the British Isles. The American radar system is different from that of Britain and it is, therefore, unlikely that a large-scale adoption of U. S. guided weapons is imminent, as has been suggested in some quarters. The cost of adapting either the defensive radar system or each American weapon purchased would be prohibitive. In any case, it is logical to suppose that in view of the ten year development plan initiated in 1947, Britain's own guided weapons may be operational in the not-too-far distant future. However, it is possible that one or two American interim weapons—such as Nike Hercules or Talos—not dependent on a radar chain for guidance, may be suitable as a stop-gap measure. Once released, these "beam-riders" fly along a thin radar beam emitted by the ground station on to the target. But it is unthinkable that the years of effort and expenditure of money and resources on guided weapons in Britain should be brought to nought and valuable research teams disbanded. The industry is developing the long-range rocket or I. C. B. M. Its effective operational use in the U. K., as in the U. S. A. and Russia, is still some years distant. The main problem is accurate guidance. A weapon with a range of hundreds of miles would have to be directed by internal gyroscopes or astral navigation, systems which present many development problems and, therefore, lead one to believe that manned bombers will be in use for some time yet.

Once these deadly missiles are in use equipped with nuclear warheads, what defence measures can be expected to counter them? There is no known answer at present. It is possible that a radar system automatically linked to a chain of defensive guided weapons, also fitted with nuclear warheads, might be effective. The defensive weapons would be exploded in the path of the I. C. B. M. at extreme altitudes, breaking it up before it could do any damage.

COST OF ATOMIC ELECTRICITY

A forecast that the cost of atomic power would fall by half by 1990 was made by Sir Christopher Hinton, managing director of the industrial group of the Atomic Energy Authority, when he delivered the Axel Johnson Lecture to the Royal Swedish Academy of Engineering Sciences in Stockholm. The net cost of electricity from the atomic power stations now being built, he said, would be 0.66d a unit. Thirty years hence it would be no more than 0.32d a unit. Sir Christopher's argument was based on an estimate of how the designs of power stations now being built would be modified by future progress in atomic technology. Most important among the changes to come would be the tendency to operate these power stations at higher temperatures, and tendency to make each ton of uranium fuel loaded into the reactors capable of delivering more power to the electrical turbines. The table below shows the estimates of the future cost of a unit of electricity from atomic power stations:

	1960	1970	1980	1990
Interest and depreciation	0.43	0.34	0.29	0.24
Fuel	0.24	0.13	0.08	0.06
Operating cost	0.06	0.05	0.04	0.03
Total	0.73	0.52	0.41	0.33

Less:
Credit for plutonium produced 0.07 0.05 0.03 0.01
Net cost 0.66 0.47 0.38 0.32

The figures in the table are in pence for each unit sent out from nuclear power stations. They are of some interest because they reveal, for the first time, the price at which the Atomic Energy Authority is going to buy plutonium from the Central Electricity Authority. This price is expected to fall as rapidly as shown in the table. This is because the generating costs of atomic energy will be so low that it will become less profitable to burn plutonium in power stations of advanced design. The table has been calculated on the assumption that in later years it would not be possible to run all atomic power stations to supply the electricity base load. Without this assumption the cost of electricity in 1990 would have worked out at less than a farthing a unit. As a contrast, Sir Christopher went on to predict the future cost of electricity from conventional power stations. Since 1925, he said, the cost of coal had risen in real terms so that it had outweighed the improvements which power plant engineers have been able to bring about. He thought this tendency would continue, so that the cost of conventional power would rise from 0.60d a unit to 0.67d a unit between 1960 and 1970. By 1990, he thought that electricity from coal would cost 0.94d a unit to generate.

New Delhi

EXPANDING ACTIVITIES OF STATE TRADING CORPORATION

PROSPECTS FOR INDIAN ORE EXPORTS

(FROM A NEW DELHI CORRESPONDENT)

THE State Trading Corporation is a young organisation, having been registered under the Companies Act only a year ago, on 18th May, 1956. But it is expanding fast. Mr. Morarji Desai, Minister for Commerce and Industries, said in the Lok Sabha last November that the Corporation had till then entered into firm contracts worth about Rs. 17.4 crores, the value being divided equally between imports and exports. Latest figures show that the volume of business has more than doubled in the five months since. On 1st May, 1957, the total value of contracts entered into by the Corporation stood at Rs. 36.83 crores, with a significant change in the relative share of imports and exports. Import contracts were of the value of Rs. 12.35 crores, while the value of export contracts was Rs. 24.48 crores. Although many of the export contracts will be fulfilled over a longer period than the import contracts, it is claimed that the Corporation's actual earnings so far have exceeded the outlay on imports. It is now considering the possibility of extending assistance on a modest scale for projects which have a direct bearing on foreign trade, such as the construction of roads to minor ports. The following table gives the details of the major export contracts concluded by the Corporation:

Commodity	Country	Quantity	Value
		(tons)	(Rs.)
Iron Ore	Japan	1,700,750	9,33,33,439
	Poland	1,40,000	72,00,000
	Hungary	15,000	8,00,000
	Italy	75,000	43,50,000
	Czechoslovakia	507,000	2,68,43,667
	Yugoslavia	45,000	25,30,000
	Holland	20,000	11,46,666
	U.S.A.	9,000	4,98,000
	East Germany	18,000	9,96,000
	Total	2,529,750	13,81,97,832
Manganese Ore	Japan	85,100	1,54,31,265
	Holland	67,500	1,51,11,087
	U.S.A.	87,521	1,65,94,357
	Italy	22,000	57,18,478
	U.K.	62,000	1,05,99,612
	France	40,521	65,63,660
	Norway	1,000	1,28,250
Total		365,642	7,01,46,910
Chrome	U.S.A.	6,500	11,00,813
	Japan	12,000	19,28,590
Total		18,500	30,29,403

Miscellaneous (including 500,000 pairs of shoes worth Rs. 113.29 lakhs for Russia, and handicraft products worth Rs. 16.86 lakhs for Russia and Rs. 2.28 lakhs for Czechoslovakia) 3,34,00,000

Grand Total 24,47,74,145

Exports to Communist Countries

The State Trading Corporation claims that by specialising in the new Communist market it has done much to diversify the export trade. It has been able to secure an export order for the first time for Indian shoes, and has indirectly improved the outlook for the export of engineering goods. Egypt, for instance, has agreed to use part of the special rupee account of Rs. 5 crores, to be built by the sale of her cotton, for buying Indian machinery and equipment. The Corporation has secured orders for handicraft products which are not only considerable in size, but also afford an opportunity for learning to overcome those problems—processing, packaging and adaptation to consumer tastes—which have so far hampered their export on a large scale. These "educative" orders cover ivory goods, zari bags, brocades and numda carpets; handloom products might benefit in due course. The Corporation has been able to negotiate a triangular trade deal, involving two countries of Europe and east Asia. Above all, it claims to have brought about a significant increase in the export of certain commodities, not only by developing Communist markets but also by securing long-term bulk orders from traditional buyers. Of the latter, the outstanding example is the agreement reached last November for the sale of 7.2 million tons of iron ore to Japan over five years from April 1957. Even during 1956, although the Corporation entered the scene only in June, iron ore exports reached the record level of 1,765,000 tons, compared with 1,288,000 tons during 1955. Contrary to the impression created by the official but incomplete statistics from the ports, there was an improvement during 1956 in the case of manganese ore also. Exports totalled 1,395,000 tons, the highest since the Korean boom period, com-

pared with 1,232,000 tons during 1955. According to officials, the increase in ore exports has been possible because of the guarantees about delivery and quality which the Corporation is in a position to offer buyers.

But the increase in ore exports by the Corporation threatens to displace the private trade, and in the case of iron ore, the latter may, with effect from July be completely eliminated. According to an official spokesman, the S.T.C. has already booked orders for the export of 2.1 million tons of iron ore during the 12 months from July next. It expects that the commitments will increase to at least 2.5 million tons. Since this is well above the record level of exports attained during 1956 by the S.T.C. and private trade together, it looks as if the Corporation is going to have a monopoly in iron ore exports. This is expected to be followed by an increase in the Corporation's share of manganese ore exports. The trend towards such a monopoly is the less happy side of the export promotion drive. Government spokesmen argue that the impending monopoly in iron ore will be restricted only to export contracting, and that the private interests engaged in production and internal handling will not only continue their operations undisturbed, but will be able to do so on a larger scale. But this is poor consolation to private exporters who will lose their business. The private trade in general will, therefore, be more suspicious of the Government's declared policy that the Corporation's activity will be confined to those commodities which it is peculiarly fit to handle, and only to the extent that it may be necessary or desirable in the national interest. It is an encouraging sign however that the present management of the Corporation is well aware of the limitations of an official institution. For instance, the Corporation has not attempted to sell cotton piece-goods directly. Even when it has found a new market, it has invited private traders to negotiate contracts. Secondly, the Corporation has found that State trading is disliked, except when it is useful to the buyers, not only by the free enterprise countries of the West but also by Communist States.

Import Contracts

Imports on Government account have a longer history. But while criticism in the past has been directed at the Government's losses on imported food, the complaint now heard against the S.T.C. is that it has been making an undue profit on cement. It is the most important of the commodities it has been importing as the following table shows:

Commodity	Country	Quantity	Value
		(tons)	(Rs.)
Cement	Rumania	25,000	29,66,644
	f.o.b.		21,19,000
Yugoslavia		25,000	29,06,400
	Russia	25,000	29,83,333
Japan		50,000	55,21,000
	f.o.b.	5,000	5,83,334
Poland		100,000	1,07,40,000
	Pakistan	26,000	26,52,000
Total		105,000	1,04,25,000
		30,000	30,00,000
		4,000	5,88,000
Caustic Soda	The U.K.	45,000	2,10,33,000
	East Germany	425	1,64,000
Ammonium Sulphate	The U.S.A.	70,000	1,31,45,000
	East Germany	34,520	78,74,000
Ships	Yugoslavia	Two	1,38,80,000
			2,29,80,289
Grand Total		12,35,61,000	

When State trading in cement was introduced on 1st July last year, the Government equalised the issue price of cement at all railheads, and fixed it at a level higher than the then prevailing controlled rate, but lower than that of imported cement. All indigenous producers were required to sell to the S.T.C. at fair prices fixed by the Government, and a Press note then issued by the Ministry of Commerce and Industries said: "The difference between the prices which the producers will be paid and the uniform selling price of cement will be used mainly for two purposes, firstly, to cover the incidence of freight which an f.o.r. destination price implies, and secondly, to subsidise all imported cement and sell it at the uniform price." It is now officially admitted that the equalisation scheme has yielded a sizeable surplus. This, it is understood, will be utilised for the development of industry in a

manner which will be decided soon. But the S.T.C. disclaims the motive of making the maximum profit from the import of scarce materials. It is pointed out that the prices of soda ash and caustic soda, imported from the west, did not increase in India even during the Suez crisis because the Corporation drew on its stocks to maintain supplies.

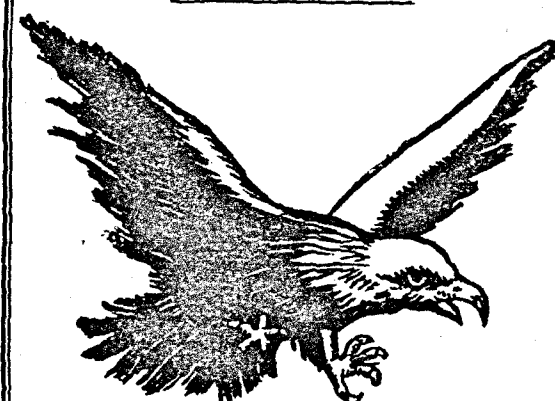
Heavy Engineering Project

With the announcement of the Government's decision in favour of an ambitious programme of heavy machinery manufacture comprising the machine-building plant of the Russian conception, for producing steel plant equipment, as well as some of the other heavy engineering goods recommended by the Coates mission, interest has turned to its financing and the likely impact it will have on other plan projects. The following is a rough and preliminary estimate of the overall cost and its foreign exchange component, relating to the seven parts of the programme of heavy machinery manufacture: machine building plant, Rs. 24 crores (foreign exchange component Rs. 16 crores); foundry forge shop, Rs. 22 crores (Rs. 13 crores); heavy structural shop and plate and vessels shop together, Rs. 17 crores (Rs. 10 crores); heavy machine tool plant, Rs. 11 crores (Rs. 7 crores). No estimates appear to have been worked out as yet for the alloy and tool steel plant. It is likely, therefore, that the cost of the entire project will be nearer Rs. 100 crores than the Rs. 80 crores to Rs. 90 crores mentioned in the semi-official announcement, with a foreign exchange expenditure of about Rs. 60 crores.

The tentative plan for utilising the Russian credit offer of Rs. 60 crores, which it is understood, the Government approved last week, is also available. It proposes the import of Russian machinery and equipment of the value of Rs. 27 crores for two units of the heavy machinery project, namely, the machine building plant (Rs. 13 crores) and the unit for producing mining equipment (Rs. 11 crores). The next largest allocation is for the thermal plant which is to form part of the Neyveli lignite project. The allotment of Rs. 16 crores of the Russian credit for this purpose, it is understood, has been approved after some debate on the question whether a thermal plant is important enough to deserve it. The third major project for the utilisation of the aid is the development of the Korba coalfield, which is expected to absorb up to Rs. 8 crores of the credit. Rs. 1 crore each has been allotted for the manufacture of optical glass and for a methanol plant, the latter being of interest not only for industry but for defence, too. It is evident that the Government does not at present expect Russia to take up the foundry-forge unit, though it is among the countries with which discussions are going on. It is believed that Czechoslovakia might collaborate in setting up this unit, in which case there will be no difficulty in locating it along with the machine building plant in the way the Russian experts have suggested. Likewise, West Germany is rated high among the probable sources of assistance in setting up the heavy machine tool plant, while British collaboration is expected for the structural fabricating and plate-and-vessel shops.

The outcome of these negotiations will be awaited with interest. The decision concerning

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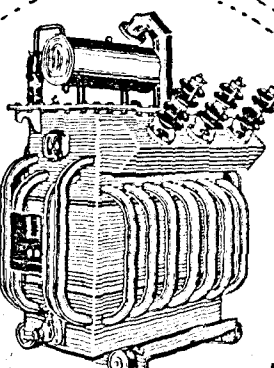
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the utilisation of Russian aid has made it necessary to look elsewhere for credit in connection with those projects which it had been planned earlier to finance with Russian assistance. Among these was an oil refinery in the public sector, but this never was regarded as urgent, in view of the proposal for setting up a refinery in the north-east, with western collaboration, for processing the newly found oil in Assam. More important was the desire of the former Production Ministry to utilise as much as a third of the Russian credit for expanding fertiliser production. Of the three fertiliser plants to be set up under the second plan, in Nangal, Rourkela and Neyveli, only part of the foreign equipment needed for the first has been arranged on long-term credit (from Italy) so far. The fertiliser programme may itself be recast, since there are doubts now about the feasibility of proceeding immediately with the fertiliser part of the lignite scheme. Besides, the chairman of the Nangal project has been authorised to negotiate with the refineries in Bombay on the rates for the supply of waste gases for the possible establishment of a fertiliser plant in that city.

Checking Food Price Rises

A little over two years ago, the Government appointed a committee under the chairmanship of the Deputy Food Minister, Mr. Krishnappa, to examine the food price support scheme. While the Krishnappa Committee was engaged in its investigations, food prices started rising. Now conditions seem to have changed completely with Mr. A. P. Jain's announcement on appointing a high-powered committee to investigate the causes of food price rises, and to suggest measures for preventing speculative hoarding and for arresting the increases. But the Minister's argument that the present wholesale food price index is not higher than its 1952-53 level is surprising. Mr. Jain said that the latter year "is now generally taken as the base year". If 1952-53 prices are to be regarded as normal, it is contended, where is the necessity to appoint a high-powered committee? The Government is perhaps taking the step to fix floor and ceiling prices at well-defined levels. The situation, as Mr. Jain said, is paradoxical, as prices have been rising in spite of higher foodgrain production. But the Government, at the moment, seems to be relying more on imports rather than taking steps further to increase food output. Mr. Jain said that the import of foodgrains during the second plan period is likely to exceed 6 million tons, although it was thought at one time by the planners that 3 million tons will be sufficient. Chances are that more than 6 million tons will be needed. Mr. Jain has confirmed that the annual import of 500,000 tons of foodgrains will continue, besides the 31 million tons of American surplus wheat coming under the Indo-U.S. agricultural surplus commodities agreement, and 2 million tons of rice under the agreement with Burma. Much interest has been shown in the visit to the capital last week of Mr. Earl Butz, U.S. Assistant Secretary for Agriculture. He met the Prime Minister and the Central Ministers of Finance and Food. It is not known whether the proposal for a second deal to obtain U.S. farm surpluses was formally raised in the course of these talks, but it is likely that informal soundings for the purpose will be made through the American Embassy, or that they have actually been made.

Import and Export Advisory Councils

The first meeting of the re-constituted Import Advisory Council, scheduled for 25th May, will now be held on 6th June. The Export Advisory Council will meet on the following day, that is, 7th June instead of 26th May. Both meetings will be held in New Delhi. Mr. Morarji Desai, Minister for Commerce and Industry, will preside.

London

CONDITIONS FOR RELAXING CREDIT SQUEEZE

REPAYMENT OF MATURING GOVERNMENT LOANS

(FROM OUR LONDON CORRESPONDENT)

THE second-reading debate on the Finance Bill added little to people's knowledge of the Government's economic policy, providing no more than a detailed reiteration of the Budget proposals by the Parliamentary Secretary to the Treasury and a further defence of them by the Chancellor of the Exchequer. The Opposition criticisms also covered familiar ground. Indeed, Mr. Peter Thorneycroft was much more forthcoming when he addressed the National Production Advisory Council of Industry at the Treasury by indicating that if certain conditions are fulfilled—he emphasised the "if"—it might be safe to relax the credit squeeze. The conditions, well, first, to keep up and, if possible, raise the proportion of output going to exports, and second, do everything to offset higher wage rates by higher productivity.

Are these conditions likely to be fulfilled? It is hard to say. Exports are certainly doing well, but in spite of a strong move in favour of moderation by the Amalgamated Engineering Union and the Transport and General Workers Union, the Executive of the Confederation of Engineering and Shipbuilding Unions intends to carry on its fight with the employers to secure the maximum rise suggested by the Court of Enquiry, but without the conditions attaching thereto. Their negotiators have been given a free hand, but if the employers are not prepared to give way, and it is most unlikely that they will, the problem will probably be back where it started.

Benevolent Control

The Treasury's firm, if somewhat benevolent, control of the credit system was made evident by the surprise announcement last week that there was to be no conversion offer to the holders of the £300 million 5 percent Exchequer Stock, or of the £101 million 2½ percent Funding Stock maturing in the middle of June. Instead, the outstanding amounts not already acquired by Government departments through open market operations will be repaid at par from the proceeds of a new cash loan of £100 million (an addition to the £658 million of 4½ percent Conversion Stock, 1962, already existing) launched successfully in 15 minutes last week at an issue price of £99. Too much significance can be attached to this first paying-off operation since the war, which is a lot less inflationary than it appears to be, and will actually leave the money supply practically unchanged, but it reinforces the Government's announced monetary policy and should, therefore, restore confidence and perhaps even add strength to the gilt-edged market in the long run. Meantime, Thursday follows Thursday and the expected lowering of Bank rate fails to materialise. The City is convinced that it cannot be delayed much longer, for once again it is completely out of step with market conditions and developments. On the other hand, its maintenance so far has undoubtedly assisted the Government's modified funding moves, and the need for that sort of help certainly remains.

The Radcliffe Committee

Lord Radcliffe's Committee of enquiry into the working of the money and credit system will have the assistance of a distinguished list of members, including Professor A. Cairncross of Glasgow Uni-

versity, an economist of wide experience; Sir Oliver Franks, chairman of Lloyds Bank and former British Ambassador in Washington, who was head of the Ministry of Supply at the end of the war; Lord Harcourt, a merchant banker who is at present British Treasury representative in Washington; Mr. W. E. Jones, vice-president of the National Union of Mineworkers; Professor R. S. Sayers of London University, a leading expert in monetary matters; Sir Reginald Verdon-Smith, joint managing director of the Bristol Aeroplane Company; Mr. George Woodcock, assistant general secretary of the T.U.C.; and Sir John Woods, a former Treasury official and permanent Secretary of the Board of Trade, who is now a director of the English Electric Company. The Treasury has appointed Mr. R. T. Armstrong, who has been private secretary to three successive Chancellors, as secretary of the Committee.

The Committee is being asked to review the working of the system in present conditions, taking into account the great importance of the public finances and the need to maintain a high level of savings and investment. It will have to make recommendations on any improvement it considers necessary, offering to come forward and propose changes. The composition of the committee, which includes a number of men of outstanding ability in general affairs rather than technicians of money and mechanics, makes it likely that its work will have a profound effect on the management of the British economy. It will be able to deal with the central problem of reconciling full employment and stable prices.

Steel Output and Distribution

British industry bought 6 percent less steel in the first quarter of 1957 than in the first three months of 1956. Most of the reduction, however, took the form of smaller imports. Deliveries from the British steel mills to home consumers were only 0.7 percent lower than a year ago, and steel exports were 20 percent higher. Supplies of steel to the shipyards were 8½ percent above the previous year in the first quarter. Supplies to coalmining, railways and building were also substantially increased. But the motor industry and associated trades took much less steel. Stocks of steel in the hands of consumers and merchants are still rising. They increased by another 1½ percent in the first three months of 1957. Within the total, the stocks of sheet and plate stocks rose. In April, production of steel was still affected by the engineering strike and the Iron and Steel Board estimates that about 50,000 tons of output was lost during the whole period of the strike. April production, which was also affected by the Easter holidays, was at a rate of 430,000 tons a week. In March, it averaged 431,000 tons a week, and in April last year 421,100 tons. The annual rate of production in April was 22,360,000 tons, against 21,896,000 tons a year earlier. Pig iron production in April averaged 277,400 tons a week compared with 277,200 tons in March and 254,300 in April last year. The annual rate was 14,425,000 tons, against 13,225,000 tons in April 1956.

Machine Tool Output

The latest figures from the machine tool industry show that the slight recovery in the pace of new orders was not maintained in February. Orders for home delivery that month were worth £4,445,000, against £4,956,000 in January and £7,541,000 in February 1956, while orders for export were worth £2,303,000 against £2,527,000, and £2,107,000, respectively. Deliveries were also lower, but February was a short working month. The net result was that the industry's total order book fell by just over £400,000 to £96,164,000, of which £72,293,000 was for home industry and £23,871,000 for exports. This is only about 5 percent below the level a year ago of £103,559,000 and not much more below the peak reached in May 1956 of £104,810,000. These figures confirm the latest Board of Trade statistics. Any cuts which are being made in capital spending are affecting building. Expenditure on plant and machinery is being well maintained in spite of fluctuations from month to month.

Industrial Building Check

The slow-down in industrial building plans has continued into the first quarter of the year. In that period, industrial building schemes totalling 13.7 million square feet were granted industrial building certificates. This area total was slightly lower than the 15.3 million square feet approved in the last quarter of 1956, but considerably less than the 21.7 million square feet approved in the first quarter of last year. It was the lowest quarterly figure in the past two years. For the first time, the Board of Trade is giving estimates of the total area and number of schemes started and completed in certain periods for which information is so far incomplete. It is, however, not possible to make these estimates until six months after the end of the period. The area now estimated to have been started in the third quarter of 1956—17.3 million square feet—was higher than for several preceding quarters. The estimate of 14 million square feet completed in the same period is the highest quarterly figure recorded since 1946.

Export Credit Claims Up

Claims paid by the Export Credits Guarantee Department in the year ended 31st March 1957 rose to £5.4 million, a figure exceeded only in 1949-53 and 1953-54, the years of the heaviest Brazilian claims payments. For 1955-56, payments were £2.3 million. The figures now released do not

show premium income, but on the basis of the total face value of policies issued, £726 million, it is unlikely to have materially exceeded claims paid. The volume of business is up by 50 percent on 1955-56, when premiums amounted to £3.6 million, and expenses were £383,000. But the appearance of the balance sheet will be improved by recoveries of £5.3 million. "Commercial" business declared last year was £445.7 million, 14.3 percent above 1955-56 and a shade higher than the £420.9 million recorded for 1951-52. Short-term and extended-term policies increased in value by 34 percent and medium-term policies were more than doubled in value.

Aid for Redundant Workers

Although the fears of widespread unemployment which arose from the slump in the motor industry a year ago are now fast disappearing, they might well be revived as the effects of the Government's cuts in defence expenditure, to accord with the new conception of atomic as opposed to conventional armaments for the fighting services, are put into effect. This development is estimated to render about 28,000 workers redundant over the next 12 months, and to absorb them in other employment may not be too easy. It is a good thing, therefore, that a Government scheme to help displaced workers has just been completed and was announced by the Minister of Labour last week. The new scheme applies to workers who have been unemployed for at least eight weeks for whom there is no early prospect of obtaining suitable employment locally and who continue to maintain dependents at home. It will be generally available outside areas covered by the present resettlement transfer scheme, but will not apply to workers who usually follow seasonal employment. Nor will it apply in cases where similar assistance is normally provided by prospective employers. The present scheme only applies to unemployed workers permanently moving from designated areas of poor employment prospects and to unemployed ex-regular servicemen and disabled persons wherever they live.

With the knowledge of the Ministry's local office, these workers must take up employment beyond daily travelling distance for which no suitable local unemployed worker is available. Facilities under the new scheme are: (1) lodging allowance of £1 15s weekly for up to 12 months so long as no suitable employment is available in the home area; (2) free fares to the new area; (3) free return fare to the home area to be interviewed for employment if necessary; (4) free fare home to take up employment in the home area; and (5) continuing liability allowance, as an alternative to lodging allowance, where dependents join the worker in the new area and he remains liable for items such as rent and rates at home.

Restrictive Practices Court

New appointments to the Restrictive Practices Court, which is expected to begin work in the autumn, were announced last week. Mr. Justice Pearson will join the judges already appointed and five full-time and three part-time lay members are named. The full-time members will not take up their appointments until later in the year. They will be: Mr. W. G. Campbell, a chartered accountant; Sir Stanford Cooper, a director of Ford's; Mr. Bernard Gilbert, formerly at the Treasury; Mr. W. L. Heywood, a member of the Trades Union Congress, and Mr. W. Wallace, chairman of Rowntree's. Appointed part-time members are Sir Andrew Clow, Sir Godfrey Mitchell and Mr. G. H. E. Parr, who will be the northern Ireland representative.

Brevities

The employment situation is much brighter. Between March and April, the number of wholly unemployed dropped by 14,103 to 342,259, and of those temporarily stopped by 6,583 to 21,009. In March, the respective figures were 362,945 and 27,592, and in April last year 251,515 and 23,987. Unfilled vacancies on 10th April were 284,558.

It is believed in the London tin market that the manager of the International Buffer Stock buy tin, according to the monthly review of A. Strauss and Co., the metal merchants. This operation is giving support to the market at the moment. Messrs. Strauss also estimate that exports of tin from Russia now amount to several hundred tons a month.

The Decca Navigator Company has received a contract from the Indian Government for the provision of two Decca Navigator Chains—one to be centred on Bombay and the other on Calcutta.

Lord Bruce of Melbourne has decided to retire from the chairmanship of the Finance Corporation for industry after the next annual meeting in July. He will then have been ten years in that position and, as he is in his 75th year, he wants to begin to limit his many activities. He will be succeeded as chairman of the F.C.I. by General Lord Weeks.

The Government has chosen Mr. George Blaker, who is Chief Information Officer and Deputy Head of the Information Division at the Treasury, to be financial adviser to the British High Commissioner in India, Mr. Malcolm MacDonald, and to be the Treasury's representative in south Asia, including Ceylon and Burma. He will leave to take up his new appointments at the end of this month.

Bombay

HIGHER RATE OF VANASPATI OUTPUT

FALL IN COTTON YARN EXPORTS

(FROM OUR BOMBAY CORRESPONDENT)

THE vanaspati industry has functioned satisfactorily so far this year. The output during the first quarter of 1957 amounted to approximately 82,000 tons which is an increase of a little over 10,400 tons over that of the corresponding period of last year. Industry circles estimate that if the current rate of production is maintained, the total output at the end of this year will amount to about 325,000 tons. The offtake has also improved. Stocks with dealers, local and upcountry, now stand at a reasonable level. Although the price of groundnut oil has fluctuated less violently than it did last year, it has been maintained at a somewhat high level because of the slow rate of deliveries of groundnuts. This has hit the smaller units, and only 40 of the 51 units have been functioning. But this situation is now showing signs of improvement. Some 60,763 tons of groundnuts arrived in Bombay last month against only 7,659 tons in the previous month. Supplies of groundnut oil also increased from 1,901 tons to 2,429 tons. This increase has been possible because of the larger movement of the crop at terminal markets in most growing areas.

This perhaps explains why the spot market for groundnuts has remained steady at a time when the futures section has shown signs of rising. The May contract last week opened at Rs. 174.75 and moved up to Rs. 178. Profit-taking depressed the market, and the contract dropped to Rs. 176, but closed around Rs. 177.62. Groundnut oil was quoted at Rs. 20.50, which represents a gain of about 25 p. Apart from groundnuts, other oilseeds, too, have been arriving here in large quantities recently. The total quantity of seeds received in Bombay during April amounted to 70,422 tons against 17,386 tons. The inflow of vegetable oils was 6,940 tons, compared with 6,055 tons in March. Receipts of castorseed improved from 4,403 tons in March to 4,570 tons last month and that of rape and mustard from 739 tons to 827 tons. Imports into Bombay of cottonseed were slightly higher at 1,863 tons, but arrivals of linseed declined from

2,540 tons to 2,031 tons. Imports of castor oil increased from 2,491 tons to 3,390 tons. Although U.S. importers are still reluctant to buy from India, the indications are that the Communist countries are in the market for fresh supplies. This has imparted strength to the futures market and the May contract, which last week opened at Rs. 177, closed at Rs. 186. The spot market moved in sympathy and the price rose from Rs. 35.9 to Rs. 36.14 a cwt. Oil was also quoted 12 annas and 10 annas dearer for the commercial grade and B.S.S. quality respectively.

Exports of cotton yarn fell sharply last year from 47,418 bales in 1955 to 29,660 bales. Increased competition in international markets and the high price level ruling in this country are the two main factors which contributed to this decline. Hong-kong, one of India's leading customers, reduced its purchases from 14,148 bales to 5,097 bales. Sales to Ethiopia dropped from 7,372 bales to 5,828 bales. Exports to Aden dropped by 1,557 bales. Britain was India's best customer last year accounting for 8,739 bales against 4,156 bales in the previous year.

Cotton Contract

The East India Cotton Association is now considering a scheme to introduce a more realistic hedge contract for the new season. It is believed that the Association is in favour of reverting to a single hedge contract because of the statistical position of cotton. Further, the Association believes that the price control should be eliminated and uncontrolled speculation checked by means of heavy margins. Trade circles believe that exports of cotton should be allowed freely because the exportable varieties find little or no market from Indian mills. Meanwhile, they are anxiously awaiting the announcement of a new 70,000-bale import quota for American cottons. There is no interest in Egyptian growths because mills here believe that prices will fall still further. The announcement that shipments of American cotton under the tripartite agreement with Burma will be allowed until 30th June, 1957, has caused no enthusiasm among mills here because of the complications involved in this method of trading. Although the export demand for cotton piecegoods is still slow, there has been an improvement in the domestic market. Enquiries from upcountry centres continue to pour in, particularly for superfine and fine qualities. Despite the improved offtake, stocks with mills and dealers are still heavy.

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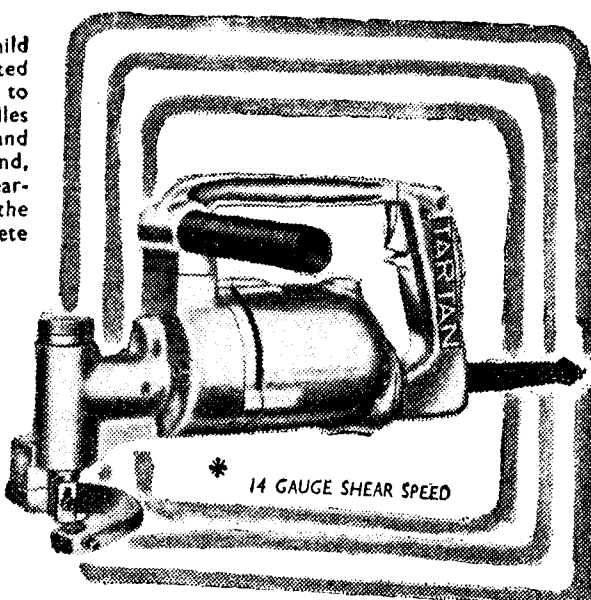
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Plantation Topics

PROSPECTS FOR THE NEW
TEA CROP

DANGER OF OVERPRODUCTION

IT would be rash indeed to make any forecast at this early stage of the new season about the trend of prices during the coming months, since this will be controlled by figures of production, and particularly by the size of the north Indian crop, which cannot be assessed with any accuracy until the end of August, say Messrs. Carritt Moran & Co. Private Ltd. in their monthly tea market review. Present indications are that world crops are not likely to fall below last year as the Ceylon crop already shows a substantial increase and a further extension of production in East Africa is anticipated. While April has been unfavourable for growth in most districts of north-east India, this is unlikely to have any substantial effect on the crop for the full season unless weather conditions continue to be unfavourable for a considerably longer period. An increase in world production therefore appears probable. The world stock position would also appear to have eased to some extent since this time last year. On 12th April the stocks in the U.K., including teas entered for Customs but not yet received in the warehouses, amounted almost exactly to 50 million lbs. more than at the same date last year, while the figure for teas afloat on the same date was very similar to the previous year, being only approximately one million lbs. less. In Calcutta, however, stocks in the main warehouses were some 35 million lbs less than at the same date last year and the overall increase in stocks may therefore be of the order of 25 million lbs. This increase, it must be noted, has been achieved in spite of the regulation of the north Indian crop last season by the cessation of plucking on 20th November. The removal of this world surplus stock from Calcutta to London this year may result in a satisfactory level of prices for low medium and common teas in the early auctions in Calcutta. If so, this would be due to the demand from internal operators and would be liable to rapid adjustment once this initial demand had been met. The danger of serious overproduction during the coming year is clear and the results could be two-fold. Firstly, a very severe financial strain on many gardens with the present high level of cost structure, and secondly, the creation of a large stock of surplus tea which could probably be adjusted only over a long period.

Reduction of Export Duty

It is clear that the Government of India could do much to relieve producers of financial strain by the reduction of export duty. The Governments of Assam and West Bengal could also similarly help the producers by granting a remission of their provincial levies. This would assist by making Indian tea more competitive with other growths; but previous experience hardly encourages the hope that any action that may be taken in this direction will be either sufficiently liberal or swift. The disadvantage of the present slab system of imposing export duty on the London price for Indian tea was demonstrated last year when export duty on the rains teas was being assessed on the basis of the prices ruling in London for the best second flush teas. This system should be rectified immediately to ensure that the duty is related to the current prices in Calcutta and Cochin, or to a balanced formula of London and Indian prices. This seems essential to avoid the possible repetition of a high export duty at a time when large

quantities of rains teas are reaching the Calcutta market and prices may be declining to an uneconomical level. A further imposition from which the Indian exporter could be relieved is the present system of having in certain circumstances to purchase export quota. Retained since the end of the International Agreement as a means of securing adequate supplies within India at reasonable prices, export quota appears to have little advantage in the light of increasing world crops. The exporter in any case has to pay a substantial premium over the local consumer through the export duty. If it is now too late for the coming season to abolish the export quota system, then fluctuations and high prices for export quota should at least be avoided by swifter releases of quota by the Government. While much could therefore be done by the Government to assist producers through timely action, there remains the very difficult problem of a possible large increase in world stocks. Although a problem for all producing countries, this situation has twice been avoided by the voluntary efforts of the North Indian producers and it seems unreasonable that they should continue to save the industry as a whole from what appears to be a danger of chronic overproduction. The obvious answer is the renewal of the International Agreement through which all the main producing countries could regulate their exports and their production. It is clear, however, that with the growing importance of East Africa and other districts as producers, the signatories to any agreement would now have to be on a wider basis than ever before, and that a more comprehensive scheme for exports and extensions would be essential if the agreement of the major producing countries is to be obtained.

Need to Increase Consumption

An alternative, or complementary to a new International Agreement, should be steps to increase world consumption, and here it is generally felt that considerable scope within India itself and to that extent the Indian industry would appear to be at an advantage over certain of its competitors. Without the co-operation of producers to regulate exports and further extensions, and without the ability to achieve a substantial improvement in world consumption, the danger of production seriously outstripping consumption must be near at hand, and the only alternative in which a more permanent readjustment between production and consumption can be achieved will then be by the painful process of the failure of the less economically sound tea gardens in all countries. Messrs. Carritt Moran conclude that the Government should consider now what steps may be necessary to place the Indian industry on a more competitive basis with other producing countries and to free it from the many encumbrances which make its cost structure so inelastic, as at present.

CALCUTTA TEA AUCTIONS IN
APRILFAIR DEMAND BUT PRICES
IRREGULAR

ONLY one export sale was held in April. Practically no Darjeeling tea was on offer, and the bulk of the offerings, totalling 54,598 chests, and including a considerable proportion of reprinted tea, was of an ordinary "end of season" description, say Messrs. Carritt Moran & Co. Private Ltd. in their monthly tea market review. There was a fair general demand, mostly from internal buyers, but prices were irregular and often 10 to 20 nP easier.

Clean black leafed teas and well made whole leaf grades were the strongest feature of the sale. As prices were not truly representative, no quotations were given.

Internal Market

Only three sales were held and the offerings, which amounted to approximately 12,700 chests of leaf, included the reprints from the last export sale of the season. In the third sale, there was an active general demand and prices showed considerable advances but in the earlier sales a quieter tone prevailed and prices generally moved in buyers' favour. The delay between the lifting of a dust invoice and its eventual date of sale continued to be about three months. The offerings in the five sales held amounted to approximately 95,300 chests of dust. Except for a few occasional invoices, quality was not outstanding. The few invoices of best C.T.C. Assam continued to realise satisfactory prices but demand was definitely weaker. Orthodox kinds from all districts made weekly fluctuations but overall, were about steady, the exception being the black leafy kinds suitable for export which were obtainable at a premium.

Quotations

	1956-57	1955-56
	Rs. nP	Rs. nP
Sale No. 40 Clean Common Dust	1.65	1.81
Sale No. 41 " " "	1.62	1.70
Sale No. 42 " " "	1.66	1.64
Sale No. 43 " " "	1.66	1.62
Sale No. 44 " " "	1.63	1.62

Export sales up to No. 44 totalled 2,129,745 chests at an average price of Rs. 2.37 compared with 2,095,188 at an average price of Rs. 2.06 during the corresponding period of the 1955-56 season. Internal sales at 93,127 chests of Leaf and 768,275 chests of Dust (Rs. 1.57 and Rs. 2.09) go against 112,464 and 661,217 (Rs. 1.25 and Rs. 1.98) for the same period last year.

The price of Special Export Licence rose throughout the month from 11 nP a lb to 24 nP a lb in the third week, declining to 23 nP a lb at the close. On 7th April an interim release of 1957-58 quota was announced, to the extent of 50 per cent of the crop basis of tea estates. A limited amount of business on a forward basis was transacted in new season's quota at prices which varied between 25 nP and 30 nP a lb.

The crop figures issued by the Indian Tea Association are based on the actual returns received from the gardens submitting them which account for 75 per cent of the total North East Indian production, plus an estimate of the crops of non-reporting gardens based on the last known crop figures of those gardens. Recent information on the crops of non-reporting gardens has resulted in certain changes in the estimated total crops of North East India for 1955 and 1956 and these are given below:

	1955	1956
	million lbs	million lbs
Original estimate	534.20	536.65
Revised estimate	539.05	540.05

Arrivals (in chests) in Calcutta warehouses during the period 24th March, 1957 to 23rd April, 1957 with the corresponding figures of the previous year in parentheses were as follows: by steamer 954 (31,958) by rail 2,234 (36,453) by air 3,205 (6,923) making a total of 6,393 (75,334) chests. Since the beginning of the season, 1st April, 1956 to 31st March, 1957, arrivals have been: by steamer 2,995 (3,409,825) by rail 1,056,367 (950,855) by air 164,982 (206,670) making a total of 4,216,479 (4,567,350) chests.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 3-5-57 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.26	1.26
No. 2	1.23	1.23
No. 3	1.20	1.20
No. 4	1.20	.96
No. 5	.96	.91
	.91	.92
Sheet Cuttings 1		.87
Sheet Cuttings 2		
Crape:		
Water White		1.14
R.M.A. No. 1X	1.15/20	1.09
R.M.A. No. 1	1.08/12	1.03
Crape No. 2		1.00
Crape No. 3		
Scrap Crape:		
Sc. Crape No. 1	.95 Nom.	.94
Sc. Crape No. 2	.90/93	.91
Sc. Crape No. 3	.80/90	.84
Flat Bark	.72/75	.73
Sc. Crape 3X		.88

To arrive at f.o.b. Colombo prices, add 53.3 cents a lb for crape other than scrap crape and 31.53 cents for scrap crape to the above market prices.

PEPPER PRICES SPURT ON
EXPORT DEMAND

DOMESTIC OFFTAKE INCREASES

PEPPER prices in the terminal markets of India have made a handsome gain of Rs. 100 a candy over the past one month. Revival of overseas enquiries, bull speculation and lower stocks, have together influenced this rise. New York buyers, who were keeping aloof for a considerable time, have made their appearance again in the market. That was perhaps the single most important factor that gave the market the boost. Shippers to Communist countries have also been covering against their commitments. At the same time, arrivals have been slowing down. Now market sentiment is stronger than what it was a month ago, and prices have jumped from Rs. 525 to Rs. 625 a candy although foreign enquiries have slackened a little.

The immediate outlook appears to be satisfactory. Indian growers may not have to face any serious difficulty until the new Sarawak and Indonesian crop moves in substantial quantities on to the world market. The stock position in India is comfortable as far as the growers are concerned. The Indian crop is not as large as it was thought to be earlier. Towards the beginning of the season, it was estimated at about 24,000 tons, but later, this estimate had to be revised in view of the extensive crop failure in the Tellicherry area. The present estimate stands at about 20,000 tons.

Home Consumption

Domestic consumption has been increasing. According to one estimate, the home market consumed nearly 50 per cent of last season's output of 19,000 tons. The internal market is likely to require still more this season in view of the lower prices at which the commodity is available. Export figures show that more pepper is going out. Official statistics for the first three months of the current season are now available, according to which 5,306 tons were exported during this period against 4,469 tons during the corresponding period of last season. This shows an increase of 836 tons. Unofficial figures place the export to the end of April at the high figure of about 9,000 tons, although there is yet another six months for the season to close. Export during last season was to the tune of 13,225 tons. The current season's supply including the carry-over from last season's crop may not exceed 23,000 tons. If from this the estimated export and home consumption to the end of April are deducted, the stock figure becomes 8,000 to 10,000 tons, which cannot be considered as big for the remaining six months.

World Output Estimates

If reports that the Sarawak and Indonesian crop next season will be lower are true, strong competition need not be feared. They indicate that world production of pepper in 1957 will be less than expected. The Indian crop is likely to be 4,000 tons lower than the original estimate, and Indonesia and Sarawak are expected to produce less than their usual quantity. On the other hand, there is no indication that world consumption will decline. India has another advantage. She has a new market for her pepper in Communist countries. During the last season, she sold 4,227 tons to them and that was nearly 32 per cent of the total exports. Exports to Russia and other Communist countries have been larger this season, and according to one estimate, may touch the high figure of nearly 4,000 tons by the end of May.

Unemployment in Coir Industry

Kerala's Minister for Industries, Mr. K. P. Gopalan, is shortly convening a conference of various interests in the coir industry, with a view to finding a solution for the unemployment problem in it. Representatives of the trade unions, the industry, members of the Legislative Assembly representing the coastal region, the Chairman of the Coir Board, Coir Special Officer and other officials concerned with the industry are expected to attend. The Government of Kerala has requested the Central Government to increase the provision of Rs. 56 lakhs in the State's second five year plan for the coir industry to Rs. 1.2 crores.

U.S. RUBBER CONSUMPTION REACHES
RECORD LEVELS

U.S. consumption of rubber reached record levels during the first quarter of 1957, according to a report of the U.S. Business and Defence Services Administration. Consumption in the first three months of this year—the report said—totalled 393,165 tons, which means an increase of 2.1 per cent from the record 384,894 tons registered in the first three months of 1956. Consumption of new rubber in March this year amounted to 131,357 tons. The March figure ran well ahead of February—123,687 tons—and March 1956—127,668 tons. The percentage of natural rubber in total new rubber consumption was 37.1 in March 1957. This represents a slight drop in percentage from March 1956. Meanwhile, the Journal of Commerce reported that the value of crude rubber imports fell during March 1957 from the levels recorded in February 1957. It explained, however, that this decline resulted largely from the dock strike of February, which reduced all import activity. Crude rubber imports were valued at \$25.3 million for February, the comparable figure in February 1957 totalled \$1,002.1 million—about 16 per cent lower than the preceding month.

Commodity Markets

DEVELOPMENT OF HEAVY
CHEMICAL INDUSTRYMEASURES TO PROMOTE
EXPORTS

THE Union Minister for Industry, Mr. Manubhai Shah, while addressing the reconstituted Development Council for Heavy Chemicals recently said that the chemical and alkali industries in the country have now reached a stage of development when not only quick expansion can take place, but growing export market for their products can be developed. The Minister complimented the alkali and chemical industries on the very good progress achieved in the last few years. He called upon industrialists and technicians, represented on the Development Council for Heavy Chemicals (Alkalis), to work out schemes which can speedily reduce the dependence on imports for several chemicals and their by-products, and think in terms of export promotion. He drew the attention of the Council to the scope for developing exports of chemicals such as magnesium chloride, chlorine, liquid carbon, bleaching powder, zinc chloride and insecticides. The Minister said that the Government has decided to set up an export promotion cell in the Development Wing of the Ministry of Commerce and Industry. So far, the main work of the Development Wing has rightly been in the field of promotion and development of industries, and the formulation of related import policies to provide a fillip to indigenous industry. It will now also pay increasing attention to the work of export promotion. The development councils for different industries, Mr. Shah said, should give special attention to the work of export promotion and assist the various export promotion councils. The proposed export promotion cell in the Development Wing will be in a position to study the recommendations of different export promotion councils and development councils and co-ordinate and implement suggestions made by them. The cell, which will cover heavy industries, engineering industries, chemical industries and consumer and light industries, will try to co-ordinate the work of the development councils on the one hand, and the export promotion bodies on the other.

Fertiliser Policy

Mr. Shah made a special mention of the very good progress of the fertiliser industry, particularly the progress in the production of nitrogenous fertilisers such as ammonium sulphates, nitro-chalk, double salt, urea etcetera. Now that the various fertiliser industries have been re-organised under the new set-up of the Ministry of Commerce and Industry, it is possible, he said to evolve a national fertiliser policy in close collaboration with the Ministry of Food and Agriculture and other Government agencies concerned. He pointed out that no country could depend for all time on the production of one type of fertiliser alone, namely, nitrogenous fertiliser. Modern agricultural practices require a balanced development of nitrogenous as well as phosphatic and potassium fertilisers. He, therefore, requested the Development Council to consider the question of development of phosphoric acid and phosphatic industries and the recovery of the potassium salts from the salt industry in the country.

He informed that a joint meeting of the development councils for alkalis, acids and fertilisers, drugs and pharmaceuticals, and representatives of other Ministries, will be convened in June in Bombay to discuss and formulate a national fertiliser policy, and draw up a programme of balanced development of important components of fertilisers. The joint meeting of these three councils will also be in a position to discuss and evolve a national drug policy based on the indigenous manufacture of primary intermediates, synthetic drugs, vitamins, antibiotics, alkaloids and other drugs and heavy alkalis and acids.

Drugs and Pharmaceuticals

The Council, the Minister said, was already aware of Government proposals to set up in the public sector sizable capacities for primary intermediates, vitamins, antibiotics, synthetic drugs and alkaloids. This programme will be fully integrated with the industries manufacturing formulations and penultimate and complexes of drugs and pharmaceuticals in the country. Referring to the chronic problem of the alkali industry, namely the profitable utilisation of chlorine, the Minister hoped that the national fertiliser policy, which would take cognisance of the development of phosphatic fertilisers, both from raw phosphates and bones, will offer a good avenue for the economic and profitable use of chlorine from the alkali industry.

India, the Minister said, is exporting about 150,000 tons to 200,000 tons of bones every year, and if bone utilisation plants of economic sizes were set up in the north, south, west and central regions of India, near the caustic soda-chlorine factories, the country will gain valuable products such as bone meal, ossein for high-grade gelatine and glue and phosphates, which will also enable it to earn more foreign exchange. These products could serve as a direct fertiliser as well as an important source for phosphoric acid, very badly needed for the fertiliser industry.

PRODUCTION AND DESPATCHES OF SUGAR

The production and despatches of indigenous sugar amounted to 1,822,000 tons and 1,035,000 tons up to 30th April, in the current season, against

1,653,000 tons and 806,000 tons respectively in the corresponding period of last year. The stocks with the factories on the same date stood at 1,314,000 tons, compared with 1,258,000 tons last year.

REPORT ON MARKETING OF CHILLIES

Chillies, which were introduced in India about the middle of the seventeenth century from the West Indies, are now grown extensively and occupy an important place among spices in the country. A report on the marketing of chillies in India, published by the Directorate of Marketing and Inspection of the Central Ministry of Food and Agriculture, estimates that the annual production of chillies is about 18 million maunds—8 million maunds green and 10 million maunds dry—covering an area of about 1,200,000 acres. Important chilli-producing States are Madras, Andhra, Bombay, Madhya Pradesh, Mysore and Bihar which together account for 88.9 per cent of the total area under the crop. Of these, Madras has the largest acreage, followed by Andhra and Bombay in that order. There is hardly any import of chillies into India. On the other hand, India exports, on an average, about 187,000 maunds a year, the largest importer being Ceylon. There are many varieties of chillies in India, differing in size and shape and pungency. They are grown both as a garden and a field crop and also as a rain-fed or an irrigated crop.

According to the report, marketing of chillies in India has been in a very disorganised state. In the distribution of chillies, the grower does not generally take any part. There is great disparity in marketing charges levied in different centres. No grading of the produce is carried out at the producing, gathering and distribution levels. Inadequacy in selection and improper storage of seed lead to mixing of different varieties. To add to these, the financing of marketing operation is generally made by petty merchants, commission agents or wholesale merchants at exorbitant rates of interest. Yet the weights used in different areas for selling chillies are neither similar nor standardised. The report emphasises the need for improving market intelligence and the methods of storing, grading and packing. It says that co-operative societies should be developed for gathering and distributing chillies, and State Governments should enact legislation for regulating markets. The report lays stress on the necessity of improving the financial resources of the producers and of adopting effective measures to fight pests and diseases as also of introducing improved methods of cultivation.

RECORD PRODUCTION OF IRON ORE

There was a record production of 4,650,000 tons of iron ore in India during 1955. The value in terms of money was Rs. 3.24 crores. Two States of the Indian Union—Bihar and Orissa, between them, accounted for 85 per cent of the total production. Extensive deposits of good quality iron ore are scattered in several areas in Bihar, Orissa, Madhya Pradesh, Andhra and Mysore. The approximate estimates of reserves of iron ore in the country are:—Bihar and Orissa—8,000 million tons, Madhya Pradesh—7,000 million tons, Mysore—2,500 million tons, Madras—1,000 million tons, Bombay—300 million tons, Andhra—54 million tons and others—2,100 million tons. Out of the estimate,

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the proved and indicated reserves are 6,400 million tons. The total iron content in all classes of ore is placed at 42,000 million tons. Nearly three-fourths of the output is being smelted in the country for making pig-iron and steel. The rest is being exported. Japan is the principal importer of iron ore from India. There was a record export in 1955 of 1,200,000 tons which fetched foreign exchange worth Rs. 5.3 crores.

MAIZE PRODUCTION THIS YEAR HIGHEST ON RECORD

According to the Directorate of Economics and Statistics, Central Ministry of Food and Agriculture, the all-India final estimate of maize for 1956-57 puts the current year's area and production at 9,244,000 acres and 3,020,000 tons respectively, against the partially revised estimate of 9,116,000 acres and 2,554,000 tons for 1955-56. This shows an increase of 123,000 acres or 1.4 percent in area and 466,000 tons or 18.2 percent in production during the current year compared with last. This means that maize production during the current year is the highest on record. The increase in area has been reported mainly by Uttar Pradesh, Bihar and Jammu and Kashmir. This has been attributed to favourable seasonal conditions at the time of sowing. The increase has, however, been offset to some extent by the decreases reported mainly by Rajasthan and Bombay. The significant increase in production has been shared by all the maize-producing States except Rajasthan, Bombay and Madhya Pradesh. Notable increases in production have been reported by Uttar Pradesh, Punjab and Bihar. The increase in production has been attributed partly to the increase in area and partly to favourable climatic conditions during the growing period of the crop. The decrease in production is marked in the case of Rajasthan and Bombay. This is due partly to decrease in area and partly to unfavourable climatic conditions during the period of growth. In Bombay, especially, the crop suffered heavily in growth and production in the Gujarat division on account of continuous and heavy rains during the south-west monsoon period.

COMMITTEE TO INVESTIGATE COAL PRICES

The Government of India has set up a six-member committee to investigate the prices of coal. Mr. S. Boothalingam, Secretary, Ministry of Steel, Mines and Fuel, will be the chairman of the committee. It will examine and report upon the cost of production of coal in the country, taking into account the awards and other relevant factors that have a bearing on the coal production programme of the second five year plan. The committee, which has been asked to submit its report within a period of two months, will also recommend the changes necessary in the price-structure of coal and report on the impact of the price changes recommended by the committee on the economy of the country and on industry generally. Other members of the committee are: Mr. V. Narayanan, Joint Secretary, Ministry of Finance; Mr. S. R. Kalyanaraman, Member (Commercial), Railway Board; Mr. P. M. Menon, Joint Secretary, Ministry of Labour and Employment; Mr. S. R. Kaiwar, Joint Secretary, Ministry of Steel, Mines and Fuel and Coal Controller of the Government of India.

PROTECTION TO COCOA AND CHOCOLATE INDUSTRY EXTENDED

The Government of India's resolution on the Tariff Commission's Report (1956) on continuing protection to the cocoa powder and chocolate industry has recently been published in a *Gazette of India Extraordinary*, says a Press Note issued by the Ministry of Commerce and Industry. The Commission's main recommendations are: (A) that protection to this industry should be continued for a further period of one year i.e. up to 31st December, 1958; (B) that the protective duty on cocoa powder should be maintained at the existing rate of 31½ percent *ad valorem* (including surcharge), and (C) that the protective duty on covering chocolate should be 50 percent *ad valorem* or Re. 1 a lb. (including surcharge) whichever is higher (against the existing rate of 50 percent *ad valorem*). The Government has accepted these recommendations and the revised rate of duty on covering chocolate, as in (C) above, is being brought into force with immediate effect. The Commission has also made certain ancillary recommendations for granting general assistance to this industry. The Government has noted these and suitable action will be taken in due course, the Press Note says. The Commission has emphasised the importance of salesmanship and publicity. It has also pointed out that the producers should keep abreast of technical developments. These are being brought to the notice of the industry.

WORLD STEEL OUTPUT RECORD

Steel production in the free world in 1956 reached the record total of 237.9 million tons, which compares with 228.7 million tons in 1955. These figures are given in the United States Department of Commerce annual world steel survey which stresses that output in Communist countries of Europe and Asia increased to 24.3 percent of total world output. By 1960, the Communist bloc is expected to be producing 26.3 percent of the world total. Production in the U.S.A., however, is expected to decrease to 35 percent of the world total by 1960, compared with 36.9 percent last year when output fell two million tons to 115.2 million

tons. Last year, Japan's output rose from 10.4 million tons to 12.2 million tons, and West German production increased from 23.5 million to 25.6 million tons. India's output rose from 1,910,000 to 1,957,000 tons.

SLIGHT RISE IN WHOLESALE PRICE INDEX

THE official wholesale price index (base: year ended August 1939=100) stood at 423.5 during the week ended 27th April, compared with 423.3 (revised) for the previous week. The index was higher by 0.6 percent and 8.5 percent respectively, when compared with the corresponding weeks of the previous month and a year ago. Compared with April 1957 worked out to 422.1 compared with April 421.3 (revised) for March 1957 and 391.3 for April 1956. Prices of wheat in Hapur and salt (+9% each), gur in Ahmednagar and rice (+2% each) and gram in Hapur and sugar (+1% each) exhibited advances while those of tea for internal consumption (16%), gur in Muzaffarnagar and gram in Patna (3% each), wheat in Amritsar (2%) and dal arhar and coffee (1% each), were marked down, and as a result, the index for Food Articles advanced by 0.1 percent to 411.6 against 411.1 (revised) for the earlier week. A fall of 0.5 percent to 514.0 in the index for Industrial Raw Materials was mainly due to a decline in the prices of manganese ore (average export price) (-15%) and linseed in Bombay and raw silk (-3% each); the prices of copra (+2%) and castorseed (+1%) witnessed increases. The index for Semi-Manufactures rose by 0.2 percent to 401.4 compared with 400.4 for the previous week. Items which showed significant changes were: buffalo hides (+3%), cowhides and groundnut oil (+2% each) and castor oil (-4%). An increase in the prices of glass (+2%) supported by a slight increase in the price of jute manufactures raised the Manufactures group index by 0.1 percent to 384.6. The index for the Miscellaneous group also moved up by 0.4 percent to 570.6 due to a rise in the prices of black pepper in Cochin (+4%) and cashewnuts in Quilon (+1%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year Ended August 1939=100)

Groups and Sub-Groups	Week Ended			
	27-4-57	20-4-57	30-3-57	28-4-56
I Food Articles:	411.6	411.1(R)	402.1(R)	356.8
Cereals	538*	529*	535*	461
Pulses	407	412	432	345
Others	255	261	237*(R)	227
II Industrial Raw Materials:	514.0	516.4	519.9(R)	471.5
Fibres	507	509*	508	457
Oilseeds	557	556	558(R)	532
Minerals	503	520	558	440
Others	415	415*	417(R)	392*
III Semi-Manufactures:	401.4	400.4	400.6	381.1
Leather	408	401	410	406
Mineral oils	211	211	210	208
Vegetable oils	576	573	569	546
Cotton yarn	482	482*	482	481
Metals	328	328*	328	420
Oilcakes	404	403*	403	361
Others	374	375	376	361
IV Manufactures:	384.6	384.1	384.1	375.6
Textiles	410*	409*	410	397
Jute	418	—	411	408*
Cotton	412*	412*	414*	406*
Rayon and silk	—	—	442*	502*
Woolen	266	266	266	264
Metal products	392	392	392	371
Others	305	305	302	286
V Miscellaneous:	570.6	568.5	567.2(R)	499.0
All Commodities:	423.5	423.3(R)	420.8(R)	390.4

R=Revised

*=Estimated

Groups and Sub-Groups	Monthly Average		
	April 1957	March 1957	April 1956
I Food Articles:	408.3	402.7(R)	360.9
Cereals	536*	528	461
Pulses	418	440	357
Others	249	243(R)	234
II Industrial Raw Materials:	514.7	518.1(R)	472.8
Fibres	508	505	459
Oilseeds	555	559	529
Minerals	512	552	446
Others	416	414(R)	394*
III Semi-Manufactures:	400.0	403.3	377.4
Leather	398	410	409
Mineral Oils	211	210	208
Vegetable Oils	567	577	547
Cotton Yarn	483	484	482
Metals	328	328	419
Oilcakes	409	419	362
Others	375	385	375
IV Manufactures:	384.3	384.1	375.6
Textiles	410*	410	398
Jute	416	412	408*
Cotton	412*	414*	402*
Rayon and silk	—	442*	502*
Woolen	266	266	264
Metal products	392	392	371
Others	305	302	286
V Miscellaneous:	567.8	569.6(R)	499.7
All Commodities:	422.1	421.3(R)	391.3

R=Revised

*=Estimated

Calcutta Markets

SELECTIVE DEMAND FOR DARJEELING TEAS

IRREGULAR TREND IN DUST PRICES

THE first Sale of the new season held on 13th May consisted of 7,555 chests of Darjeeling tea. Quality was generally rather disappointing, although a number of invoices with useful flavour were on offer. At the beginning of the Sale, there was a good demand from exporters, and the more useful invoices on offer sold well above brokers' valuations, while the poorer quality teas received fair support, but were often selling below valuations. As the Sale progressed, the demand weakened and prices of most descriptions were generally considerably below valuations. Internal operators were active and showed particular interest in the lower-priced Broken and smaller Fannings grades. At the Internal Sale, there was a fair general demand at irregular rates for the 19,902 chests of Dust on offer. The market was generally easier with the best C.T.C. Assams again being a weak feature and selling between 10 and 20 nP below last rates. Black exportable kinds were well supported at slightly lower rates while the remaining offerings were up to 12 nP easier.

Quotations	1957	1956
	Rs.	Rs.
Medium Doars Dust	1.55	1 8 0
Medium Assam Grainy Dust	1.60	1 9 0 to 1 10 0
Medium Assam C.T.C. Dust	1.60 to 1.65	
Best Assam C.T.C. Dust	Not quotable	2 12 0 to 2 14 0 (Nominal)

There were only 43 chests of Leaf on offer.

SUGAR STEADY

During the week ended 15th May, sugar sales in the Calcutta market averaged 5,500 bags daily. Arrivals a day were 5,000 bags, and stocks totalled 100,000 bags. Rates for ready sugar exportable delivery were Rs. 31.88 for ordinary grain and Rs. 33.75 for big grain. The market remained steady on account of a rumour that the excise duty on sugar would be increased.

FIRM UNDERTONE IN LINSEED

The undertone has been firm throughout the past week, and trading has been on a larger scale because of better arrivals. In the oil section, shippers have been inactive, the local prices being out of line with overseas markets, local buyers, however, have displayed a fairly keen interest for small ready lots. Latest quotations were as follows: May-June Rs. 23-2 a maund; June-July Rs. 23-6 a maund and July-August Rs. 23-12 a maund.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 7th May and 13th May, 1957)
Cowhides: Wet salted (Ord.) 21,500 pcs. on the basis of Rs. 7 to Rs. 8; Wet salted (Slaughtered) 17,800 pcs. on the basis of Rs. 12.50 to Rs. 21.
Goatskins: Wet salted (Daissee, killed) 70,800 pcs. on the basis of Rs. 260 to Rs. 280. Rs. 325 to Rs. 350 on the basis of Rs. 380; Assam-Dinajpur-neah-Kissenganj-Murshidabad 2,700 pcs. on the basis of Rs. 285 to Rs. 352; Pakur 700 pcs. on the basis of Rs. 280; Muzafferpore-Patna-Murshidabad 81,100 pcs. on the basis of Rs. 317.50 to 355.

Bazaar Stocks (13th May, 1957)

Cowhides: Wet salted 2,25,000 pcs.
Goatskins: Wet salted (Daissee, killed) 21,700 pcs; Assam-Dinajpur-Murshidabad-Jabalpuri 26,700 pcs; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 78,500 pcs.

SHELLAC QUIET

During the week ended 14th May, the market was quiet at the beginning, steady at mid-week and again quiet at the end. The range of quotations was as follows:

Pure Buttonlac	Rs. 100.00 buyers; 102.00 done buyers; Rs. 102.00 buyers; Rs. 99.00 value.
Lemon No. 1 Shellac	Rs. 101.50, 103.00, 102.50 buyers; 99.00 done.
Lemon No. 2 Shellac	Rs. 96.50 buyers; 98.00 done buyers; 98.50, 94.50 buyers.
F. O. Std. 1 Shellac	Rs. 88.50, 90.00, 90.50, 89.50 buyers.
Pure TN Shellac	Rs. 84.00, 85.00 buyers; 86.00 basis buyers; 84.00 basis done buyers.
4% I.T.N. Shellac	Rs. 75.00, 75.50, 74.50 buyers.
No. 1 Kusmi Seedlac	Rs. 92.00, 92.50, 90.00 value.
No. 2 Kusmi Seedlac	Rs. 88.50, 88.00 value; 86.00 buyers.
Fine Bysaky Seedlac (Manihottum)	Rs. 84.00, 83.50 buyers; 82.00 done.
Fine Bysaky Seedlac (C.P.)	Rs. 81.50, 81.00, 78.50 buyers.
Ordinary Bysaky Seedlac (C.P.) un-	Rs. 76.00, 77.00, 76.50, 73.50 buyers.
Ordinary Seedlac (C.P.)	Rs. 71.00, 72.00, 71.50, 68.50 buyers.
Kireelac	Rs. 32.00, 31.50 buyers.

COMPANY AND PUBLIC NOTICES

THE SOORAH JUTE MILLS COMPANY LIMITED

NOTICE is hereby given that the 120th Ordinary General Meeting of the Shareholders of the Company will be held at 8, India Exchange Place, Calcutta at 2-30 P.M. on Wednesday the 12th June, 1957 for the following purposes:—

- (1) To receive and consider the Report of the Directors and to pass the audited Accounts for the year ended 31st December, 1956.
- (2) To declare Dividends on Ordinary and Preference Shares.
- (3) To elect Directors in place of those retiring by rotation.
- (4) To appoint Auditors and fix their remuneration.
- (5) To transact any other business which may be brought before the meeting with the permission of the Chairman.

The Share Transfer Books of the Company will remain closed from the 1st June, 1957 to the 12th June, 1957, both days inclusive.

By Order of the Board.

HINDUSTHAN INVESTMENT CORPORATION LTD.,

Managing Agents.

Calcutta.

Dated, 8th May, 1957.

N.B. (i) The Directors have recommended dividends on Preference Shares @ 7% (free of income-tax) and on Ordinary Shares @ Rs. 1/8/- per share (free of income-tax).

If dividends on shares as recommended by the Directors are declared at the meeting, THE DIVIDENDS WILL BE PAYABLE ONLY TO THE REGISTERED SHAREHOLDERS whose names are on the Company's Register on the 12th June, 1957. No application need be sent for dividends, as relative Dividend Warrants will be posted to such shareholders by the 30th June, 1957. The shareholders are advised to notify any change of address.

(ii) A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

THE ASSOCIATED HOTELS OF INDIA LIMITED

THE Board of Directors are pleased to announce that a final 6% dividend, subject to tax, on the Ordinary Shares of the Company for the year ended 31-3-1956, making a total dividend of 12%, subject to tax, has been declared in the Annual General Meeting of the Company.

S. S. REEN,
Secretary.

THE BENGAL FLOUR MILLS CO. LTD.

THE Board of Directors has decided to recommend to the forthcoming Annual General Meeting of the Company a final dividend of 13½% for the year ended 31st December, 1956.

By Order of the Board.

BALMER LAWRIE & COMPANY LTD.,
D. MANSON,
Secretary.

Managing Agents.

21, Netaji Subhas Road,

Calcutta.

10th May, 1957.

SITUATION WANTED

ADVERTISER, an M.A. (Com.), passed Section B of Final examination of Chartered Institute of Secretaries, London, preparing for Section A, has over six years office experience, thoroughly acquainted with Indian Co. Law, recently returned from U.K., seeks position in Secretary's office. Please write Box No. 4789, C/o. "CAPITAL", P.O. Box No. 14, Calcutta-1.



For over 30 years "BEHAR" FIREBRICKS and FIRECLAY REFRACTORIES are being used by leading Iron and Steel Works, Cement and Glass Factories, Tea Industries, Sugar and Cotton Mills and other Industries in the Country.

THE BEHAR FIREBRICKS & POTTERIES LTD.
22, STRAND ROAD, CALCUTTA-1
Phone: Bank 5952 Gram: "BANCO"

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour I.S.T.
Presidency Jute Mills Co. Ltd.	21-5-57	3-30 p.m.
Mahindra & Mahindra, Ltd.	22-5-57	4 p.m.
Assam Match Co., Ltd.	24-5-57	12-30 p.m.
Guest, Keen, Williams, Ltd.	29-5-57	11 a.m.
Jay Shree Tea Gardens, Ltd.	31-5-57	3 p.m.
Alliance Jute Mills Co. Ltd.	31-5-57	3 p.m.
Godfrey Phillips, India, Ltd.	31-5-57	4 p.m.
Calcutta Jute Mfg. Co. Ltd. (E)	4-6-57	3 p.m.
Calcutta Gas Co. (Proprietary), Ltd.	7-6-57	4-15 p.m.
Soorah Jute Mills Co. Ltd.	12-6-57	2-30 p.m.
Minerva Mills, Ltd.	17-6-57	4 p.m.

DIVIDENDS DECLARED OR PROPOSED.—Carew

& Co. Ltd.—Nil (a); Alliance Jute Mills Co. Ltd.—Nil (a); Soorah Jute Mills Co. Ltd.—Rs. 1-8-0 per share (a); Associated Hotels of India Ltd.—6 p.c. (a) (f); Bengal Flour Mills Co. Ltd.—13½ p.c. (f).

O—Ordinary Dividend. Int—Interim Dividend.
P—Preference Dividend. †—Less Income Tax.
P.O.—Preference Ordinary Dividend. f—Final Dividend.
D—Deferred Dividend. Cm.—Cumulative.
† Less Tax at 8½ ds in the £.

I M C O

All rights reserved.

GOVERNMENT LOANS					PORT TRUST LOANS										IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs	Interest per cent	Year of Issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of Issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of Issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of Issue	Repayable	Market quotations Rs
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY					CALCUTTA				
2,48,97,41,000	3	1946	1986 or later	74/23	90.24.300	4	1914	1974	99/00	36.50.000	4	1904	1964	98/00	25.00.000	5 1/2	1929	1959	106/00
			At the option of the Government of India after 3 months' notice.		76.90.100	4	1915	1975	99/00						30.00.000	4	1934	1964	99/75
8,93,35,000	3	1896-97		72/50						35.00.000	1	1905	1965	98/00	35.00.000	3 1/2	1935	1965	94/00
					68.02.300	3	1921	1st 1981	82/00	15.00.000	4	1906	1966	98/00	30.00.000	3	1936	1966	91/00
57.00.69.000	2 1/2	1946	1961	93/50	1,50,00,000	6 1/2	1921	2nd 1981	144/00	44.00.000	4	1907	1968	98/00	50.00.000	3	1937	1967	90/00
45.63.07.000	2 1/2	1946	1960	96/45	£892,600	5	1923	1953 8 1/2	£79	75.00.000	4	1908	1969	98/00	20.00.000	3	1938	1963-68	90/00
50.35.63.000	3	1951	1958	99/65	£901,000	5	1924	1954 8 1/2	£79 1/2	40.00.000	4	1909	1970	98/00	30.00.000	4	1952	1962	99/75
1,16,17,46,000	3	1938	1963-65	94/10											1,02,00,000	4	1956	1968	99/00
1,10,11,78,000	3	1943	1966-68	92/06															
75,86,72,000	2 1/2	1947	1962	93/85						56.00.000	4	1910	1971	98/00					
	2 1/2	1948	1962	93/85						75.00.000	4	1911	1972	98/00	30.00.000	4	1899	1959	99/00
		2nd issue			1,49,49,500	5	1927	1957 8 1/2	101/50						30.00.000	4	1901	1961	98/25
30.33.10.000	3	1950	1964	94/20	1,49,30,000	5	1928	1958 8 1/2	102/50						30.00.000	4	1902	1962	98/25
14,77,48,000	2 1/2	1946	1976	83/15											30.00.000	4	1903	1963	98/25
63.30.26.000	4	1926	1960-70	100/80	80.00.000	4	1931	1991	95/00						10.00.000	4	1904	1964	98/25
15.05.83.000	3	1945	1970-75	86/87	2,31,07,100	3 1/2	1932	1962	£91 1/2						60.00.000	4	1905	1965	98/25
34,78,08,000	3	1944	1957	99/75	25.00.000	3	1935	1965	97/50	£892,600	5	1923	1953-8 1/2	£87 1/2	30.00.000	4	1906	1966	98/00
5,85,73,000	4 1/2	1928	1958-68	101/75	30.00.000	3	1936	1966	94/00	£901,000	5	1924	1954 8 1/2	£87 1/2	20.00.000	4	1907	1967	99/75
75,29,00,000	3 1/2	1953	1961	99/50	30.00.000	3	1946	1976	84/75	£835,100	5 1/2	1932	1962	£96	30.00.000	4	1908	1968	99/75
1,13,65,64,000	3 1/2	1945	1959-61	97/75	50.00.000	3	1945	1-2-2000	74/00						15.00.000	4	1909	1969	99/75
1,58,17,90,000	3 1/2	1954	1964	97/90	50.00.000	3	1945	1-2-1975	85/00						30.00.000	4	1910	1970	100/00
1,03,87,92,000	3 1/2	1955	1965	98/25	50.00.000	3	1945	1966	95/37						£566,600	4	1911	1971	98/00
66,61,64,000	3 1/2	1956	1967	98/47	2,31,07,100	3 1/2	1936-37	1956 6 1/2	95/25						£333,000	4	1912	1972	98/00
33,81,33,000	3 1/2	1956	1974	98/50	30.00.000	3	1938	1963 6 1/2	90/00						25.00.000	4	1913	1973	98/00
57,25,82,000	3 1/2	1956	1962	97/85	30.00.000	2 1/2	1947	1977	79/50	11,47,169	3 1/2	1947	1977	A	18.00.000	4	1914	1974	98/00
					50.00.000	3	1948	1978	83/75						60.00.000	4	1916	1976	98/00
3,44,00,000	3	1944	1958	98/75	1,00,00,000	3	1949	1959	97/00						40.00.000	5	1919	1957-79	102/50
6,00,00,000	3	1949	1962	94/00	1,00,00,000	3	1949	1959	97/00						66.00.000	6	1920	1955-8	118/00
3,00,00,000	3	1950	1960	96/25	50.00.000	3	1949	1959	97/00	1,88,000	3	1947	1977	A	25.00.000	4	1921	1961-8	98/25
3,00,00,000	3 1/2	1951	1962	98/00	50.00.000	3	1950	1960	82/00						10.00.000	3 1/2	1936	1966	92/00
3,50,00,000	4	1952	1964	90/00	1,00,00,000	3	1950	1960	82/00										
5,00,00,000	4	1953	1963	100/00	1,50,00,000	3 1/2	1951	1961	81/75						40.00.000	5	1919	1957-79	102/50
					50.00.000	3 1/2	1951	1961	93/50						66.00.000	6	1920	1955-8	118/00
					50.00.000	4	1953	1963	100/00						25.00.000	4	1921	1961-8	98/25
					90.00.000	4	1955	1965	98/00						10.00.000	3 1/2	1936	1966	92/00
					77.00.000	4	1956	1966	97/75										

MUNICIPAL LOANS

Amount Rs.	Interest per cent</
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BANKS

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

Paid-up Capital Ordinance	Reserve & other Funds	Cash and investments	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividend: per cent			Paid-up per Share	Latest Market Quotations as available until			
Rs.	Rs.	Rs.			Rs.	Rs.	1954	1955	1956	Rs.	15-5-57	1-5-57	1 year ago	
											Rs.	Rs.	Rs.	
16,00,000		15,14,31.302	Allahabad Bank P.	12	15,61,784	12,42,653	18	18	—	100	347/00	347/00	366	
14,50,000H	1,08,00,000									50	180/00	180/00	185	
1,00,00,000H		15,47,8,001	Bank of Baroda	12	28,01,912	2,70,302	12	..	..	50	102/00	102/00	93	
3,00,00,000H	3,02,00,000	26,53,06,667	Bank of India	12	92,03,294	15,54,924	14	16	18	50	133/75	132/50	158	
15,30,375N	27,00,000	1,84,34,121	Bank of (ndore	12	4,30,342	64,705	6-6	7-7	..	25	32/00	52/00	52	
50,00,000	84,00,000	4,92,88,462	Bank of Mysore	6-12	20,59,730	5,91,911	3-2	3-8	8-8	100	246/50	246/50	247	
1,62,11,875H 82,42,375	4,01,81,217	72,31,72,307	Central Bank of India	6-12	77,75,970	18,40,355	7-6	6-6	—	25	51/50	51/00	52	
23,500,000	25,000,000	2,118,387,761	Chartered Bank	12	2,982,465*	2,405,372	15	15	—	21	38/1/2	38/10/2	34/	
21,000,000B	21,500,000	2,29,064,632	Eastern Bank	12	2,129,940*	2,111,586	8	8	8	25	262	262	273	
2,000,000	7,50,000	35,491,082	Habib Bank††	12	1,367,076	146,911	15	17 1/2	5	20	89/50	89/50	89 1/2	
50,00,000B	26,00,000	2,42,93,269	Hind Bank	12	12,10,668	1,61,946	..	..	6	50	33/62	33/62	31	
1,25,00,000B	15,43,000	1,45,51,078	Hindusthan Commercial	12	1,751	16,911	NH	..	..	50	9/75	9/75	9/75	
50,00,000B	1,75,000	1,21,08,411	Hindusthan Mercantile	12	71,191	1,515	NH	NH	..	50	12/00	11/50	14	
HK\$25,000,000 21,562,500 or 24,00,000	28,000,000	2,143,692,832	Hong Kong & Shanghai	12	HK\$20,580,322	HK\$10,606,686	25 1/2	25 1/2	—	H\$12 1/2	284/1/2	285 1/2	294	
17,00,000	76,50,000	16,04,77,414	Indian Bank	6-12	13,93,697	130,782	12	..	..	100	184/00	184/00	180	
16,80,000										75	140/00	140/75	159	
48,05,075	30,00,000	1,62,24,682	Indian Overseas Bank	12	16,55,722	2,28,295	6	7 1/2	..	100	137/00	137/00	128	
6,25,000A										100A	42/50	42/50	42	
2,50,000B	5,41,083	77,14,495	Indo-Commercial Bank	6-12	1,21,611	490	..	..	..	25B	10/50	10/50	11	
16,60,000C										50C	18/00	18/00	25	
5,00,00,000	15,06,075	1,18,15,069	Industrial Finance Corpn	6	22,18,632	..	2 1/2	..	..	50.00	..	..	..	
218,565,070	2,17,500,000	2,858,862,421	Lloyds Bank	12	2,254,793	2,712,060	15	12	13	21	22-7-1 1/2	22-7-6	22-14	
2,375,000H 2,375,000H 2,720,000	2,17,500,000	2,31,185,482	Mercantile Bank of India	12	2,235,423*	2,219,372	14	14	..	22 1/2A	24-7-0	24-5-3	24-0	
										21C	24-7-0	24-5-3	24-0	
21,851,565B 87,50,000	2,31,04,687	2,69,115,030	National Bank of India	12	2,614,622*	2,354,046	15	15	15	21A	22/9	22/3	22	
	1,076,358,201	60,69,33,271	Punjab National Bank	12	87,85,164	6,20,272	12	14	16	25	52/87	52/87	51	
40,00,000	33,00,000	3,08,68,398	Union Bank of India	12	6,75,642	1,75,874	6 1/2	..	..	8	6/06	6/06	6	
2,66,55,625	74,10,000	18,17,19,110	United Bank of India	12	17,58,020	1,73,148	3	3	3	10	4/37	4/25	4	
1,50,00,000	1,15,00,000	26,94,05,235	United Commercial Bank	12	56,51,659	29,420	5	5 1/2	7	50	54/00	53/75	50	

Paid-up Capital Original	No. of Loans	Net stock Account	Reserve & other funds Premiums & Forfeited Shares (if any)	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry over	Dividends per cent			Latest market quotations (as available)	Maturity			
										1954	1955	1956		15-57	5-57	Any date	
Ra	Ra	Ra	Ra	Ra				Ra	Ra			Ra	Ra	da	da	da	
90,000.00					Agarpara P	3-9	79	-1,22,220	29,690								
9,000,000	879	51,37,223	47,00,000	5,83,163	Alexandra P	3-12	165	2,98,242	245,707								
10,20,700	1,264	23,85,758	6,25,000	4,78,627	Alliance P	3-12	165	2,13,700	23,103								
46,000,000	2,561	1,41,22,882	69,00,000	8,13,599	Anglo-India P	3-9	3	1,18,443	3,20,192								
42,70,000	910	96,98,709	42,55,243	3,39,555	Auckland P	3-9	21	62,844	11,377								
2,50,000	159	31,26,322	21,50,000	2,68,322	Daily F	3-9	128	19,953	65,302								
1,88,800	159	2,490,254	6,625,004	1,07,208	Barnagore P	3	128	-2,72,504	13,699								
45,000,000	620	43,08,474	28,00,000	4,52,908	Bavedere P	3-12	3	-2,18,967	2,525								
91,36,000	600	75,78,849	83,45,000	99,55,352	Bengal P	3-12	3	13,31,281	1,65,100								
36,000,000	1,373	1,88,77,751	1,17,48,383	1,52,39,774	Bharat P	3	12	21,44,042	1,37,393								
1,47,380	991	4,46,117	21,81,426	90,156	Budget P	3-10	3	-24,556	1,336								
1,60,000	302	12,58,648	4,17,958	1,73,320	Calcutta P	3-12	62	51,976	-48,461								
15,16,400	816	44,11,783	26,62,234	54,300	Calcutta P	3-11	7	-1,93,238	1,328								
20,15,000	330	11,38,967	95,49,238	261,300	Chandani P	3-9	141	-1,80,359	19,010								
16,00,000	500	25,02,036	23,79,282	72,584	Cheviot P	3-11	4	-18,11,112	15,87								
31,48,200	969	13,80,489	31,00,000	28,21,035	Chitavalah P	3-12	165	3,58,078	1,32,949								
28,00,000	766	84,18,110	25,12,435	1,16,300	Clive P	3	318	1,51,574	15,847								
15,00,000	779	29,37,365	40,71,679	15,39,636	Colbourne P	3-11	9	-2,22,841	-2,20,845								
31,00,000	600	23,07,444	25,50,000	14,57,122	Empire P	3-12	165	1,77,831	76,491								
51,000,000	1,884	1,28,836	60,60,959	4,82,335	For Gloucester P	3-9	138	1,42,435	1,80,411								
64,82,100	1,014	43,56,933	13,00,000	3,23,204	For William P	3-9	70	7,57,579	34,822								
10,00,000	507	78,18,399	Nil	4,96,266	Ganges P	3-9	19	-3,93,812	-2,67,452								
24																	

1966

* Gross Stock

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Shares if any	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Latest Market Quotations as available until			
Rs	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	15-5-57	8-5-57	A year ago
25,30,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-4	236	2,92,390	28,610	31-6	61-74	5-...	10	15/98	15/98	221
1,00,00,000	1,96,15,288	1,40,49,223	18,85,659	Bengal P	4-10	1	26,18,986	7,31,563	74-74	94-83	...	100	214/00	222/00	531
4,49,350	3,08,191	70,000	2,24,302	Bengal Bhatdee	5-12	2	15,149	4,951	14-13	...	...	10	6/00	6/00	61
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-Nil	Nil-Nil	...	10	15/00	15/00	61
15,37,000	14,16,662	6,91,472	13,32,761	Bengal Nagpur P	9	152	8,13,896	39,976	...	...	...	10	4/75	4/75	61
40,00,000	38,91,474	20,23,237	32,69,321	Bharat Collieries P	6	355	2,52,221	27,433	...	...	...	10	5/50	6/31	131
7,15,000	15,63,291	14,29,045	68,704	Bhulanbhar	6-12	106	1,21,334	1,97,446	Nil-Nil	Nil-Nil	...	10	13/87	13/87	131
16,00,000	18,87,272	16,18,636	7,18,636	Bokarc & Ramgur	3-12	315	1,21,334	70,196	...	...	...	10	11/25	11/25	124
7,50,000	18,56,889	24,29,027	11,60,061	Borra P	6-12	106	2,14,682	94,201	10-10	10-16	...	10	20/31	20/31	261
90,92,490	2,39,17,614	1,75,02,136	28,93,839	Burrakur P	6-12	21	7,43,659	36,168	24-34	34-34	34-...	10	22/25	22/06	14
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	24	24	5	10	6/12	6/12	74
6,00,000	16,67,572	13,30,519	15,75,232	Central Kurkud P	4-12	322	34,742	82,768	...	...	...	10	12/50	12/50	11
6,00,000	1,43,974	7,32,536	1,43,974	Chemical Main	6-12	106	60,939	2,125	...	...	...	10	1/94	1/94	24
16,00,000	24,00,428	Nil	50,309	Chemical Main	6-12	19	60,939	2,125	...	...	...	10	5/75	5/75	61
2,240,000	2,239,116	2,313,125	2,140,349	East Indian	1	128	6,99,155	258,922	Nil-Nil	Nil-Nil	...	10	24/56	24/56	321
29,63,760	1,15,25,711	83,55,045	24,17,698	Equitable P	6-12	19	6,97,453	82,375	74-74	74-74	183	10	24/25	24/25	321
10,00,000	6,74,708	2,07,481	3,32,977	Jhushik & Musila	3	307	12,979	24,844	...	...	...	10	15/75	15/75	174
6,50,000	5,06,808	33,155	4,95,344	Juzdar Kajora	6-12	20	24,156	2,401	...	...	...	10	1/50	1/50	11
8,00,000	3,17,786	7,25,000	7,25,000	Kalapanah	6-12	19	2,70,524	45,965	74-10	124-124	...	10	22/12	22/12	204
3,50,000	6,31,200	5,66,816	1,407	Kalapanah	6-6	2	1,38,130	2,21,237	Nil-Nil	Nil-Nil	Nil	10	20/00	20/00	204
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	Nil-Nil	...	100	12/50	12/50	254
5,00,000	24,69,896	1,77,175	26,967	Karanpura Collieries P	2	21	2,26,982	6,965	Nil	24	5	100	88/50	88/50	145
20,00,000	10,29,548	16,90,000	11,25,332	Katras Herthan	1-7	7	5,92,347	1,33,475	28-28	25-30	35	10	54/62	54/62	91
1,38,400	6,75,000	95,000	11,80,294	Katras Herthan	6-12	326	49,776	1,818	...	...	...	10	3/75	3/75	91
5,65,750	10,84,977	85,000	9,591	Mundulpur	3-12	326	79,868	79,868	...	...	...	10	2/25	2/25	34
8,24,340	3,46,939	2,00,000	10,14,803	Vazira	12	341	92,517	31,201	...	...	...	10	6/81	6/81	104
7,00,000	5,13,411	26,617	61,641	New Bansdeopur	3-4	6	59,011	6,071	...	...	...	10	10/00	10/00	104
17,76,230	31,15,781	20,01,762	3,78,538	New Beerbhoom P	4-10	7	2,64,711	94,385	34-34	34-34	...	10	14/37	14/37	114
6,00,000	11,11,646	75,000	46,891	New Vanbhoom	3	202	79,222	10,950	Nil-Nil	Nil-Nil	Nil	10	9/50	9/50	21
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	...	...	...	24	0/94	0/94	11
1,15,000	4,42,488	2,85,193	1,53,246	North West	3-9	2	51,426	15,956	Nil-Nil	Nil-Nil	61	10	19/25	16/62	19
1,57,500												74	16/50	14/75	171
7,50,000	1,20,000	12,19,987	23,26,751	Onkal P	3-12	106	22,191	56,646	...	...	...	10	14/62	14/62	154
15,75,000	9,21,342	10,862	4,90,011	Parasara P	3-12	207	1,08,077	8,019	34-34	34-34	...	10	13/87	13/87	221
2,50,000	2,62,407	7,500	11,339	Puri Sitapur	3-12	236	2,48,261	33,734	...	...	...	10	14/75	14/75	61
23,49,500	36,99,474	20,17,105	67,898	Raneengunge	3-9	79	3,67,448	23,188	...	...	...	10	6/87	6/87	114
8,88,001	10,45,115	15,51,501	14,29,642	Rewa	3-12	236	1,44,394	15,614	...	...	...	10	11/37	11/37	221
20,00,000	23,74,261	7,52,027	1,01,121	Samla	12	48	1,80,661	31,542	...	...	...	10	12/31	12/31	131
1,50,000	1,56,194	1,34,374	11,356	Searsale	3-12	353	88,005	11,078	...	...	...	15	5/19	5/19	34
2,80,000	10,92,193	8,36,598	7,87,721	Seepore P	3-12	2	2,42,112	49,299	...	...	...	10	28/87	28/87	114
8,00,000	23,824	2,29,306	5,32,751	Sendra	3-12	106	4,408	7,408	...	...	...	10	9/00	9/00	91
17,50,000	22,79,233	10,89,693	25,008	South Karanpura	8	21	73,600	10,407	Nil-Nil	Nil-Nil	...	10	8/12	8/12	26
6,00,000	1,42,060	14,01,053	23,80,817	Standard	12	106	70,093	17,411	...	...	...	10	19/87	19/87	114
10,00,000	15,58,081	15,075	1,917	Talcher	3	277	22,698	3,85,054	Nil	...	...	24	1/62	1/62	114
3,50,000	4,62,900	3,47,000	12,836	Union	6-12	879	54,089	9,859	...	...	...	10	15/25	15/25	114
10,98,000	33,96,534	50,000	217,164	Western Bengal	3	166	4,09,468	7,262	...	...	...	5	2/34	2/34	114
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	19	2,72,772	1,46,656	Nil-Nil	Nil-Nil	...	10	7/25	7/25	114

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other funds	Cash & securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid up per share	Latest Market Quotations as available until				
Rs	Spindles	Looms	Rs	Rs	Rs				Rs	Rs	1954	1955	1956	Rs	15-5-57	8-5-57	A year ago
15,00,000	14,108	356	14,82,919	1,73,478	11,90,008	Basanti P	12	49	1,97,268	41,227	..	..	..	10	5/31	5/31	6
32,72,340	22,187	505	17,73,478	24,551	24,551	Benares P	3-9	121	1,27,181	4,79,347	..	..	..	10	0/87	0/87	1
7,11,280	60,000	932	17,17,120	30,842	30,842	Bengal Luxmi	4	23	4,66,176	47,818	..	..	..	60	40/00	40/00	3
27,00,000	11,476	624	43,53,000	15,50,000	15,50,000	Bengal Nagpur P	3-12	236	5,23,389	18,199	Nil	..	..	60	6/94	6/94	95
15,00,000	8,764	992	28,31,200	31,22,417	31,22,417	Girja Cotton	12	82	16,69,225	2,76,936	..	..	..	10	7/50	7/50	166
6,00,000	12,872	641	7,54,142	22,12,588	22,12,588	Gowree P	3-12	138	84,028	23,47,372	Nil-Ni	Nil-Ni	..	15	100	120/00	61
20,00,000	22,000	510	8,43,453	1,00,393	1,00,393	Cawnpore Textiles	8	25	6,73,253	36,767	10	Nil-5	..	5	130/00	5/93	38
1,00,000	1,01,608	2,762	9,94,631,688	2,94,83,803	2,94,83,803	Delhi Cloth & Genl P	6	231	1,81,41,278	82,759	0	..	..	25	37/75	37/75	36
19,30,000	12,944	518	14,12,181	1,53,894	1,53,894	Dunbar	3-12	136	3,92,376	1,37,951	Nil-Ni	Nil-Ni	..	24	176/00	174/00	304
63,30,000	34,400	1,202	18,99,926	71,13,555	71,13,555	Elgin P	9	25	45,81,868	78,754	10	10	12 1/2	10	20/25	20/25	171
1,20,30,000	39,250	1,872	3,39,95,575	1,50,53,952	1,50,53,952	Kesoram P	9	22	37,41,719	2,45,435	8 1/2	..	..	30	13/56	13/56	114
3,30,000	15,864	864	17,48,142	9,75,679	9,75,679	Mohini P	12	65	3,53,311	5,158	..	..	..	25	..	..	66
33,96,288	38,000	1,825	47,44,541	52,19,601	52,19,601	Muir P	12	204	18,77,941	7,77,290	..	..	..	10	73/50	75/00	64
30,00,000	18,848	1,367	43,25,577	16,00,968	16,00,968	New Victoria P	12	237	18,83,371	13,76,473	..	..	..	10	17/81	1/81	114
22,89,382	18,848	1,367	43,25,577	16,00,968	16,00,968	Rampooria Cotton	12	237	18,83,371	13,76,473	..	..	..	10	16/25	16/25	114
5,07,094	18,848	1,367	43,25,577	16,00,968	16,00,968	Swadeshi (Cawnpore) P	12	332	43,71,838	7,09,028	7 1/2	7 1/2	..	100	12/50	12/50	11
1,47,750	23,196	795	22,97,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	6 1/2	10	..	10	16/25	3/00	101
5,00,000	1,14,836	2,077	2,83,77,688	4,85,04,931	32,30,412	Swadeshi (Cawnpore) P	12	332	43,71,838	7,09,028	11 1/2	11 1/2	..	100	12/50	12/50	11
1,57,50,000	1,14,836	2,077	2,83,77,688	4,85,04,931	32,30,412	Swadeshi (Cawnpore) P	12	332	43,71,838	7,09,028	11 1/2	11 1/2	..	100	12/50	12/50	11
40,50,000	48,754	1,310	91,16,619	2,50,15,367	32,18,643	Bangalore W C Silk F	12	26	57,38,582	2,82,947	30	30	30	100	173/00	173/00	579
1,78,47,800	1,20,012	2,770	3,22,27,119	14,62,272	14,62,272	Buckingham Carnatic F	12	26	63,48,883	2,28,220	..	..	..	100	172/00	172/00	203
20,00,000	28,000	..	18,03,000	90,00,000	90,00,000	Jambodia P	12	210	1,96,274	27,593	Nil	10	10	10	13/90	13/90	113
12,00,000	23,864	..	3,41,058	18,53,507	18,53,507	Jointventure Cotton	12	186	5,53,750	81,404	..	..	..	10	325/00	325/00	334
20,76,900	72,832	497	47,81,212	1,98,681	1,98,681	Kaleeswari	6	46	7,52,344	10,23,344	..	..	..	10	87/50	87/50	155
6,50,000	50,640	295	12,25,505	17,90,300	17,90,300	Kombatore Spg & Wvg	6	46	7,52,344	10,23,344	..	..	..	10	335/00	335/00	171
24,00,000	30,612	200	60,83,320	19,25,000	4,09,360	Kothari Textile P	6	141	6,24,560	42,942	5	10	10	10	14/25	14/25	203
23,94,000	18,756	..	15,01,051	21,70,200	21,70,200	Lakshmi	12	186	31,41,248	2,309	..	..	..	90	138/00	138/00	511
7,75,02,486	4,65,324	..	2,06,03,942	4,13,81,878	1,14,98,962	Madura	12	108	95,70,251	22,44,130	..	..	..	15	41/40	41/75	203
12,00,000	11,654	..	3,49,189	3,62,363	10,32,398	Malabar Spg & Wvg	12	244	28,192	94,039	30	30	17 1/2	60	109/00	109/00	115
60,90,000	74,252	603	20,49,893	99,00,000	19,91,130	Vietur Industries	3	20	18,44,343	45,835	35	35	..	100	396/00	396/00	461
13,81,786	3,000	..	1,415,992	1,34,065	1,34,065	Mysore Spun Silk	12	142	1,753	3,906	Nil	62 1/2	..	10	8/87	8/87	155
4,00,000	20,137	Nil	3,86,608	3,90,000	3,90,000	Silani Andavar P	12	80	7,39,431	2,667	..	..	..	10	147/00	147/00	200
7,79,706	15,540	416	5,42,118	2,43,421	2,43,421	Silaram Spg & Wvg	12	164	87,724	3,063	..	..	..	80	289/00	289/00	200
7,00,000	28,104	270	12,98,563	18,32,501	11,71,324	Vasantam P	12	67	16,37,459	..	..	..	..	80	..	..	..

TEA COMPANIES

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

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds	Accounts under Tea	Outturn and Average Price realised for crop		Estimated 1956	NAMES	Accounts closed	Dividends per cent	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.	1954	1955	1956			1953	1954	1955	
Rs.	Rs.	Rs.	Rs.	Rs.	Lbs.	As. P.	Lbs.	As. P.	Lbs.		Rs.	Rs.	Rs.
CACHAR													
3,00,000	3,40,887	1,75,000	862	2,89,040	39-11	..	..	..	12	38	1,72,877	Nil	Nil
4,00,000	4,26,268	49,878	465	..	..	..	..	..	12	35	43,007	..	..
10,00,000	18,22,881	5,89,800	1,486	3,90,263	40-10	8,40,392	32-4	8,13,443	12	128	2,28,292	..	71
2,50,000	51,753	Nil	194	1,00,456	4-2 2/5	7,07,748	4-0	7,44,000	12	128	49,992	Nil	Nil
7,00,000	7,07,190	11,000	649	3,91,320	38-6	3,91,440	28-6	4,40,000	12	128	33,600	Nil	Nil
12,00,000	17,92,451	11,50,000	1,152	17,59,921	35-0	16,36,400	24-1	16,00,000	12	202	2,46,355	25	40
4,50,000	2,91,000	1,65,222	586	..	..	..	..	..	12	313	31,073	Nil	274
3,50,000	3,12,914	3,24,391	603	1,49,507	16-5	3,49,145	27-6	3,36,000	12	313	1,071	Nil	15
7,00,000	1,24,000	5,50,000	1,368	1,33,267	47-6	7,66,038	26-7	8,00,000	12	313	1,071	Nil	274
2,50,000	1,18,608	Nil	500	3,68,960	38-0	4,66,080	23-11	1,80,000	12	313	1,071	Nil	274
2,60,000	4,34,515	3,56,592	618	3,04,120	36-4 1/5	5,76,240	25-11	6,40,000	12	313	1,071	Nil	274
5,25,000	8,87,291	10,42,956	688	6,76,800	41-11	7,25,980	29-3	6,00,000	12	313	1,071	Nil	274
4,00,000	6,38,316	5,52,313	652	4,49,336	36-7 1/5	..	..	..	12	313	1,071	Nil	274
2,75,000	5,02,307	4,31,250	1,050	4,63,326	..	..	..	..	12	313	1,071	Nil	274
DARJEELING													
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	12	101	..	..	..
2,79,900	3,07,500	1,25,000	497	1,41,174	62-0	1,44,772	46-8	1,76,000	12	101	..	..	..
3,75,900	4,79,900	3,11,928	991	..	..	..	..	..	12	101	..	..	..
2,00,000	1,84,414	1,62,626	888	1,26,760	32-5	1,27,760	38-9	1,28,000	12	101	..	..	..
2,00,000	5,08,900	3,44,549	500	2,84,204	19-11	2,35,761	33-9	2,64,000	12	101	..	..	..
7,00,000	6,59,000	2,60,770	1,049	6,53,740	38-31	6,18,730	42-31	6,72,000	12	101	..	..	..
10,32,000	1,01,576	11,11	761	1,26,515	18-84	..	..	..	12	101	..	..	..
4,00,000	3,12,381	4,00,225	816	3,39,040	57-11	3,53,520	36-7	3,68,000	12	101	..	..	..
1,59,000	2,06,770	3,50,239	463	1,82,080	92-4	1,65,440	50-6	1,84,000	12	101	..	..	..
2,90,000	3,67,500	2,55,000	688	4,33,016	33-4	4,34,342	36-0	4,40,000	12	101	..	..	..
2,20,000	2,22,770	97,047	305	1,81,152	55-3	1,68,126	38-4	1,80,000	12	101	..	..	..
3,30,000	4,02,000	2,61,118	776	1,69,697	30-8	1,64,824	37-11	1,76,000	12	101	..	..	..
3,00,000	3,83,067	4,09,567	500	1,58,740	38-8	1,27,541	35-11	1,60,000	12	101	..	..	..
2,05,000	4,30,000	2,07,813	570	1,80,720	38-4	1,67,840	41-4	1,76,000	12	101	..	..	..
1,40,000	1,69,062	4,65,653	341	1,77,704	33-4	1,59,385	35-0	1,68,000	12	101	..	..	..
3,00,000	3,32,822	1,86,462	389	1,77,704	33-4	1,59,385	35-0	1,68,000	12	101	..	..	..
6,25,000	3,98,412	1,59,741	741	2,05,035	47-4	..	..	..	12	101	..	..	..
9,00,000	9,06,557	1,54,418	683	2,64,000	30-4	..	..	..	12	101	..	..	..
9,00,000	3,24,400	4,10,000	554	2,89,738	30-3	3,74,900	39-34	3,84,000	12	101	..	..	..
6,25,000	12,26,873	3,74,585	382	1,76,306	54-4	3,74,900	39-34	3,84,000	12	101	..	..	..
3,20,000	4,70,000	10,86,284	718	4,40,947	18-8	3,70,472	41-11 3/5	4,00,000	12	101	..	..	..
6,01,350	11,54,000	2,62,417	1,668	7,11,945	50-51	7,09,403	34-4	8,80,000	12	101	..	..	..
DUARS													
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,267	31-9	33,20,000	12	128	11,23,882	45	120
6,00,000	20,30,782	19,29,000	1,105	13,91,320	43-4	14,32,132	32-1	14,00,000	12	128	11,23,882	45	120
9,00,000	9,30,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	13,60,000	12	128	11,23,882	45	120
9,00,000	14,52,896	11,61,304	1,367	11,96,888	52-0	11,04,658	32-3	12,80,000	12	128	11,23,882	45	120
6,00,000	8,48,764	7,74,485	602	5,04,104	55-10	6,10,033	29-7	5,60,000	12	128	11,23,882	45	120
6,00,000	6,91,618	10,50,000	903	10,68,488	49-4	10,82,880	31-11	11,60,000	12	128	11,23,882	45	120
9,00,000	4,47,806	5,00,102	502	4,01,294	43-8	3,84,267	30-7	4,48,000	12	128	11,23,882	45	120
9,00,000	1,95,171	1,64,000	305	2,24,806	49-1	2,12,729	28-9	2,40,000	12	128	11,23,882	45	120
3,50,000	5,70,483	3,00,000	447	4,75,840	49-1	4,65,428	30-3	5,40,000	12	128	11,23,882	45	120
5,00,000	7,87,048	8,00,000	1,253	1,62,720	47-4	8,75,280	35-8	..	12	128	11,23,882	45	120
10,50,000	17,49,550	22,55,303	1,022	12,26,090	47-11	12,20,160	27-11	..	12	128	11,23,882	45	120
24,00,000	37,95,327	49,07,736	2,427	39,88,842	44-1	27,90,540	29-0	31,20,000	12	128	11,23,882	45	120
62,00,000	53,65,929	64,68,285	4,235	63,71,277	41-11	60,72,776	36-2 3/5	62,56,000	12	128	11,23,882	45	120
1,00,000	10,98,000	17,14,718	1,452	16,07,368	42-6	17,67,246	26-11	17,20,000	12	128	11,23,882	45	120
9,00,000	5,18,808	3,15,000	807	4,86,400	54-3	4,62,400	28-7	5,00,000	12	128	11,23,882	45	120
9,00,000	12,59,526	13,23,948	937	11,46,814	39-4	10,26,832	30-10	12,00,000	12	128	11,23,882	45	120
9,00,000	1,12,000	4,50,000	620	1,19,538	44-5	3,78,988	28-1	10,00,000	12	128	11,23,882	45	120
9,00,000	8,81,963	18,45,000	1,163	15,52,40	49-3	16,35,520	31-2	16,00,000	12	128	11,23,882	45	120
3,20,000	6,26,920	3,80,000	678	6,29,206	44-2	6,65,680	27-1	6,40,000	12	128	11,23,882	45	120
9,00,000	3,14,964	3,59,080	346	2,56,097	42-0	2,38,935	28-5	2,56,000	12	128	11,23,882	45	120
7,65,000	6,29,494	1,01,394	794	..	..	..	..	..	12	128	11,23,882	45	120
1,48,100	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	11,08,000	12	128	11,23,882	45	120
8,46,400	22,86,485	31,30,000	1,766	19,10,000	48-6	20,30,155	35-11	20,00,000	12	128	11,23,882	45	120
TERAI													
4,50,000	10,63,145	1,64,527	807	3,99,840	44-7	..	..	..	12	101	..	..	..
2,50,000	1,59,000	10,34,345	450	3,23,610	29-8	4,17,643	25-3	4,00,000	12	101	..	..	..
8,40,000	14,86,540	18,07,795	1,589	13,20,702	48-1	12,79,861	28-0	14,24,000	12	101	..	..	..
9,00,000	3,69,205	8,98,794	524	4,25,655	47-2	4,15,634	29-7	4,80,000	12	101	..	..	..
9,00,000	3,89,676	7,66,350	509	4,30,542	49-8	4,63,382	26-5	5,20,000	12	101	..	..	..
4,50,000	4,50,000	3,50,871	972	..	..	..	..	..	12	101	..	..	..
9,00,000	4,98,140	3,98,145	970	..	..	..	..	..	12	101	..	..	..
1,00,000	1,00,000	1,84,733	263	1,35,179	58-5	..	..	..	12	101	..	..	..
2,20,000	5,17,592	7,00,250	649	5,69,280	42-2 1/5	6,86,800	30-11	6,40,000	12	101	..	..	..
CHITTAGONG													
1,25,000	1,25,000	1,59,950	473	..	..	..	..	..	12	139	28,517	..	..
2,40,000	2,40,000	2,59,992	836	..	..	..	..	..	12	139	31,338	..	..
2,00,000	2,00,000	51,360	547	..	..	..	..	..	12	139	4,118	..	..
SYLHET													
8,00,000	6,47,608	6,45,000	614	6,23,840	39-6	6,60,080	33-0	6,40,000	12	202	2,78,453	30	30
6,00,000	6,23,438	3,94,551	544	4,13,880	36-6	3,53,371	36-2	4,16,000	12				

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	1954 1955 1956	Rs.	15-5-57 8-5-57	Rs.
SUGAR BREWERIES ETC.											
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	140	95,437	62,205	.. ..	10	5/75	5/75
9,00,000	12,45,157	19,64,817	1,62,880	Purbapuri Sugar P.	25	2,94,625	20,705	7 1/2 .. 7 1/2	10	17/62	17/62
15,50,820	26,32,127	35,30,000	4,84,500	Rannugger Cane & Sugar P.	10	18,11,364	20,350	15 20 ..	10	25/18	25/18
19,99,600	25,62,568	39,88,218	13,92,918	Raza Sugar	92	10,78,193	3,144	.. ..	10	..	20 1/2
8,30,000	6,07,238	7,72,778	3,77,840	Ryan Sugar P.	25	4,21,492	13,204	6 Nil 17 1/2	10	21/50	21/50
11,99,000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	25	33,558	13,204	.. Nil 10	10	11/50	11/50
40,00,000	72,49,554	19,00,000	1,12,477	Shree Krishna Jyanday Sugar P.	335	8,85,387	3,554	5 Nil 10	10	10/100	10/12
7,34,500	13,54,458	11,55,175	11,16,984	Shree Sitaram Sugar	15	1,90,055	16,381	15 17 1/2	10	13/00	13/00
9,99,950	14,69,227	26,825	75,569	Sitalpore Sugar	140	77,391	-4,25,477	Nil Nil Nil	10	4/37	4/37
16,00,000	6,07,894	7,99,778	4,22,572	United Provinces	341	4,23,880	39,061	12 1/2 ..	10	13/50	13/50
8,00,000	47,67,060	29,24,348	3,59,393	Upper Ganges Sugar P.	31	12,95,211	32,829	25 25 30	10	70/00	70/00
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	302	16,80,986	86,393	15 20 ..	100AC 12 1/2 BC	280/00	280/00
7,00,000B	..	..	..	..	..	..	..	..	..	28/50	28/50
MISCELLANEOUS											
8,00,000	2,20,232	1,56,200	9,53,826†	A. Firpo (Restaurants)	10	85	84,518	4,475	.. ..	10	4/19
1,20,00,000	1,40,80,594	6,21,715	51,361	Air India Ltd.	269	-6,02,785	-14,30,401	.. ..	100	..	..
2,00,00,000	2,38,39,634	68,31,524	50,022	Air India International Ltd.	322	-10,51,340	30,205	.. ..	100	..	..
47,50,000D	3,08,51,605	17,00,000	16,26,711	Aluminium Corp P.	132	25,21,116	1,18,199	Nil Nil 5	100	9/19	9/43
2,50,000D	42,38,502	14,30,000	54,97,530	Anderson Wright Ltd. P.	12	-89,042	18,284	7 1/2 Nil ..	24Dd	4/50	4/50
20,00,000	11,39,552	39,18,823	14,94,091	Angelo Bros.	268	15,15,199	3,35,874	12 1/2 20 ..	10	11/50	11/50
20,00,000	17,54,434	27,96,285	3,49,594	Assam Match	274	8,35,902	1,18,395	12 1/2 12 1/2	10	18/12	18/12
13,99,998	21,25,615	23,30,285	64,182	Assam Saw Mills & Timber	21	-97,045	-5,14,537	Nil Nil ..	10	20/37	20/37
20,00,000	61,61,597	23,00,000	61,84,607	Associated Hotels of India P.	204	8,82,992	32,682	2 4 ..	10	3/03	3/03
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	120	30,12,152	5,03,129	13 7 1/2	100	145/00	145/00
12,00,000	2,55,604	8,49,890	4,52,019	Bararee Coke	128	2,19,706	45,399	7 1/2 7 1/2	10	16/25	16/25
6,00,000	16,414	30,72,417	30,72,417	Bengal Timber Trading P.	128	-6,43,164	-1,19,103	6 ..	100	41/00	41/00
50,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	22	-3,19,589	-3,19,589	.. ..	100	5/25	5/25
20,00,000	76,85,085	17,25,715	66,68,594	Birds Investments P.	160	4,59,013	37,512	12 1/2 12 1/2	10	13/56	14/37
45,97,020	31,11,814	2,09,476	3,38,373	Britannia Biscuit P.	50	8,14,261	1,79,277	10 10	10	12/81	12/81
22,50,000	13,98,796	43,18,775	3,38,373	British Ceylon Corporation P.	4	27,75,295	1,85,955	8/94 8/94	10	8/31	8/31
9,25,00,000	59,89,738	1,18,60,524	2,50,83,850	British India Corporation P.	33	-30,23,938	-27,36,584	11 Nil	7 1/2	6/42	6/75
92,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	235	60,996	1,550	5 6 5	10A	6/69	6/75
32,50,000B	5,92,780	2,40,694	1,02,376	Calcutta Silk Manufacturing P.	213	45,711	22,586	.. Nil	10B	4/12	4/12
5,00,000	17,18,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	169	43,51,864	4,97,914	12 11 ..	100	100/00	100/00
4,00,00,000	3,06,30,528	34,80,817	35,55,133	Dunlop Rubber Co. (India) P.	96	1,02,44,457	1,32,455	15 15 15	10	23/50	24/06
51,26,000	..	64,10,811	1,72,19,436	Eastern Investments Ltd. P.	21	-11,20,034	3,27,916	9 9 9	100	107/75	106/50
75,00,000	13,79,337	43,83,826	1,02,21,271	F & C Oster (India) Ltd. P.	94	-4,26,249	-5,26,954	.. ..	10	5/87	6/37
90,00,000	12,88,300	21,97,641	86,55,360†	French Motor Car	51	8,97,594	1,26,757	12 1/2 12 1/2	20	21/87	21/87
14,00,000	14,92,000	10,02,000	11,394	Ganges Rope	39	89,571	27,194	7 1/2-7 1/2 7 1/2-7 1/2	100	103/00	103/00
2,25,000	..	58,893	5,34,832	General Investments Trust P.	157	18,384	12,435	2 1/2-2 1/2 2 1/2-2 1/2	75	43/00	43/00
65,00,000	33,54,049	53,17,330	1,08,48,711	Glaxo India Ltd.	105	30,03,640	89,541	21-31 21-31	14	11/00	11/31
20,00,000	27,68,049	8,00,324	12,84,457	Gladstone Lyall & Co. Ltd. P.	209	1,02,192	34,255	14 16 10	10	..	..
40,00,000	31,09,479	8,87,000	1,18,929	Godfrey Phillips (India) Ltd. P.	310	2,23,734	3,42,555	10 20 20	10	23/50	23/50
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	225	5,30,579	16,373	.. ..	250	226/00	226/00
10,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	43,377	24,274	.. ..	5	1/25	1/25
35,20,000	30,42,939	20,00,000	19,08,593	Hoare Miller & Co. Ltd.	294	2,05,330	1,33,076	Nil Nil ..	10	7/56	7/56
15,18,00,000	7,42,66,394	1,88,86,788	5,50,32,187	Imperial Tobacco	325	3,66,59,515	24,94,274	8 8 8	10	13/75	13/75
2,01,10,000	2,83,61,126	15,27,000	8,59,214	Indian Aluminium Co. Ltd. P.	293	42,79,225	7,97,410	10 10 10	10	12/87	12/81
1,52,89,220	1,27,87,878	1,37,00,000	1,18,406	Indian Cable P.	34	1,21,59,490	32,04,214	Nil 10 15	10	23/62	24/31
5,00,00,000	..	..	..	Indian National Airways	12	36,302	-12,62,971	.. ..	10PO	8/12	8/12
83,75,000D	22,07,260	3,21,280	11,69,467	Indian Rubber Manufacturers P.	93	1,79,618	32,616	100 100 100	10Dd	6/75	6/75
1,25,000D	7,44,398	5,38,000	17,67,876†	Indian Wood Products	173	17,28,038	2,76,819	5 5 5	10	27/00	27/00
2,27,970	4,64,735	18,15,487	10,03,705	Investments and Finance P.	88	17,28,038	2,76,819	27 1/2 30 ..	10	39/37	40/00
20,00,000	4,64,735	2,55,728	12,78,254	Ivan Jones Ltd.	21	27,880	51,001	2 1/2-2 1/2 3 1/2-2 1/2	100	65/00	65/00
2,40,000	15,362	4,46,244	3,20,757	James Wright P.	194	1,39,321	36,496	.. ..	2	2/50	3/00
5,87,500D	2,16,659	3,24,161	64,65,89	Jardine Henderson Ltd. P.	281	60,996	1,550	5 5 ..	50	4/12	4/12
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Macfarlane & Co.	39	31,24,445	5,11,852	7 1/2 7 1/2	10Dd	00/62	00/62
2,00,00,000	3,17,34	6,02,958	3,21,617	Macneil & Barry Ltd. P.	133	-14,078	-4,849	.. ..	50	75/00	74/00
6,34,000D	88,50,000	63,33,428	2,57,13,417	Martin Burn Ltd. P.	334	52,06,340	6,31,124	7 1/2 7 1/2	10Dd	3/06	3/06
68,50,000D	35,89,193	69,82,736	2,07,03,941	McLeod & Co. P.	309	93,42,590	1,31,124	13 1/2 13 1/2	100	00/56	00/56
1,50,00,000	1,43,96,500	35,09,193	69,82,736	National Insulated Cable P.	282	31,91,904	2,57,234	17 17 17	100C	23/12	23/31
40,00,000	1,10,37,201	69,74,249	7,33,389	Metal Box Co. of India Ltd. P.	167	62,92,608	16,24,249	10 12 12 1/2	100D	240/00	240/00
40,00,000	22,27,853	74,50,000	7,78,529	National Insulated Cable P.	3	58,72,160	1,44,443	10 15 20	10	26/50	27/62
40,00,000	72,01,992	15,00,000	33,303	National Rolling & Steel Ropes	7	3,79,123	75,726	5 1/2 5 1/2	10	19/31	19/31
79,97,000	61,97,265	78,53,578	23,37,263	National Tobacco P.	12	12,06,160	9,003,430	5 5 5	10	10/00	10/00
23,32,100	2,322	5,11,18	29,55,297	New India Investment Corpn.	35	1,38,595	1,72,172	.. ..	10	9/81	9/75
50,00,000	1,51,805	47,22,151	1,01,47,685	Octavian Steel & Co. Ltd.	321	29,59,170	1,25,910	7 1/2 10 ..	75	53/00	53/00
1,86,300	33,358	40,439	2,89,435	Publicity Society of India	145	1,47,248	27,315	25 25 ..	4	12/06	12/06
2,25,00,000	1,01,05,141	8,71,249	36,83,503	Rallis India Ltd. P.	332	13,16,241	-44,12,398	Nil Nil Nil	10	29/50	29/50
1,72,24,400	4,08,39,719	1,57,70,208	22,22,147	Rohas Industries P.	335	83,77,395	4,91,624	15 15 ..	10	17/56	18/37
25,00,000	51,59,869	54,00,000	1,58,00,403	Shaw Wallace & Co. Ltd. P.	278	33,27,377	3,85,280	12 1/2 12 1/2	10	11/44	11/44
1,00,000	45,479	94,865	73,529	Shaw Wallace & Co. Ltd. P.	111	-35,475	-64,659	.. ..	2	1/00	1/00
2,10,200PO	4,25,514	16,00,000	3,57,020	Sellor's Hotel	5-12	..	..	.. ..	10	1/87	1/87
5,40,800D	..	..	..	Walford Transport	195	4,17,625	1,34,493	11 12 ..	10	2/03	2/02
INSURANCE COMPANIES											
89,30,200D	4,10,330	16,66									

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until.		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	A year ago Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8 1/2	10	10	100	157/00	168/25	219 1/2
ELECTRIC LTG. POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6 1/2	5	6 1/2	100	93/25	94/00	97 1/4
2,92,83,500	4,18,62,358	62,34,507	65,39,599	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7 1/2	7 1/2	..	1,000	1,207/50	1,207/50	1,186 1/2
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100	106/00	107/50	114 1/2
38,08,200	17,49,053	4,75,323	14,87,537	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100	123/00	123/00	146
1,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power Sup. P.	6	267	37,75,587	21,171	7 1/2	7 1/2	..	100	122/50	123/00	125
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,519	Tata Power P.	6	267	77,32,961	27,952	7 1/2	7 1/2	..	1,000	1,221/25	1,225/50	1,275
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12 1/2	..	..	100	253/75	262/50	350
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	5	100	66/00	66/00	96
40,00,000	11,26,512	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	100	15/25	15/05	138 1/2
40,95,100	81,25,737	2,02,590	49,033	Machinery Mfgs. Corp'n Ltd. P.	7	330	2,02,906	64,676	Nil	Nil	..	100A	76/00	76/00	108
1,10,00,000	15,09,978	16,56,194	7,06,266	McKenzie	7	283	1,49,085	64,938	..	..	..	100	149/50	162/25	176 1/2
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	76/00	76/00	136 1/2
4,31,250	5,90,52,365	1,17,73,382	23,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	100	146/75	147/50	153 1/2
4,20,00,000	32,44,07,755	16,63,05,538	12,34,83,519	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	165/50	170/25	249 1/2
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,628	1,18,605	..	..	..	10	13/37	13/37	13 1/2
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/00	350/00	475 1/2
8,46,120	..	36,33,999	46,38,807	Indian Mercantile	12	75	..	1,13,109	..	..	..	100	45/50	45/50	49 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,951	4,65,316	Nil	..	..	20	41/25	41/25	42
1,06,81,590	..	1,68,81,793	27,25,19,552	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	7/00	7/00	7 1/2
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	15	41/25	41/25	42
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	200	3,775/00	3,775/00	3,900
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	219/75	229/50	232 1/2
50,00,000	2,20,64,083	4,12,86,155	2,67,21,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	546/50	564/00	638 1/2
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	210/00	210/00	243 1/2
5,57,00,000	3,51,93,434	1,03,93,754	98,20,769	Hindustan Lever	12	91	2,23,86,720	94,17,000	..	..	..	25	..	..	..
99,99,250	3,085	19,47,386	1,23,40,992	Industrial Investment Trust	12	299	6,81,909	2,83,136	4 1/2	..	12 1/2	10	19/50	19/05	7 1/2
11,99,900	13,82,957	7,34,142	2,99,042	Kemp (Chemists)	3	87	68,232	16,942	6	4 1/2	..	100	75/50	75/00	216 1/2
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp'n.	12	352	53,19,604	5,72,076	10	..	..	200	197/50	197/50	218 1/2
9,39,98,000	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,882	5,62,020	2 1/2	2 1/2	5	100	227/25	228/25	18 1/2
7,00,000	27,45,055	37,30,000	11,27,080	Shivrajpur Synd. (Manganese)	6	146	35,49,059	21,661	80	80	..	20	18/15	18/45	19 1/2
1,39,95,990	2,23,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	7 1/2	10	16/15	16/35	16 1/2
70,07,475	75,25,791	34,08,586	2,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	12	25	43/50	44/00	46 1/2
2,75,00,000	1,53,25,785	1,35,45,829	1,27,74,419	Western India Match	12	274	67,12,994	5,02,238	11	11	11	100	170/00	170/00	190

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry Forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
Rs.	Rs.	Rs.				Rs.	Rs.	1953	1954	1955	Rs.	15-5-57	8-5-57	A year ago
												Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	..	..	2 1/2	2 1/2	2 1/2	100	60/00	60/00	59 1/2
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67/50	67/50	78 1/2
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2	2 1/2	2 1/2	100	58/75	58/75	58 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10/00	10/00	11 1/2
17,30,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	4	2 1/2	2 1/2	100	59/00	59/00	60 1/2
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	129-129	1 1/2-1 1/2	1 1/2-1 1/2	100	51/00	51/00	53 1/2
4,75,000	3,20,949	4,75,000	Cherra Chhatrak Ropeway	3	88	7,071	9,917	12 1/2	5-..	Nil	5	4/88	7/59	7 1/2
2,47,650	2,75,015	65,025	Darjeeling Ropeway	3	101	18,097	4,549	1 1/2	2 1/2-..	2 1/2	10	6/00	6/00	7 1/2
22,50,000	62,20,813	13,52,000	Dehri-Rohtas	3	335	6,42,311	37,814	6 1/2	7 1/2	10-12 1/2	10	10/42	10/42	12 1/2
11,49,700	20,10,843	1,68,149	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63/37	63/37	56 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	51/00	51/00	72 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheakhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65/00	65/00	61 1/2
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2	2 1/2	2 1/2	100	58/00	58/00	61 1/2
8,91,100	15,16,175	10,351	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4 1/2	5	..	100	72/00	72/00	74 1/2
15,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	6-6	100	115/00	115/00	146 1/2
1,75,000	5,41,779	2,04,841	Tezporo Balipara Tramway P.	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

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69th YEAR OF ISSUE

CALCUTTA, MAY 23, 1957.

Vol. CXXXVIII No. 3460

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THERMAL INSULATION ENGINEERS

A DISCOURAGING BUDGET FOR INVESTORS

POOR CASE FOR TAXES ON WEALTH AND EXPENDITURE

STRONG opposition has been developing over the past few days to the drastic new taxation proposals presented by the Finance Minister, Mr. T. T. Krishnamachari, with the Central Government's Budget for 1957-58. The basis of the opposition is partly political and partly economic. Congressmen newly returned to the Central legislature find it embarrassing to be beginning (or resuming) their parliamentary careers by having to endorse a Budget which soaks nearly everything. The stock markets reacted sharply initially, although a slightly steadier trend has been noticeable this week—partly because special measures have improved the technical position, and partly because investors have belatedly felt that there is a teaspoonful of sugar in the bucketful of quinine they have been given to swallow. Three of the new levies which were proposed—the higher import and excise duties on kerosene and the increased import duty on newsprint—have already been jettisoned. Reports from New Delhi suggest that a few others may go the same way as the Finance Minister's initial firmness softens under the pressure of Party opinion. There is no evidence yet that the adjustments which are likely to be based on economic realism, so the ultimate outcome of the Budget debate may be viewed with mixed feelings. Yet, it would be idle to deny that far-reaching changes are necessary in the taxation proposals which have been presented. And they are necessary, if for nothing else, then at least for fulfilling the very aims which the Finance Minister has set himself in order to quicken the rate of economic progress in the country.

as a disincentive to earning more, and will thus actually reduce the quantum of savings.

It is worth enquiring whether there is any incentive left for wealthy people with relatively large incomes to increase their earnings. Take the case of an individual possessing assessable wealth worth more than Rs.

ing of economic neophytes by impressing upon them that there is a limit to the printing of currency notes: "The stresses and strains that have developed in the economy are a warning against unrestricted deficit financing. I am not against deficit financing; I recognise it can play a rôle in promoting development. But it is a medicine to be taken in small doses; it is not food that would sustain the system." Having two months ago denied that he was budgeting for inflation, the Finance Minister now readily admits that the overall deficit which remains even after the sweeping new series of taxes carries the risk of inflation. It is some consolation that awareness of the risk is replacing the cool denials of days gone by.

LIFE INSURANCE UNDER THE NATIONALISERS SHORTCOMINGS AND EXCUSES

NATIONALISATION, like other products of the new economic ideology, will ultimately be judged by results. The great debate started by the decision suddenly to take life insurance business into the public sector on 19th January, 1956, will be decided by whether or not the Life Insurance Corporation is able to sell policies more successfully than the private companies it has displaced. Other phases of its activity, such as its relations with employees and investment support for the stock market, however important they may be intrinsically, are from this point of view of secondary significance. A statement made in the Lok Sabha by the Deputy Minister for Finance, Mr. B. R. Bhagat, last week provides the data for a tentative verdict. The most impressive fact it brings out is that the total life insurance business transacted in 1956 amounted to Rs. 200 crores, compared with Rs. 268 crores in 1955, Rs. 247 crores in 1954 and Rs. 168 crores in 1953. The decline in 1956 from the high levels touched in the two previous years is officially attributed to two broad factors. One is that certain abnormal developments had swollen the figures of new business in the earlier years. The other is that some disorganisation and dislocation occurred when the work of 249 separate units servicing about 52 million policies had to be integrated into a single organisation.

It cannot be readily agreed that the high figures for new life business in 1955 and 1954 were mostly abnormal. Those figures, in fact, represented the country's growing prosperity and also the vigour and efficiency with which insurers took advantage of that prosperity to mobilise savings. But the Government is now making many unjustified assertions to excuse its own shortcomings in the field of insurance. The Staff Assurance Scheme for the insurance in bulk of institutional employees, which became common in these years, it says, led to very low rates and intense competition among insurers. Ultimately, the Government intervened and prohibited this type of business in October 1955; so none of it could be written in 1956. It is true, however, that the coming into force of the Estate Duty Act in 1953 was responsible for the issue of a large number of estate duty policies which helped reduce the incidence of estate duty on the property of the insured persons passing on their death. By the end of 1955, this source of new business had been tapped to a substantial extent, but that does not explain why its contribution during 1956 should have been negligible. It is officially claimed that the reduction in premium rates in 1954 provided an incentive to policy-holders to convert their old policies into paid-up policies and to take out fresh policies at reduced premium rates. But even if this rush of what was in fact merely the conversion of old business rather than a real increase in new business tended to subside in 1956, it does not amount to a substantial reason for the decline which actually took place.

As for the disorganisation following nationalisation, it is stated that no such effect was apparent until the end of August 1956. Policy-holders know

COAL POLICY IN INDIA

By

Andrew Farquhar

This booklet consists of reprints of articles written by Mr. Andrew Farquhar, former Coal Adviser to the Tata Iron and Steel Co. Ltd., which have appeared in *Capital* in recent years. As expert analyses of India's coal problems and policies, they have attracted widespread interest since they were originally published. The articles are now conveniently gathered in a 120-page publication, priced at Rs. 4.

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the facts to be different. During this time, the old life insurance companies continued to function as separate units under custodians. New business written over this period amounted to Rs. 145.51 crores, which was slightly more than the figure for the corresponding period of 1955, when life insurance was in private hands. But there was a heavy fall in business in September and October 1956, after the Life Insurance Corporation took over. Staff and records had to be moved between offices, and the different methods of work followed by individual insurers had to be unified and co-ordinated. The official statement claims that these difficulties have been successfully overcome, as, in the last two months of 1956, the momentum was regained and the volume of new business steadily increased.

This seemingly plausible, but incomplete, explanation is aimed at suggesting that, in fairness, judgment may be suspended until the Corporation has a little more time to show its merits—and limitations. Mr. Bhagat's statement lists the various steps which are being taken to mobilise new business. Fourteen thousand new agents have been appointed since 1st September, 1956, he says, forgetting to mention how many thousands have retired or resigned. Restrictions on insuring the lives of females are to be removed. As a result, except for minor restrictions in certain specific cases, there will be sex equality for insurance purposes. Whether this charming notion of sex equality is justified on actuarial grounds, however, is not quite certain. The scientific basis for other changes also seems to be worth enquiring into. Army and navy personnel (but not those of the air force) will be eligible for unconditional policies, without any extra premium or restriction, provided they have no liability or intention to engage in aviation, gliding or parachuting. Group insurance schemes have been designed to provide life insurance protection to employees, while they are in service, at reduced rates of premium and without medical examination, where the cover is not large. Superannuation schemes have been formulated for providing pensions to employees on their retirement from service. But such schemes

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are no tribute to the inventive genius of the Life Insurance Corporation; they were offered in varying forms by private offices before.

Finally, it is stated that the Life Insurance Corporation intends to introduce the Janata Policy Scheme, on an experimental basis, later this year. It will be brought in at first in industrial cities like Calcutta, Bombay, Ahmedabad, Sholapur, Bangalore, Coimbatore, Madras, Hyderabad, Kanpur and Delhi, and in selected rural areas. The policy will be for small assured sums, varying from Rs. 250 to Rs. 1,000. There will be no medical examination except when the person is over 35. Door-to-door collection of premiums, by authorised agents or through the sale of stamps, will be arranged. The idea of spreading life insurance among the masses is attractive in principle, but formidable practical difficulties are likely to arise. The cost of procuring, administering and servicing this sort of business is likely to be extremely high. Even before nationalisation, the relatively high expense ratio of Indian companies, compared with those in other countries, was explained in part by the low average value of a policy in India. Indian offices had to handle a larger number of policies for the same sum assured. In the Janata scheme, this difficulty will be greatly accentuated.

Life insurance has so far hardly touched the fringe of the country's needs. There is huge scope for extension of business, particularly in the rural areas, where incomes have been rising as a result of development expenditure under the five year plans. But it is not easy even now to sell life insurance to such people. The difficulties are likely to increase with the mounting burden of taxation and rising prices. The steady increase in living costs caused by taxation reduces the margin out of which saving is possible and makes it correspondingly more difficult to persuade people to take out life insurance policies. The rising trend of prices or what is even more important, the belief that the trend will continue,

is a strong deterrent to the sort of saving in money represented by life insurance. If money is a depreciating asset, the value of which is steadily eroded by inflation, it is not likely to appeal to people as a form of value in which to hold their savings. There is definitely both the opportunity and the need for an enormous extension of life insurance. What is still far from definite is whether a monopolistic, State-managed Life Insurance Corporation, dominated by officialdom and deprived of the spur of competition, is the proper agency for accomplishing this task. Mr. Bhagat's statement amounts to an impressive list of excuses for past shortcomings; but it is on achievements, not purely on handicaps, that the work of the Corporation will be judged.

RIGHTS ISSUE BY DUNLOPS

THE Dunlop Rubber Co. of India Ltd. has announced an attractive issue of ordinary rights shares. From investors' point of view, there are three main features to note. One is that the rights shares will be issued at a premium of Rs. 5 above the par value of Rs. 10 each (that is, at an aggregate price of Rs. 15 a share). The second is that the issue will be made in the proportion of seven new shares for every eight now held by stockholders. The third feature is that the company expects to maintain its ordinary dividend at 15 percent on the increased capital. The dividend seems to be reasonably covered by the present rate of earnings. During the year ended last December, Dunlop Rubber made a net profit of Rs. 1.02 crores. After the ordinary capital has been increased by the rights issue from the present Rs. 1.60 crores to Rs. 3 crores, a 15 percent dividend will involve a sum of Rs. 45 lakhs. That 15 percent dividend at the issue price of Rs. 15 for the new shares implies a yield of 10 percent, which is good in present market conditions. As has been known, in present market conditions, a share which will be the money raised from the rights shares will be spent on the construction of a new tyre factory in Madras. Dunlop Rubber is already expanding its existing undertaking, and earnings should increase further when the new factory begins production. An interim dividend of 7½ percent has been announced for the current year. This is expected to encourage shareholders in subscribing to the new issue.

CURRENT COIN

Technical Work for the Jobless.—The Central Labour Ministry proposes to introduce next year a scheme for vocational guidance and employment to counselling. The purpose of the scheme will be to persuade unemployed youth to take up technical rather than "white collar" jobs. The Ministry intends to equip nine employment exchanges in major cities and towns with "special sections", manned by trained officials; they will help job-seekers choose the most suitable occupations in the light of their aptitudes. Most job-seekers are comparatively young, an analysis of the age distribution of applicants registered with employment exchanges at the end of December 1956 shows that out of 758,503 applicants, no less than 305,104, or 40.2 percent, were 18 to 22 years of age. Another 203,275 were between 22 and 25 years, while those between 25 and 35 years numbered 153,425, or 20.3 percent. There are, of course, certain inherent limitations in these statistics, because all those who are unemployed are not registered as unemployed, and all those who are registered are not unemployed. But the preliminary report issued by the National Sample Survey has shown that the total of urban unemployed and under-employed was about 5 million. This report also confirms the general impression that most of the educated youth have a harder time finding work than the illiterate. The Labour Ministry views this trend with concern, and thinks it necessary to have vocational guidance sections in more employment exchanges so that by the end of the second plan there will be about 50 such sections in all. The exchanges will have suitably trained vocational guidance officers, who will make a special study of the psychological, social and economic problems of the applicants. The sponsors appreciate that the scheme, in its initial phases, will be of limited significance, for vocational guidance will be available to only those who apply and to the exchanges for employment assistance and are interested in taking up technical jobs. But it is stressed that the attention of the young unemployed should be diverted from clerical jobs to more gainful technical work. The Labour Ministry has already made an arrangement with the Ministry of Steel, Mines and Fuel for the supply of 3,000 trained workers for the three State steel plants every nine months during the next three years. A similar arrangement has been made for the heavy electrical equipment project.

Demand for Tinplate.—In his address at the recent annual general meeting of the Tinplate Fabricators Association, the chairman, Mr. B. N.

Kayan, says that the tinplate fabricating industry has "a great future ahead." Demand has been increasing steadily, as is evident from production and import figures. In 1953, the country consumed 79,200 tons of tinplate (of which 20,400 tons were imported). In 1954, demand fell to 74,300 tons (7,100 tons); but in 1955, it went up to 110,200 tons (40,000 tons) and in 1956 to 131,800 tons (60,100 tons). In spite of the rise in tinplate consumption, total demand in terms of cans amounted to only 8 million a year. How small this figure is can be judged from the fact that the U.K. consumes 2,285 million cans and the United States 19,200 million cans annually. Even Malaya uses 120 million cans a year. Mr. Kayan, however, feels that with the rise in the production of the industries which use tinplate containers, consumption is likely to grow at a quicker rate in future. According to the Planning Commission's estimates, by 1960-61 the demand for tinplate will have gone up to 150,000 tons and the installed capacity to 120,000 tons, leaving a gap of 30,000 tons to be met by imports. The fabricating industry could accept this as a basis for framing its future plans. But while the need for higher production has become increasingly obvious, the prospect of getting raw material supplies has become less certain. The industry had no difficulty in the past in obtaining all its raw material needs by importing freely. Now, with the foreign exchange scarcity, the Government is unlikely to adopt the same liberal import policy for tinplate. So Mr. Kayan urges it to take steps to ensure an adequate supply of the raw material, without which many units, mostly small or medium in size, will be faced with the problem of uneconomic production. One way of meeting the fabricators' requirements, he says, is so to regulate the distribution of indigenous tinplate that their demands are fully met. This calls for a revision of the existing basis of allotment, and Mr. Kayan hopes the Government will "extend all assistance to the industry."

Worries of Paint Producers.—The output of the organised sector of the paint industry has increased from 39,000 tons in 1955 to over 41,000 tons in 1956. The demand for paint products will rise further on account of the expansion programmes launched by the railways and by other industries. It is estimated that the use of paints, varnishes and enamels will increase by about 50 percent, that is, from about 40,000 tons in 1955-56 to 60,000 tons in 1960-61. Speaking at the annual general meeting of the Indian Paint Manufacturers Association, Mr. A. E. Faizullahbhai, president, has pointed out that the paint industry has been brought within the scope of the Industries (Development and Regulation) Act. One of the objectives in doing this is to utilise the idle capacity before fresh capacity is created. In spite of the increase in production, the industry still has a considerable amount of unutilised capacity. "In the circumstances, it is only reasonable to suggest that before further expansion is permitted, adequate facilities are given to the existing units to improve their production and to make better utilisation of their idle capacity." Since the excise duty was first imposed on paints and varnishes with effect from 1st March, 1955, manufacturers have been experiencing considerable difficulties. Mr. Faizullahbhai suggests that there should be a separate manual of excise rules for the paint industry and these should take into account its special problems. Producers have suffered greatly from the shortage of raw materials. Titanium dioxide is made by one unit only, which has a capacity of 1,800 tons a year; the supply is not only irregular but also costly. Mr. Faizullahbhai urges the Government to permit imports in sufficient quantities until indigenous production is able to meet the entire demand. Some paint manufacturers have long been complaining against the procedures adopted by the Government Test House; samples of paints are rejected on "rather test reports blocks finance and interrupts production. Mr. Faizullahbhai asks the authorities to be more sympathetic to producers, especially on the important question of testing. But there is no reason why standards should be relaxed; some manufacturers have still to learn that they owe consumers quality paints, and not just lucky mixtures of varying hues.

Outlook for British Exports.—A recent issue of the G.E.C. Export Guide indicates that favourable export prospects for British manufactured goods continue in many major overseas markets. Although the number of overseas markets where the outlook for British goods is "good" or "improving" remained the same since the end of last year, export prospects have changed in some important importing countries during the first quarter of 1957. Current export prospects in the 34 countries analysed in the Guide are as follows: "good" in 14 countries, "improving" in six, "deteriorating" in four, and "bad" in four. Prospects for individ-

al countries are: "Good"—Canada, the Federation of Rhodesia and Nyasaland, Ghana, Italy, Kenya, Malaya and Singapore, New Zealand, Nigeria, Norway, Switzerland, Trinidad, South Africa, Venezuela and Western Germany; "Improving"—Argentina, Australia, Belgium, Burma, Iraq and Russia; "Deteriorating"—Ceylon, Denmark, Finland, France, Hongkong, India, the Netherlands, Pakistan, Sweden and the United States; and "Bad"—Egypt, the Irish Republic, Portugal and Spain. Between January and March, 1957, trading opportunities have "improved" in Burma, Iraq and Russia, and are now "good" in Italy, Malaya and Singapore, Norway and Trinidad. They have "deteriorated" in Ceylon, India, Sweden and the United States, and are now "bad" in the Republic of Ireland, Portugal and Spain. A survey of Commonwealth trade over the past seven years—from 1950 to 1956—also appears in the same issue of the G.E.C. Export Guide and shows that the Dominions and the Colonies are still the largest single market for British goods. Although the value of British trade with the whole of the Commonwealth has risen from £1,064 million in 1950 to £1,483 million in 1956 (an increase of 40 percent) the proportion of British exports to all Commonwealth countries has declined in relation to total U.K. world exports from 47 percent to 45 percent during this period. Balance of payments problems on the one hand, and the growth of domestic industries on the other, are the two main factors in this decline. An interesting example of growing Commonwealth industrial strength—a factor of great importance in future trade relations—is that of Australia, which exported 2,000 locally-manufactured vehicles in 1956 to New Zealand—64 percent more than in 1955. Rising industrial activity in the Commonwealth implies that the composition of British exports to those countries will be undergoing a slow but consistent change in the years to come. Taking the Colonial territories alone, the Guide shows that their imports from the United Kingdom have risen both absolutely and relatively. The value of British exports to the Colonies rose from £248 million in 1950 to £430 million in 1956, and their share of U.K. world exports advanced from 11 percent to 14 percent. British exporters have done well in the Colonies, which continue to remain expanding markets. In three specially prepared and detailed tables, the Guide depicts: (a) the movement of British exports to the whole of the Commonwealth; (b) the export performance of six important groups of manufactured products; and (c) the export successes of six product groups of "new or expanded" industries.

THE FINANCES OF INDIA

THE full text of Sir James Westland's financial statement has now reached this country, and we are, therefore, in a position to undertake a somewhat more detailed criticism of the financial position of the Indian Government than was possible in the article on the Indian Budget in our issue of 20th March, based as it was on a mere telegraphic summary of the more salient features of the situation. The statement is, as usual, an exceedingly complicated production, and we think it is much to be regretted that Indian administrators, many of whom are wont to complain of the apathy and lack of interest displayed by their countrymen at home towards Indian matters in general, cannot devise some means of placing the Indian financial position before the public in a somewhat less complex, if not more attractive, form. The financial statement covers a period of three years. It deals in the first instance, with the closed accounts for the year 1955-56. The original estimates for that year anticipated a small surplus of Rs. 46,200. This, in the revised estimates, was raised to Rs. 951,400. The final accounts for the year, however, show, as was expected, a much better result, and close with an actual surplus of Rs. 1,534,000, after providing Rs. 1,750,000 for the cost of the Chitral Expedition, Rs. 1,000,000 for famine insurance and restoring contributions amounting to Rs. 405,000 forced upon Provincial Governments during the financial difficulties of the previous year. This satisfactory result was principally due to better exchange, which reduced the anticipated loss under that head during the year by close on Rs. 1,500,000, but also to a marked improvement under railways and other principal heads of revenue. It will thus be observed that when the year 1956-57 opened, there was every reason to believe that financial equilibrium had been restored, and that the Indian Government might confidently look forward to a period of considerable prosperity. It is, however, the unexpected which so frequently happens to upset human calculations, and these bright anticipations were unfortunately not destined to be realised. In place of the small surplus of Rs. 465,100 originally estimated, it is now expected that there will be a deficit of Rs. 1,986,900, or in other words, the position is worse than was anticipated a year ago by Rs. 2,450,000. This rapid and unexpected descent from a position of financial prosperity to one of considerable temporary embarrassment is, it is perhaps needless to remark, entirely due to the great calamities of famine and plague. The Budget estimates for the present year show a deficit of Rs. 2,464,000.

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Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,02,77,122
Deposits as at 31-12-56	Rs. 1,39,01,90,571

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SOUTH EASTERN RAILWAY TENDERS

The General Manager, Garden Reach, Calcutta-23 invites sealed tenders for supply of the following materials:

1. Tender No. Con/GM/11/WP/1331/14/F2/57 for supply of 22700 ft. Rodding Point 1½" solid or tubular to IRS Drg. S.3635. Earnest money is Rs. 1000/-.
2. Tender No. Con/GM/12/WP/CE/6066/F1/57 for supply of 3032 Nos. of Glazed Indian Type closet—20" with foot rests. Earnest money is Rs. 1000/-.
3. Tender No. Con/GM/13/CE/F1/3/GA/57 for supply of 5000 Nos. Beaters wooden with handle. Earnest money is Rs. 1000/-.
4. Tender No. Con/GM/14/CM-2/346/34/HC/57 for supply of 2,80,000 ft. Casing and Capping 1½" as per CME's Drg. No. 3358A. Earnest money is Rs. 1000/-.
5. Tender No. Con/GM/15/CE(C)/WP/99/C/57 for supply of 1 No. Pneumatic Tyred Mobile Crane Diesel Elec : 10 tons—30 ft. boom. Earnest money is Rs. 1000/-.

Tender will be opened on June 6, 1957 at 12.00 hours.

Tender forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23 on remittance of Rs. 5/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, S. E. Ry., Garden Reach, Calcutta by local firms.

The tenders should accompany a receipt from the Chief Cashier, S. E. Ry., Garden Reach, for depositing the amounts towards earnest money as above for each tender without which the tender is liable to be rejected. Approved contractors who have already made a permanent deposit of Rs. 1000/- with the Controller of Stores need not pay the earnest money.

Firms not on this Railway's list of approved contractors must enclose a valid Income Tax clearance certificate with the tender.

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PROBLEMS OF ECONOMIC DEVELOPMENT

HOW BOLIVIA LEARNT THE HARD WAY

(Published below is an extract from the latest monthly letter of the First National City Bank of New York, describing the evolution of economic policies in Bolivia. Its relevance to conditions in India suggests that it may be of considerable interest to other under-developed countries.)

PEOPLE everywhere share a common desire to increase their incomes and improve their standard of living. Governments, responding to these desires, try to formulate and carry out policies which will promote national economic growth and prosperity. Basic to the success of these efforts is the ingenuity, hard work and sacrifice of the citizen, reinforced by sound Government policies. But too often people and their Government are not content with the slow but surer process of development that comes from working and saving, and devoting the surplus over consumption to augmenting the capital resources essential to real gains in economic welfare. They seek short cuts, almost inevitably involving inflation through overstrained Government budgets and easy credit.

This attempt to do too much too fast, though by no means confined to the undeveloped countries, tends to be their besetting sin. With relatively low living standards and a growing awareness of the gap between their economic status and that of the more developed countries, they are eager to catch up. The main obstacle is lack of capital. Low productivity and the fact that the people live so close to a mere subsistence level, give little room for the internal savings needed to finance development. These countries must attract outside capital or their progress will be painfully slow. In such circumstances, the temptation to inflate becomes well-nigh irresistible. To make matters worse, political agitation against foreign capital has tended to dry up the only available large-scale capital source capable of translating national aspirations into reality.

Example of Bolivia

Bolivia provides a clear example of what happens when a country errs on both counts. In about four years, from 1952 to November 1956, the cost of living rose about 30 times. Its currency, the boliviano, declined in the free market from 190 to the dollar to as low as 13,000. The deteriorating currency created economic distortions; social unrest flared into public riots. Bolivia, in trying to check this disastrous inflation, is now reversing its past policies. Instead of budget deficits, cheap money and exchange and price controls, it is working towards budget balance, free markets, and money people can trust. Nationalisation schemes have been replaced by policies that encourage foreign investment. The past experience demonstrates to all countries the folly of scaring away outside capital and the futility of trying to hasten economic progress by pushing on the inflation pedal.

Bolivia, almost twice the size of France, has only about 3½ million inhabitants to France's 43 million. It has potential wealth in fertile land, hydro-electric power, forests and petroleum and other minerals. Despite all this, Bolivia is one of the poorest countries in Latin America. With internal capital formation low, Bolivia depended for its development on the investment of export surpluses and the inflow of foreign capital. In both respects, however, it has been in a weak position.

The country's exports, consisting up to 65 per cent of one commodity, tin, reflected the fluctuation of the world price of that metal. Furthermore, foreign currency derived from the sale of tin and a few minor metals had to pay for imports of mine equipment, most manufactured goods, and a third of food requirements. What little was left was usually retained abroad—and for a good reason: the political instability of the country. There have been some 178 revolutions in Bolivia's 132-year history. This also discouraged new foreign capital investment.

If Bolivia was to prosper and grow it would have to do many things: diversify exports, increase food output, develop a transportation system that would bring the various products of the country to the main consuming centres, raise the productivity of workers, and integrate its Indians—more than half of the total population—into the country's economic life.

Past Mistakes and Mismanagement

In 1952, the National Revolutionary Movement (MNR), a party with strong socialist leanings, took office and its leader, Victor Paz Estenssoro, became President. The MNR was well aware of the country's needs. In trying to satisfy them, however, it was impatient for progress and tried to move too fast. An agrarian reform was passed, giving farm plots to thousands of Indians and abolishing all compulsory labour, paid and unpaid, on large estates. But this sudden change found most of the Indian sharecroppers unprepared for responsibility as independent farmers. Social legislation setting wages, hours, benefits, and working conditions, made it almost impossible to discharge an unsatisfactory worker. Bolivia's misfortunes were blamed on the "Big Three" tin companies, which thereupon were nationalised. Instead of creating conditions favourable to foreign capital inflow, the reformists not only antagonised foreign capital but also scared much domestic capital out of the country.

Before long, Bolivia began to feel the effects of the MNR's decrees. The agrarian reform resulted in confusion, and marketable surpluses declined sharply. To avoid hardship, more and more foreign exchange earnings had to be shifted to pay for food imports. To aggravate matters, foreign exchange earnings contracted when a glut of tin in world markets led to a price decline. Moreover, the Government found it could not operate the tin mines as efficiently as their private owners had. While this was partly due to the exhaustion of the more profitable ore deposits, the main troubles were lack of proper maintenance, shortage of technicians and capital, and, above

all, lapse of discipline and low productivity of the miners. President Paz was quoted last spring as admitting that Government operation of the mines was a failure economically. The miners, he said, worked harder for the private owners than they did for the Government. Tin output, around 34,000 tons in 1951, the year before nationalisation, slipped to less than 26,000 tons by 1956.

Calculated Deficit Financing

To pay for over-ambitious development programmes—and to satisfy workers' demands for wage increases—the Government resorted to "calculated deficit financing." Money rolling off Government printing presses increased buying power without adding to the supply of available goods, so prices advanced. Extension of controls over the economy and manipulation of exports and imports brought little relief. Soaring prices touched off a flight from currency as people sought to get rid of money for goods and real estate. Since no one wanted to save, capital formation came to a halt. The situation would have deteriorated even more rapidly except for American aid extended at the annual rate of \$25 million, not counting indirect aid in the form of tin bought at above world prices. In the long run, however, efforts to slow down inflation with the help of food received from the U.S.A. served only to discharge local production and create absurd price relationships. This spurred smuggling and speculation.

By 1954, the disastrous efforts of the MNR policies sobered the more responsible leaders of the party. President Paz still maintained that some inflation was needed to "finance nationalisation of the tin mines and lay the ground work for the Government's effort to diversify the economy." But, he came out against any further nationalisation: "To those who demand the nationalisation of all industries, I say that it would be tantamount to nationalising misery.... Our policies of nationalisation are limited and our past actions have not established a pattern. We want the impelling force of foreign capital in our economy, and we want to establish a climate which will attract private capital in mining activities, in the oil fields, and in industries associated with agriculture."

The Government then set about trying to provide a climate favourable to the private investor. An investment guarantee was signed in the fall of 1955 which allowed American investors to convert earnings into dollars and protected them against loss of capital through expropriation. A new petroleum exploration code was drawn up so as to attract foreign oil companies. Prices continued to climb, however, because of the indulgence of inflation by the Paz Government. In the first 11 months of 1956, the cost of living index soared more than 230 per cent.

Reforming the Reformers

When Bolivia's present leader, President Hernan Siles Zuazo, took over last fall he recognised that deterioration of the currency was the country's biggest problem. In his inaugural address he warned: "Inflation is a fire that is burning down our house.... But do not expect to saunter out of the house wearing a new suit and smoking a cigarette. We will be lucky to get out at all.... Unless inflation is checked the country will evolve into an inept rightist dictatorship or a chaotic regime headed by Trotskyite or Stalinist Communists."

Although placed in power by the MNR, the new President has reversed that party's economic theories. The Central Bank has been ordered to stop issuing new currency. All price controls and food subsidies have been scrapped. Striking unions, for the first time since 1952, have found that the Government is not taking their side against employers in unreasonable wage demands. This point was dramatised a few months ago when President Siles went on a hunger strike to induce miners, who were demanding higher wages, to go back to work. All trade and exchange restrictions have been removed and a single fluctuating exchange rate has been established in place of the previous multiple rates. To help with currency stabilisation, the International Monetary Fund, the U.S. Treasury, and the International Co-operation Administration have granted Bolivia credit lines totaling \$25 million. Since establishment of the single exchange rate, the boliviano has fluctuated around 7,500 to the dollar.

Currently, the reform involves adjustment of wages and salaries, after which they are to be frozen for one year. An increase in rents, frozen for the past 10 years, has been permitted. During the next phase, the Government hopes to balance its budget and revise its tax system. It has also announced plans to begin repayment on dollar bonds that went into default in 1931 and thus to rebuild the creditworthiness of Bolivia abroad.

A Courageous Policy

President Siles, in cutting away controls, keeping a tight rein on Government-created credit, and trying to get the country to live within its means, is laying a sound base on which Bolivia can build. It took courage to institute these policies. It will take more courage to continue them in the face of pressures from those who would risk the chaos resulting from a complete breakdown of the currency rather than work hard and accept the sacrifices that are necessary because of previous excesses. Given continuation of sound policies, and patience on the part of the people, so they won't expect miracles overnight, Bolivia now has the opportunity to demonstrate its recuperative powers and make economic progress.

Finance in India and Abroad

THE BUDGET ESTIMATES

SURPLUS WITH FRESH TAXES

PUBLISHED below is a summary of the Budget and revised estimates for 1956-57, and the Budget estimates for 1957-58.

	REVENUE		
	Budget 1956-57	Revised 1956-57	Budget 1957-58
Customs	1,50.00	1,71.00	1,62.00
Union Excise Duties	1,70.35	1,88.73	2,09.43
Corporation Tax	48.24	48.24	50.50
Taxes on Income other than Corporation Tax	86.35	82.61	85.96
Estate Duty	18	11	9
Taxes on Wealth	...	...	15.00*
Opium	2.10	2.24	2.50
Interest	5.49	5.24	4.90
Civil Administration	11.06	15.49	43.21
Currency and Mint	23.67	24.48	36.02
Civil Works	2.39	2.70	2.95
Other Sources of Revenue	19.39	19.32	27.65
Posts and Telegraphs—Net contribution to general revenues	1.60	5.30	3.09
Railways—Net contribution to general revenues	6.57	6.03	6.67
Total Revenue	5,27.39	5,71.49	6,34.97
			+ 77.85*

EXPENDITURE			
Direct Demands on Revenue	37.15	37.92	41.80
Irrigation	5	8	10
Debt Services	35.50	38.21	35.00
Civil Administration	1,35.91	1,33.64	1,91.02
Currency and Mint	3.76	5.02	6.72
Civil Works and Miscellaneous Public Improvements	15.90	14.54	15.93
Pensions	8.84	8.98	9.17
Miscellaneous:			
Expenditure on Displaced Persons	21.42	21.86	22.50
Other Expenditure	30.23	28.32	44.05
Grants to States, etc.	38.00	29.60	25.23
Extraordinary Items	14.70	12.43	23.86
Defence Services (net)	2,03.97	2,02.95	2,52.71
Total Expenditure	5,45.43	5,33.55	6,68.09
Surplus (+)		-18.04 + 37.94	- 33.12
Deficit (-)			+ 77.85*

* Effect of Budget proposals

THE WEALTH TAX RATES FOR COMPANIES AND INDIVIDUALS

THE object of the Wealth Tax Bill, 1957, is to impose an annual tax on the net wealth of individuals, Hindu undivided families and companies. The proposed tax is an important constituent of an integrated tax structure which the Government has been aiming at for some time. With income-tax, estate duty and a tax on capital gains already in existence, and with the addition of the wealth tax and a tax on large personal expenditures (separately being proposed) the direct taxes will form a composite system made up of complementary elements. Apart from the fact that a composite tax system of this type helps to satisfy the criterion of the ability to pay, according to the statement of objects and reasons attached to the Bill, it is consistent with the avowed goal of the attainment of a socialistic pattern of society.

The following are extracts from the Wealth Tax Bill:

Charge of Wealth Tax and Assets

Subject to the other provisions contained in the Act, there shall be charged for every financial year commencing on and from 1st April, 1957, a net wealth on the corresponding valuation date of every individual, Hindu undivided family and company at the rate or rates specified in the Schedule.

(1) In computing the net wealth of an individual, there shall be included:

(a) the value of assets which on the valuation date are held:

(i) by his wife to whom such assets have been transferred by the individual, directly or indirectly, otherwise than for adequate consideration or in connection with an agreement to live separately, or

(ii) by a minor child not being a married daughter to whom such assets have been transferred

by the individual otherwise than for adequate consideration, or

(iii) by a person or association of persons to whom such assets have been transferred by the individual otherwise than for adequate consideration for the benefit of the individual or his wife or minor child, or

(iv) by a person or association of persons to whom such assets have been transferred by the individual otherwise than under an irrevocable transfer:

(b) where the assessee is a partner in a firm or a member of an association of individuals, the value of his interest in the assets of the firm or association determined in the prescribed manner. (2) Where the value of any assets is to be included in the net wealth of an assessee in accordance with clause (a) of sub-section (1), there shall be deducted from such value any debts owing on the valuation date by the transferee mentioned in that sub-section in so far as such debts are referable to the assets.

Exemptions on Certain Assets

Wealth tax shall not be payable by an assessee on:

(i) any property held by him under trust or other legal obligation for religious or charitable purposes within India;

(ii) the interest of the assessee in the coparcenary property of any Hindu undivided family of which he is a member;

(iii) any works of art, archaeological, scientific or art collections, books, manuscripts or heirlooms belonging to the assessee and not intended for sale;

(iv) the right of the assessee to receive a pension or other life annuity for past service under an employer;

(v) the rights under any patent or copyright belonging to the assessee;

Provided that they are not held by him as assets of a business, profession or vocation and no income or benefit accrues to him therefrom:

(vi) domestic animals and furniture, household utensils, wearing apparel, jewellery, provisions and other articles intended for the personal or household use of the assessee, subject to a maximum of Rs. 25,000 in value;

(vii) the right or interest of the assessee in any policy of insurance before the monies covered by the policies actually become due and payable to the assessee;

(viii) the tools and instruments necessary to enable the assessee to carry on his profession or vocation, subject to a maximum of Rs. 2,500 in value;

(ix) ten-year Treasury savings deposit certificates 15-year annuity certificates deposits in post office savings banks, post office cash certificates and post office national savings certificates held by the assessee;

(x) any deposit made by the assessee with the Government or in any security of the Government or of a local authority not specified in clause (ix) which the Central Government may, by notification in the official Gazette, exempt from wealth tax;

Provided that the value of any deposit or security so exempted shall be included in computing the net wealth of an assessee;

(xi) the amount standing to the credit of an assessee, being a salaried employee, in any provident fund maintained by his employer to which the Provident Funds Act, 1925, applies or which is a recognised provident fund within the meaning of Chapter IXA of the Income-tax Act;

(xii) the property received by an assessee from the Government in pursuance of any gallantry award instituted or approved by the Central Government.

Exclusion of Assets

In computing the net wealth of an individual who is not a citizen of India on the valuation date, or of a Hindu undivided family, or company not resident in India during the year ending on the valuation date, the value of the assets and debts located outside India shall not be taken into account.

Explanation I.—A Hindu undivided family shall be deemed to be resident in India during the year ending on the valuation date in all cases except where the control and management of its affairs during that year is situated wholly without India.

Explanation II.—A company shall be deemed to be resident in India during the year ending on the valuation date if during that year the control and management of its affairs is situated wholly in India.

The value of any asset, other than cash, for the purposes of this Act shall be estimated to be the price which in the opinion of the Wealth Tax Officer it would fetch if sold in the open market on the valuation date.

(2) Notwithstanding anything contained in sub-section (1)—

(a) where the assessee is carrying on a business for which accounts are maintained by him regularly, the Wealth Tax Officer may, instead of determining separately the value of each asset held by the assessee in such business, determine the net value of the assets of the business as a whole having regard to the balance-sheet of such business as on the valuation date and making such

adjustments therein as the circumstances of the case may require.

(b) where the assessee carrying on the business is a company not resident in India and a computation in accordance with clause (a) cannot be made by reason of the absence of any separate balance-sheet drawn up for the affairs of such business in India, the Wealth Tax Officer may take the net value of the assets of the business in India to be that proportion of the net value of the assets of the business as a whole wherever carried on determined as aforesaid as the income arising from the business in India during the year ending with the valuation date bears to the aggregate income from the business wherever arising during that year.

Schedule of Rates

PART I

(a) In the case of every individual:

(i) on the first Rs. 2 lakhs of net wealth Nil.

(ii) on the next Rs. 10 lakhs of net wealth 1 per cent.

(iii) on the next Rs. 10 lakhs of net wealth 1 per cent.

(iv) on the balance of net wealth 1½ per cent.

(b) In the case of every Hindu undivided family:

(i) on the first Rs. 3 lakhs of net wealth Nil.

(ii) on the next Rs. 10 lakhs of net wealth 1 per cent.

(iii) on the next Rs. 10 lakhs of net wealth 1 per cent.

(iv) on the balance of net wealth 1½ per cent.

PART II

In the case of every company:

(i) on the first Rs. 5 lakhs of net wealth Nil.

(ii) on the balance of net wealth 1 per cent.

Rule 1.—Where the net wealth of an assessee includes the value of any asset on which wealth tax is not payable, the amount of tax payable by the assessee shall be an amount bearing to the total amount of wealth tax which would have been payable on the net wealth had no property been exempt the same proportion as the unexempted portion of net wealth bears to the net wealth.

Rule 2.—Where the net wealth of an assessee, not being a company, in any assessment year includes the value of any shares in a private company as defined in Section 3 of the Companies Act, 1956, the wealth tax payable by the assessee on his net wealth for that assessment year, computed in accordance with the rates, specified above, shall be reduced by the amount, if any, by which the sum of the following, namely:

(a) that portion of the wealth tax payable by the assessee computed as aforesaid as bears to the whole amount of the tax, the same proportion as the value of the shares aforesaid included in his net wealth bears to his net wealth,

(b) that portion of the wealth tax, if any, paid by the company in the same assessment year, as bears to the whole amount of the said tax, the same proportion as the paid-up value of the shares included in the assessment of the assessee aforesaid bears to the aggregate paid-up value of the share capital of the company as on the relevant valuation date,

exceeds the amount calculated at the rate of 1.5 per cent on the value of the shares included in his net wealth.

THE EXPENDITURE TAX

RATES OF LEVY AND EXEMPTIONS

IN the Statements of Objects and Reasons the Central Finance Minister, Mr. T. T. Krishnamachari says that the object of the Expenditure Tax Bill is to impose an annual tax on personal expenditure, above a prescribed level, of individuals and Hindu undivided families. Such a tax, in addition to being a deterrent to excessive personal expenditure and an incentive for savings, also forms a significant part of an integrated tax structure, he states.

The following are extracts from the Bill:

Subject to the other provisions contained in the Act, there shall be charged for every financial year commencing on and from 1st April, 1958, a tax (hereinafter referred to as expenditure tax) at the rate or rates specified in the Schedule on the expenditure incurred by any individual or Hindu undivided family in the previous year:

Provided that no expenditure tax shall be payable by an assessee for any assessment year if his total income under the Income-tax Act during the previous year does not exceed Rs. 60,000.

In computing the expenditure liable to tax under the Act, the following amounts shall be included, namely, any expenditure incurred, whether directly or indirectly, by a person other than the assessee in any obligation or personal requirement of the assessee or any of his dependants which, but for the expenditure having been incurred by that other person, would have been incurred by the assessee.

Exemptions

No expenditure tax shall be payable under the Act for any such expenditure as is referred to in the following clauses, which has been incurred by the assessee namely:

(a) any expenditure, whether in the nature of current expenditure or capital expenditure, in-

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curred by the assessee wholly and exclusively for the purposes of the business, profession, vocation or occupation carried on by him, but not including any personal expenditure:

(b) any expenditure incurred in the acquisition or construction of any immovable property;

(c) any expenditure incurred by way of investment in current and fixed deposits, loans, shares and securities;

(d) any expenditure incurred by way of contribution as capital to a firm or other association of persons in consideration of a share in the profits of the firm or association;

(e) any expenditure incurred by way of repayment of any loan or other borrowing;

(f) any expenditure incurred for any gift, donation or settlement on trust or otherwise for the benefit of any other person;

(g) any expenditure incurred for paying premiums against any policies of insurance on the life of the assessee or of any of his dependants or for any health, accident or disability policies of insurance;

(h) any expenditure incurred by way of contributions to a provident, thrift or superannuation fund;

(i) any expenditure incurred by an assessee, who is not a citizen of India, outside India from any income or capital, accrued or realised outside India.

Where any expenditure is not wholly and exclusively incurred for any of the purposes specified above, the provisions of that sub-section shall apply to so much of that expenditure as is reasonably attributable to any such purpose.

Deductions

In computing the taxable expenditure, the following deductions and allowances shall be made, namely:

(a) any taxes including the expenditure tax payable under this Act duties, cesses or fees paid to the Government or a local authority, but not including—

(i) taxes or fees for any conveyance or other movable asset intended for the personal use of the assessee or any of his dependants;

(ii) customs duties on articles imported for the personal use of the assessee or any of his dependants;

(iii) any fine or penalty for an offence under any law relating to the levy of taxes, duties, cesses or fees;

(b) any expenditure incurred by the assessee for the marriage of any of his dependants, to the extent of Rs. 5,000 for each such dependant;

(c) four-fifths of any expenditure incurred by way of capital expenditure on the purchase of jewellery, ornaments, works of art, furniture and other household goods, motor cars and other conveyances or any other article for the personal use of the assessee or any of his dependants;

Provided that where a deduction as aforesaid is made, one-fifth of the said capital expenditure shall be deemed to be incurred by the assessee in each of the four years succeeding the previous year in which the expenditure was actually incurred, and no deduction shall be made under this clause in the assessment for any succeeding year for the expenditure so deemed to have been incurred in any earlier year;

(d) a basic allowance of Rs. 24,000 and a further allowance, if claimed, of Rs. 5,000 for each dependant;

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SOUTH EASTERN RAILWAY

TENDERS

The Controller of Stores, Garden Reach, Calcutta-23, invites tender No. CS/1/PC/57/WS/306/A/CB4 for supply of 50 Cwts Bar Round Phosphor Bronze Hollow (Cast) 3" x 1" x 12" to I.R.S. Spec. No. N6—Class I. Supply to be inspected and passed by the Director of Inspection. Tender forms are obtainable from his office on remittance of Rs. 2/- per copy (not refundable) by Money Order to him direct in the case of outside firms and on production of cash receipt from the Chief Cashier, Garden Reach by local firms. Closing date is 14th June, 1957 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid Income Tax Clearance Certificate with the tender.

A sum of Rs. 400/- as earnest money to be deposited with the Chief Cashier, Garden Reach and the receipt to be attached with the tender.

Provided that the allowance under this clause for any dependant shall be reduced by the amount, if any, of the separate income of such dependant, but so as not to exceed Rs. 5,000 in any case;

Provided further that where any expenditure claimed by any individual as having been incurred for any of his dependants has been allowed as a deduction from his taxable expenditure, the allowance permissible under this clause in the case of a Hindu undivided family, of which the dependant is a coparcener, shall be Rs. 2,000.

Schedule of Rates

In the case of every individual and Hindu undivided family, on that portion of the taxable expenditure, the rates shall be as follows:

(i) which does not exceed Rs. 10,000: 10 percent.
(ii) which exceeds Rs. 10,000, but does not exceed Rs. 20,000: 20 percent.

(iii) which exceeds Rs. 20,000 but does not exceed Rs. 30,000: 40 percent.

(iv) which exceeds Rs. 30,000 but does not exceed Rs. 40,000: 60 percent.

(v) which exceeds Rs. 40,000 but does not exceed Rs. 50,000: 80 percent.

(vi) which exceeds Rs. 50,000; 100 percent.

THE CALCUTTA MONEY MARKET

UPWARD TREND IN ADVANCES CONTINUES

Wednesday, 22nd May.

ADVANCES have risen slightly in the Calcutta money market during the past week. With the inflow of grains and seeds into the trading centres, accommodation for them has risen. Sugar credit remains around the previous levels. But in the case of jute and cotton, advances have decreased, substantially for the former. There has been more demand for funds in the interbank market but the supply has been fairly adequate, so the call rate is unchanged at 3½ percent.

The feature of the exchange market has been the strong demand for forward remittance cover by importers. Bills have been few. There were some on account of tea shipments and a few odd ones relating to gunny and shellac. Sterling is steady against the dollar. But it has weakened in relation to Continental currencies, reportedly on seasonal demand.

Bullion firmed up on strong spot demand following the proposed taxes on wealth and expenditure. Gold soared to Rs. 112 and silver to Rs. 183-12. Imports of Tibetan coins, it was reported, declined.

During the week ended 17th May, Government of India Treasury bills for Rs. 8,80,25,000 were sold in favour of the Reserve Bank.

A decline of Rs. 5.13 crores to Rs. 1,590.23 crores in active notes was the outstanding feature of the return of the Reserve Bank of India for the week ended 17th May, 1957. The total note issue was Rs. 17 lakhs higher at Rs. 1,605.40 crores. Notes held in the Banking Department consequently increased by Rs. 5.30 crores to Rs. 15.17 crores. Deposits of the Government of India declined by Rs. 5.05 crores to Rs. 49.87 crores while other Government accounts were Rs. 97 lakhs higher at Rs. 3.08 crores. Balances of commercial banks, at Rs. 62.55 crores, showed an increase of Rs. 2.89 crores. Balances held abroad fell by Rs. 9 crores to Rs. 65.07 crores, but investments improved by Rs. 1.40 crores to Rs. 127.30 crores. Other loans and advances increased from Rs. 113.71 crores to Rs. 119.73 crores, of which advances to scheduled banks against advance bills amounted to Rs. 63.29 crores, against Rs. 62.24 crores. Ways and means advances to Governments stood at Rs. 20.69 crores (Rs. 19.23 crores).

The return of the State Bank of India for the week ended 10th May, 1957, shows an increase of Rs. 3.86 crores in total deposits to Rs. 300.82 crores. Investments in Government securities are up by Rs. 6 lakhs to Rs. 94.12 crores, while other authorised investments remain unchanged at Rs. 11.30 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have increased by Rs. 5.18 crores to Rs. 193.10 crores. Cash and balances are, in consequence shown at Rs. 20.17 crores, or Rs. 3.90 crores less.

The statement of the position of scheduled banks for the week ended 10th May, 1957, shows Demand and Time liabilities at Rs. 719.51 crores (Rs. 11.86 crores on account of borrowings from banks) and Rs. 517.24 crores (Rs. 3.12 crores), compared with Rs. 721.79 crores (Rs. 10.96 crores) and Rs. 505.03 crores (Rs. 3.04 crores), respectively, in the previous week. Cash and balances with the Reserve Bank have decreased by Rs. 86 lakhs and Rs. 3.25 crores to Rs. 38.10 crores and Rs. 61.40 crores, respectively. There is a drop of Rs. 41 lakhs in investments to Rs. 344.06 crores. Advances and bills discounted, at Rs. 935.89 crores, show a rise of Rs. 12.28 crores. The ratios to total liabilities of cash and balances are, in consequence shown at 8.1 percent and 75.7 percent, against 8.4 percent and 75.3 percent.

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)		Week Ended	
		17-5-57	10-5-57
Liabilities—			
Notes in Banking Dept	...	15,17.23	9,87.34
Notes in Circulation	...	15,90,23.03	15,95,36.03
Total Notes Issued	...	16,05,40.26	16,05,23.37
		15,34,77.65	

Assets—			
A Gold Coin and Bullion	...	1,17,76.03	1,17,76.03
Foreign Securities	...	4,12,31.91	4,12,31.91
Total of A	...	5,30,27.94	5,30,27.94
B Rupee Coin	...	1,25,25.01	1,25,08.12
Rupee Securities	...	9,49,87.31	9,49,87.31
Total	...	16,05,40.26	16,05,23.37
		15,34,77.65	

Liabilities—			
Capital Paid-up	...	5,00.00	5,00.00
Reserve Fund	...	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	...	15,00.00	15,00.00
National Agricultural Credit (Stabilisation) Fund	...	1,00.00	1,00.00
		10,00.00	

Deposits—			
(a) Central Govt.	...	49,86.90	54,92.36
2 Other Govts.	...	3,07.81	2,10.59
(b) Banks	...	62,54.98	59,06.01
(c) Others	...	65,29.74	64,70.64
Bills Payable	...	15,46.02	16,03.93
Other Liabilities	...	1,21,84.82	1,20,43.08
Total	...	3,64,10.27	3,63,86.61
		2,02,80.77	

Assets—			
Notes	...	15,17.23	9,87.34
Rupee Coin	...	8.52	3.94
Subsidiary Coin	...	6.87	6.64
Bills Discounted Int.	...		
Govt. of India Treasury Bills	...		
Bills	...	2,32.06	7,29.87
Balances held abroad	...	65,07.22	74,06.54
Loans to Govt.	...	20,69.46	19,23.46
Other Loans etc.	...	19,72.17	13,71.44
Investments	...	1,27,30.19	1,25,90.22
Other Assets	...	13,65.55	13,67.36
Total	...	3,64,10.27	3,63,86.61
		2,02,80.77	

SCHEDULED BANKS

(In 000's of Rupees)		Week Ended	
		10-5-57	3-5-57
Demand Liabilities—			
(a) Borrowings from Banks	...	11,65.58	10,96.33
(b) Others	...	7,07,65.56	7,10,32.71
Time Liabilities—			
(a) Borrowings from Banks	...	3,18.00	3,04.00
(b) Others	...	5,14,05.63	5,01,99.36
Borrowings from State Bank—			
(i) Demand Liabilities	...	10,93.28	10,60.73
(ii) Time Liabilities	...		
Borrowings from Reserve Bank	...	89,64.37	81,37.50
Cash	...	38,10.27	38,95.54
Balances with the Reserve Bank	...	61,39.89	64,65.23
Balances with other banks in current account	...	10,48.80	10,00.21
Money at call and short notice	...	19,15.45	18,02.23
Investments in Central and State Govt. Securities	...	3,44,05.56	3,44,47.26
Advances	...	7,50,10.02	7,39,00.28
Inland Bills purchased and discounted	...	1,27,36.42	1,26,21.82
Foreign Bills purchased and discounted	...	53,42.38	58,38.91
		45,55.38	

CLEARING HOUSE RETURNS

Week ended	Rs (thousands)	Calcutta	Bombay
17-5-57	57,79.09		
10-5-57	38,78.47	64,99.77	
3-5-57	55,08.79	64,99.77	
26-4-57	59,29.32	85,08.21	

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)		Week ended	
		3-5-57	26-4-57
Liabilities—			
Notes in Banking Department	...	7,70.28	13,42.56
Notes in Circulation	...	3,33,34.64	3,28,06.87
Total Notes Issued	...	3,41,04.92	3,41,49.83
Assets—			
A Gold Coin and Bullion	...	11,33.41	11,33.41
Approved Foreign Exchange	...	1,04,38.03	1,04,38.03
Government of India Securities	...		
India Notes representing assets receivable from the Reserve Bank of India	...	43,02.30	43,02.30
B Rupee Coin	...	4,81.94	5,26.83
Govt. of Pakistan Securities	...	1,71,59.18	1,71,59.18
Held with Reserve Bank of India pending transfer to Pakistan	...		
Gold Coin and Bullion	...	19.02	19.02
Sterling Securities	...	4,40.63	4,40.63
Govt. of India Securities	...	1,00.90	1,00.90
Rupee Coin	...	29.51	29.51
Total	...	3,41,04.92	3,41,49.83

Liabilities—			
Capital Paid-up	...	3,00.00	3,00.00
Reserve Fund	...	3,00.00	3,00.00
Deposits—			
(a) Central Government	...	51,00.19	62,33.89
(b) Provincial Government	...	7.05	15,58.73
(c) Banks	...	14,87.96	9,15.61
(d) Others	...	9,27.53	15.88
Bills Payable	...	7.69	13,15.57
Other Liabilities	...	12,19.63	
Assets—			
Notes	...	93,50.07	1,06,94.31
Rupee Coin	...		13,42.56
(a) Pakistan	...	7,70.28	18
Subsidiary Coin	...		12
(a) Pakistan	...		
(b) India	...		

Bills Purchased and Discounted—			
(a) Internal	...		2.27
(b) Govt. Treasury Bills	...	1.64	82.09
Loans and Advances to Govt.	...	3,16.00	11,68.47
Provincial Govt. Debtor Balances	...	12,71.66	45,03
Other Loans and Advances	...	5,92.53	62,29.24
Investments	...	52,43.18	11,14.08
Other Assets	...	11,54.54	
Total	...	93,50.07	1,06,94.31

Stocks and Shares

BUDGET HANGOVER DEPRESSES MARKET SENTIMENT

ANXIETY ABOUT CORPORATE TAXES: DUNLOPS ANNOUNCE RIGHTS ISSUE AND INTERIM DIVIDEND

Wednesday Evening.

THOUGHTS in the stock market during the past week have remained centred on the Central Budget presented by the Finance Minister. Mr. T. T. Krishnamachari, last Wednesday. On the whole, the reaction to the Budget remains strongly adverse. A slight improvement in prices took place last week, partly because the Stock Exchange authorities enforced a special clearing and then fixed a margin of Rs. 3 a share to be paid as deposit for selling Indian Irons. This recovery also owed something to the view that the tax reliefs for certain classes of personal income and the lowering of the dividend supertax rates would be helpful.

The requirement about depositing Rs. 3 as margin has been withdrawn today. Indian Irons have subsequently fallen, although this may be due partly to fears of payment difficulties concerning the last clearing in Bombay.

The value of the tax reliefs is now considered to be very little. It is felt that the ability to invest will be greatly undermined by the expenditure tax and the wealth tax. A sharp increase is also thought to be likely in the taxes companies will have to pay.

Dunlop Rubber has announced a rights issue. It is offering rights shares in the proportion of seven for eight held at a premium of Rs. 5 above the par value of Rs. 10 a share. An interim dividend of 7½ percent for the current year has also been announced. It is hoped that the total dividend of 15 percent will be maintained on the increased capital.

The excise duties have hit particular categories of shares. Papers have declined and sugars have become dull. Tea investors are disturbed by the increase in the excise duty on that commodity. Details of the week's trading follow.

During the early part of the past week, the Government securities market ruled weak. Prices of medium and long-dated loans were marked back under heavy selling pressure. Later the Reserve Bank appeared as a buyer of 3% Conversion Loan 1966 at the old rate of Rs. 73 and the market quickly stabilised with a noticeable improvement in prices. The 3% Conversion Loan, after drifting from Rs. 74.20 to Rs. 73, closed better at Rs. 73.40. Short-dated loans were unaffected by the Bank rate change and the enquiry continued at Rs. 99.75 and Rs. 99.65, respectively; 3% 1959-61 was traded around Rs. 97.75, while 2½% 1961 was steady at Rs. 93.50 and 2½% 1960 was in demand at around Rs. 96.45. The 3½% 1961 was initially marked back to Rs. 99.25, but closed steadier at Rs. 99.50. In medium-dated loans, 2½% 1962 had recovered later to Rs. 93.94. Both 3½% 1964 and at the close to Rs. 98.20 to Rs. 98 but recovered at the close to Rs. 98.25. The 3½% 1967 were marked back to Rs. 98.35 but closed better at Rs. 98.40. Among long-dated loans, the pattern of trading 1966-68, after being marked down to Rs. 91.75, closed better at Rs. 91.87 and 3% 1970-75 recovered from Rs. 86.75 to Rs. 86.90. The 3½% 1974 was also steady at Rs. 98.45. State loans remained dull and trading was restricted. Both 4% Madras and U.P. issues continued to meet with selling pressure and prices eased to Rs. 96.75 and Rs. 97.45, respectively.

Business in preference shares was on a very small scale due to lack of interest. In jute, the only share dealt in was Budge Budge around Rs. 98. Among the miscellaneous group, Birds Investment at Rs. 84.50, British Ceylon were taken at Rs. 9.07 and Indian Iron at Rs. 99. Burn 6% changed Dunlop Rubber second were marked around Rs. 88 and British India Corporation at Rs. 121. Gilanders Arbuthnot were placed at Rs. 20 and Shaw Wallace around Rs. 68.

In the banking section, the feature was Punjab National Bank which spurted from Rs. 52 to Rs. 55; today, however, the shares reacted to Rs. 53. United Commercial were fractionally better at Rs. 54. Business was reported in United Bank of India "A" shares at Rs. 6.50 and in the "D" shares at Rs. 4.25.

The only share dealt in in the railway section was Delhi-Rohas around Rs. 10.25.

Cotton shares were devoid of interest. Bowreah were depressed at Rs. 111 and Kesoram were marked down from Rs. 13.50 to Rs. 13.25. Jayshree Textiles were easier at Rs. 5.50, as were New Victoria at Rs. 1.69.

In coal, Bengal were better at Rs. 215 while Burraukur were shaded at Rs. 22. Central India were easier at Rs. 5.81, as were Western Bengal at Rs. 5.19. The outstanding feature was Union, which on interested buying improved further from Rs. 15.25 to Rs. 17. Equitable were quoted lower at Rs. 24, though no actual business was reported.

Jute shares continued to suffer from lack of interest, and prices generally tended to lower levels. Here is a chart showing representative price movements:

	Opening Prices on 16th May, 1957.	Closing Prices on 22nd May, 1957.
Barnagore	Rs. 88	87
Howrah	15.06	13.75
Kamarhaty	94	87
National	20	19.25
New Central	12.31	11.37
Ganges	49	47

Calcutta Electric was the only share which was transacted in the electric supply section around Rs. 12.50.

Sugar shares were practically unchanged. Carew improved from Rs. 7.25 to Rs. 7.31 but Champaran eased from Rs. 17.75 to Rs. 17. Balram-pore were easier at Rs. 6 and Dyer Meakin Breweries were lower at Rs. 6.12.

In the engineering section, Indian Iron recovered from Rs. 16.75 to Rs. 17.90, but reacted again at the close to Rs. 17.48. Jessop rallied from Rs. 22.25 to Rs. 24.87, to close tonight at Rs. 24. Richardson and Cruddas were quiet around Rs. 15.37. Textile Machinery were at one time sold down to Rs. 16.70, but recovered at the close to Rs. 17.05. Guest, Keen, Williams were fairly steady around Rs. 26.19 as were Braithwaite at Rs. 25.

Paper shares were dull following the increase in the excise duty on paper in last week's Budget and Orient Paper were hammered down to Rs. 25.60. India Paper Pulp were quiet at Rs. 20.75, as were Sirpur at Rs. 8.50. Titagur recovered slightly from Rs. 32.87 to Rs. 33.37.

In cement, Sone Valley were unchanged at Rs. 6, while Jaipur Udyog eased to Rs. 11.81. Dalmia

were unchanged at Rs. 11.50 as were A.B. Cement at Rs. 5.50.

In insurance, Ruby General were crossed at Rs. 5.56 and Standard General recorded business at Rs. 5.12. In shipping, India Steamship receded from Rs. 9.81 to Rs. 9.75. India General Navigation were unchanged at Rs. 66, as were Port Shipping at Rs. 16.37 and Calcutta Landing at Rs. 12.25.

Among miscellaneous industrials, there was some enquiry for Alkali and Chemical, with the price improving from Rs. 11.50 to Rs. 11.87. Anglo Brothers were slightly better at Rs. 17.75, while Balmer Lawrie were unchanged at Rs. 145. Bengal Flour receded from Rs. 26 to Rs. 25.50, but Dunlop Rubber were steady at Rs. 23.75, as were Imperial Tobacco at Rs. 14.06 and Indian Aluminium at Rs. 12.81. Indian Cables were neglected at Rs. 23, while Indian Rubber Manufacturers and Indo-Burma Petroleum were maintained at Rs. 27 and Rs. 28 respectively. Jardine Henderson recovered from Rs. 73 to Rs. 76. Martin Burn were quiet at Rs. 22.69. National Insulated Cables were better at Rs. 19.25 and Rallis were steady at Rs. 34, as were Rohtas Industries, which improved from Rs. 17.25 to Rs. 17.37. Shaw Wallace were lower at Rs. 11.25.

In the mining section, Burma Mines were slightly easier at Rs. 2.36 while Indian Copper recovered from Rs. 3.20 to Rs. 3.47; profit-taking at the close, however, brought the price down to Rs. 3.30. Western Stockholders were marked down from 88 nP to 82 nP.

Tea shares moved in sympathy with the rest of the market and in the absence of enquiry prices tended to sag, despite the excellent interim dividend announcements by a number of tea companies in the McLeod group. Here is a chart showing

ing price movements of a representative list of shares:

	Opening Prices on 16th May, 1957.	Closing Prices on 22nd May, 1957.
Bishnauth	19	18.50
Brooke Bond	17.75	16.81
Hantapara	160	157
Hasimara	24	23.50
Tezpur	19	18.50

The DUNLOP RUBBER COMPANY LTD. (ENGLAND) has earned a net profit, after taxation provision, of £1,943,591 during 1956, against £2,857,531. The ordinary dividend is reduced from 14 percent to 10 percent, including an interim of 2½ percent. General reserve is allocated £380,000 (£650,000). The carry-forward is £1,501,980, against £1,498,496 brought in.

The NATIONAL CARBON COMPANY (INDIA) LTD. has made a net profit of Rs. 90,42,717 for the year ended 25th December, 1956, before providing for taxation, against Rs. 86,82 lakhs. The final dividend has been declared at 7½ percent, making 15 percent for the year. The estimated taxation liability is Rs. 84 lakhs. The zinc rolling mill of the Metals and Ores Company, a division of the National Carbon Company (India) Limited, was completed in Alipore, Calcutta, and inaugurated on 23rd August, 1956. During 1956, in four months of operation, 245 tons of zinc were processed; by the end of the year production had reached the rated level. The mill is operating satisfactorily and it is expected that rated output will be maintained throughout 1957. Capital expenditure for the construction of new production facilities and expansion and modernisation of the existing facilities

amounted to Rs. 44,35,377 for the year. It is expected that capital expenditure in 1957 will be appreciably higher than in 1956 due primarily to the cost of constructing the flashlight case factory and the chemical plant.

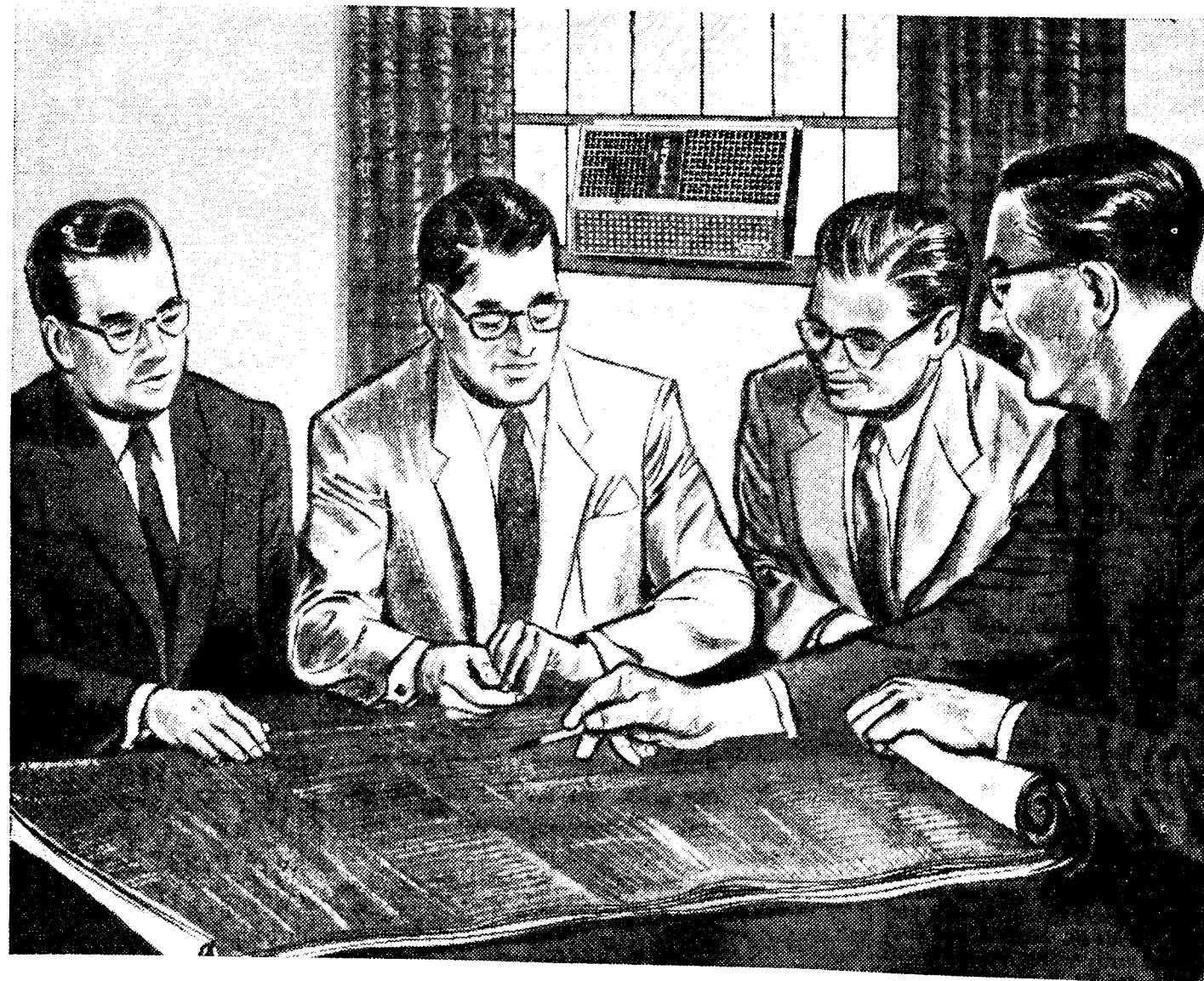
Providing Rs. 3.91 lakhs (Rs. 4.82 lakhs) for depreciation, Rs. 26.93 lakhs (Rs. 28.90 lakhs) for taxation, bringing in Rs. 77,112 and transferring Rs. 5 lakhs from general reserve, there is a balance of Rs. 23,25,807 for the INDO-BURMA PETROLEUM COMPANY for the year ended last December. The final ordinary dividend has been declared at Re. 1 a share, making Rs. 2 a share for the year. The directors carry-forward is Rs. 67,682. The directors' report that during the year under report, with the consent of the Government, the company entered into a joint venture with Steel Brothers and Co. Ltd. to prospect for oil in England. Two wells have been drilled in Lancashire, which failed to prove oil or gas in commercial quantities and were abandoned. The company's share of expenditure on this account was Rs. 5,93,030. Preparations are now in hand to test another structure which is considered to have reasonable prospects.

Bombay Market

IRREGULAR FLUCTUATIONS IN PRICES

HOPES OF MODIFICATIONS IN TAX PROPOSALS

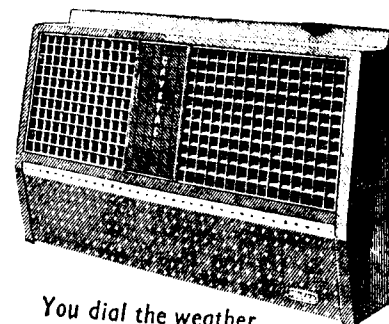
Wednesday Evening.
THE Central Government's Budget proposals influenced trading in the Bombay stock market



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during the past week and fluctuations varied according to rumours about how they might be modified. Irregular fluctuations took place, especially in the speculative stocks. There was a temporary recovery due to short-covering, but prices eased again when it was believed that the Finance Minister was unlikely to make any substantial modification in his proposals. Towards the close, there were some substantial improvements on buying by the Life Insurance Corporation. Bombay Dyeing, in particular, received attention. The undertone, nevertheless, remained hesitant since operators thought that credit would become more expensive in coming months as a result of the increase in Bank rate from 3½ to 4 percent.

Tata Steels closed at Rs. 153.25 and Indian Irons improved to Rs. 17.40 on support from Calcutta interests. The imposition of margins on sellers in the latter scrip, although withdrawn on Wednesday, it was believed, improved the technical position substantially. Tata Locomotive reacted to Rs. 142 after a temporary rise on hopes of expansion. Alcock Ashdown were freely offered at Rs. 243.75 and Premier Construction lacked support at Rs. 140.50. There was little interest in automobile shares, and Premier automobiles were bought at Rs. 86.25. Hindustan Motors were sold down to Rs. 6.75.

Fluctuations in the mill group were irregular. Bombay Dyeing recovered to Rs. 517.50 on sustained support from knowledgeable quarters, but Kohinoors were depressed at Rs. 296.50. Century were sold at Rs. 395 and Simplex at Rs. 161. Swadeshi slumped to Rs. 187, as the chairman of the company referred to the uncertain outlook for the industry in his address at the annual general meeting. India United Ordinary fell to Rs. 9.55.

Miscellaneous shares moved in line with the general trend. Sugar shares declined, Belapur falling to Rs. 218 on the belief that a substantial portion of the increased excise duty would fall on the industry itself. The effect of the higher excise duty on cement was softened by the raising of the selling price of the commodity. Associated Cement were transacted at Rs. 149.50 and Digvijay came to hand at Rs. 145.25. Steamship company shares were steady at lower levels, and Scindia Shipping were dealt in at Rs. 17.10. Great Eastern Shipping were taken at Rs. 18.40. In mining shares, Indian Copper retreated to Rs. 3.30 after being higher on the expectation of a satisfactory final dividend. Shri Rajpur Syndicate were quoted at Rs. 77. Bombay-Burmah declined to Rs. 514 on long liquidation, and National Rayon were lower at Rs. 211. Wimco declined to Rs. 159.50 on the proposal for an increased excise duty on matches.

Banking shares were quietly steady and prices were more or less unchanged. Insurance shares lacked support and prices tended to decline further.

Electricity supply undertakings improved fractionally as the standard return has been increased by ½ percent to 6 percent following the increase in Bank rate. Ahmedabad Electric came to hand at Rs. 92 and Tata Power were transacted at Rs. 121.5.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations, Quotations for the Corresponding Closing Date a Year Ago, the last-named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paisa].

GOVERNMENT SECURITIES

2½% Loan (1960)	Rs. 96/45—96/45—96/45—96/45.
3% " (1962)	Rs. 93/80—93/80—93/80—93/80.
3% " (1966)	Rs. 73/50—73/50—72/87—73/30.
3% " (1959-61)	Rs. 97/72—97/72—97/70—97/70.
3% " (1964)	Rs. 93/75—93/75—93/43—93/50.
3% " (1963-65)	Rs. 93/87—93/87—93/87—93/87.
3% " (1964)	Rs. 98/40—98/40—98/40—98/40.
3% " (1967)	Rs. 98/53—98/53—98/40—98/40.
4% U.P. (1962)	Rs. 97/15—97/15—97/15—97/15.
4% West Bengal (1968)	Rs. 99/00—99/00—99/00—99/00.
4% Loan (1960-70)	Rs. 100/62—100/62—100/44—100/44.
4% Madras (1968)	Rs. 96/75—96/75—96/75—96/75.

BANKS

Punjab National	Rs. 54/12—54/25—54/12—54/25—(52).
United Commercial	Rs. 54/00—54/25—54/00—54/25—(50-7).
United Bank of India ('D' Share)	Rs. 4/00—4/25—4/00—4/25—(4-6).
Do. ('A' Share)	Rs. 6/50—6/50—6/50—6/50.
Do. ('C' Share)	Rs. 7/18—7/25—7/18—7/25.
Do. ('B' Share)	Rs. 8/68—8/75—8/68—8/75.

RAILWAY

Dehri Rohtas	Rs. 10/50—11/00—10/50—11/00—(13-2).
Cawnpore Textile	Rs. 5/75—5/81—5/75—5/81.
Bengal Nagpur	Rs. 7/50—7/50—7/31—7/31—(8-9).
Bowbhai	Rs. 111/00—112/00—111/00—112/00—(146).
Jayashree	Rs. 5/56—5/56—5/43—5/43.
Kesaram	Rs. 13/37—13/37—13/37—13/37—(18-4).
New Victoria	Rs. 1/70—1/70—1/62—1/62—(1-15).

COTTONS

Borera	Rs. 17/00—17/00—16/81—16/81—(26-11).
Burakur	Rs. 21/50—22/15—20/96—22/00—(14-3).
Bengal	Rs. 216/00—217/00—216/00—217/00—(538).
Central	Rs. 5/87—5/87—5/87—5/87.
East India	Rs. 5/87—5/90—5/81—5/84—(7-3).
Lakurka	Rs. 23/80—24/00—23/80—24/00.
East India	Rs. 9/00—9/00—9/00—9/00.
Cadal	Rs. 15/50—15/50—15/50—15/50—(15-2).
French Valley	Rs. 14/50—14/50—14/50—14/50—(22).

COALS

Borera	Rs. 17/00—17/00—16/81—16/81—(26-11).
Burakur	Rs. 21/50—22/15—20/96—22/00—(14-3).
Bengal	Rs. 216/00—217/00—216/00—217/00—(538).
Central	Rs. 5/87—5/87—5/87—5/87.
East India	Rs. 5/87—5/90—5/81—5/84—(7-3).
Lakurka	Rs. 23/80—24/00—23/80—24/00.
East India	Rs. 9/00—9/00—9/00—9/00.
Cadal	Rs. 15/50—15/50—15/50—15/50—(15-2).
French Valley	Rs. 14/50—14/50—14/50—14/50—(22).

Talcher—Rs. 1/62—1/68—1/56—1/56—(3-2).
Western Bengal—Rs. 5/75—5/30—5/12—5/18—(6-15).

JUTES

Anglo-India	Rs. 139/00—140/00—136/00—136/00—(176).
Auckland	Rs. 75/00—75/00—75/00—75/00—(129).
Budge Budge	(Pref.)—Rs. 97/50—98/50—97/50—98/50—(119).
Chitavalah	Rs. 11/75—11/75—11/75—11/75—(15-1).
Howrah	Rs. 13/75—13/75—13/44—13/50.
Kinnison	Rs. 139/00—139/00—139/00—139/00—(168-8).
Kankannar	(B) Ord.—Rs. 34/50—35/00—34/50—35/00.
Gouropore	Rs. 23/00—23/00—23/00—23/00—(289).
Kamarahaty	Rs. 88/00—88/00—88/00—88/00—(136).
National	Rs. 19/00—20/15—19/00—19/25—(25-8).
New Central	Rs. 12/25—12/25—12/00—12/00—(16-12).
Nellimarla	Rs. 10/75—10/75—10/75—10/75—(12-9).
Nuddea	Rs. 32/50—32/50—31/50—32/00—(43).
Orient	Rs. 102/00—102/00—102/00—102/00—(159).
Reliance	Rs. 7/06—7/12—6/94—6/94—(11-11).

MININGS

Burma Mines	Rs. 2/38—3/34—2/30—3/30—(3-15).
Indian Copper	Rs. 3/14—3/47—3/09—3/29—(2-12).
Orissa Minerals	Rs. 18/44—18/56—18/37—18/50—(24-2).

CEMENTS

Ashoka	Rs. 10/00—10/18—10/00—10/06.
Dalmia (Bharat)	Rs. 11/25—11/56—11/25—11/56—(17-12).
Do. (Defd)	Rs. 2/37—2/37—2/37—2/37—(5-8).
Jaipur Udyog	Rs. 12/25—12/25—11/81—11/81.
Orissa	Rs. 12/87—12/87—12/87—12/87.
Sone Valley	Rs. 5/93—6/06—5/93—6/00—(8-13).

CHEMICALS

Alkali & Chemical (Ord)	Rs. 11/56—12/06—11/44—12/06—(20-2).
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ELECTRICS

Calcutta	Rs. 12/44—12/56—12/37—12/56—(13-9).
Do. (Pref.)	Rs. 9/15—9/15—9/12—9/12—(11-5).

ENGINEERING

Britannia Eng.	Rs. 13/56—13/56—13/50—13/50—(18-5).
Burn & Co.	Rs. 305/00—305/00—305/00—305/00.
Do. (6%)	Rs. 109/00—110/00—109/00—109/00—(124).
Braithwaite & Co.	Rs. 24/75—25/00—24/75—25/00.
Guest, Keen, Williams	Rs. 55/62—26/12—25/62—26/12.
Indian Iron	Rs. 16/78—17/96—16/63—17/48—(37-13).
Do. (New)	Rs. 15/00—16/78—15/00—16/36.
Do. (Pref.)	Rs. 98/00 s.t.—99/00—98/00—99/00—(107).
Jessop & Co.	Rs. 22/12—25/12—22/12—24/44—(35-6).
Kumardhubi	Rs. 8/93—9/00—8/93—9/00—(10-11).
Marshalls	Rs. 4/56—4/56—4/56—4/56—(6-6).
Richardson & Cruddas	Rs. 16/00—16/00—15/00—15/37.
Do. (Pref.)	Rs. 68/00—68/00—68/00—68/00.
Saran	Rs. 6/62—6/62—6/62—6/62.
Textile Machinery	Rs. 16/25—18/05—15/93—17/05—(25-10).

INSURANCES

Ruby General	Rs. 5/56—5/56—5/56—5/56—(6).
Standard General	Rs. 5/12—5/12—5/12—5/12—(4-1).

MISCELLANEOUS

Aluminium Corp.	Rs. 8/81—8/81—8/81—8/81—(10).
Anglo Brothers	Rs. 17/75—17/87—17/38—17/75—(21-12).
Britannia Biscuits	Rs. 13/12—13/12—13/06—13/06—(15-5).
B. I. Corporation	Rs. 6/12—6/10—6/12—6/40 x.d.—(11-1).
Do. (Pref.)	Rs. 121/00—121/00—121/00—121/00—(124).
British Ceylon Corp.	Rs. 8/93—9/00—8/93—9/00—(8-15).
Do. (Pref.)	Rs. 9/07—9/07—9/07—9/07.
Clive Row Investment	Rs. 9/50—9/69—9/50—9/62.
Calcutta Tramways	Rs. 15/87—15/93—15/87—15/93—(15-10).
Dunlop Rubber	Rs. 24/25—24/25—23/62—23/69—(30-10).
Do. (2nd Pref.)	Rs. 87/00—88/50—87/00—88/50—(97).
Ganges	Rs. 107/50—107/50—107/50—107/50.
Gillanders Arbuthnot	Rs. 11/09—11/19—10/87—10/94—(13-8).
Do. (Pref.)	Rs. 60/00—60/00—60/00—60/00—(71-4).
Hall & Anderson	Rs. 7/00—7/00—7/00—7/00.
Imperial Tobacco	Rs. 14/06—14/06—14/06—14/06.
Indian Aluminium	Rs. 12/56—12/87—12/56—12/87.
Indian Cables	Rs. 23/25—23/25—22/94—23/00—(21-14).
Jardine Henderson	Rs. 76/00—76/00—76/00—76/00—(100).
James Wright	Rs. 3/12—3/12—3/12—3/12—(4-13).
Metal Box	Rs. 26/25—26/25—26/00—26/00—(98).
Do. (Pref.)	Rs. 91/50—91/50—91/50—91/50—(91-50).
Martin Burn	Rs. 22/81—23/00—22/68—22/68—(25-8).
Moradabad Water Supply	Rs. 5/56—5/56—5/56—5/56.
National Carbon	Rs. 23/50—23/56—23/25—23/25.
National Rolling	Rs. 9/37—9/37—9/37—9/37—(9-15).
National Tobacco	Rs. 9/81—9/81—9/68—9/68—(12-1).
Do. (Pref.)	Rs. 69/00—69/00—69/00—69/00.
Osler Elec Lamp	Rs. 3/06—3/06—2/97—3/00.
Rohtas Industries	Rs. 16/75—18/12—16/75—17/62—(23-10).
Shaw Wallace	(Pref.)—Rs. 68/25—68/25—68/00—68/00—(82-8).
Western Stockholders Invest.	Rs. 0/82—0/88—0/82—0/82.

OIL SHARES

British Burma Petroleum	Rs. 2/45—2/53—2/37—2/44—(4-2).
Indo-Burma Petroleum	Rs. 27/87—27/87—27/87—27/87—(41-12).
Tide Water	Rs. 13/37—13/37—13/37—13/37—(15-14).

PAPER MILLS

India Paper Pulp	Rs. 20/87—20/87—20/75—20/75—(25-7).
Orient	Rs. 25/50—27/45—25/40—25/60—(38-6).
Do. (Pref.)	Rs. 93/50—93/50—93/50—93/50.
Shree Gopal	Rs. 15/00—15/12—14/94—15/12—(18-11).
Star	Rs. 10/00—10/12—10/00—10/12—(11-8).
Titaghar	Rs. 32/87—33/37—32/37—33/37—(43-8).

SHIPPINGS

Calcutta Steam Navig.	Rs. 16/00—16/00—15/93—15/93.
India Steamship	Rs. 9/75—10/12—9/72—9/78—(9-4).

SAW MILL

Assam Saws	Rs. 2/69—2/75—2/69—2/75—(4-14).
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SUGARS

Belsund	Rs. 10/62—10/87—10/56—10/56—(10-8).
Champaran	Rs. 17/43—17/50—17/37—17/50—(29-4).
Carew & Co.	Rs. 7/25—7/31—7/25—7/31—(8-13).
Dyer Meakin Breweries	Rs. 5/93—6/06—5/93—6/06—(5-14).

New Savan—Rs. 5/56—5/56—5/50—5/50—(6-5).
Shree Krishna Gyanodaya—Rs. 10/31—10/31—9/93—9/93—(14).

TEA SHARES

Brooke Bond	Rs. 16/75—17/06—16/75—17/06—(2
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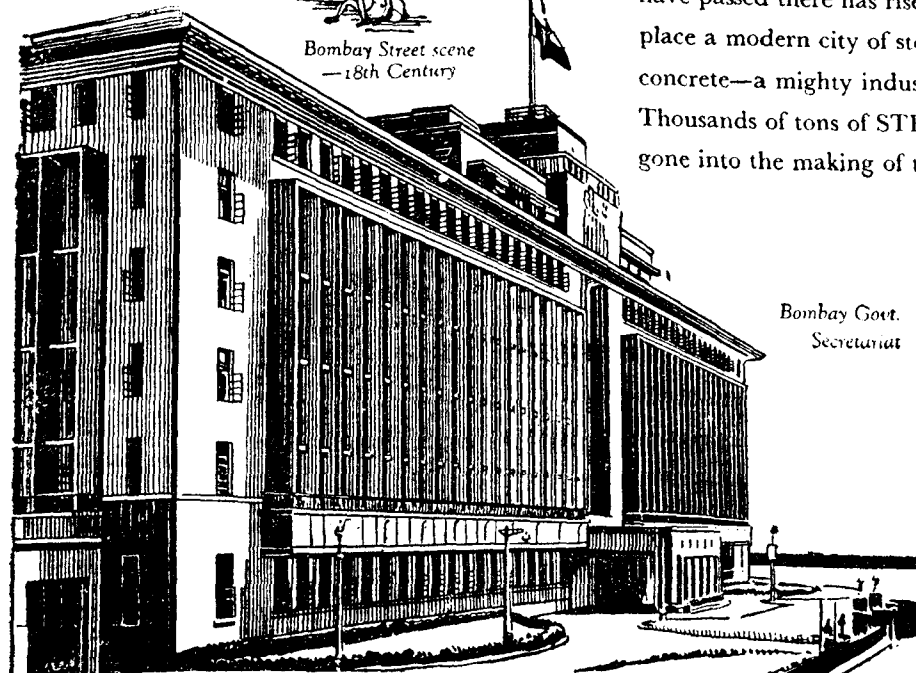
Q. 35

"Where now the city stands,
there was once naught but the city's site." OVID

Bombay



Bombay Street scene
—18th Century



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FIRM TONE IN STOCK MARKETS OIL SHARES RISE: FALL IN GILT-EDGED

London, 22nd May.

THE stock markets maintained a generally firm tone last week, but buying was selective and the level of business was somewhat below that of the previous week. Nevertheless, there was a fair amount of activity in several sections. Many good features developed among industrials which were favourably influenced by good company news, but the widening of the overseas trade gap in April and the weakness of sterling were adverse factors. Widespread and substantial gains were recorded in oil shares with activity stimulated by the abolition of petrol rationing, the apparent improvement in the Middle East situation and the excellent results of Shell Trinidad. A notable exception to the generally firm tone was the weakness of gilt-edged securities, which suffered some sharp decline, the main adverse factor being fading hopes of the possibility of an early reduction in Bank rate. New issue activity and the knowledge that there are many more new issues on the way, as also the weakness of sterling, contributed to the downward movement. Insurance shares declined under the influence of the Labour Party's pension plan, but banks improved following the Westminster Bank's capital scheme and higher dividend forecast. Foreign bonds and rails attracted very little attention, while dollar stocks fluctuated with Wall Street, but were mostly higher on balance. South African gold shares were quiet, but fairly well maintained while similar conditions prevailed in base metals. Many good features developed among rubber shares mainly on bids or hopes of eastern buying. Rubber Trust eased following their results, and Riverview lost ground due to a disappointing dividend. Tea shares were irregular. Travancore, Southern India and Kanan Devan eased on the nationalisation threat, and other Indian issues showed occasional recession following the Indian Budget proposals.

The Money Market

Difficult conditions persisted in the money market during last week, with the supply of funds on most days falling short of market requirements. Only on one day was the market able to proceed without official assistance and at midweek, two or three houses had to borrow a small amount from the Bank of England on Bank rate terms. The disbursement of Government departmental money did little to relieve the situation, and tight conditions remained up to the end of the week. More often than not, the rate for loans was 3½ percent, with some loans obtainable at 3¼ percent during less difficult periods. Business in bills was restricted due to the tightness of money. At last Friday's tender, the average rate for Treasury bills came out slightly higher at £3 16s 7½d percent.

Activity on Wall Street

Long-term U.S. Government obligations moved irregularly last week. Early in the period, prices sagged to within a striking distance of the January lows, reflecting rumours that the Treasury was about to issue new long-term securities in exchange for the maturing savings bonds. However, the market subsequently reversed its trend following the news that the Treasury had decided to "postpone indefinitely" any new long-term offering to holders of maturing bonds. Investment quality corporates firmed with the Treasury list. Rails continued mixed, while convertibles were mostly higher with the stock market. Foreign dollar bonds were slightly more active with the trend mixed. Most German Nationals showed only fractional changes. Italians and Danmarks 4½ percents moved irregularly, while Norwegians were unchanged to a shade higher. Australian and Japanese issues were unchanged to fractional. Union of South Africa 4½ percents were up nearly a point to equal the year's low of \$2. Brazilians were firm in the South American list with gains of 2 points, while Chile 3 percents were unchanged at \$43.

Hongkong Gold Quiet

Trading on the Hongkong gold market last week was the quietest for some time with the undertone easier. Non-arrival of gold from Macao was a brake to the downward trend. After a dip in values in the middle of the week, there was a rally when the delay from Macao was reported. Carry-over charges were 520 cents in favour of buyers. The official turnover was 790 taels and unofficial turnover 13,200 taels. Forward contracts were done at \$(U.S.) 37.73 an ounce.

Insurance Surcharge for Suez Risks

The Institute of London Underwriters has announced that the surcharge on war and strike riot and civil commotion shipping risks on cargo passing through the Suez Canal is now 1s 3d, £100. A fortnight ago this surcharge was reduced from 5s to 2s 6d a £100. At the height of the Suez crisis, the surcharge was 10s. The additional basic rate for the voyage through the Canal remains unchanged at 9d a £100.

U.S. Copper Output

Production of copper in the United States in April amounted to 110,016 tons compared with 106,718 tons in March, according to figures issued by the Copper Institute. Production of refined copper in April totalled 144,013 tons compared with 143,961 tons in March.

New Delhi

BUDGET LEVIES CRITICISED BY CONGRESS M.P.s

KRISHNAMACHARI DEFENDS WEALTH TAX ON COMPANIES

(FROM A NEW DELHI CORRESPONDENT)

AT last Saturday's informal meeting of Congress M.P.s with the Finance Minister, Mr. T. T. Krishnamachari, to discuss the Central Budget, Mr. Chandulal Parikh, a business man, spoke of the likely effect of the new taxation proposals. According to Mr. Parikh, the changes proposed in the income and corporation taxes and the levy of the new tax on wealth will oblige companies to pay 56 percent of their assessable profit as taxes instead of 43 percent as at present. At the new level of taxation, only about 200 out of the 10,000 companies engaged in manufacturing activity would be able to pay a tax-free dividend of 6 percent on capital and reserves, with a small carry-over to reserves for expansion or to meet emergencies. The remaining companies would be able to carry nothing to reserves, and not more than 500 of them would be able to pay even a dividend of 6 percent. Under such circumstances, Mr. Parikh argued, capital formation and industrial development were bound to suffer. Preference shares, debentures and mortgage loans, which fetched more than 6 percent, would attract the investor, bringing about a neglect of equity capital. If industrial development was the Government's aim, he said, the new corporate taxes would frustrate the objective.

But at a Press conference the same day, the Finance Minister not only said that he had left no margin for concessions, but even defended specific items of the increased taxation on companies. He elaborated the remark in his Budget speech that, though the wealth tax was intended primarily as a measure of personal taxation, "in the peculiar economic structure of India, I consider it advisable not to exclude companies from the purview of this tax". Mr. Krishnamachari said that a very large number of companies in India were owned by a group of individuals. Asked why at least public limited companies were not exempted from the tax, the Finance Minister said that companies with large assets, on whom alone the wealth tax would be levied, generally made more profit and could well afford the new tax which had been fixed at the low rate of 1 percent. Estimating the additional burden imposed by the levy on wealth at between 2 and 3 percent of the amount of tax now being paid by such companies, he remarked: "I would much rather have it this way." About the increase in the tax on bonus shares from 12½ percent to 30 percent, the Finance Minister made it clear that he was not impressed by the adverse stock effect of the changes in corporate taxation would not be adverse for the foreign investor. The Finance Minister also firmly ruled out a suggestion abroad in order to conserve foreign exchange. He remarked that such an extreme step could be considered only if the country became involved in war.

The incidence of the wealth tax in certain typical cases is shown below:

Total wealth	Payable by individuals	Payable by Hindu undivided families	Payable by companies
Below Rs. 2 lakhs	Rs. Nil	Rs. Nil	Rs. Nil
Rs. 2 lakhs to 5 lakhs	Nil	Nil	Nil
Rs. 5 lakhs to 10 lakhs	500	Nil	Nil
Rs. 10 lakhs to 20 lakhs	1,500	1,000	Nil
Rs. 20 lakhs to 50 lakhs	4,000	3,500	2,500
Rs. 50 lakhs to 1,00,000	13,000	12,000	7,500
Rs. 1,00,000 to 2,00,000	57,000	55,500	22,500
Rs. 2,00,000 to 5,00,000	1,32,000	1,30,500	47,500

Taxation of Foreign Companies

The effect of the changes made in existing taxation on foreign companies working through Indian subsidiaries, and on foreign companies operating through branches and earning other incomes, is brought out in the following table:

Classes of companies	PRESENT		PROPOSED	
	Income-tax and Surcharge	Corporation Tax	Income-tax and Surcharge	Corporation Tax
1. Companies which have made prescribed arrangements for the declaration and payment in India of dividends, and for the deduction of supertax from dividends paid to non-resident shareholders	%	%	%	%
(a) Companies in which the public are substantially interested with total income not exceeding Rs. 25,000				
(i) On dividend income derived from a subsidiary Indian company	26.25	11	31.5	10
(ii) On the balance of income	26.25	11	31.5	15
(b) Other companies:				
(i) On dividend income derived from a subsidiary Indian company	26.25	17	31.5	10
(ii) On the balance of income	26.25	17	31.5	20
2. Companies which have not made the prescribed arrangements referred to in (1), that is foreign companies				
(i) On dividend income derived from a subsidiary Indian company	26.25	20	31.5	10
(ii) On the balance of income	26.25	36	31.5	30

Apart from the alterations in the minimum distribution of profits by Section 23A companies, the Income-tax Act is being amended in an important particular as far as companies in general are concerned. It relates to the carry-forward of losses in business or capital gains, for which the period is at present not limited. It is now proposed to impose a maximum limit of eight years for such carry-forward of losses. The provision relating to the deposit of a portion of undistributed company profits is also being revised so as to bring out the Government's intention more clearly.

Expenditure Tax

The incidence of the expenditure tax in certain typical cases is shown in the following table (H.U.F. indicates a Hindu undivided family):

Expenditure on personal consumption	Tax payable by an individual with two children	A H.U.F. comprising two children each	A H.U.F. comprising three children each
Rs.	Rs.	Rs.	Rs.
25,000	Nil	Nil	Nil
36,000	200	Nil	Nil
50,000	2,200	Nil	Nil
60,000	5,400	600	Nil
80,000	17,800	5,400	600
1,00,000	37,000	17,800	5,400

Though a note appended to the Expenditure Tax Bill places the number of likely assesses at 4,500 individuals and 1,500 Hindu undivided families, it is now officially estimated that the number of assessable individuals is likely to be 5,500 and the number of H.U.F.s only 1,000. No estimate of the probable yield appears to have been worked out, but the cost of collection is estimated at Rs. 5 lakhs on officers and staff and Rs. 3 lakhs on incidental expenses.

Personal Rates of Tax

With the various changes made in the personal income-tax structure, from the rates applicable to the highest slabs down to the exemption limit, the actual amount of tax (inclusive of supertax and surcharge) payable by married persons at different levels of income will be as follows:

Income	PRESENT		PROPOSED	
	Earned	Unearned	Earned	Unearned
Rs.	Rs.	Rs.	Rs.	Rs.
3,000	—	—	18	—
3,600	—	—	60	—
5,000	94	141	60	—
10,000	508	804	457	522
20,000	2,132	3,182	2,058	2,352
40,000	11,451	11,713	10,458	11,952
50,000	17,620	17,620	16,233	18,552
60,000	24,182	24,182	22,553	25,752
70,000	31,401	31,401	29,358	33,552
1,00,000	55,026	55,026	51,408	58,752
1,50,000	98,667	98,667	89,908	1,00,652
2,00,000	144,604	144,604	128,408	142,752
2,50,000	1,90,541	1,90,541	1,66,908	1,84,752

In addition to the concessions in favour of earned incomes, the middle class stands to gain from two changes that are being made in the Income-tax Act. One relates to the rebate of income-tax on life insurance premia payments and provident fund contributions, which is now allowed up to a maximum of one-fifth of the total income, or Rs. 8,000 in the case of individuals and Rs. 16,000 in the case of Hindu undivided families, whichever is less. The limit of one-fifth is being raised to one-fourth, though the maximum amount qualifying for rebate will remain unchanged. The second change concerns the employer's contribution to a

recognised provident fund, which is now included in the employee's total income. It is proposed to exclude the employer's contribution from total income, subject to a maximum of 10 percent of the employee's salary. The exchequer, on the other hand, will benefit by the increase in the number of income-tax assesses from 500,000 to 900,000 on account of the reduction in the exemption limit from Rs. 4,200 to Rs. 3,000. When the exemption limit was last at the level of Rs. 3,000, the number of assesses was about 830,000. It is estimated that about 70,000 more would now have come into the income range of Rs. 3,000 to Rs. 4,200.

Tax on Railway Travel

There was an informal meeting of Congress M.P.s with the Railway Minister, Mr. Jagjivan Ram, last week. But in the stir caused by the imposition of a tax on railway passenger fares as part of the General Budget, the Railway Minister's doubling of the surcharge on goods and parcel freight was virtually ignored. Instead of enquiring about the likely effect of the increased transport costs of goods on the price level, the M.P.s, it is understood, concentrated their attention on the tax on passenger fares. They did not, in the first place, approve of this tax, particularly on short-distance travel. Secondly, they wondered why the tax should not have been levied by the railways to meet their own admittedly pressing need for additional funds. Mr. Jagjivan Ram, later at his Press conference, made light of the formal distinction between general and railway revenues, and pointed out that if the Centre's loan assistance to the States was not reduced by Rs. 8 crores this year through the distribution of the proceeds of the railway passenger tax, the amount would have had to be found in some other way. While the propriety of the Finance Minister's resort to Article 269(d) of the Constitution will probably continue to be disputed, Parliament is certain to witness a less academic debate on the rates at which the railway travel tax has been levied. Many Congress members are likely to join the Opposition in demanding exemption from the tax for short-distance travel, say, up to 10 miles.

Opposition to Excise Duties

Of all the tax proposals, the one which has evoked the widest protest in political circles is the increase in excise duties, which accounts for the bulk of the additional taxation yield, embracing such articles of common consumption as sugar, vegetable oils, tea, coffee, tobacco and matches. The removal of the additional excise and import duties on kerosene, and of the import duty unconditionally levied on newsprint, will make no significant difference to the size of the new excise burden. The Finance Minister urged at his Press conference that the small increases on various commodities should not be exaggerated. He pointed out that excise duties were unavoidable in any underdeveloped country trying for a rapid increase in investment. He recalled in this connection that Russia until 1937 raised almost her entire revenue from the turnover tax. But Mr. Krishnamachari himself did not attach undue importance to the "statistical exercise" which showed that, on the basis of the weights devised by the Taxation Enquiry Commission for consumption expenditure at all income levels, the new excise duties affected items accounting for only 2.34 percent of domestic expenditure in rural areas and 4.38 percent in urban areas. He said candidly that there could be no guarantee against a rise in prices beyond the size of the increase in excise duties without the imposition of controls, for which neither the ruling party nor the Opposition was prepared. The only article about which the Finance Minister gave the common man an assurance of relief from high prices was food; a subsidy fund of Rs. 25 crores is to be created for this. But the Finance Minister's spotlighting of this Budget provision, as proof of his concern for the consumer, has also had the effect of emphasising the fact that the Government's policy is yet to proceed beyond preparedness for subsidising the sale of imported food. The basic difficulty is that there appears to be no agreed view on the part of the Government about what should be regarded as the reasonable level of foodgrain prices in the present circumstances. This vulnerable point in its economic policy is likely to be the target of many critics.

Central Aid to Kerala

The talks which took place in the capital last week between some Union Ministers and Mr. E. M. S. Namboodiripad, Chief Minister of Kerala, have induced observers to believe that the State's Communist Government intends to play a long innings, and is planning to provoke no conflict with the Centre by embarking on the nationalisation of foreign-owned tea and rubber plantations. When questioned on the subject at a Press conference, Mr. Namboodiripad naturally reiterated his Party's faith in ending foreign ownership in all important industries. But it is learnt that he did not raise the subject himself during his talks with any member of the Union Government. He was more concerned about securing an increase in the Centre's financial assistance to the State for various projects, and additional supplies of rice from Central stocks for sale through fair price shops in the three difficult monsoon months which lie ahead. Mr. Namboodiripad returned to Trivandrum with the assurance of an additional rice surpluse. He could not expect to receive a similar prompt reply to the request for increasing the size of Kerala's second five year plan. He gave the impression of being content to await further consideration of his move to obtain a larger scale of Central assistance.

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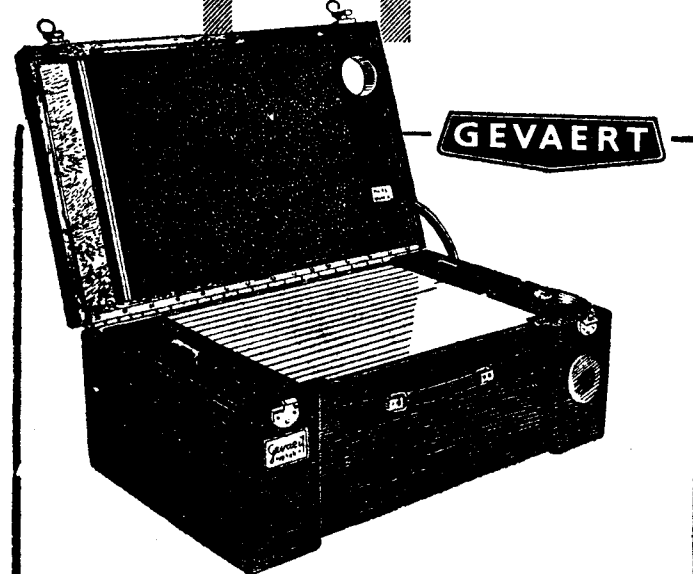
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London

USE OF SUEZ CANAL BY BRITISH SHIPS ARRANGEMENTS FOR PAYING DUES IN STERLING

(FROM OUR LONDON CORRESPONDENT)

THE Government's decision that British shipping should be allowed to use the Suez Canal, "with reservations", and the subsequent two-day debate in the House of Commons on an Opposition motion of censure, occupied the headlines last week. The decision was inevitable when it became clear at the S.C.U.A. meeting that only France was determined to continue boycotting the canal until the United Nations' six points for the operation of the canal were fulfilled by the Egyptian Authority. The U.K. Chamber of Shipping had already made it clear that it would not be possible to continue going round the Cape much longer with the ships of other nations using the canal, since for voyages to the Persian Gulf, India and the Far East, the competitive disadvantage would have been too great. Although the canal has been reopened only a short while, British shipowners, quoting as much as 50s a ton higher for the carriage of general cargo via the Cape, have lost several thousands of tons destined for points east of Suez to speculators operating foreign flag tramps through the canal. Efforts to secure a long-term settlement on the basis of the U.N. directive are to continue, while there is to be a speeding up in plans to make this country less dependent upon the canal for oil shipments from the Middle East, but these factors were not sufficiently emphasised in the Commons debate. Fourteen Conservative backbenchers abstained during the division, which the Government nevertheless won by 49 votes, and eight of them declined the Whip to sit in future as Independent Conservatives.

So far as the City was concerned, the principal interest was as to how the exchange control regulations were to be amended to make the payment of canal dues in sterling a practicable proposition. These arrangements were negotiated by representatives of the Bank of England and the National Bank of Egypt in Basle over the previous week-end, and it is interesting to find that they have been welcomed by the Egyptian Press—which has been surprisingly moderate in its comments on the development as a whole—as a possible prelude to further contacts towards bettering the situation generally. The new Exchange Control Order has the effect of reinstating the "Egyptian Monetary Area" in the "Transferable Account Area", but maintains the restrictions on the use of Egyptian accounts and No. 2 accounts of banks in the Egyptian Monetary Area. Payments for goods will continue to be made into the blocked No. 1 account. As Egypt has an embargo on trade with Britain (and France) this is unlikely to be of much practical consequence. Payments for exports to the Egyptian Monetary Area may be received in sterling from a Transferable, American, Canadian or Registered Account or in any specified currency. This enables, say, Germany to settle her trading commitments with Egypt in sterling via London. As Britain has no control over any other country's transactions with Egypt, and such a transaction could be settled in any currency, the possibility to do so in sterling will at least ensure some commission income accruing to London. Meantime, there have been reductions all round in both freight and war risk rate surcharges.

April Trade Returns

Provisional figures released by the Board of Trade show that there has been a falling away in overseas trade from the unusually good returns in March, but after allowing for the Easter holidays, delays in imports occasioned by using the longer Cape route from the East and, to some extent, the labour unrest in this country, the general trend continues to be fairly satisfactory. The value of British exports in April was £272.2 million, 2½ percent below the monthly average for the first quarter. In the first four months of 1957, the value of exports (excluding silver bullion repayments to the United States) was 7 percent more than in the corresponding period of last year. Imports in April amounted to £349.6 million, 1 percent less than the monthly average for the first quarter. In the first four months of 1957 the import bill was 7½ percent higher than in the same period of last year, but one-third of this increase was due to arrivals delayed from 1956 through diversion round the Cape. Principal cause of the setback was the sharp fall in re-exports, which at £8.6 million were one-third less than the monthly average in the first quarter. The trade "gap" or excess of imports, was £68.8 million in April against the March figure of only £48.4 million. In the first four months of this year, the gap has averaged £63 million a month; allowing for the delayed arrivals in the import figure, this shows little change from the average of £56 million a month in the first four months of 1956.

The most encouraging feature of the returns is the fact that the U.K.'s exports to north America are holding up excellently. In contrast to the £236.2 million in March, exports in April amounted to £44.1 million. Apart from the value of the liner *Empress of England* (about £6 million) delivered to Canada, the figure includes a final

instalment of £1.5 million worth of silver being repaid to the United States. This brings the total repayments since April 1956, to £294 million. Excluding silver bullion, dollar exports in April were £104 million more than the monthly rate in the first quarter. In the first four months of 1957, they were 17½ percent more than in the corresponding period of 1956. April shipments to the United States alone were slightly down at £19.5 million; but for the first four months of this year (excluding silver repayments), they were 1½ percent up on the same period of 1956. Exports to Canada in April were £24.6 million, the highest figure so far recorded. In the first four months of 1957, shipments to Canada were worth 23 percent more than in the corresponding period of 1956.

Hire-Purchase Credit Rising

Hire-purchase credit, control of which has been a major factor in the Government's economic policy over the last few years, is on the increase once again even though the total outstanding at the end of March, estimated by the Board of Trade at £363 million, was still 19 percent below the peak of £450 million at which it was estimated at the end of 1955. Of the total, £209 million was due to retailers and at least £154 million to finance houses. The detailed breakdown shows that new hire-purchase credit extended by finance houses in March was 24 percent higher than in February and 80 percent above the level of a year ago. Advances for most types of motor vehicles were 25 to 30 percent higher than in February. Compared with March last year, new credits for motorcycles were 237 percent higher. Those for second-hand cars rose by 147 percent. Advances by finance houses for household goods were 9 percent higher than a year ago, and fell only 2 percent below the February figure. The March 1956 figures were, however, affected by the restrictions introduced in mid-February. Hire-purchase sales of furniture in March rose 2 percent above February and were 3 percent more than a year ago. Sales by hardware, radio and electrical goods shops fell by 6 percent in February, but were 21 percent higher than in March last year.

Basic Materials Up

The basic materials index, after falling 1.5 percent over the previous three months, rose 0.6 percent in April from 159.1 to 160 (1949 = 100). Higher molasses and wool prices were mainly responsible. The price of molasses rose by 68.2 percent in the month, but this commodity carries only a small weight in the index. Wool prices rose by 2.6 percent, rubber by 1.8 percent, copper by 0.7 percent, zinc by 1.8 percent, and linseed oil by 3 percent. These rises were slightly offset by falls of 7.7 percent in imported steel scrap and of 1.6 percent in hides and skins. Indices for materials used in the engineering industries showed little change last month. The index for all manufactured products rose 0.7 percent, largely through higher prices for textile products, clothing and metal manufactures.

Cheap Textile Import Problem

The Lancashire trade delegation to Pakistan has returned to report its failure to persuade the millowners there to restrict their exports of cotton goods to this country. It is felt here that the negotiations were prejudiced by the recent announcement that the Hongkong industry was unable to agree to any arrangement involving limitation of its exports to the United Kingdom. In the face of that, Pakistan, which undoubtedly feels that it has stronger reasons than both Hongkong and India, for wishing to retain freedom to improve on its past performance in export trade with the British market, could hardly be expected to adopt any other attitude. Pakistan no doubt considers that it can gain orders from this country at India's expense, as the Indian mills no longer derive such a great advantage in competing for world trade from the prices they pay for domestic raw material. It may also believe that, as its productive capacity increases, it will be able consistently to offer goods on more attractive delivery terms than the Hongkong industry can achieve. In the circumstances, it is not surprising that the Pakistani millowners, in rejecting the suggestion of voluntary limitation of exports by the different suppliers individually, should propose the establishment of a maximum, for shipments from the three countries as a whole, leaving each to secure for itself as large a proportion of the total as possible. It is admitted here that the plan is ingenious. Doubts may well be entertained, however, whether either India or Hongkong would seriously consider participating in it. Even if the principle was accepted, moreover, there would be great difficulty in arranging the administration of a scheme on those lines. Lancashire is naturally disappointed that the delegation has not been more successful, but takes heart from the fact that all three of the countries approached appear to recognise Lancashire's problem. The next move has yet to be decided upon, but it is thought likely that it will be another approach to the Government, particularly since Mr. Peter Thorneycroft has left the Board of Trade. His successor, Sir David Eccles, is popularly supposed in Lancashire to be more sympathetic to cotton.

Savings in Building Societies

What may ultimately prove to be the decisive factor towards an economic revival in this country is the steady growth over the last couple of years of savings, for it represents both a revival of confidence as well as a refutation of the contention that earnings are not keeping pace with rising living costs. The latest confirmation of a returning thriftiness comes from the returns of the Building

Societies' Association, which disclose the attraction of an increased volume of new funds despite keen competition from rival forms of saving. Thus 207 societies, whose combined assets represent four-fifths of the whole movement in the first quarter of this year received £82,640,000 on shares or deposits. This was an increase of £9.6 million on the £72.4 million received in the last quarter of 1956, and was back at the level of the first quarter of last year, which was £82.3 million. Unfortunately, withdrawals at £61.5 million were well above the £55.3 million recorded in the final quarter of 1956, but they were below the level of the first quarter of last year, when the figure was £63.2 million. At £59.6 million, new advances made in the first quarter of this year have fallen just short of the £60.8 million in the last quarter of 1956. They are substantially lower than the £64.8 million in the first quarter of last year. The Association points out that this is due rather to the traditional caution of the societies than to any reduction in the demand for mortgages, which remains high, although slightly less than it was a year ago. A striking feature of the latest quarterly figures is the strength of the liquid position. Cash and trustee securities, amounting to £258.2 million, represent nearly 15 percent of the societies' total assets.

New British Turboprop Airliner

Another British turboprop airliner has just been announced. It is a new version of the Handley Page *Herald* transport plane, which will be powered by two Rolls-Royce Dart turbo-prop engines. It has been designed for branch-line operators throughout the world. The plane will carry 43 passengers in pressurised comfort, or nearly five tons of freight, or a combination of both passengers and freight at a mean cruising speed of 275 m.p.h. This raises the number of existing or projected British turboprop aircraft to eight. The others are the Vickers Viscount and the Bristol *Britannia* already in service; the Vickers *Vanguard*, the Fairey Rotodyne (50-seater helicopter with a jet-powered rotor and twin turboprops for forward drive), the Armstrong-Whitworth 650 freighter, the *Accountant* feeder or executive aircraft, and the Miles 107 feeder liner. Parallel production is planned both for the turboprop and the piston-engined *Herald*. In many regions, especially remote areas, the piston-engined type (with Alvis Leonides engines) will remain more suitable. It will score particularly in very hot countries and in operation from small high-altitude airstrips in difficult terrain. The Dart-engined *Herald* however, is some 70 m.p.h. faster, and it will be especially suited to fast branch-line services in developed areas. Its take-off and landing performance is almost as good as that of the piston-engined aircraft in temperate regions, where

its greater speed and smoothness may make it more attractive to operators and passengers alike. A Dart *Herald* will cost £175,000, including furnishings. The operating cost of this new turbo-prop airliner will say the manufacturers, be less than 1½d a passenger-mile and 16d a ton-mile. The first flight is scheduled for early next year.

Nuclear-Powered Tanker

The British Admiralty has set up a committee, led by Rear-Admiral Wilson, but drawn from a wide circle of those interested in shipbuilding or the operation of merchant fleets, to consider the development of nuclear-powered merchantmen. An actual experimental project is expected to be drawn up and put in hand in the not too distant future. The project is to build a tanker of 80,000 tons capacity to cost £10 to £12 million, which could be ready for sea in six years. It is believed that the Treasury will wholly or partly finance it. It is emphasised that the tanker—unlike the American projects likely to be afloat earlier—will be a fully economic proposition, able to compete in freights with conventionally powered ships, and will be the first commercially viable nuclear vessel in the world. Because of the great weight of the nuclear unit, the machinery must be placed amidships instead of astern as in conventional ships.

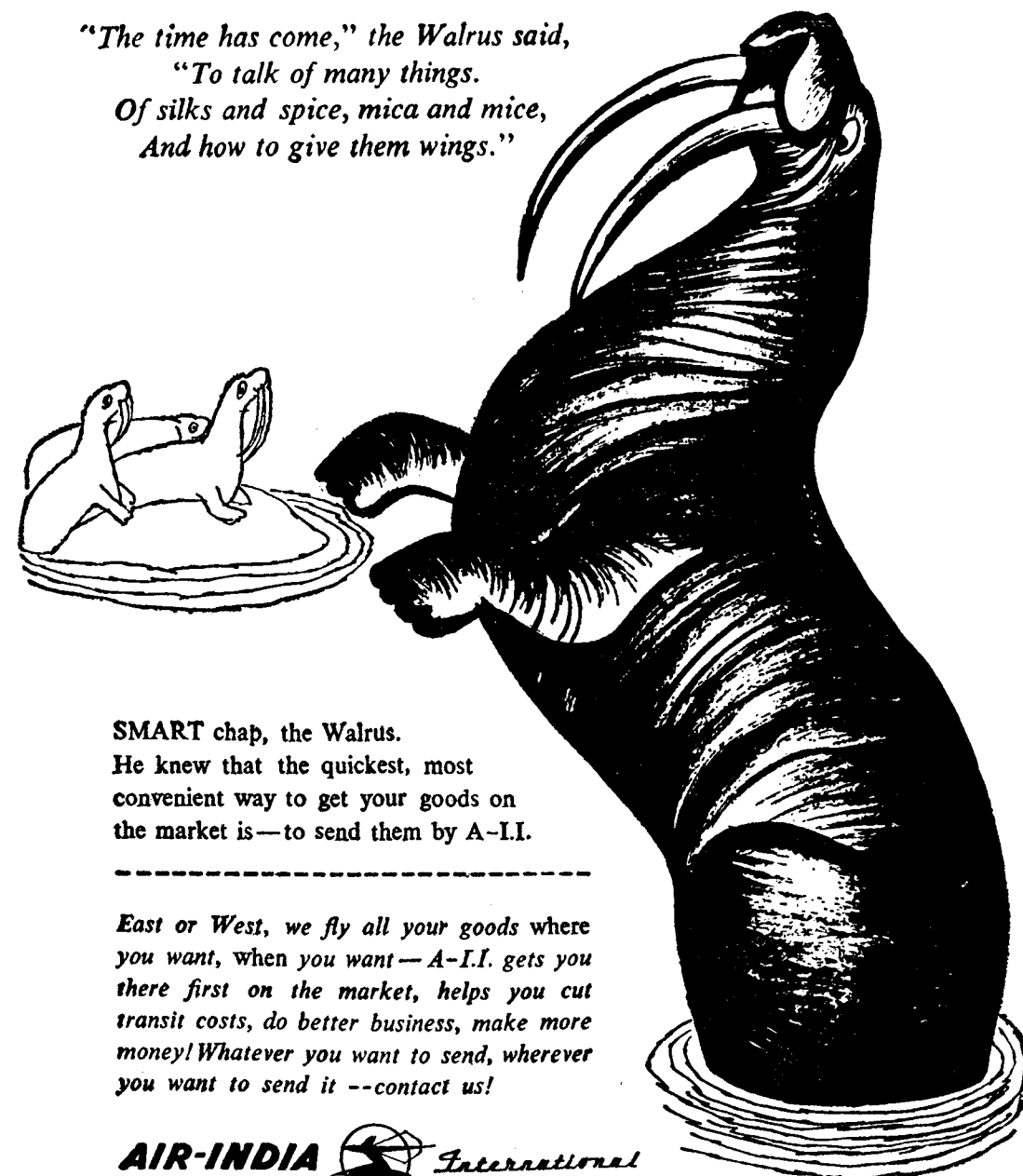
Brevities

The Treasury has announced that 499,544,813 coins were produced at the Royal Mint in 1956—almost ten million every working week. The coins weighed 2,900 tons, of which 68 percent were United Kingdom coins, 17 percent for other parts of the Commonwealth, and 15 percent coins for foreign administrations.

With effect from 20th May, the maximum prices of a limited range of steel products, including non-alloy steel wire rods, rivet, bolt and nut bars, cold-rolled strip, intermedial widths of hot-rolled strip, and bright non-alloy steel bars (other than commercial quality rounds, squares and hexagons) are to go up in varying amounts from 10s to £3 a ton, according to the Iron and Steel Board. No significant change has been made in the general level of steel prices by this move.

United Kingdom airlines carried 12 percent more passengers on scheduled services last year, while the passenger mileage rose by 15 percent. Figures issued by the Ministry of Transport and Civil Aviation show that 3,364,000 passengers travelled 2,079 million passenger-miles on scheduled services. Total traffic carried increased by 12 percent to 275 million short ton-miles. The number of passengers carried on scheduled services by the private companies increased by 9 percent to 537,804.

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Uttar Pradesh

NEED FOR SPECIAL AID TO TEXTILE MILLS

SUGAR PRODUCTION PROSPECTS

(FROM OUR LUCKNOW CORRESPONDENT)

MR. J. K. Srivastava, chairman, Employers Association of Northern India, has pleaded for a scheme of special assistance to the economic units of the textile industry in Kanpur. In a statement issued with reference to the closure prospect facing the Kanpur Cotton Mills in the British India Corporation group, Mr. Srivastava says that unless remedial measures are taken forthwith, other mills will soon share the same fate. The special assistance programme he has outlined has a short-range and a long-range aspect. The long-term plan should aim at reorganisation and rehabilitation of uneconomic units for which loans should be made available from the National Industrial Development Corporation, which has been specially set up by the Government for this purpose. The execution of the short-range programme, however, should be the responsibility of the State Government.

Describing the main features of the scheme, Mr. Srivastava says: "The execution of the rehabilitation plan would normally take three years and in the intervening period Government should afford special facilities and concessions to uneconomic units which are in the process of closing down so that they may be kept on their feet until such time as their rehabilitation schemes have materialised. Similar concessions should also be given to those units which have already closed down to enable them to be re-commenced. Assistance in the field of sales tax, electricity duty, reorganisation of the labour structure and special exemptions from the oppressive labour and Factory Act regulations and legislation should be made available. The Textile Commissioner should be deputed to investigate the causes of closure or threatened closure as the case may be, and it is only when he is satisfied that this has been necessitated by factors beyond the control of the management that a unit could qualify for assistance. This would not affect the revenue of the State in any way and yet the relief granted for a specific period of time would help these mills to tide over the critical period of transition." Mr. Srivastava thinks that the Government of India does not take into consideration any regional economic obstacles when formulating its textile policies which are often based on the prosperous conditions of the industry in Bombay and Ahmedabad.

Raising Cement Production

The production of cement in the Government-owned cement factory in Churk will shortly be raised to 1,400 tons a day, according to an announcement made by Mr. T. L. Mahendra, director of the factory. Global tenders were invited last September and five tenders were received which have been scrutinised by the Technical Committee. Final acceptance of tenders is to be made this month after the Government of India has taken a decision on deferred payment. According to Mr. Mahendra, the factory recorded its highest production last month with 21,200 tons of cement and 18,000 tons of clinker. The annual production was the highest during April 1956 to March 1957 when the clinker produced amounted 180,000 tons and the cement to 196,000 tons. Approximately two-thirds of the production is utilised in Government projects and one-third is being made available to the public.

Sugar Output

The production of sugar in Uttar Pradesh during this season is now estimated at 1,040,000

tons against the country's total production of 2,000,000 tons. The State, which has half of India's total of 134 sugar mills, has almost doubled its production during the last five years. Its 67 sugar factories crushed 5,871,428 tons of cane and produced 592,000 tons of sugar in 1950-51. In the last year of the first plan, they crushed 9,900,000 tons of cane producing 989,000 tons of sugar. This year the crushing is estimated at 10,714,285 tons of cane. Land under sugarcane in the State today aggregates 2,600,000 acres. 2,000,000 acres being the reserved area for the factories. Of the reserved area, 800,000 acres is the gate area, nearest to the factory, which is intensively developed while the remaining 1,200,000 acres are called the outlying area. It is proposed to start intensive cultivation in 300,000 acres of this outlying area. The purpose of this move is to reduce the acreage under cane so that more land may be available for foodgrain crops. No less than 66 percent of the sugarcane grown in the State is utilised for the manufacture of gur, 24 percent for the manufacture of white sugar, and the remaining goes for chewing or seed purposes. A seminar on open pan crystal sugar manufacture was recently held in Lucknow when Dr. Punjabrao Deshmukh expressed the hope that by adopting improved methods of khandasari manufacture, cane-growers would be able to get a return of 75 percent of the value of cane supplied to the factories. The growers who convert their cane into gur and khandasari at present get a return of only 60 percent of the cane supplied to factories. The gur and khandasari industry employs about 2,100,000 seasonal workers in the State and about 70,000 whole-time workers and accounts for an investment of about Rs. 40 crores. The State's Labour Minister, Acharya Jugul Kishore, has announced in the State legislature that the Government will shortly appoint a wage board for the sugar industry.

Judgment on Sales Tax

A full Bench of the Allahabad High Court has held a notification issued by the Governor of Uttar Pradesh on 31st March, 1956 enhancing the rate of sales tax on certain commodities to one anna in the rupee as invalid. The main contention of the petitioner was that on 31st March, 1956, Section 3A of the U.P. Sales Tax Act stood un-amended and that under the unamended subsection the Governor had no power to make the impugned declaration. The argument of the Government was that the Governor could make the declaration in anticipation of the amendment. The Chief Justice who wrote the main judgment observed: "In my opinion no question of the application of Section 22 of the U.P. General Clauses Act for the purpose of establishing the validity of the notification by the Governor on 31st March arises. In my opinion recourse can be had to Section 22 of the General Clauses Act only if a notification is issued under the Act or ordinance which had been published but not come into force. Had the notification been issued under Section 3A and enforced on 1st April, the position might have been different. But it was not so issued and it is common ground that under the unamended Section 3A the Governor had no power to issue the notification. I am of the opinion that the notification is invalid." The Chief Justice added: "In the case of the present Ordinance, there can, I think, be little doubt that it was the intention of the Governor that the ordinance should come into force on 1st April, 1956. The purpose of the Ordinance was to amend the U.P. Sales Tax Act, 1948. That purpose was to have been achieved by Sections 2 to 13 of the Ordinance and the amendment effected by those sections were not to be effective till 1st April, 1956. The Ordinance was, in the words of Lord Goddard, in a state of suspended animation until that date. In my opinion the Ordinance did come into force within the meaning of Section 22 on the date on which it was published."

Bombay

OFFICIAL CONCERN OVER HIGH FOOD PRICES

TEST RELIEF WORKS IN AFFECTED AREAS

(FROM OUR BOMBAY CORRESPONDENT)

THE food situation in Bombay State is causing some concern. The Minister for Civil Supplies has stated that the Government is doing all in its power to build adequate stocks to meet emergencies. He has pointed out that Bombay is a deficit State and that it will receive 50,000 tons of wheat each month from the Union Government till the end of the monsoon period. Of this, 20,000 tons will be held for Bombay city while the remainder will be diverted to the districts, particularly those which are difficult to reach during the rainy season. Referring to the possibility of food rationing, the Minister said: "We are prepared for any contingency. If it becomes necessary to reintroduce food rationing, we will not hesitate to do so. In case of emergency, we are prepared to go to any extent." The Minister also said that test relief works have been organised in those parts of the State where crops had failed either because of a shortage or excess of rainfall. Referring to prices, he said that these had notably increased. The price of wheat in Ahmedabad was Rs. 13-6 in April 1955. It increased to Rs. 17-11 in November 1956 and was ruling at Rs. 18 in March this year.

Piecegoods Active

The cotton piecegoods market has improved considerably and the demand has broadened over a wide range of qualities. Prices improved for *saris* and *dhotis* in medium counts following satisfactory enquiries. Grey sheetings were also popular, the prices of which increased by three to five percent. The demand for superfine and fine qualities also improved. The main centres to show interest were West Bengal, Punjab, Uttar Pradesh and Bihar. Export business, however, continues to be disappointing though some modest orders were received from Hongkong and Singapore for medium grey sheetings and medium drills. Burma has bought small quantities of printed and bleached mulls and voiles but better business with that country is expected as it is believed that import licences have been issued to the Government-sponsored joint venture corporation. The lack of import licences is hindering trade with Indonesia. The United Kingdom purchased moderate quantities of medium greys and coarse drills. It is reported here that the Egyptian Government has decided to increase the discounts it offered to India on cotton prices from 10 to 13 percent. So far, mills have been reluctant to purchase Egyptian growths because of high prices even when a discount is taken into account. But Alexandria prices are now showing signs of falling and if the discount rate is increased, it is possible that business will result with Egypt.

Damage to Boiler

The Tata hydro-electric companies announced that boiler No. 1 in their Trombay thermal station had been put out of commission because of some damage caused to its tubes in the course of normal operation. The extent of the damage has yet to be fully ascertained but, it is clear, that the boiler will remain out of commission for some time until new tubes are imported to replace the damaged ones. Fortunately, there will be no interruption in power supply because the station's second unit, which is likely to come into normal operation by the end of this month, is capable of meeting the entire demand. Meanwhile, it is reported that progress of the Koyna hydro-electric project is being maintained according to schedule. The construction of the dam and the power house, which will be located in a cave and which is now being blasted, is going well ahead. Progress is also being made in the boring of tunnels which will be used for channelling the waters from across the hills. The main tunnel is expected to be completed by March 1960 and the dam a year later. The power house will be completed by 1959. The first phase of the scheme, estimated to cost Rs. 38 crores, will be in partial operation towards the end of 1960 and will be completed by the middle of 1962. Initially, about 60,000 kW will be available for distribution. Thereafter, a similar amount will be added every six months until all the four units are functioning at a capacity of 240,000 kW. Of this, 200,000 kW will be transmitted to Bombay for distribution over the Tata system and the balance will be supplied to Satara, Kolhapur, Sholapur and the Ratnagiri districts for the purpose of industrial development.

The irrigation aspect of the first phase of the project will be of secondary importance. Only the spillway waters will be channelled off for river purpose. The height of the dam from the river bed will be 207.5 feet impounding about 36,043 million cubic feet of water. The height of the dam will be raised by 64 feet in the second phase which will mean that it will impound 98,780 million cubic feet of water, of which 28 million cubic feet will be available for irrigation and another 11,000 million cubic feet will be reserved as carry-over. The third phase envisages the use of tailwaters from the original power house as they run down the foot of the hills and produce an additional 60,000 kW of power, and another power house at the foot of the dam generating 30,000 kW of seasonal power.

Jute

SUPPLY OF RAW JUTE FOR INDIAN MILLS

LESS NOW ARRIVING FROM DOMESTIC SOURCES

DURING April, arrivals of jute and mesta in Calcutta and at mills' stations totalled 375,500 bales, compared with 479,400 bales in March. Of the arrivals last month, 340,900 bales were Indian jute and mesta and 34,600 bales came from Pakistan. In April 1956, the total arrivals were 477,500 bales, of which 383,500 bales were Indian and 94,000 bales were Pakistani. The total arrivals for the ten months, July 1956 to April 1957, were 5,484,300 bales, compared with 5,701,900 bales in the corresponding ten months of 1955-56. Arrivals of Indian jute in the ten months were 4,925,600 bales, compared with 4,327,700 bales in the same period of last season, while the Pakistani arrivals were 558,700 bales against 1,374,200 bales. The following table shows the position at a glance:

	1956-57			1955-56		
	Indian	Pakistani	Total	Indian	Pakistani	Total
April	4,925,600	558,700	5,484,300	4,327,700	1,374,200	5,701,900
July						
April	4,925,600	558,700	5,484,300	4,327,700	1,374,200	5,701,900

It is interesting to note the decline in imports of Indian jute in the last three months as compared with the imports in the same months of last year.

	1957	1956
January	681,890	532,000
February	525,200	533,200
March	440,700	485,100
April	340,900	383,500

These figures support the view that, because arrivals of Indian jute were heavy in the early months of the season, there would be a rapid fall. It is estimated that, at the end of April, mills had in their godowns about 125,000 bales and had purchased further 400,000 bales which would cover their consumption up to about the first week of August. It is also estimated that there are still in uncountry centres and in Cossipore about 700,000 bales of unsold jute, which, if it all comes forward, would carry the mills well into September. By that time, even if the new crop is late, good supplies should be coming in.

Another point of interest is that, while the total arrivals in Cossipore and in mills since the beginning of the season have exceeded the mills' consumption, the position has been reversed in the past two months. In March, the arrivals were 479,400 bales, against the mills' consumption of 494,000 bales. In April, arrivals were 375,500 bales, against the mills' consumption of 506,000 bales. It has also to be noted that the arrivals do not all go direct to mills: a large percentage go to Cossipore where, of course, they are ultimately bought by mills.

THE JUTE MARKETS

Firm conditions have continued during most of the week with the usual fatka fluctuations. There was a mild recession on Monday because of reports of rain in some places and because of the gunny fatka settlement, but both sections of the market recovered on Tuesday afternoon.

Manufactured Goods: During most of the week, the market has been firm and the fatka ported, have done a fair amount of covering and mills have sold for deliveries to the end of the year. Enquiries came for cornsacks to Australia and Easter on Monday on account of the fatka settlement but recovered on Tuesday and closed firm. On Wednesday morning quotations were as follows:

	May	June	July-Sept.	Oct.-Dec.
	Rs.	Rs.	Rs.	Rs.
40in. 8oz.	34.60	34.60	34.60	34.30
40in. 10oz.	42.95	43.05	43.25	42.90
B Twills	117.25	117.20	117	116.35
Heavy Cees				
(Plain)	116.75	117.20	117	116.35
A Twills	130.50	130.50	130.50	130
Liverpools	129	129.50	129.50	129
Cornsacks	117.40	118	119	117.50

Raw Jute: Early in the week, good business was done in most classes of jute at firm prices. Mills paid Rs. 30.50 to Rs. 31.50 basis Bottoms for Assam and Northern jute, Rs. 32.50 to Rs. 33 for Daissee, Rs. 28 to Rs. 28.50 for Desal and Northern jute, Rs. 27 to Rs. 27.50 for Daissee mesta and districts, mills paid Rs. 33 to Rs. 33.50; and for Rs. 32 basis Bottoms. Dhulian-Nimitta white jute was done at Rs. 28 basis Bottoms while Punea jute was sold at Rs. 25. Bimbi was done at 26 F.A.Q. and Pakistani N.C.'s at Rs. 116. On Monday, the market eased off because of reports of rain in some jute districts and because the gunny market was lower on settlement transactions. It was still easy on Tuesday morning, but it firmed up during the day when a number of mills indicated interest at the lower prices being quoted. Sellers immediately became more reserved and offerings were restricted, but some business resulted at Rs.

33.25 for Middles only and Rs. 30.75 to Rs. 31 basis Bottoms for assortment. Mesta was done at Rs. 28.50 for Northern and Desal and bimbi F.A.Q. at Rs. 25.50. On Wednesday morning quotations were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment.
Assam	31.50	May-June
Northern	31.50	"
Purnea Desal	30.50	"
Purnea Jungli	28	"
Daissee Jute	33.50	One month
Murshidabad Tossa	33	May-June
Jungli Tossa	30.50	"
Northern ex Calcutta	30.50	One month
Local Packing	29	"
Pakistani N.C.'s	115	a bale May-June
Mesta:		
Assam	29	May-June
Northern	29	"
Desal	28.50	"
Daissee	27.50	One month
Jungli	25.50	May-June
Bimbi	26	F.A.Q. "

The Cossipore market was firm and mill buyers paid very full rates for picked lots. Arrivals were less than in the previous week, there being only 441 wagons against 646 the previous week.

Mofussil: Imports are small but it is reported that growers are now releasing early jute of better quality, which is giving a higher percentage of Middles. The releasing of this "raki pat", as it is called, is said to indicate that those who are now selling it are coming to the end of their stocks.

The Assam crop is reported to be doing well. Elsewhere, rain is badly needed for the young plants and for further sowings. In some places, the ground has not yet been ploughed because there has been no rain. It is reported also that, in those areas where there is a shortage of rice, paddy will be sown instead of jute.

THE PAKISTANI JUTE MARKETS

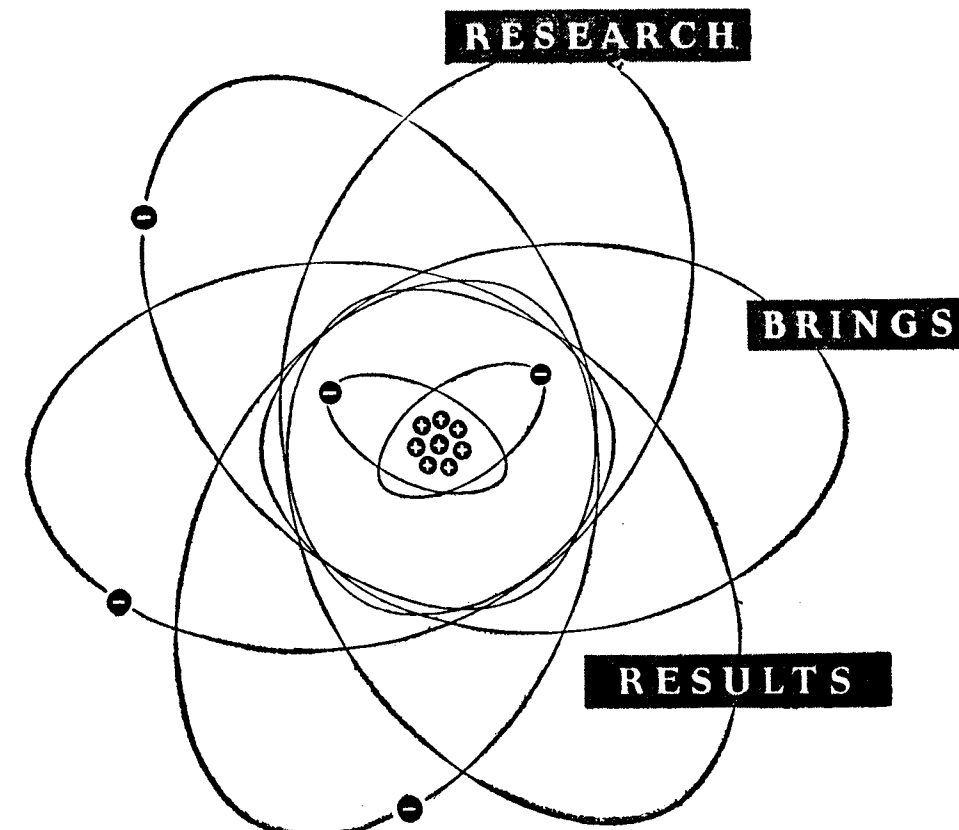
FIBRE PRICES REMAIN HIGH

(FROM A NARAYANGANJ CORRESPONDENT)

DESPITE slight fluctuations, prices during the past week have remained unchanged, and at times were slightly higher. B Bottoms are quoted at Rs. 35-8, C Bottoms at Rs. 33-8 and X Bottoms at Rs. 31-8. Pucca bale prices are about unchanged with cuttings about Rs. 2 higher. Although very little jute is available at upcountry stations, imports into Narayanganj have increased as sellers have been attracted by high prices. The moisture content remains high, yet there is no shortage of buyers. It is expected that more kutchha bales will be arriving from the northern districts in the next few days, since bookings have once again been opened.

A recent visit to the jute-growing areas indicates that in general, in areas east of a line drawn through Mymensingh and Dacca, the crop has not suffered from the delay in rains in the lowland areas, but the midland and highland crops have been affected. On the other hand, in the areas to the west, practically all the jute will be a bit late. There is no reason to believe that the size of the crop has been affected by the weather, but it is quite possible that more paddy has been sown than previously. It looks as if the early *chur* land crop may be expected during June, together with weedings from the lowland crop, and after that, imports may fall off for about a month, unless there is premature harvesting of jute due to a swift rise of the rivers. A temporary fall in arrivals so early in the season may well push prices up.

At the same time, reports of local business done for August-September, at prices ranging from Rs. 29 to Rs. 32 for B Bottoms, will tend to keep prices during July-August at levels which, although low by the current standard, should be considered high for the next crop. The only factor which might counteract these bullish tendencies during the early part of next season, is the tightness of money. Quite possibly, the primary sellers who are financially better off than ever before, may be prepared to "finance" their old established buyers, but undoubtedly jute will be cheaper for those who can pay cash. Overseas buyers continue indifferently in the market as they find the prices too high. With their total purchases up to



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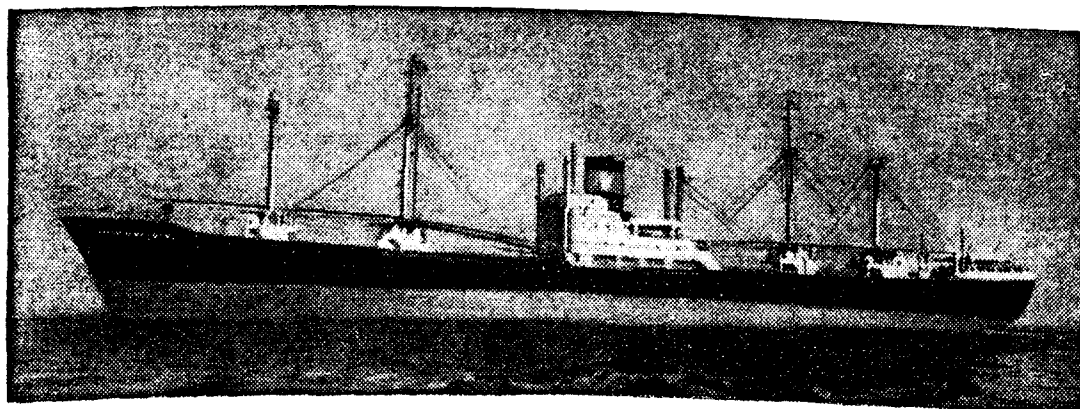
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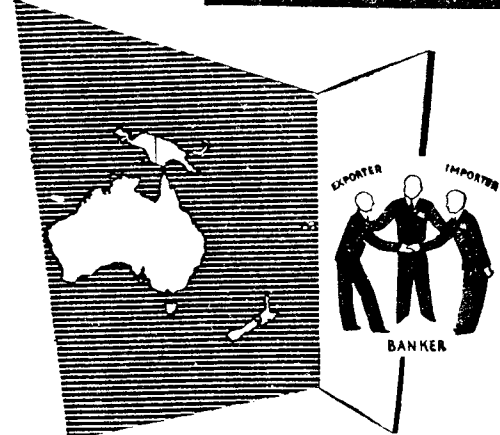
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B. PARKER
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the end of May at over 3,700,000 bales, it is unlikely that they will have much more to buy.

The local Jute Marketing Board has at last filled its senior executive posts. The chairman, as expected, is Mr. Sanwar Ali. Directors also have been appointed. The most suitable appointment is that of Mr. Simon as general manager. Until recently a director of the Sinclair and Murray group, he has wide experience of the jute trade. With him looking after the practical side, the Board stands a better chance of proving successful. A further advantage is that these posts have been filled early, giving the Board time to organise its establishment and agencies before the arrival of the jute crop. Many obstacles still remain, among them being the appointment of the men who will run the various agencies and baling centres. One wonders how the Board will act up to its avowed intention of buying jute at Rs. 20 a maund, when the market value will almost certainly be about Rs. 30.

The Pakistani mills have done some forward business up to October, at reasonable prices, to the United States and South Africa. In Karachi, although stocks are falling off, prices are down to Rs. 129 for B Twills and Rs. 56.8 for hessian. The reason for this is that ships are loading fairly heavily for Karachi in Chittagong and Chalna.

On 14th May, a mill in Chittagong went on strike. Since then, it is reported, the management has dismissed the entire staff. This is a brave attempt to quell the rapidly rising number of strikes, which tend to frustrate Pakistan's young jute industry.

THE FOREIGN JUTE MARKETS

DULL TRADING

(FROM OUR DUNDEE CORRESPONDENT)

CONSUMERS of jute yarns and cloth are apparently determined to use up their stocks rather than purchase further quantities. It is believed, however, that the trade is not interested in increasing its offtake. Meantime, there are many reports of firms paying off weavers and also spinners, but not nearly to the same extent. One big firm is credited with paying off 60 weavers last week-end. The greatest difficulty of manufacturers is to secure work for the wide looms. Linoleum hessians are very much quieter, and the trade in wide hessians for the new tufted carpets has fallen away. Unfortunately, the quietness has come at the wrong time. This is usually a quiet spell and the trade will have to wait until July-August before it can see any improvement. Pakistan is keeping up the prices for raw jute and some members of the industry believe that there may be a squeeze for fibre before the new crop is available. Others, however, think that there is ample material to satisfy demands this season and that the new crop may not be as late as has been stated.

Raw jute prices have eased off a little to £125 for Mill Firsts, £117 for Mill Lightnings, £113 for Mill Hearts and £106 for grade Hearts. £114 for good Daissee-2/3 and £112 for grade, with grade Tossa-2/3 from £122 and grade Tossa-4 from £116, all c.i.f. U.K., May-June. For June-July, there are sellers at £2 less in most cases. Some tentative offers of new crop are being made at £115 for Mill Firsts and £105 for Mill Lightnings for August-September shipment, c.i.f. but there are no spinners interested at these rates, which are about £14 above the minimum fixed prices in Pakistan. Jute yarns are still quiet at 15.72d a lb. for 8 lb common hessian weft and 16.86d for medium 8 lb spools. Buyers are taking only small quantities to meet urgent needs. Manufacturers are quoting unchanged rates for common hessians at 13.26d for 40in. 10 oz. and 11.32d for 8oz. Calcutta hessians are firmer by 6d for 10oz. and B Twills are 1s 3d up. The latter are now at 179s May-September, with 40in. 10oz. at 65s May-June and 65s 6d July-September and 74oz. 49s May to September, all f.o.b., Calcutta.

STANDARDISATION OF BLANKS FOR LAY BLOCKS IN JUTE LOOMS

The Indian Standards Institution has published an Indian standard specification for blanks for lay blocks for jute looms (IS: 1043-1957). The standard lays down general requirements, such as freedom from defects and knots, and specific requirements such as slope of grain. Other requirements relate to the species of timber, dimensions and the grading of the blanks. The lay block in the lay of loom carries among other things the reed and two shuttle boxes and the lay race. Lay blocks are made of wood. The dimensions and tolerances in standard, since they are shaped to the correct size in the consumers' workshop. The recommended code of practice for the manufacture of blanks for lay blocks and a list of approved species of timber with a short description of each, are given in the appendices to the standard. It is expected that this standard would be of use to the manufacturers, in making lay block blanks of acceptable quality, and to purchasers in acquiring dependable quality. Copies of this standard can be had from the Indian Standards Institution 19, University Road Delhi-8, Street Fort, Bombay, and P-11, Mission Row Extension, Calcutta.

Plantation Topics

BIGGER SOUTH INDIAN TEA CROP

UNSATISFACTORY COFFEE EXPORTS

(FROM A SOUTH INDIAN CORRESPONDENT)

THE South Indian tea crop for March amounted to 11.4 million lbs, according to official estimates. This was 2.4 million lbs higher than that of March, 1956. For the first three months of the year, output totalled over 27 million lbs, compared with 22.8 million lbs in the first quarter of last year. Ceylon's crop for the same period amounted to 106 million lbs, against 84.4 million lbs in the first three months of 1956. Thus, south India and Ceylon together increased their output by 26 million lbs during this period. At this rate their production is likely to go up during the coming months. It is the even spreading of rains from the beginning of the year that is responsible for such an increase. The planters do not expect that the May "rush" will reach its usual size this year. The other factor which is expected to exercise a check on production is the low price at which tea is now being sold. In the absence of the price incentive planters may resort to finer plucking with greater care and that will, in turn, reduce the size of the crop. Therefore, it is felt in certain quarters in the south that the big harvest both in south India and Ceylon during the first quarter of 1957 need not cause undue worry.

It appears that the Coffee Board will not be able to dispose of the exportable surplus out of the current season's crop. Until the end of April it could sell only 5,486 tons out of an estimated surplus of 14,000 tons. For the two export sales in May, 2,043 tons have been released. Including the sale of 725 tons to Russia, negotiations for which have been completed, the Board may not be able to dispose of more than 8,236 tons by the end of May. So it seems that the Board will not be able to implement fully its policy of disposing of its exportable surplus before the onset of the monsoon. Rains have already started on the west coast. It is doubtful whether the Board can be blamed for not being able to dispose of more. Unfortunately for the coffee industry in south India, its record production has coincided with a depression in the world coffee market.

Latest Crop Estimates

The latest revised estimates of the Coffee Board places the current season's crop at 40,425 tons, comprising 27,785 tons of arabica and 12,640 tons of robusta. The receipts into the pool of the 1956-57 season's crop to the end of April amounted to 39,515 tons. Most of the robusta having already come into the pool, further receipts of these grades are unlikely to be appreciable. The internal market absorbed 8,316 tons during the first four months of the year. Releases for home consumption in April were to the tune of 2,191 tons. There was a balance of 72 tons out of the 1955-56 season's crop towards the end of April. This is likely to be cleared this month. The pool account for 1955-56 crop is now being finalised, and the final payment is expected to be made by early June. The Coffee Board is participating in the Poznan Trade Fair to be held from 9th to 23rd June. Mr. C. B. Sankara Iyer, I.A.S., from Mysore has been appointed Coffee Development Officer under the Board.

COCHIN TEA SALES

At Sale No. 11, some 1,175,000 lbs of tea were on offer. There was a strong general demand mainly from internal buyers. Black Leaf Broken were 5 to 10 nP dearer, while others were about steady. Fannings were slightly easier, while Whole Leafs were stronger, and at times, dearer.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 10-5-57 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.26	1.26
No. 2	1.23	1.20
No. 3	1.20	.96
No. 4	.96	.91
No. 5	.91	.87
Crape:		
Water White	—	1.15
R.M.A. No. 1X	1.15/16	1.12
R.M.A. No. 1	1.10/14	1.04
Crape No. 2	—	1.01
Crape No. 3	—	—
Scrap Crape:		
Sc. Crape No. 1	.95	.95
Sc. Crape No. 2	.90/93	.85
Sc. Crape No. 3	.80/90	.75
Flat Bark	.75	.88
Sc. Crape 3X	—	.88

To arrive at f.o.b. Colombo prices, 53.53 cents a lb for crape other than scrap crape and 31.53 cents for scrap crape to the above market prices.

Commodity Markets

FOOD SITUATION IN INDIA

STEPS TO MEET REGIONAL SCARCITIES

THE following is the text of a statement made last week by Mr. A. P. Jain, Central Minister for Food and Agriculture, on the food situation in India: "Agricultural production is highly susceptible to vagaries of nature, but nevertheless, it is clear, on a study of the production figures over the last ten years, that the overall production of cereals as well as the yield an acre are considerably higher at present than at the beginning of that period. In 1947-48, the total production of cereals was 43.7 million tons and the yield an acre was 569 lbs. In 1956-57, the total production of cereals has been 56.2 million tons and the yield an acre 591 lbs. The following statement gives the five-yearly moving average production from 1951-52:

Quinquennium ended	Average production of cereals (In million tons)	Average yield an acre (In lbs.)
1951-52	43.5	519
1952-53	44.6	514
1953-54	47.6	531
1954-55	49.6	544
1955-56	52.1	557
1956-57	54.8*	579*

*Based on provisional advance estimates.

The above figures clearly establish that there has been a steady improvement in production. If we compare the figures for the quinquennium ended 1956-57, we find that the production has gone up by 25.9 percent while the yield an acre has gone up by 11 percent. The figures for rice, wheat and coarse grains separately, which make up the total for cereals, are given below:

	In total production	In yield an acre
Rice	20.0	13.1
Wheat	36.8	14.9
Coarse grains	29.9	12.2

Rice and Wheat Output

The latest position is that the production of rice this year has been 28.1 million tons which is an all-time record. In spite of the recent damage to wheat crop in certain parts of the country, the production of wheat is expected to be about 8.6 million tons against 8.3 million tons last year. It is very near the record production of wheat in 1954-55, namely, 8.8 million tons. The production of coarse grains this year is slightly better than last year, though it is still about 3 million tons less than the record production of 1953-54. Altogether, the total production of cereals this year is expected to be 56.2 million tons which is higher than that of last year or the year before. There is, therefore, no justifiable cause for alarm, even though the wheat crop has suffered in certain areas due to the recent rains, hailstorms and rust. The overall supply position is such that no serious difficulties need be apprehended. The Government has a very substantial import programme of wheat to meet the legitimate requirements of different areas where the wheat crop may have suffered.

The position in the different States and the steps taken by the Government to meet the difficulties where the rabi crops have suffered are indicated below:

Bihar: The Minister visited parts of the districts of Patna, Monghyr and Bhagalpur, where the rabi crop, in particular wheat, had been damaged by rust, rains and hailstorms. The wheat grain was shrivelled and the yield was low. Other districts, reported to be affected, are Santhal Parganas, Purnea, Saharsa, Darbhanga, Muzaffarpur, Gaya, Palamau and Shahabad. The normal production of wheat in the State of Bihar is of the order of 400,000 tons, out of which 60 percent is reported to have been lost. The demand of the State Government for wheat for distribution in the affected areas has been accepted in full. It has been agreed that for the three months—May to July, 1957—60,000 tons of wheat will be supplied. Additional 15,000 tons of wheat will be supplied for stocking so that in the event of floods during the rainy season, this wheat may be readily available for meeting the emergency. Already a number of special trains have been despatched from the port towns where wheat is in stock, and it is expected that before the end of May, about 35,000 tons of wheat will reach Bihar. The position will be reviewed in July and the programme of supplies during the subsequent months, will then be decided upon. If Bihar gets a good maize crop in August, the position is expected to ease. In order to enable early sowing of maize, the State Government has reduced the rate for tube-well water by 25 percent. The Bihar Government is undertaking relief works to provide employment in the scarcity affected areas.

Uttar Pradesh: The demand of the U.P. Government for the hill districts and eastern U.P. where the rabi crop has suffered, has been accepted in full. Some of 15,000 tons of wheat a month will be made available to the U.P. Government for

distribution in these areas up to the end of September when the position will be reviewed.

Rajasthan: In Jodhpur division, the rabi crops have been damaged, and the distribution of wheat is, therefore, being continued at an augmented rate in Jodhpur. Substantial stocks of wheat are being built up in the other central depots in Rajasthan.

Bombay: In certain parts of Bombay, the jowar crop was damaged. It has, therefore, been agreed to make available adequate quantities of wheat to the Bombay Government for distribution in the districts. This will relieve the adjoining areas of Madhya Pradesh from the pressure of demand from Bombay. The full wheat requirements of Bombay city, which is cordoned, will continue to be met by the Government of India.

West Bengal: Although the aggregate production of rice in West Bengal has been about 200,000 tons more this year compared with last year, difficult conditions continue to prevail in some districts including Burdwan, Murshidabad, Nadia, Hooghly and Howrah which were affected by floods in October last year. There has also been damage to rabi crops in certain districts. In addition to 3,000 tons of wheat a month which was being issued for distribution in the districts, another 6,000 tons of wheat will now be supplied a month to meet the additional requirements. Like Bombay, the full wheat requirements of Calcutta, which is cordoned, will continue to be met by the Government of India. During April and May, 1957, 14,000 tons of rice have also been made available to the West Bengal Government against a total demand of 15,000 tons. The West Bengal Government has

also sent the estimate of its requirements for the remaining months of the year, and suitable allocations will be made to it from time to time.

Kerala: In this State, the rice crop this year has been normal but due to the high density of its population and the crop pattern, large quantities of rice and paddy are generally imported every year from Andhra and Tanjore districts of Madras. Those sources are open to the State but the Government of India, has during the four months from January to April, supplied 78,000 tons of rice for distribution through 4,000 and odd fair price shops. The State Government has reported that the prices are showing an upward trend and expressed a desire to open more fair price shops. Discussions are likely to be held with the representatives of the State Government shortly and additional supplies will be given in the light of the overall availability of stocks.

Reports of difficulties from some areas in Mysore and Assam have also been received. Adequate steps are being taken to meet the situation.

Price Level

In spite of the record rice crop and the improvement in the total production of cereals this year compared with last the prices continue to be generally higher this year than last year. It is natural for the consumers, therefore, to complain of these high prices, but for a proper appreciation of the situation it is very desirable to have the proper perspective. Against 100 as the price index for 1952-53, which is now generally taken as the base year, the latest wholesale price index for rice

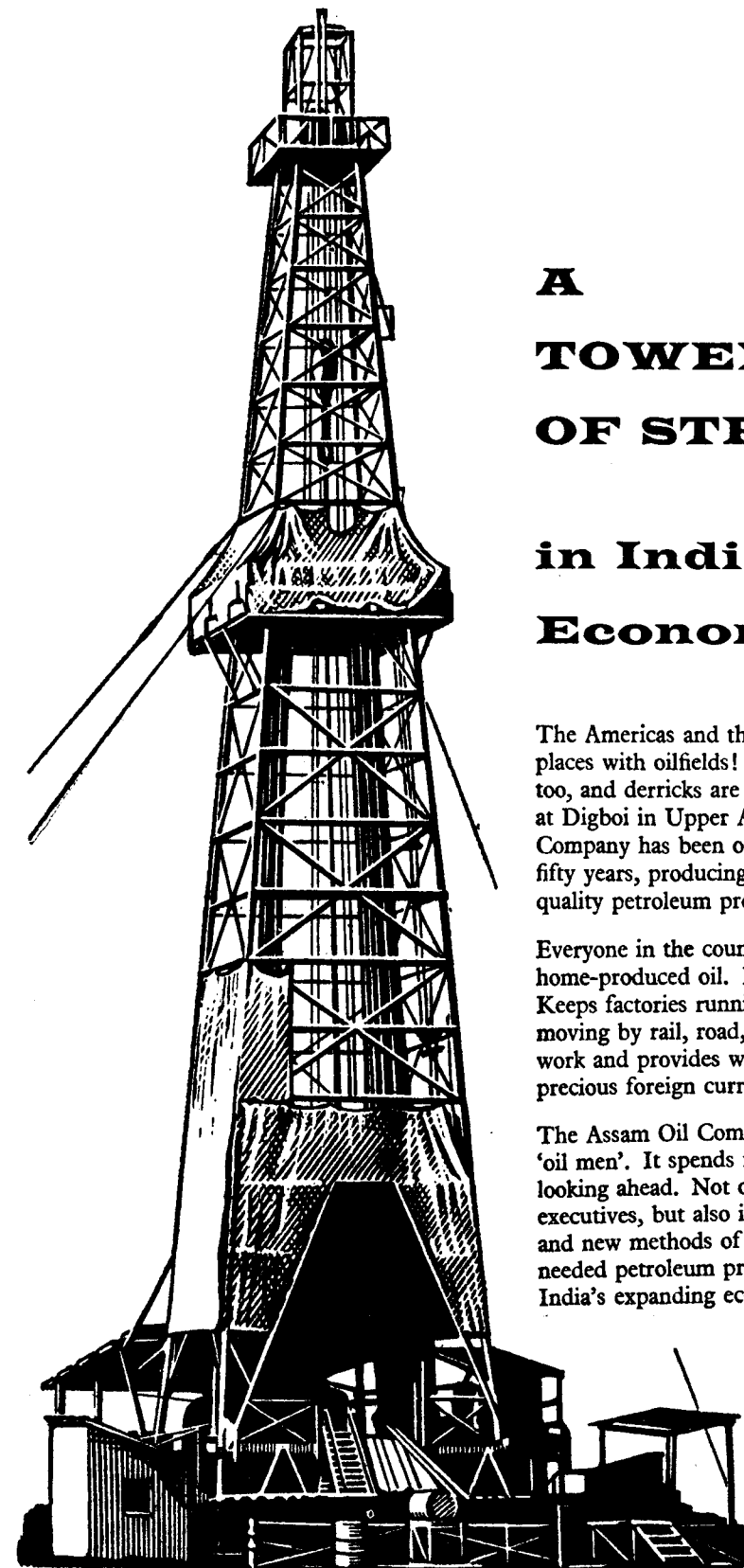
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This year, the Government is in a better position to counteract increases in wheat prices. The imported wheat will not only meet the entire demand of the port towns of Calcutta and Bombay, but will also be distributed in neighbouring areas, which, but for the larger releases from the Government stocks, would have been compelled to import wheat from the northern and other States. This will reduce avoidable movement as also discourage rise in prices.

"There are probably several reasons," Mr. Jain continued, "why the prices of foodgrains are generally higher than last year in spite of better production. Apart from increased consumption arising from higher incomes, one obvious reason may be hoarding both by traders and producers. To discourage hoarding by the traders, the Reserve Bank of India, at the instance of the Government, directed the scheduled banks to limit advances against foodgrains. From all accounts it seems that due to better credit facilities available to the farmer and increase in prices of cash crops, the agriculturists are generally in a better position than they have in the past to hold on to their stocks in order to get better prices later in the lean months. This improvement in the position of the agriculturists is no doubt the result from one point of view, but the natural consequence from the consumer's point of view is that now they have to pay higher prices. The Government has been fully alive to the complex issues

THE wholesale price index (base: year ended August, 1929=100) declined by 0.5 percent to 421.3 during the week ended 4th May, compared with 423.4 (revised) for the previous week. The index was higher by 0.2 percent and the 8.3 percent, respectively, when compared with that of a corresponding week of last month and that of a year ago. The index for Food Articles declined by 2.9 percent to 399.6 due to a fall in the prices of tea for internal consumption (-26%), wheat (-5%), gram (-3%), gur in Ahmednagar and salt (-2%), and of native flat and sugar (-2%) each, although the prices of gur in Muzaffarnagar (+8%) and rice (+1%) were marked up. Higher prices of cottonseed (+12%), linseed and Bombay (+6%), raw jute (+5%), groundnuts and button-lac pure (+2%, each) and rapeseed in Calcutta and raw cotton (+1% each) were responsible for an increase of 2.1 percent to 525.0 in the index for Industrial Raw Materials; the prices of, ginseng in Calcutta (-3%), rapeseed in Kanpur, gingellyseed and shellac t.n. (-2%, each) and Semi-Manufactures moved up by 0.1 percent to 401.9. Items which showed noticeable variations were: copra cake (+10%), sheepskins (+6%), mustard oil in Patna, goatskins and gingelly-cake (+3%, each), coconut oil in Bombay (+2%), copper in Bombay (-4%) and zinc (-3%). Lower prices of rayon and silk manufactures (-1%) brought about a fall of 0.1 percent to 384.2 in the index for Manufactures compared with 384.7 (revised) for the earlier week in spite of an advance in the prices of jute manufactures (4%). Prices of chilies (+4%) and betelnuts and bricks and tiles (+2%, each) showed increases while those of black pepper in Cochin (-3%) witnessed a fall, and in the result, the index for the Miscellaneous group moved up by 1.0 percent to 573.6 (estimated), compared with 567.8 (revised) for the previous week.

Groups and Sub-Groups	Week Ended			
	4-5-57	27-4-57	6-4-57	5-5-56
I Food Articles :			403·9(R)	353·3
Cereals	398·6	411·6	* 535*(R)	452
Pulses	532*	539*	497	449
Others	499	497	241*(R)	226
II Industrial Raw Materials :			514·7	469·6
Fibres	525·0	514·0	508	449
Oilseeds	522	507	535	538
Metals	569	557	554	445
Minerals	503*	503	418	396
Others	415	415		
III Semi-Manufactures :			398·8	381·4
Leather	401·9	401·4	391	203
Mineral oils	414	408	211	408
Vegetable oils	211	211	559	551
Cotton yarn	580	576	484(R)	467
Metals	479	482	328	280
Oilcakes	327	328	409	361
Others	418	404		
IV Manufactures :			384·3(R)	375·5
Textiles	374	374	416	402
Jute	384·2	384·7(R)	416	402
Cotton	424	418	412*	502*
Rayon and silk	412*	412*	442*(R)	458*
We len	424*	442*(R)	266	264
Metal Products	266	266	395	371
Others	392	392	305(R)	286
V Miscellaneous :			567·8(R)	499·9
All Commodities	573·6*	567·8(R)	420·4(R)	389·0

R = Revised * = Estimated.

Only from 1956, reliable statistics of mica in the country have been available under the Mineral Conservation and Development Rules. Prior to this, the statistics of production of mica were mainly based on the export figures, which were more or less a true index of mica production in India, as the bulk of production is exported.

THE freight markets have continued to decline over the past fortnight, and do not yet appear to have reached the bottom yet. The Trans-Atlantic coal rate declined to 50s for a single voyage, and rates in the Far East followed the same trend, with coal Chingwangtao-Karachi at 66s, salt Karachi-Chittagong 78s 6d and ore Vizagapatnam-Poland 115s and Madras-Yugoslavia 108s. A handy-sized vessel to Chittagong at 52s for the first and 50s for the second, while there are reports of a Singapore fixtures at 80s which appears high on the market now. The recent budget proposals are again likely to affect tramp shipping and the tax on freights may well be about 12 percent. This is most unfortunate at a time when the State Trading Corporation is trying to earn foreign exchange only to find the tax authorities raising their demands to that point where tramp owners will either make rates of freight uncompetitive for Indian ore, or will have to change their business.

During the week ended 22nd May, sugar sales in the Calcutta market averaged 5,000 bags daily. Arrivals a day were 5,000 bags, and stocks totalled 105,000 bags. Rates for ready sugar, ex-Kantapur delivery were Rs. 34.50 for ordinary grain and Rs. 36 for big grain. Prices rose due to the excise increase proposal in the Central Budget.

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

(Between 14th May and 20th May, 1957)

Cowhides : Wet salted (Ord.) 32,000 pcs. on the basis of Rs. 7 to Rs. 9; Wet salted (Slaughtered) 18,500 pcs on the basis of Rs. 13 to Rs. 21.

Goatskins : Wet salted (Daissee, Killed) 80,500 pcs. on the basis of Rs 290 to Rs. 300. Rs. 335 to Rs. 350 and Rs. 360 to Rs. 375; Pakur-Patna (Ord.) 1,000 pcs on the basis of Rs. 267 to Rs. 280; Assam-Dinajpur-Murshidabad 31,300 pcs on the basis of Rs. 265 to Rs. 345; Purneah-Kissenganj 3,000 pcs on the basis of Rs. 300 to Rs. 310; Muzafferpore-Patna 15,900 pcs. on the basis of Rs. 315 to Rs. 320.

(20th May, 1957)

Cowhides: Wet salted 1,61,000 pcs.

Goatskins: Wet salted (Daissec. Killed) 2,00,000 pcs.; Muzafferpore-Patna-Pakur-Purneah-Kissenganj 29,000 pcs.

During the week ended 21st May, the market was quiet at the beginning and steady at close. The range of quotations was as follows:

Pure Buttonlac	Rs. 96, 95 value, 95 to 98.50 buyers.
Lemon No. 1 Shellac	Rs. 97 buyers; 96 done buyers; 99, 100 buyers.
Lemon No. 2 Shellac	Rs. 92.50 buyers; 91 done buyers; 93 to 95 buyers.
F. O. Std. 1 Shellac	Rs. 87.50 buyers; 87 done buyers; 88 to 90.50 buyers.
Pure TN Shellac	Rs. 92.50, 90.50, 83.50 buyers.

4% I.T.N. Shellac	Rs. 82.50, 80.50, 83.50 buyers;
No. 1 Kusmi Seedlac	85.84 basis done and buyers.
No. 2 Kusmi Seedlac	Rs. 72.50, 70.50, 73.50 buyers.
Fine Bysak	Rs. 86.50 buyers; 85.50 value;
	80.90 buyers.
	Rs. 82.50 buyers; 81.50 value;
	83.85.50 buyers.

Bysaky Seedlac (Manbhum)	Rs. 80 buyers; 80 done buyers; 81.50, 82 buyers.
Fine Bysaky Seedlac (C.P.)	Rs. 76, 75 to 78.50 buyers.
Ordinary Bysaky Seedlac (C.P.) under 5%	Rs. 71.50, 70 to 75 buyers.
Ordinary Bysaky Seedlac	

Shipments during May until the 15th were 17,948 packages comprising shellac 9,931 seedlac 5,597, buttonlac 597 and others 1,823 packages.

There has been a flood of books suddenly released on the new Companies Act which, as the learned authors of this work point out, has revolutionised the law in one of the most important branches of Indian jurisprudence. Some, no doubt, written in haste with a desire to be first in the field, and suffering in value accordingly. And, in any event, we must wait for a really authoritative commentary on the Act until the High Courts and eventually the Supreme Court have had their say on the innovations introduced by this monumental enactment. Nevertheless, a perusal of the formidable list of offences and penalties, some of the latter extending not only to fines of Rs 5,000 and upwards but also to imprisonment imposed by the Act for breach or non-observance of its provisions, makes it obvious that some kind of general and specific written guidance by acknowledged experts is essential not only to lawyers and company promoters but also to chartered and incorporated accountants, secretaries, auditors, directors and all, in fact, who have anything to do with the day-to-day management of limited companies, public or private. This immediate necessity has been met by the present work, especially by the first of the two learned authors. If it is too early in the juridical day for us to have the benefit of judgments of the various High Courts on the unsolved problems arising out of the new Act and its various sections, we have in this book the considered opinions of an eminent former High Court judge on some of them, reinforced by the practical knowledge and experience of a senior official of the Indian Chamber. And that is valuable help.

The Investor's India Year-Book, 1957. Compiled by Place, Siddons and Gough. (Published by Orient Longmans. Price Rs. 20. Pages 390).

The forty-third edition of this well-known Year-Book maintains the high standards of the predecessors. The publication begins with a critical appraisal of India's economic policy. Referring to the prospects for the share market, the compilers say that it is difficult to take an optimistic view. "The past year has been one of falling prices and restricted turnover. There is nothing in the im-

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mediate economic outlook to suggest that this trend will be dramatically reversed, although it will almost certainly be halted because most shares are well below the values justified by their growth prospects." The detailed analysis of the position of major industries will prove particularly helpful to investors. Almost all the leading companies, whose shares are quoted on the stock exchange, have been included in separate groups. The book contains much useful information and will be a valuable work of reference for investors.

Direction of International Trade, December 1956. (Published jointly by the United Nations, International Monetary Fund, and International Bank for Reconstruction and Development. Price \$0.50; pages 81.)

Direction of International Trade, February 1957
(Published jointly by the United Nations, Inter-
national Monetary Fund, and International Bank
for Reconstruction and Development. Price \$0.50
pages 83.)

Commodity Trade Statistics, January-June 1956
(Published by the United Nations. Pages 525.)



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Subscribed ... Rs. 72,00,000
Paid-Up ... Rs. 64,70,790
Reserve & Other Funds ... Rs. 90,50,000
Deposit (as on 31-12-56) ... Rs. 32.56 Crores

All types of Banking Business including Foreign Exchange transacted.

D. P. PARTHASARATHY,
SECRETARY.

COMPANY AND PUBLIC NOTICES

THE INDO-BURMA PETROLEUM COMPANY LIMITED

NOTICE is hereby given that the Forty-ninth Annual General Meeting of the members of the Company will be held at the Registered Office of the Company at Gillander House, Netaji Subhas Road, Calcutta on Monday the 10th June, 1957 at 10 a.m. to transact the following business:—

- To receive and adopt the Directors' Report and the Audited Balance Sheet and Profit & Loss Account for the year ended 31st December, 1956.
- To sanction the declaration of a dividend.
- To elect a Director in place of Mr. H. J. Silverston, who retires by rotation and is eligible for re-election.
- To consider and, if thought fit, to pass the following resolution of which a special notice as required by Section 281 of the Companies Act 1956 has been received by the Company.

As an Ordinary Resolution:

That the age limit prescribed under Section 280 of the Companies Act 1956, shall not apply to Mr. Mohamed Ismail Kee Kee Bhai, a Director who has attained the age of 68 years and who retires by rotation, and that he be and is hereby re-appointed a Director of the Company.

- To consider and, if thought fit, to pass the following resolution of which a special notice as required by Section 261 of the Companies Act 1956 has been received by the Company.

As a Special Resolution:

That Mr. W. Hutchinson who is an employee of Messrs. Steel Brothers & Co. Ltd., the Managing Agents, be and is hereby elected a Director of the Company.

- To appoint Auditors for the year ending 31st December, 1957 and to fix their remuneration.

Notice is further given that the Equity Register of Members of the Company will be closed from 27th May, 1957 to 10th June, 1957, both days inclusive.

By Order of the Board,
STEEL BROTHERS & COMPANY LTD.,
Managing Agents.

Gillander House,
Netaji Subhas Road,
Calcutta.
8th May, 1957.

- N.B. 1) A member entitled to attend and vote at the abovementioned Meeting may appoint a Proxy who need not be a member to attend and, on a poll, to vote on his behalf.
- 2) An explanatory statement concerning items 4 and 5 as required by Section 173(2) of the Companies Act 1956, has been posted to the shareholders.

THE CALCUTTA ELECTRIC SUPPLY CORPORATION LIMITED.

(Incorporated in England)

NOTICE is hereby given that the Board of Directors of this Company have declared payment of a Second Interim Dividend on the Company's Ordinary Stock at the rate of £3 per cent net (tax applicable at 8s. 6d. in the £) for the 15 months ended 31st March, 1957. Payment will be made on 28th June, 1957, to those stockholders whose names are registered in the Company's Stock Register on 8th June, 1957.

Applications for transfers received in this Office before 12 O'clock noon on Saturday, the 8th June, 1957, will, if otherwise satisfactory, be registered at that date for the purpose of participation in the above Dividend.

By Order of the Board,
I. A. MACPHERSON,
Agent.

Victoria House,
Calcutta, 18th May, 1957.

THE TATA IRON AND STEEL COMPANY LIMITED

NOTICE.

THE Transfer Books of the Company will be closed from Monday, the 24th June to Saturday, the 20th July, 1957, both days inclusive.

The dividends for the year ending 31st March, 1957, when sanctioned, will be made payable to those shareholders whose names stand on the Share Registers of the Company on Saturday, the 20th July, 1957.

By Order of the Directors,
TATA INDUSTRIES PRIVATE LTD.,
Managing Agents,
J. D. CHOKSI,
Director.

Bombay, 17th May, 1957.

THE DUNLOP RUBBER COMPANY (INDIA) LIMITED.

THE Directors of The Dunlop Rubber Company (India) Limited announce the following decisions:—

- A Rights offer of 14,00,000 new Ordinary Shares of Rs. 10 each at a premium of Rs. 5 per share for cash payable in full on application will be made to the members whose names appear on the Register of Members in respect of the existing Ordinary Shares on 11th June, 1957, in the proportion of seven new Ordinary Shares for every eight Ordinary Shares then held.
- An interim dividend at the rate of 7½% free of tax for the year ending 31st December, 1957 will be paid on 19th June, 1957, to the members whose names appear on the Register of Members in respect of the existing Ordinary Shares on 11th June, 1957.

For the foregoing purposes notice is hereby given that the Share Transfer Books and Register of Members holding Ordinary Shares in the capital of the Company will be closed from 4th June, 1957 to 11th June, 1957, both days inclusive.

Holders of Ordinary Shares under blank transfers are particularly reminded that it is necessary to register the transfers prior to 4th June, 1957 in order to be entitled to the Rights offer. Legal representatives of deceased shareholders should get their legal representations immediately registered with the Company to enable them to receive and deal with the Letters of Rights on behalf of the estate of the deceased.

By Order of the Board,
J. LUCKHAM,
Managing Director.

Calcutta, 22nd May 1957.

The Company Meeting and Dividends table appears on page 735

THE ASSAM SAW MILLS & TIMBER COMPANY LIMITED.

NOTICE is hereby given that an Annual General Meeting of THE ASSAM SAW MILLS & TIMBER COMPANY, LIMITED, will be held at the Registered Office of the Company, Chartered Bank Buildings, Calcutta, on Friday, the 14th June, 1957, at 10-30 A.M. for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the year ended 30th September, 1956, and to receive the Directors' and Auditors' Reports thereon.
- To appoint a Director in place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from 31st May to 14th June, 1957, both days inclusive.

By Order of the Board,
BIRD & CO. (PRIVATE) LIMITED,
Managing Agents.

Calcutta, 16th May, 1957.

NOTE:—

(a) A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A Proxy need not be a member of the Company.

INDUSTRIAL FINANCE CORPORATION OF INDIA,

PARLIAMENT STREET, NEW DELHI.

NOTIFICATION.

IT is hereby notified that the Share Register of the Corporation will be closed and the registration of transfers suspended from the 16th June, 1957 to the 30th June, 1957 (both days inclusive).

By Order of the Board,
H. V. VENKATASUBBIAH,
General Manager.

Dated: the 16th May, 1957.

HIGHER INTEREST ON EMPLOYEES PROVIDENT FUND

The Government of India has decided, in consultation with the Board of Trustees of the Employees' Provident Fund, to grant interest to subscribers of the fund on their accumulations at the rate of 3½ percent during the year 1957-58. The rate of interest for the year 1956-57 was 3 percent. The Employees' Provident Fund Act, which came into force in 1952, covers more than 2 million workers. Accumulations in the fund amount to over Rs. 75 crores.

The Act, which originally applied only to factory industries, was amended in 1956, empowering the Government to extend it to non-factory establishments also.

"CAPITAL" STOCK AND SHARE LIST

THE INVESTORS' GUIDE AND SHAREHOLDERS' GAZETTE

Official quotations of the Calcutta, Bombay, Madras, London Stock

Exchange Associations and other sources.

Figures given after stroke (/) mean Naye Paise

Wednesday 22nd May, 1957.

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GOVERNMENT LOANS					PORT TRUST LOANS					IMPROVEMENT TRUST LOANS				
Amount Outstanding Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs	Amount Rs	Interest per cent	Year of issue	Repayable	Market quotations Rs
GOVERNMENT OF INDIA					CALCUTTA					BOMBAY				
248,97,41,000	3	1946	1986 or later	73/30	90.24.300	4	1914	1974	99/03	36,50,000	4	1904	1964	98/00
8,93,35,000	3	1896-97	At the option of the Government of India after 3 months notice	73/00	76.90.100	4	1915	1975	99/00	35,00,000	4	1905	1965	98/00
57,00,59,000	2½	1946		93/50	68.02.300	3	1921 1st	1981	82/00	15,00,000	4	1906	1966	98/00
45,43,07,000	2½	1946		96/45	1,50,00,000	6½	1921 2nd	1981	144/00	44,00,000	4	1907	1967	98/00
50,35,63,000	3	1951		99/65						20,00,000	4	1908	1968	98/00
1,16,17,46,000	3	1938	1963 65	93/94	£892.600	5	1923	1953 8½	£79	75,00,000	4	1908	1968	98/00
1,10,11,78,000	3	1943	1966 68	91/87	£901.000	5	1924	1954 84	£79½	40,00,000	4	1909	1969	98/00
75,86,72,000	2½	1947	1962	93/80						56,00,000	4	1910	1970	98/00
	2½	1948	1962	93/80						75,00,000	4	1911	1972	98/00
30,33,10,000	3	1950	2nd issue	94/00	1,49,49,500	5	1927	1957 87	101/50	30,00,000	4	1899	1959	98/00
14,71,48,000	2½	1946		83/15	1,49,30,000	5	1928	1958 88	102/50	30,00,000	4	1901	1961	98/25
63,30,28,000	3	1945	1964	94/00						30,00,000	4	1902	1962	98/25
1,15,35,83,000	4	1926	1960-70	100/80						30,00,000	4	1903	1963	98/25
34,78,08,000	3	1944	1970-75	86/90	30,00,000	4	1931	1991	95/00	30,00,000	4	1904	1964	98/25
2,45,73,000	4½	1957	99/75	£835.100	3½	1932	1962	£91½	£892.600	5	1923	1953 8½	£87½	
34,78,08,000	3	1944	1957	99/75	30,00,000	3½	1935	1965	97/50	20,00,000	4	1906	1966	98/00
1,13,25,64,000	4½	1958	1958-68	101/75	50,00,000	3	1946	1976	84/75	15,30,000	4	1907	1967	98/00
1,59,17,90,000	4½	1954	1961	99/40	50,00,000	3	1946	1976	84/75	5,600,000	4	1908	1968	98/00
1,03,37,92,000	4½	1954	1959-61	97/70						£333.000	4	1910	1970	100/00
66,61,64,000	3½	1956	1965	98/10	50,00,000	4	1945	1-2-2005	74/00	25,00,000	4	1912	1972	98/00
33,81,33,000	3½	1956	1967	98/40	50,00,000	4	1945	1-2-1975	85/00	18,00,000	4	1913	1973	98/00
57,25,82,000	3½	1956	1974	98/45	31,07,100	3½	1936 37	1956 68	95/25	40,00,000	5	1919	1957-79	102/50
	3½	1956	1962	97/80	25,00,000	3	1938	1963 69	90/00	66,00,000	6	1920	1955-80	118/00
					50,00,000	4	1946	2006	74/00	25,00,000	4	1914	1974	98/00
					50,00,000	2½	1947	1977	79/50	10,00,000	3½	1936	1966	92/00
					50,00,000	3	1948	1978	83/75					
					50,00,000	3	1949	1959	97/00					
					50,00,000	3	1949	1959	97/00					
					50,00,000	3	1950	1960	95/37					
					50,00,000	3½	1951	1981	81/75					
					1,50,00,000	3½	1951	1961	98/50					
					50,00,000	4	1953	1963	100/00					
					50,00,000	4	1953	1963	98/56					
					30,00,000	4	1955	1965	98/00					
					77,00,000	4	1956	1986	97/75					
BOMBAY					MADHYA PRADESH					MADRAS				
3,44,00,000	3	1944	1958	98/75	98/75					1,47,100	4	1947	1977	A
6,00,00,000	3	1949	1962	94/00	94/00					3,88,000	3	1947	1977	A
3,00,00,000	3	1950	1960	96/25	96/25					1,00,000	3	1949	1979	A
3,00,00,000	3	1951	1962	98/00	98/00									
3,50,00,000	4	1952	1964	99/90	99/90									
5,00,00,000	4	1953	1963	100/00	100/00									
52,89,800	3	1946	1958	98/25	98/25									
2,03,00,000	3	1948	1964	93/00	93/00									
1,00,00,000	3	1951	1962	98/00	98/00									
1,29,78,600	3	1939	1959	96/50	96/50									
2,82,19,800	3	1944	1958	98/50	98/50									
2,00,00,000	3½	1951	1964	97/87	97/87									
2,00,00,000	4	1952	1964	98/87	98/87									
5,00,00,000	4	1953	1963	98/75	98/75									
1,69,39,800	3	1936	1961 66	90/87	90/87									
2,23,96,800	3	1944	1958	98/57	98/57									
2,26,31,900	3	1945	1960	98/50	98/50									
2,41,19,800	2½	1946	1961	93/05	93/05									
2,00,00,000	3½	1951	1964	97/87	97/87									
2,00,00,000	4	1952	1964	98/87	98/87									
5,00,00,000	4	1953	1963	98/75	98/75									
1,75,00,000	3½	1951	1962	98/25	98/25									
2,00,00,000	4	1952	1964	99/87	99/87									
3,90,23,300	4	1953	1963	99/94	99/94									
7,00,00,000	4	1955	1967	99/31	99/31									
7,00,00,000	4	1956	1968	99/00	99/00									
2,95,85,200	4	1933	1953 63	100/30	100/30									
5,99,72,900	3	1936	1956 61	98/87	98/87									
5,08,05,700	3	1946	25-1-1956	98/69	98/69									

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's	Rate per cent	Paid-up per Share	Market Quotations	
					Rs.	Rs.						Rs.	Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	107/00	131 1/2	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	70/00	7 1/2
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85/00	100	1895-99	Bombay Steam Navigation (July)	15.00	6 1/2	250	14/00	10 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	103/00	117	1903-50	British India Corporation (Feb. Aug.)	13.00	6	100	121/00	124
1901-20	Bururak (June Dec.)	22.98	7	100	112/00	122	1909-11	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	128/00	124
1946	Bururak (June Dec.)	4.50	6 1/2	100	7/75	8 1/2	1906	Burn Engineering (Feb. Aug.)	15.00	6	100	109/00	114
1895	Equitable (May Nov.)	4.00	6	100	99/00	100 1/2	1906	Calcutta Electric Supply (Mar. Sept.)	21.90	5	100	55/00	58
1931	Khas Kajora (Mar. Sept.)	5.93	5	100	5/00	3 1/2	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	7/75	10 1/2
1920	New Beerboom (Jan. July)	2.00	7	100	11/00	12 1/2	1905-24	Calcutta Tramways (Jan. July)	2.250	5 1/2	100	99/00	104
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	104/00	113	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	114
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	108/75	110	1940	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	55/00	60
1884	Bangalore (Jan. July)	6.00	6	100	120/00	128 1/2	1937	Dacca Electric Supply (July)	6.00	6	100	94/50	97
1938	Basanti (Oct.)	5.00	6 1/2	100	7/65	7	1937	Dalmia Cement (Bharat)	3.50	6	100	34/00	35 1/2
1890	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	98/00	110	1945	Dalmia Cement (Bharat)	2.372	6	100	101/00	104
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	125/50	134	1916	Delhi Flour Mills (Oct.)	90	7 1/2	100	91/00	93
1900	Bowreah "B" (Jan. Dec.)	6.00	7	100	63/50	72	1905	Deshwarah Power Supply "A" (Jan.)	16.00	5	100	84/00	86
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324/37	324 1/2	1948	Deshwarah Power Supply "B" (Jan.)	12.00	4 1/2	100	38/00	39
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	142/75	133 1/2	1948	Duncan Brothers & Co. Ltd.	45.00	4	100	58/00	59
1928	Cambodia (July)	1.00	7	100	115/00	125	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	119/00	123
1912	Central India (Apr. Oct.)	50.00	5	500	531/25	531 1/2	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	88/50	97
	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20/00	20	1928-29	East India Distilleries (Jan. July)	2.00	7	100	17/00	17 1/2
1912	Elgin (May Nov.)	11.00	8	100	124/75	135	1897	Eastern Investments Ltd (Apr.)	2.500	5 1/2	100	66/00	70
1943	Elgin "B"	4.20	5	10	9/00	9 1/2	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	61/00	64
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	90/00	87 1/2	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	61/00	64
1919	Kesoram (June Dec.)	20.00	7	100	116/00	134	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	61/00	64
1925	Khatua Makani (Nov.)	10.00	6	100	79/00	88	1947	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	62/00	65
1937	Kothari (Nov.)	12.00	6	100	10/12	10 1/2	1948	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	62/00	65
1900	Muir (Feb. Aug.)	30.00	6	100	87/00	85	1946	Godfrey Phillips India Ltd.	30.00	5 1/2	100	67/00	69
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	180/00	185	1940	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	67/00	69 1/2
1920	New Victoria (Apr. Oct.)	26.05	6	5	4/81	4 1/2	1940	Gwalior Sugar (Dec.)	5.00	7	100	67/00	69 1/2
1933	Palani Andavar (Mar.)	2.00	7	50	58/50	58 1/2	1940	Humayan Properties Ltd (Nov.)	12.00	6	100	9/00	9 1/2
1935	Swadeshi (Bombay) (May)	15.00	5	100	105/00	115	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	64/00	67
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90/00	89	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	68/50	71
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	111/25	120	1946	Indian General Navy & Railways	2.244	6	100	30/00	30 1/2
1908	Vishnu (Apr.)	16.00	7	500	557/50	550	1929	Indian Cable Co. (Nov.)	12.88	6	100	126/50	130
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	99/00	118	1936	Indian Standard Wagon (Aug. or Sept.)	1.968	7	100	99/00	102
1905	Alexandra (Feb. Aug.)	9.00	7	100	98/00	98	1946	Investment and Finance (Feb. Aug.)	2.69	5	100	70/00	76
1896	Alliance (Mar. Sept.)	15.00	6	100	79/00	93	1935	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	61/00	64
1917	Anglo-India (May Nov.)	40.00	7	100	102/00	115	1946	James Wright (Jan. July)	1.30	6	50	36/00	37 1/2
1908	Auckland (July Jan.)	10.00	5 1/2	100	78/00	95 1/2	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	69/00	72
1945	Auckland (July Jan.)	15.00	4 1/2	100	57/50	74	1946	Jessop & Co.	10.00	5	100	89/00	92
1918	Bally (Jan. July)	20.00	7 1/2	100	103/00	106	1946	Jupiter General Insurance (Sept.)	4.99	6 1/2	100	100/00	102
1896	Barnagore (Oct. Dec.)	2.00	5 1/2	100	103/00	106	1915	Kumardhubi Engineering (June)	12.00	5	100	100/00	106
1906	Belvedere (Jan. July)	7.00	7	25	101/00	119	1916	Do Fireclay & Silica (June)	3.00	5	100	97/50	100
1940	Bengal (June Dec.)	10.00	5 1/2	100	77/00	96	1946	Martin Burn Ltd.	30.00	5	100	56/00	58 1/2
1919	Birla (June Dec.)	23.64	7 1/2	100	96/00	103	1946	McLeod & Co.	10.00	5 1/2	100	68/50	71
1896	Budge Budge (May Nov.)	9.00	7	100	98/50	119	1936	McLeod & Co.	10.00	5	100	68/50	71
1934	Calcutta (Jan. July)	6.00	6 1/2	100	78/00	90	1936	Mettur Chemical & Industrial (Sept.)	40.00	6	100	97/50	98
1919	Caledonian (June Dec.)	10.00	7	100	100/00	116	1936	Mettur Chemical & Industrial (Sept.)	40.00	6	100	97/50	98
1919	Cheviot (June Dec.)	10.00	7	100	100/00	116	1946	Mettur Chemical & Industrial (Sept.)	40.00	6	100	97/50	98
1928	Chitavalah (Mar. Dec.)	5.00	7	100	101/00	101	1930	Metal Box Co. of India Ltd.	30.00	6 1/2	100	91/50	94
1900	Clive (First) (May Dec.)	8.00	6	100	71/00	91	1946	Midnapore Zemindary (Feb.)	8.76	5	100	91/50	94
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	81/00	101	1936	Mysore Chemical Mfg (Sept.)	2.00	5	100	9/50	9 1/2
1903-12	Dalhousie (July Jan.)	15.00	7	100	90/00	105	1930	National Insulated Cable	10.00	5 1/2	100	68/00	70 1/2
1897	Delta (June Dec.)	5.00	5	100	82/50	115	1944	National Tobacco (June Dec.)	25.00	5	100	61/00	64
1912	Empire (Jan. July)	10.00	7	100	98/00	118	1946	National Tobacco (Jan. Dec.)	20.00	4 1/2	100	40/00	40 1/2
1890-92	Fort Gloster (Jan. July)	14.00	7	100	103/50	113	1946	Northern India Oil (Jan. July)	2.00	6	100	111/25	108 1/2
1948	Fort Gloster (2nd)	14.00	7	100	103/50	113	1936	Poona Electric Supply Co.Ltd (June Dec.)	4.00	7	100	94/00	97 1/2
1911	Fort William (May Nov.)	7.00	5	100	69/50	118	1936	Premier Construction "First" (Apr.)	10.00	6 1/2	100	89/75	92 1/2
1916	Ganges (June Dec.)	10.00	7	100	102/00	130	1932	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	100/00	102 1/2
1895-96	Gouropore (June Dec.)	25.50	6	100	113/00	114	1936	Purtabore (Sugar) (Oct.)	4.00	10	10	100/00	103 1/2
1935	Hastings (Aug. Feb.)	25.50	6	100	79/00	98	1936-36	Rammugger Cane & Sugar (Apr.)	6.00	6	100	122/50	124 1/2
1909	Howrah (Jan. July)	11.00	10	10	7/94	7 1/4	1936	Rohas Industries (April)	20.00	7	100	122/50	124 1/2
1913	Howrah (Jan. July)	8.75	7	100	102/00	113 1/2	1944-46	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	62/50	62 1/2
1903-06	Howrah "A" (Jan. July)	17.50	7	100	102/00	113 1/2	1936	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	68/00	70 1/2
1919	Hukumchand (June Dec.)	40.00	7	100	104/00	109	1937	Shree Ganap Paper	7.50	6	100	116/00	118 1/2
1938-04	Kamarbhaty (Apr. Oct.)	10.00	6	100	83/00	106	1936-38	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	87/00	90 1/2
1900	Kankannar (Apr. Oct.)	10.00	6	100	84/00	106	1906	Shree Krishna Gyanodaya Sugar "B" (Oct.)	12.00	5	100	74/50	76 1/2
1935	Kedarnath (Jan. July)	2.00	7	100	88/00	103	1933	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	78/00	80 1/2
1907	Kelvin (Mar. Sept.)	10.00	7	100	103/00	95	1936	South Behar Sugar (Oct.)	5.00	7	100	9/00	9 1/2
1895-99	Khardah (May Nov.)	9.00	6	100	86/00	104	1923	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	10	10/37	10 1/2
1900-13	Kinnison (July Jan.)	15.00	7	100	102/00	112	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8 1/2	100	74/00	76 1/2
1910	Lansdowne (July Jan.)	15.00	7	100	102/00	112	1937	Star Paper (Apr. Oct.)	10.00	5	100	115/00	117 1/2
1912	Lawrence "A" (July Jan.)	15.00	7	100	99/00	113	1946	Surat Electricity (Apr.)	5.00	6 1/2	100	98/50	101 1/2
1906-07	Lawrence "B" (July Jan.)	5.00	7	100	102/00	113	1929	Tata Chemicals (Nov.)	60.00	5	100	110/00	116 1/2
1905	Naihati (July Jan.)	7.50	7	100	58/50	95	1935	Tata Hydro Electric Power (Sept. Mar.)	88.28	7	100	155/00	157 1/2
1945	Naihati (July Jan.)	10.00	4 1/2	100	86/00	123	1910	Tata Iron & Steel (First) (Nov.)	75.00				

COAL COMPANIES

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

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs. Rs. Rs. A year ago
25,30,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,390	28,619	31-5	61-73	5-...	10 15/98 15/98 22 1/2
1,00,00,000	1,96,15,288	1,40,49,222	18,85,659	Bengal P	4-10	2	26,18,986	7,31,563	73-74	81-83	...	100 217/00 214/00 53 1/2
4,49,356	3,08,192	70,000	2,24,302	Bengal Bhatdee	6-12	2	15,149	4,951	11-13	11-13	...	10 6/00 6/00 16
2,48,198	3,30,654	3,64,478	3,64,478	Bengal Nagpur P	6-12	2	50,568	1,07,984	Nil-11	Nil-11	...	10 15/00 15/00 16
15,37,000	14,16,662	9,91,472	13,52,378	Bhaikora	9	152	3,13,899	39,978	...	...	...	10 4/75 4/75 7 1/2
40,00,000	38,01,474	20,23,225	32,65,321	Bharat Collieries P	6-12	106	2,52,221	27,433	...	...	...	10 5/87 5/87 13 1/2
7,15,000	15,63,291	14,29,045	69,704	Bhulanbararee	6-12	115	1,21,836	1,37,446	Nil-11	Nil-11	...	10 11/25 11/25 12 1/2
16,00,000	18,87,272	16,18,636	7,181	Bokarc & Ramgur	6-12	106	2,14,682	84,207	10-11	10-11	...	10 16/81 20/31 20 1/2
7,50,000	18,56,888	24,29,026	11,60,066	Boree P	6-12	106	7,43,659	36,168	21-24	31-34	34-...	10 22/00 22/25 14 1/2
90,92,486	2,39,17,614	1,75,02,126	28,93,879	Burrakur P	6-12	21	2,45,758	9,927	21	21	5	10 5/84 12/50 11 1/2
49,97,000	34,53,430	756	3,65,990	Central India	3	166	34,742	82,768	...	...	...	10 1/94 1/94 2 1/2
6,00,000	16,67,572	13,30,519	1,39,152	Central Kurkurd F	6-12	106	6,374	2,129	...	...	...	10 5/75 5/75 8 1/2
16,00,000	24,00,428	Nil	50,309	Demc Main	6-12	19	296,155	558,922	Nil-11	Nil-11	...	10 24/00 24/56 32
2,240,000	2,239,116	2,313,125	2,140,348	East Indian	6-12	19	8,87,453	32,379	73-74	74-75	18 1/2	10 24/25 24/25 17 1/2
29,63,766	1,15,25,711	33,50,045	24,17,696	Equitable P	6-12	19	12,979	24,844	...	...	...	10 15/75 15/75 17 1/2
10,00,000	3,74,708	3,07,486	3,32,977	Ghusick & Muslia	6-12	20	24,150	2,401	...	...	...	10 22/12 22/12 20 1/2
6,50,000	3,06,856	3,36,585	4,35,344	Juzdar Kajora	6-12	19	2,70,524	45,988	73-74	74-75	12 1/2	10 22/12 22/12 20 1/2
8,00,000	1,17,786	1,25,000	7,32,425	Kalaphari	6-12	2	1,38,130	2,21,237	Nil-11	Nil-11	...	10 20/00 20/00 20 1/2
3,50,000	6,31,200	5,66,816	1,407	Kalaphari	6-12	2	1,38,130	2,21,237	Nil-11	Nil-11	...	10 20/00 20/00 20 1/2
15,30,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-11	Nil-11	...	10 12/50 12/50 26 1/2
5,00,000	24,60,894	1,77,175	26,967	Karanpura Collieries P	6-12	21	2,26,982	6,965	Nil	Nil	...	10 88/50 88/50 55
1,38,496	10,29,548	16,60,000	11,29,332	Katras Jherriab	6-12	2	5,92,347	1,33,475	28-28	25-30	5	10 54/62 54/62 9 1/2
5,65,756	10,84,977	85,000	9,569	Mundulpur	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
7,48,246	3,46,939	2,00,000	10,14,803	Nazira	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
7,00,000	3,13,412	26,611	51,641	New Bansdeopur	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
17,16,231	11,15,785	20,31,762	3,78,539	New Heerbhoom P	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
6,00,000	1,11,164	75,000	4,35,344	New Wanbhoom	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
2,50,000	7,69,622	1,75,500	10,12,916	North Damuda	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
1,50,000	4,42,486	2,85,193	1,52,246	North West	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
7,50,000	1,20,000	12,19,987	23,26,757	Ordeal P	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
8,34,000	2,21,342	10,862	33,01,757	Parasee P	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
15,70,000	13,39,443	16,50,000	13,39,443	Pencer Valley	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
2,30,000	2,62,407	7,000	11,39	Pure Sitalpur	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
23,49,500	36,99,424	20,17,105	67,938	Raneegunge	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
8,88,001	10,45,115	15,51,501	14,29,643	Rewa	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
20,00,000	23,74,261	7,52,027	1,01,422	Samsa	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
2,50,000	1,56,194	1,34,374	1,13,581	Searsole	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
2,80,000	10,92,193	3,36,588	7,87,727	Seetapore P	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
8,00,000	3,824	5,29,306	3,32,751	Sendra	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
17,50,000	22,79,233	10,89,693	25,008	South Karanpura	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
8,00,000	1,42,060	14,01,053	23,80,817	Standard	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
10,00,000	15,58,085	15,075	1,919	Talcher	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
3,30,000	4,52,000	3,40,000	12,886	Union	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
49,38,000	33,66,556	50,000	2,17,164	Western Bengal	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2
7,00,000	32,65,173	21,569	61,480	West Jamuria	6-12	326	49,776	1,918	...	...	...	10 3/75 3/75 3 1/2

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other funds- Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Latest Market Quotations as available until	A year ago
	Spindles	Looms									1954	1955	1956			Paid-up per share	22-5-57	15-5-57	15-5-57
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.
15,00,000	14,108	356	14,62,919	1,73,478	1,90,008	Basanti P	12	49	1,97,268	41,227			10	5/31	5/31
32,12,346	22,197	905	27,69,676	2,78,816	24,351	Benares P	3-9	120	-1,27,187	-4,79,347			10	0/87	0/87
7,11,286	36,000	932	17,17,120	13,18,909	30,842	Bengal Luxmi	6	27	3,66,176	72,818			10	40/00	40/00
27,00,000	11,476	624	23,33,000	15,50,000	84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199			10	7/31	7/31
15,00,000	38,764	992	28,31,200	88,48,588	31,22,417	Birla Cotton	6-12	236	16,69,225	2,76,936			10	35/00	35/00
6,00,000	42,872	641	37,34,142	22,72,588	1,44,348	Bowen P	6-12	138	84,028	23,47,372	Nil - Nil	Nil - Nil	15	10	112/00
30,00,000	22,000	510	4,43,453	29,51,420	1,00,393	Cawnpore Textiles	6-12	236	6,73,253	38,767	Nil - Nil	Nil - Nil	100	5/69	5/69
3,27,32,390	1,00,563	4,762	9,94,631,168	1,74,48,395	2,94,83,803	Delhi Cloth & Genl F	6	235	1,81,41,278	82,759	9	9	25	37/75	37/75
19,00,000	42,944	318	44,12,181	55,71,925	1,53,894	Dunbar	6-12	138	9,92,374	1,37,951	Nil - Nil	Nil - Nil	23	176/00	176/00
63,00,000	54,000	1,200	18,99,926	93,47,056	71,13,555	Elgin P	6-12	235	45,81,868	78,754	10	10	100	20/25	20/25
1,20,00,000	59,250	1,872	3,89,957	1,60,53,952	47,29,268	Kesoram P	6	22	37,41,719	2,45,435	10	10	12 1/2	13/56	13/56
6,00,000	15,864	864	17,48,142	3,75,674	74,08,655	Mohini P	12	45	1,53,311	3,158			20	13/37	13/37
33,96,288	38,000	1,825	47,44,344	52,19,601	12,65,055	Muti P	12	208	-18,77,941	-7,77,296			10	73/50	73/50
22,39,382	18,848	1,367	32,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473			2 1/2	1/62	1/62
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	236	1,51,636	1,094			10	16/25	16/25
5,00,000	1,14,836	4,077	2,83,77,688	1,85,04,931	32,30,412	Swadeshi (Cawnpore) F	12	333	43,71,838	7,09,025	Nil	Nil	100	3/00	3/00
1,57,50,000											Nil	Nil	100	12/50	12/50
											Nil	Nil	100	12/31	12/31
40,50,000	48,754	1,310	91,16,612	2,50,15,667	32,18,643	Bangalore W C Silk F	12	26	57,33,582	2,82,947	30	30	30	168/00	173/00
1,78,47,800	1,20,012	2,770	3,22,27,119	2,77,73,212	14,62,272	Buckingham Carnatic F	12	26	63,43,383	2,28,220	30	30	30	168/00	173/00
20,00,000	28,000		18,33,000	20,42,014	11,26,238	Cambodia T	12	26	1,96,274	27,593	Nil	5	10	168/00	173/00
12,00,000	28,864		3,41,058	9,00,000	16,53,502	Coimbatore Cotton	12	218	1,96,274	27,593	Nil	5	10	168/00	173/00
20,76,900	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg	12	181	1,96,274	27,593	Nil	5	10	168/00	173/00
6,50,000	50,666	395	12,25,568	17,99,300	8,77,434	Kaleswarar	12	148	-7,52,342	-10,23,344			10	165/00	165/00
24,00,000	50,512	300	60,83,320	1,09,960	1,09,960	Kothari Textile F	6	141	2,05,780	1,677			50	335/00	335/00
									6,24,560	42,942	6	10	100	335/00	335/00
23,94,000	18,756		15,01,051	21,70,206	78,056	Lakshmi	12	181	11,41,248	4,209			10	14/10	14/10
1,75,02,480	1,60,324		2,06,03,942	4,13,81,878	1,14,98,962	Madura	12	108	95,70,251	32,44,130	20	20	50	141/00	141/00
1,20,00,000	1,43,188		1,43,188	1,43,188	1,43,188	Malabar Spg & Wvg	12	108	95,70,251	32,44,130	20	20	17 1/2	41/40	41/40
60,00,000	14,252	603	24,19,823	39,00,000	1,94,100	Mettur Industries	12	142	-80,193	-84,039			15	109/00	109/00
13,61,781	5,000		4,15,992	3,90,478	1,34,666	Mysore Spur Silk	12	142	48,44,993	45,835	35	32 1/2	200	396/00	396/00
4,00,000	10,137	Nil	1,36,606	3,00,000	3,24,449	Palani Andavar P	12	30	1,39,450	3,986	Nil		10	8/25	8/25
7,79,700	15,546	416	1,42,118	1,43,421	2,65,311	Srirangam Spg & Wvg	12	164	87,724	2,687			50	147/00	147/00
7,00,000	18,104	270	2,98,563	18,23,501	1,71,924	Vasanta P	12	47	16,37,459	3,063			100	289/00	289/00

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Accrue Interest	Outturn		Average realised for year	Price per Rs	Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
				1954	1955								1953	1954	1955		22-5-57	15-5-57	1st year 1956
CACHAR																			
3,00,000	1,40,887	1,75,600	862	2,89,040	39-11	..	..	..	Aruttipore	12	38	1,72,877	Nil	Nil	..	10	12/00	12/00	12
4,00,000	5,26,289	49,878	482	1,41,174	32-4	..	..	..	Baitakhal	12	35	1,33,907	..	..	..	10	10/50	10/50	100
10,00,000	18,22,881	5,88,800	1,484	3,90,265	10-10	8,40,392	32-4	8,13,443	Central Cachar	12	128	2,28,292	Nil	..	..	100	65/75	65/75	100
2,50,000	37,753	Nil	794	7,00,456	4-2 2/5	7,07,748	4-0	7,44,000	Chandypore	12	128	49,992	Nil	7 1/2	..	100	65/00	65/00	91
7,00,000	7,07,190	11,000	945	1,91,320	38-1	3,91,440	28-6	4,40,000	Eastern Cachar	12	202	33,600	Nil	Nil	4	100	9/81	9/81	22
12,90,000	17,92,487	11,90,000	4,132	17,99,320	35-0	18,36,400	24-1	16,00,000	Kallitkhra	12	202	2,46,355	25	40	7 1/2	100	16/56	16/56	110
4,50,000	2,91,000	1,65,222	380	3,40,500	32-4	3,49,445	27-6	3,30,000	Kallinagar (Khorae)	12	313	91,071	Nil	15	..	100	102/00	102/00	114
3,80,000	3,12,914	3,24,291	603	3,68,960	38-0	4,86,080	23-11	1,80,000	Kunchinpor	12	3	33,915	Nil	27 1/2	Nil	10	10/12	10/12	10
7,00,000	4,20,000	5,50,000	1,368	1,33,267	47-1	7,86,038	26-7	8,00,000	North Western Cachar	12	33	3,68,196	Nil	20	15	100	264/00	264/00	264
2,59,000	3,18,608	Nil	509	3,68,960	38-0	4,86,080	23-11	1,80,000	Ratamara P.	12	202	2,494	Nil	Nil	10	100	9/06	9/06	194
2,60,000	4,34,515	3,56,592	518	3,04,200	46-1 4/5	6,76,240	25-11	6,40,000	Rooapchara	12	165	1,16,999	Nil	10	15	50	22/00	22/00	231
5,25,000	8,87,291	10,42,950	888	5,76,800	11-11	7,25,980	29-3	6,00,000	Rungmattee	12	35	2,98,525	20	35	20	50	97/00	97/00	191
4,00,000	5,88,316	5,52,318	862	4,49,336	36-7 1/2	..	..	..	Sonai River P.	12	14	1,73,677	Nil	12 1/2	..	10	12/31	12/31	101
3,75,000	5,02,307	4,31,257	1,056	4,63,320	..	..	..	..	Tilkah	12	35	5,22,670	Nil	20	..	10	12/00	12/00	101
DARJEELING																			
3,99,150	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	1,76,000	Bloomfield	12	101	-99,904	Nil	Nil	10	2/00	2/00	31	
2,19,000	3,07,500	1,25,000	407	1,41,174	32-4	1,44,772	46-8	1,76,000	Chamong	12	101	-99,904	Nil	Nil	10	15/12	15/12	100	
3,75,000	1,75,000	1,11,928	981	1,35,760	32-5	1,27,760	38-9	1,28,000	Darj. Tea Chinchona	12	276	-99,904	Nil	40	Nil	100	131/00	131/00	250
2,00,000	8,84,414	1,62,639	488	2,84,204	19-1	2,35,761	35-9	2,64,000	Jalaram	12	39	-27,865	7 1/2	30	Nil	100	190/00	190/00	250
2,00,000	5,08,900	3,44,549	306	2,84,204	19-1	2,35,761	35-9	2,64,000	Jiele P.	12	200	-62,814	Nil	21	Nil	10	18/12	18/12	304
7,00,000	6,59,000	2,60,770	1,049	6,53,447	38-31	6,18,730	42-31	6,72,000	Jingia P.	12	14	1,52,945	20	50	25	10	25/00	25/00	303
10,32,000	1,31,511	11,11	761	1,26,515	18-8	..	..	..	Longview	12	279	1,52,945	20	50	25	10	25/00	25/00	303
4,00,000	3,12,081	4,00,225	816	3,39,040	37-11	3,53,520	36-7	3,68,000	Margaret's Hope	12	165	5,04,822	10	7	..	10	11/56	11/56	304
1,59,000	2,06,770	3,50,239	465	1,82,087	32-4	1,65,444	30-6	1,84,000	Min	12	165	-36,458	7 1/2	30	Nil	10	255/00	255/00	283
2,39,000	3,67,500	2,30,102	305	3,67,500	31-4	3,43,342	36-0	4,40,000	Vagri Farm	12	165	1,16,999	20	15	10	50	255/00	255/00	283
1,00,000	2,23,710	97,647	305	1,81,157	55-3	1,68,126	38-4	1,80,000	Jkayti P.	12	279	1,52,945	20	50	15	10	600/00	600/00	283
3,00,000	4,67,468	2,61,118	776	1,68,697	30-8	1,64,824	37-11	1,76,000	Pashok	12	33	-53,958	Nil	37 1/2	Nil	100	11/12	11/12	131
3,00,000	3,63,067	4,09,567	500	1,68,697	30-8	1,64,824	37-11	1,76,000	Poongong	12	139	-69,682	2 1/2	15	Nil	10	10/12	10/12	131
2,05,000	4,00,000	2,07,813	576	1,58,141	38-8	1,27,541	35-11	1,60,000	Quimong P.	12	63	-69,682	2 1/2	15	Nil	10	10/12	10/12	131
1,40,000	1,69,062	4,65,653	341	1,80,720	38-4	1,67,840	41-4	1,76,000	Rungteng Rungteng	12	63	-15,953	10	Nil	10	10	9/62	9/62	300
3,00,000	3,33,822	1,86,462	395	1,77,704	32-3	1,59,385	35-0	1,68,000	Seevok	12	63	33,455	17 1/2	50	20	100	408/00	408/00	390
6,25,000	3,98,415	4,47,478	741	2,05,335	47-4	..	..	..	Singeli	12	63	-1,07,330	2 1/2	15	Nil	10	11/50	11/50	394
9,00,000	9,36,557	1,54,418	865	2,05,335	47-4	..	..	..	Sinctom P.	12	113	45,341	Nil	Nil	..	10	6/00	6/00	394
3,00,000	3,24,400	4,10,000	354	2,05,335	47-4	..	..	..	Soom	12	101	39,380	Nil	5	11	10	30/00	30/00	394
6,25,000	12,36,873	5,74,585	832	1,76,700	34-5	2,90,650	41-11	2,96,000	Sungma	12	279	1,56,165	30	50	30	10	10/12	10/12	131
3,20,000	4,70,000	10,86,284	718	4,00,947	14-8	3,70,473	41-11	3,70,000	Teesta Valley	12	165	-57,883	Nil	7 1/2	Nil	10	38/75	38/75	394
5,01,357	11,54,000	2,62,417	1,666	7,11,945	50-51	7,09,403	34-4	8,80,000	Tukvar	12	279	9,00,088	15	40	15	10	11/37	11/37	141
DUARS																			
27,00,000	19,11,197	24,25,000	2,540	30,81,686	51-2	30,69,36	31-9	33,20,000	Banarhat P.	12	4	11,23,882	45	120	25	100	265/00	265/00	360
6,00,000	20,30,782	19,29,000	1,106	13,91,320	43-1	4,32,134	32-1	14,00,000	Baradighi	12	28	3,17,533	30	35	30	10	23/59	23/59	351
9,00,000	9,80,500	16,53,306	1,117	14,80,840	41-10	14,18,240	29-8	13,60,000	Bhatkawa	12	28	3,17,533	30	35	30	10	23/59	23/59	351
9,00,000	14,52,896	11,61,304	1,367	11,96,888	52-0	11,04,658	42-3	12,80,000	Birpara P.	12	165	3,78,003	30	65	25	100	110/00	110/00	294
6,00,000	8,04,764	7,74,645	902	8,04,104	35-10	8,10,033	29-7	5,60,000	Carron	12	63	1,28,962	22 1/2	25	7 1/2	100	166/00	166/00	261
6,00,000	9,91,678	10,50,000	903	10,58,398	49-4	10,82,888	31-11	11,60,000	Choonabhatti P.	12	63	1,28,962	22 1/2	25	7 1/2	100	166/00	166/00	261
1,20,000	4,47,806	4,00,102	305	4,01,294	43-4	3,84,267	30-7	4,48,000	Chienbarrie	12	63	3,98,498	25	30	20	100	301/00	301/00	272
3,50,000	1,95,171	4,64,000	285	2,24,000	49-1	2,12,721	26-9	2,40,000	Eno	12	63	-51,689	Nil	15	Nil	100	180/00	180/00	272
5,00,000	3,70,483	3,00,000	441	4,75,941	39-4	4,65,422	30-3	5,40,000	Ethelbert	12	63	-43,282	..	110	Nil	10	15/06	15/06	322
10,00,000	17,49,500	22,55,562	1,022	12,26,091	47-11	12,20,116	27-11	12,20,000	Gairkhat	12	354	-59,705	Nil	35	Nil	10	268/00	268/00	322
24,00,000	37,95,521	49,07,736	4,421	30,88,872	44-1	27,90,54	29-0	31,20,000	Jasipur	12	48	-2,51,774	20	70	Nil	10	22/00	22/00	290
5,20,000	33,65,929	64,88,285	4,236	53,71,277	41-11	60,72,776	36-2 3/5	62,56,000	Hantapara P.	12	63	1,93,187	16	24	12	25	158/00	160/00	290
7,00,000	10,96,000	17,14,718	1,452	16,07,366	41-11	17,67,246	26-11	17,20,000	Hasmara P.	12	63	2,25,925	10	6	..	100	24/31	24/31	291
9,00,000	12,59,526	13,23,848	931	14,86,814	44-2	1,62,400	28-7	1,60,000	Hudipara	12	14	2,74,456	22 1/2	30	10	10	23/25	23/25	291
2,00,000	4,12,000	1,50,000	626	1,47,814	45-1	1,26,832	30-10	1,00,000	Kilchoa	12	63	-213,207	25	30	12 1/2	10	23/25	23/25	291
9,00,000	15,71,067	18,15,032	1,122	1,69,538	44-2	1,78,988	28-1	1,00,000	Manabarrie	12	358	2,74,7							

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	A year ago
SUGAR BREWERIES ETC.															
11.00.000	6.45.722	3.75.000	10.90.564	New Savan Sugar and Gur	3	140	95.437	52.205	..	..	..	10	5/50	5/75	64
9.00.000	12.45.157	19.64.817	1.62.880	Purtabpur Sugar P.	10	25	2.94.625	20.705	7 1/2	7 1/2	7 1/2	10	17/62	17/62	13
16.59.820	26.52.127	35.30.000	4.84.536	Rammugger Cane & Sugar P.	10	1	18.11.364	20.350	15	20	..	10	25/18	25/18	24 1/2
19.99.600	25.62.563	39.88.218	13.92.915	Raza Sugar P.	10	92	10.78.193	3.144	..	..	..	10	..	..	20 1/2
5.00.000	6.07.223	7.72.778	3.77.846	Ryam Sugar P.	10	25	4.21.492	13.204	..	..	17 1/2	10	21/50	21/50	13 1/2
11.99.000	21.07.973	19.42.074	49.572	Samastipur Central Sugar	6	25	33.558	3.554	5	Nil	Nil	10	11/50	11/50	14
40.00.000	72.49.554	19.00.000	1.12.477	Shree Krishna Gyanodaya Sugar P.	7	335	8.85.387	16.381	15	17 1/2	10	10	9/93	10/90	14 1/2
9.94.500	13.54.858	11.85.175	11.18.388	Shree Sitaran Sugar	10	140	1.90.057	7.991	..	..	..	10	13/00	13/00	11 1/2
9.99.950	14.69.227	26.825	75.669	Sitalpore Sugar	6	94	77.391	4.25.477	Nil	Nil	Nil	10	4/37	4/37	4 1/2
16.00.000	6.07.804	7.99.778	4.22.572	United Provinces	3	341	4.23.880	39.061	..	..	..	10	13/50	13/50	20 1/2
8.00.000	47.67.080	29.24.348	3.58.933	Upper Ganges Sugar P.	3	316	12.95.211	32.829	25	25	30	10	70/00	70/00	280
14.00.000A	14.24.740	23.74.426	10.72.924	Upper India Sugar	4	302	16.80.986	86.393	15	20	..	100AC	280/00	280/00	28
7.00.000B												121BC	28/50	28/50	
MISCELLANEOUS															
8.00.000	2.20.232	1.58.200	9.53.526	A Firpo (Restaurateurs)	10	85	84.518	4.475	..	..	..	10	4/19	4/19	4 1/2
1.50.00.000	1.40.80.594	6.21.715	51.361	Air India Ltd.	12	289	6.02.785	14.30.401	..	..	..	100	..	..	..
2.00.00.000	2.58.39.656	68.01.534	50.022	Air India International Ltd.	12	322	10.51.340	30.205	..	..	..	100	..	..	..
47.50.000	3.08.51.605	17.00.000	16.26.711	Aluminium Corp. P.	1	132	25.21.116	1.16.199	Nil	Nil	5	100	8/81	9/19	11 1/2
2.50.00.000												21DD	4/50	4/50	13 1/2
30.00.000	42.38.502	14.50.000	54.97.530	Anderson Wright, Ltd. P.	12	1	18.284	18.284	7 1/2	Nil	..	10	11/50	11/50	21 1/2
30.00.000	11.39.552	39.18.823	14.94.091	Angelo Bros.	10	268	15.15.199	3.35.874	12 1/2	20	..	10	17/75	18/12	19 1/2
30.00.000	19.62.230	15.70.000	98.451	Assam Match	12	274	10.24.478	1.72.873	12 1/2	12 1/2	12 1/2	10	20/37	20/37	4 1/2
43.99.958	21.25.615	28.30.285	64.182	Assam Saw Mills & Timber	3	21	97.405	5.14.537	Nil	Nil	..	3	2/75	3/03	7 1/2
30.00.000	61.61.597	23.00.000	61.84.097	Associated Hotels of India P.	3	204	8.82.993	32.683	2	4	12	10	10/75	10/75	11 1/2
80.01.400	33.50.000	1.09.53.000	1.12.08.422	Balmer Lawrie & Co.	12	304	32.12.152	5.03.129	13	12 1/2	..	100	145/00	145/00	17 1/2
12.00.000	2.55.604	8.49.890	4.52.019	Baraee Coke	3-9	128	2.19.706	45.339	7 1/2	7 1/2	6	100	16/25	16/25	4 1/2
6.00.000	76.414	Nil	30.72.417	Bengal Timber Trading P.	10	128	6.43.164	1.19.102	..	..	..	100	41/00	41/00	4 1/2
50.00.000	19.53.822	Nil	19.59.359	Bharat Airways Ltd.	6	22	3.19.589	3.19.229	..	..	..	10	5/25	5/25	17 1/2
20.00.000	7.25.715	7.25.715	66.08.958	Birds Investments P.	10	160	4.59.013	37.612	12 1/2	12 1/2	10	10	13/56	13/56	15 1/2
45.97.020	6.87.085	31.11.814	2.09.476	Britannia Biscuit P.	3	50	8.14.261	1.79.277	10	10	10	10	13/06	12/81	8 1/2
22.50,000	13.98.796	43.18.775	3.38.476	British Ceylon Corporation P.	12	5	27.75.295	1.85.955	..	..	..	7 1/2	9/00	8/94	11 1/2
8.25.00.000	59.89.738	1.18.60.524	2.50.83.650	British India Corporation P.	12	33	30.23.938	27.36.584	1 1/2	Nil	..	5	6/40	6/42	8 1/2
99.50.000A	2.16.659	3.24.161	6.46.589	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	60.996	1.550	5	6	5	10A	6/69	6/69	8 1/2
32.50.000B	5.92.780	24.09.688	1.02.376	Calcutta Silk Manufacturing P.	3-9	213	45.711	22.586	..	..	Nil	10B	4/12	4/12	10 1/2
90.00.000	17.81.146	80.80.268	2.06.11.689	Duncan Brothers & Co. Ltd.	12	169	43.51.864	4.97.914	12	11	..	100	100/00	100/00	121 1/2
1.60.00.000	3.06.30.528	34.80.814	35.55.133	Dunlop Rubber Co. (India) P.	12	96	1.02.44.457	13.24.595	15	15	15	100	23/69	23/69	30 1/2
51.28.000	54.10.811	1.72.19.436	11.20.038	Eastern Investments Ltd. P.	12	21	3.27.916	3.27.916	9	9	9	100	107/75	107/75	11 1/2
75.00.000	13.79.337	4.83.826	1.02.21.271	F & C Oiler (India) Ltd. P.	12	3	4.26.249	5.26.954	..	..	..	10	5/87	5/87	11 1/2
80.00.000	12.88.300	21.97.641	86.55.360	French Motor Car	10	51	8.97.594	1.26.757	12 1/2	12 1/2	..	20	21/87	21/87	11 1/2
14.00.000	14.92.000	10.02.000	11.384	Ganges Rope	3-9	19	59.571	27.194	7 1/2	7 1/2	7 1/2	100	107/50	103/00	17 1/2
2.25.000	33.54.049	53.17.320	5.34.582	General Investments Trust P.	3	357	18.384	12.435	24-24	24-24	33-24	75	43/00	43/00	13 1/2
65.00.000	27.68.049	5.00.324	1.08.48.711	Gillanders Arbuthnot & Co. Ltd. P.	10	105	30.03.640	89.541	7 1/2	14	16	10	10/94	11/00	11 1/2
40.00.000	31.09.479	8.87.000	1.18.929	Gladstone Lyall & Co. Ltd. P.	12	209	1.02.792	34.255	..	..	..	10	23/50	23/50	20 1/2
80.00.000	32.90.010	1.72.203	6.22.424	Godfrey Phillips (India) Ltd. P.	12	310	2.23.734	13.04.513	10	20	20	10	23/50	23/50	20 1/2
10.00.000	17.38.764	1.61.173	9.221	Great Eastern Hotel	10	225	5.50.579	16.373	..	..	..	250	226/00	226/00	11 1/2
35.20.000	30.42.899	20.00.000	19.08.958	Hindustan Ice & Cold Storage	9	..	43.377	24.274	..	..	..	5	1/25	1/25	11 1/2
15.16.00.000	7.42.66.399	1.88.86.788	5.50.32.187	Hoare Miller & Co. Ltd.	12	294	2.05.330	1.33.076	Nil	Nil	..	8	7/56	7/56	14 1/2
2.01.10.000	2.83.61.126	55.27.500	8.59.214	Imperial Tobacco	10	325	3.66.59.515	24.94.274	8	8	8	10	14/06	13/75	14 1/2
1.52.89.220	1.27.87.878	1.37.00.000	11.88.406	Indian Aluminium Co., Ltd. P.	12	293	42.79.225	7.97.410	Nil	10	10	10	12/87	12/87	21 1/2
5.00.00.000				Indian Cable P.	3	34	1.21.59.493	32.04.214	10	12 1/2	15	10	23/00	23/62	3 1/2
83.75.00.000	22.07.260	2.21.280	11.69.467	Indian National Airways	12	93	38.302	12.62.971	..	..	..	10PO	8/12	8/12	5 1/2
1.25.00.000									..	..	..	100	6/75	6/75	11 1/2
82.97.90	7.44.398	5.38.000	17.67.876	Indian Rubber Manufacturers P.	3	173	1.79.618	32.616	..	..	..	10D	00/50	00/50	3 1/2
90.00.000	4.64.735	18.15.487	10.03.708	Indian Wood Products	10	88	17.28.038	2.76.619	5	5	..	10	27/00	27/00	11 1/2
5.00.000	1.53.62	2.55.728	12.78.254	Investments and Finance P.	2-8	21	27.880	51.001	27 1/2	30	..	10	39/37	39/37	38 1/2
2.40.000	15.362	4.46.244	3.20.757	Ivan Jones Ltd.	9	194	1.39.321	36.496	24-24	33-24	33-24	100	65/00	65/00	2 1/2
5.87.5000	2.16.659	3.24.161	64.65.89	James Wright P.	12	281	60.996	1.550	5	6	5	50	3/12	4/12	4 1/2
1.17.50.000	51.37.813	57.00.000	4.02.27.618	Jardine Henderson Ltd. P.	10	39	31.24.445	5.11.852	Nil	Nil	..	10D	00/62	00/62	10 1/2
2.50.00.000	3.17.363	6.02.958	3.21.617	Macfarlane & Co.	10	133	14.408	..	..	..	..	100	76/00	75/00	3 1/2
6.34.00.000									..	..	..	50	3/06	3/06	3 1/2
50.00.000	88.50.000	63.33.428	2.57.13.417	Macneil & Barry Ltd. P.	10	334	52.06.340	6.31.124	..	..	..	10D	00/56	00/56	2 1/2
1.43.96.500	35.39.193	69.82.796	2.07.03.941	Martin Burn Ltd. P.	9	309	93.42.590	2.70.207	13 1/2	18 1/2	21 1/2	100	22/68	23/12	24 1/2
40.00.000	37.46.252	80.86.900	2.72.14.736	McLeod & Co. P.	12	282	31.91.906	2.57.234	17	22 1/2	..	1000	240/00	240/00	24 1/2

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until.		
									1954	1955	1956		21-5-57.	14-5-57	A year ago Rs.
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.			Rs.	Rs.	Rs.	Rs.	Rs.
CEMENT															
12,71,67,258	18,41,79,930	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8½	10	10	100	148/50	157/00	217½
ELECTRIC LTG. POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6½	5	6½	100	92/00	93/25	95½
2,92,83,500	4,18,62,358	62,34,507	65,30,399	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7½	7½	..	1,000	1,200/00	1,207/50	1,193½
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100	105/50	106/00	114½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100	123/00	123/00	146
1,34,45,225	3,37,65,356	63,32,045	58,39,875	Tata Hydro-Elec. Power Sup P.	6	267	37,75,587	21,171	7½	7½	..	100	119/00	122/50	125½
5,92,78,750	8,98,37,405	1,41,56,572	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000	1,215/00	1,221/25	1,301½
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12½	..	..	100	243/75	253/75	350
6,00,000	29,341	4,43,904	59,328	Jost's Engineering	3	115	62,291	1,598	15	5	5	50	66/00	66/00	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	100	15/10	15/25	13½
40,95,100	81,25,752	2,02,500	49,033	Machinery Mfgs. Corp. Ltd. P.	3	330	2,02,006	64,676	Nil	Nil	..	100A	..	..	..
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,083	64,938	..	..	..	100	76/00	76/00	96½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	140/50	149/50	175½
4,20,00,000	5,90,52,365	1,17,73,382	23,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	100	142/00	146/75	154
3,63,75,000	32,44,07,755	15,63,05,556	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	15150	165/50	250½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,605	..	..	..	10	13/37	13/37	13½
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/09	350/00	475½
8,46,120	..	36,33,999	46,38,031	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45/50	45/50	9½
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,951	4,65,316	..	..	..	15	7/00	7/00	43½
1,06,81,590	..	1,68,81,795	27,25,19,952	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	40/25	41/25	43½
6,00,000	..	67,83,74,431	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	200	3775/00	3,775/00	3,900
15,99,270	..	29,41,960	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	10	15/60	15/60	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	-	-	-
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	217/00	219/75	233½
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	508/00	546/50	628½
42,00,000	1,21,04,063	31,14,908	98,20,769	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	190/50	210/00	245
45,00,000	3,51,93,454	1,03,93,754	12,84,992	Hindustan Lever	12	91	2,23,86,720	94,17,000	..	..	..	25	..	..	..
5,57,00,000	3,085	19,47,386	14,05,232	Industrial Investment Trust	12	299	6,81,909	2,83,136	4½	4½	..	10	19/60	19/50	7½
99,99,250	13,82,857	7,34,142	2,99,042	Kemp (Chemists)	12	357	68,232	16,942	6	..	..	100	75/50	75/50	215
11,99,900	5,74,05,779	1,81,13,445	7,09,08,135	National Rayon Corp.	3	87	38,40,892	5,62,020	2½	2½	5	20	16/95	18/15	18½
1,57,71,400	17,79,33,192	9,13,12,101	29,63,145	Scindia Steam Navigation	12	352	53,19,004	5,72,076	10	..	..	100	222/50	222/25	215½
9,39,98,060	36,65,283	70,25,000	13,22,272	Shivrajpur Synd. (Manganese)	6	198	38,67,824	9,483	80	80	80	10	77/00	80/50	98½
7,00,000	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	7½	10	15/85	16/15	18½
1,39,95,990	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	12	25	42/50	43/50	48
70,07,475	1,55,25,785	1,35,45,829	1,27,74,419	Western India Match	12	274	67,12,994	5,02,238	11	11	11	100	159/50	170/00	189½
* 1956 † Liquid Assets.															

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Net Earnings	Carry Forward	Dividends per cent.	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.			Rs.	Rs.	1953 1954 1955	Rs.	Rs. Rs.
CALCUTTA									
17,24,000	20,62,356	2,00,894	Ahmedpur Kutwa S.S.G.	3	163	-29,367	2 1/2 2 1/2 2 1/2	100	60/00 60/00 59 1/2
21,69,300	33,40,869	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	3-3 3-3 3-3	100	67/50 67/50 73
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	163	46,607	2 1/2 2 1/2 2 1/2	100	58/75 58/75 58 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	.. ..	100	10/00 10/00 11
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	.. ..	100	59/00 59/00 60 1/2
31,00,000	35,46,011	..	Chaparmukhi Silghat S.S.G.	3-9	32	62,834	1.29-1.29 1 1/2-1 1/2 1 1/2-1 1/2	100	51/00 51/00 53 1/2
4,75,000	3,20,049	4,75,000	Cherra Chhatka Ropeway	3	88	7,071	12 1/2 5 ..	100	4/88 4/88 7 1/2
2,47,650	2,75,015	65,025	Darjeeling Ropeway	3	101	18,097	1 1/2 2 1/2 2 1/2	100	6/00 6/00 6 1/2
22,50,000	62,20,813	13,32,000	Dehri-Rohtas	3	335	6,42,311	7 1/2 10-12 10-12	100	11/00 10/42 13 1/2
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	-33,016	98-98 99-1 1-1	100	63/37 63/37 56 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	3-3 3-3 3-3	100	51/00 51/00 72 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	3-3 3-3 3-3	100	65/00 65/00 61 1/2
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	2 1/2 2 1/2 2 1/2	100	58/00 58/00 61 1/2
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	.. ..	100	72/00 72/00 74 1/2
15,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	6-6 6-6 6-6	100	115/00 115/00 146 1/2
1,75,000	5,41,779	2,04,841	Tezpur Balipara Tramway P.	3-9	165	-43,574	.. ..	100	.. ..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shib Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road, Fort Bombay.	349. Chandmull Batia—7, Canning Street, Calcutta.
321. F. C. Williams—14, Old Court House St., Calcutta.	330. Lahindra & Mahindra, Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheryan—Travancore.	350. K. E. Agarwal—Empire House, Hornby Road, Fort Bombay.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort Bombay-1.	331. N. L. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co. Ltd.—2, Netaji Place, Calcutta.	351. L. & T. (Management) Private Ltd.—J. K. Building, Douglall Road, Ballard Estate, Bombay.
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort, Bombay.
324. Indo Corporation Private Ltd.—5, Swinhoe St. Calcutta-19.	333. Jaipuria Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	353. N. K. Jhajarharia—14, Netaji Subhas Road, Calcutta.
325. John Rutherford Blackie—Virginia House, 37, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. L. Pitani—Victoria Bunder, Colaba, Cotton Street, Calcutta.	354. L. C. Kanol—P. S. Mission Row Extension, Calcutta.
326. Berivala Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahv Jain Ltd.—Dalmianagar.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	355. G. G. Robertson—18, Strand Road, Calcutta.
327. Marwar Textiles (Agency), Ltd.—Waudby Road, Fort, Bombay-1.	336. Palsidas Kilachand—Scindia Subhas, Douglall Road, Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory, Alwaye.	356. B. Bajoria—10, Clive Row, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337. Beriwalla & Co.—63, Netaji Subhas Road, Calcutta.	347. Associated Commercial Co., Ltd.—151/1 Harrison Road, Calcutta.	357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta.
	338. S. R. Sons, Ltd.—Hornby Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.	358. I. P. Goenka—14, Old Court House St., Calcutta-1.



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INDIA'S BEST

GUM & PASTE
SULEKHA WORKS LTD.
CALCUTTA-32.

RENEWAL OF THE TRADE PACT WITH CHINA

INDIA'S INTEREST IN A GROWING MARKET

COMMUNIST China's rapidly increasing import-economic and political repercussions; it has already caused a rebellion against America's restrictions by her west European allies and this may be only the prelude to extensive reorganisation of international trade. The countries east of Suez have felt the impact of China's vastly increased trade, especially, of course, since the Canal crisis, and most nations in south Asia are accumulating heavy deficits with the People's Republic. Unfortunately, this is true of India; and the renewal last Saturday of the trade agreement between this country and China which was originally signed in October 1954 brings a reminder of the sharp deterioration in the balance of trade which has taken place recently. The deterioration, the extent of which is indicated in the table below, springs primarily from the fact that India bought more of iron and steel manufactures from China, but was able to sell her less raw cotton and jute manufactures. Trade between the two countries in the last few years has been developing as follows:

VALUE IN LAKHS OF RUPEES

India's Imports from China to India	India's Exports from India to China	Total trade	Balance of trade
1953-54	99	180	-18
1954-55	203	297	+94
1955-56	438	635	+215
1956-57 (April to January)	638	282	-356

The magnitude of the exchange problems involved can be judged from the following figures on China's trade with the free world:

	January-August 1955	January-August 1956
China's imports from "free world"	\$202.7 million	\$240.9 million
China's exports to "free world"	\$296.7 million	\$392.9 million
"Free world's" deficit	\$94 million	\$152 million

Burma and Ceylon, despite the latter's favourable rice-rubber pact, are running similar deficits with China but these deficits are nothing compared with the heavily unfavourable trade balances of Indonesia and Malaya—last year, for instance, Malaya imported 28 times as much from China as she exported to that country. Japan too has a chronically unfavourable balance with her neighbour and it was only the closure of the Suez Canal last November that enabled her to balance accounts by increasing her exports of machinery and fertilisers to the mainland by 400 percent.

The very substantial balances that China builds up in this trade with her Asian neighbours she uses to finance her rising trade with Europe. It is probable that in her trade with Russia and the Communist nations of eastern Europe, China runs a deficit; one cannot know the details of these State transactions. But in her trade with the Western democracies, China still manages to profit for imports each month. And the reason for this is that the European countries which accept any measure of U.S. aid are forbidden to sell a long list of products to Communist China, and this list is longer, sillier and more spiteful than similar blacklists governing trade with Russia and the other Communist countries. It has been recognised for some years past that American policy towards Communist China is no longer rational but the product of fantasy and foolishness. Non-recognition, the blackmailing and intimidation of the nations' allies who sought closer trade connections with Peking, the refusal to permit such policies cannot be justified by any reasonable argument. They are not in fact "policies" in the normal sense (for Washington recognises their futility as clearly as London and New Delhi do) but rather hush-money paid first to the late Senator McCarthy and then to Senator Knowland to keep Communist policies in the more important field of relations with Russia.

Remembering this, America's allies in Europe are infringing Washington's regulations, and, now openly. This evasion of the

This imbalance is plainly a matter of serious concern to countries which are already suffering from exchange problems. The weakness of the United States' moral position in the debate is clear when we remember that two of the main causes of these exchange problems are her own tariff laws and her ban on trade with the Communist world. That the latter is an important element in the deficit in trade with China can be seen from the case of Switzerland, which is not subject to blackmail by the U.S. Congress. She trades freely with China, and last year became China's second supplier, displacing even Britain: her exports to China were rather less than Western Germany's, but unlike Western Germany she managed to achieve a favourable balance with China. No doubt some of Switzerland's success in trade with China is due to the fact that she is the channel for evasion of the U.S. regulations by other west European countries, but these latter are nevertheless confident that if the regulations were relaxed they could equal and surpass Switzerland's achievement, at similar profit to themselves.

The most that the American negotiators have envisaged in the discussions in Paris is that trade with China be placed on a similar footing with trade with the other Communist countries. This means that China will cease to be the object of special victimisation but will remain subject to the same strategic restrictions as now govern trade with Russia. The British, French and Japanese have been demanding even more than that, but the importance of this American concession can be judged from the British estimate that such a relaxation would permit Britain to increase her exports to China from £11 million in 1956 to £40 million next year. Obviously, this American concession was worth snatching at, all the more because American generosity in the matter will not be extended to U.S. exporters, so the west Europeans would have the profitable China trade more or less to themselves—an important point for the European automobile industries thus preserved from American competition. Naturally, there was a thorn with this American rose: Washington has asked that in exchange for freer trade with China, further restrictions be placed on trade with Russia. One of the restrictions innocently suggested by the

State Department was on copper wire, which happens to be Britain's biggest single export to the Soviet bloc.

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(FROM OUR LEGAL CORRESPONDENT)

SECTION 22 of the Industrial Disputes (Appellate Tribunal) Act, 1950, imposes a peremptory obligation on employers. It provides that except with the express permission of the Appellate Tribunal concerned, no employer shall alter the conditions of service to the prejudice of, or discharge, or punish any workman, whether by dismissal or otherwise, concerned in an appeal before the Appellate Tribunal during the pendency of such appeal or during the period of 30 days allowed for filing such an appeal. The penalties for contravention of the provisions of Section 22 are drastic. Contravention constitutes a criminal offence punishable with imprisonment for a term which may extend to six months, or with fine which may extend to Rs. 1,000, or with both; and while we are on the point, and to emphasise the gravity of contravention, we may add the reminder that where a person committing an offence under the Section is "a company, or other body corporate or any association of persons (whether incorporated or not) every director, manager, secretary, agent or other officer or person concerned with the management thereof shall, unless he proves that the offence was committed without his knowledge or consent, be deemed to be guilty of such offence." (Section 51). And that preliminary aide mémoire brings us to the interesting and instructive case of four

gentlemen "concerned with the management" of the Crown Flour Mills charged criminally before a learned magistrate, first class, Delhi, and subsequently coming before the learned Chief Justice and Khosla J. in the Delhi High Court for alleged breach of Section 22, punishable as above stated, for the termination of the services of 87 workmen.

The facts were that there was a dispute between the employers and the employees of the Crown Flour Mills. This dispute had been referred to the Industrial Tribunal. The workmen lost the case which was decided by the Industrial Tribunal against them. The workmen thereupon appealed to the Appellate Tribunal. So in the words of Section 22, they were "concerned in such appeal", and anything done or step taken by the management until the final disposal of the appeal would be so done or taken—again in the words of the Act—"during the pendency" of the appeal. The management did take steps. "While the appeal was pending," said Khosla J. in the High Court later, "a notice was sent by the management of the mill to 87 workmen informing them that the mill was being closed down with effect from 12th March, 1954, and that, therefore, the services of these 87 workmen were being terminated. The management had not previously obtained the permission of the Appellate Tribunal before taking this step, and so the four respondents were prosecuted for the offence punishable under Section 22 of the Act. It was alleged by the prosecution that they had deliberately dismissed the workmen while their appeal was pending before the Appellate Tribunal."

Now it is a fact that the number of technical offences artificially manufactured by statute and

which would not be offences at all under the common law "has increased, is increasing and ought to be diminished" as was said some hundred years ago by the Commons about the powers of the House of Lords. In England this aspect of trial by bureaucracy became so alarming that that great Lord Chief Justice, Lord Hewart, was moved to write a book about it which he called *The New Despotism*. The name has stuck, out the practice in England of prosecutions by the Tite-Barnacle clan has not ceased. Far from it. Only the other day, the writer picked up his local west of England newspaper and read therein of the case of a gentleman of irreproachable character who, at some risk to himself, visited the house of friends of his in the same village who—they were husband and wife—were violently quarrelling. The gentleman made the peace between the couple, but, as a precaution, dispossessed the husband of his revolver and took it away and locked it up in his own house until such time as he could safely return it. It is barely believable that for this he was prosecuted for being in possession of a revolver without a licence. It is true that a sensible bench of magistrates refused to convict him, but he had to suffer the ignominy of appearing in court on a serious criminal charge and to pay an advocate to defend him.

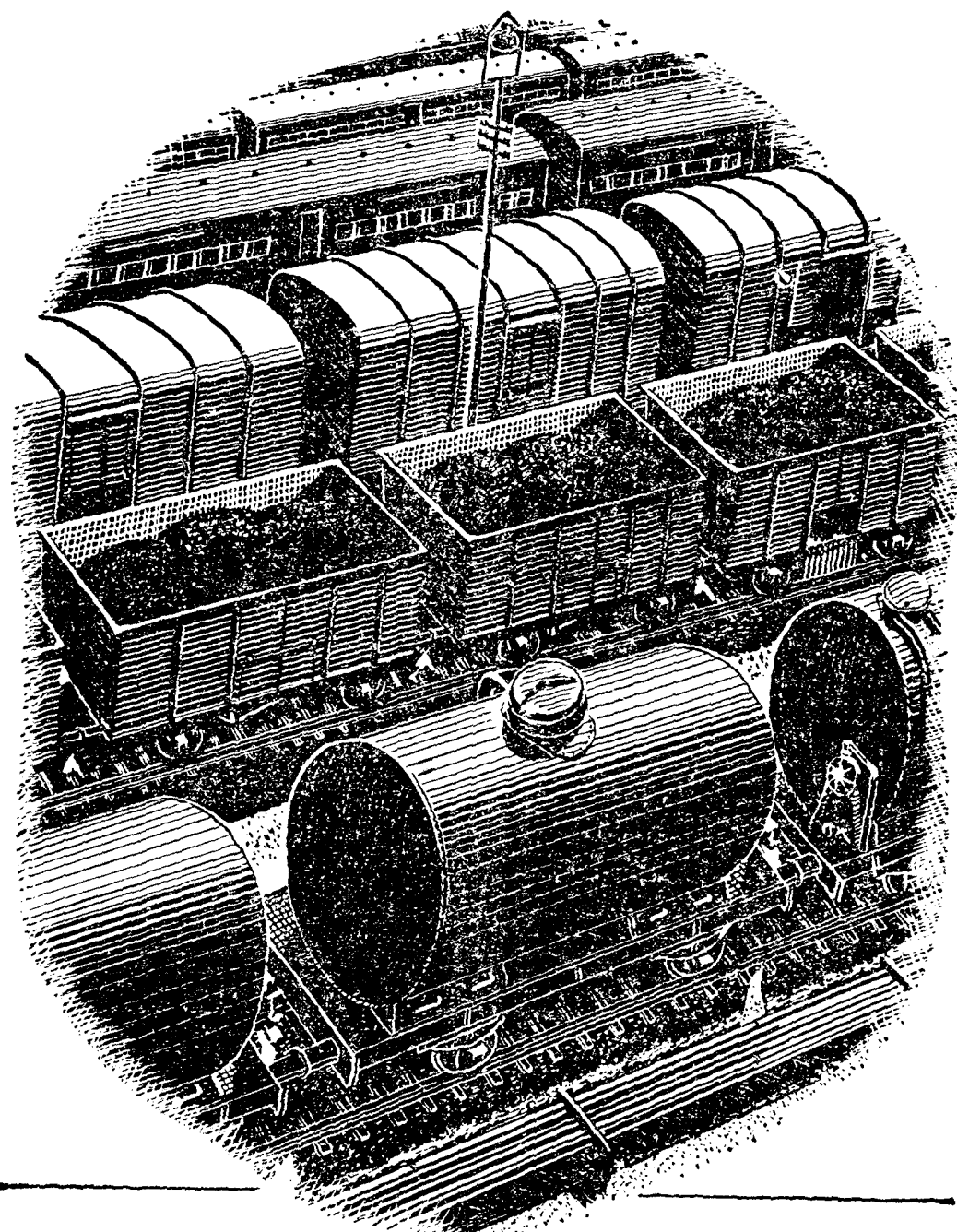
You will note that this gentleman undoubtedly was in possession of a revolver. Equally without doubt, he had no licence for it; and to be in such possession is an offence of great gravity. How then were the magistrates able to give him, as they did, an "absolute discharge"? The answer lies in two Latin words, or rather in the doctrine—invaluable to the liberty of the subject—arising out of them; and it was this venerable doctrine which the learned Chief Justice and his colleague in Delhi applied to the four accused members of the management of the Crown Flour Mills. The two words are *mens rea*, and the doctrine is this. In criminal law the purpose or object with which an act is done is all important. Briefly it may be said that in criminal law the constituent element of an offence is the *mens rea*, a guilty mind directed to a guilty intent. The commission of an act without the guilty intent is not as a general rule, sufficient to constitute a crime. This doctrine saved the management of the mill.

Said Khosla J. (Bhandari C.J. concurring): "It is quite clear that Section 29 of the Act makes punishable a criminal offence. A criminal offence is only committed when an act which is forbidden by law is done voluntarily. English jurists give the name of *mens rea* to the violation which is the motive force behind the criminal act. If there is no *mens rea*, no offence is committed although the act may prove detrimental to individuals. It is only voluntary acts which amount to offences. If a person is compelled by force of circumstances to perform an act forbidden by law he cannot be said to do it voluntarily and, therefore, he will not be held liable for the consequences of that act. An involuntary act may give rise to a civil remedy by an aggrieved person, but it will certainly not amount to an offence which is punishable at the instance of the State. In the present case, we find that the closing down of the mill and the subsequent termination of the workmen's services were not voluntary acts. They were performed consciously. The respondents were forced to close down the mill because no other course was open to them. The workmen were demanding a bonus which was not warranted by the finances of the mill. The award of the Tribunal was against them and the workmen took the matter up in appeal to the Appellate Tribunal. This happened in March 1954. In the year 1952-53, the mill had suffered a loss of Rs. 51,645 and in the following year (1953-54), had suffered an even greater loss of Rs. 89,372-10. These figures are evidenced by the balance-sheets produced by the respondents in the trial court. The Delhi State derationed grains and so the supply of wheat to the mill stopped abruptly on 1st March, 1954.

"The mill found itself in a state whereby to run each day would mean financial loss which would go on mounting as time passed. No employer, when faced with such a situation, can keep his mill open merely because the provisions of Section 22 of the Act require him not to alter the conditions of service or to dismiss any of his workmen without the permission of the Appellate Tribunal. The object of Section 22 is to safeguard the interests of the workmen and to keep them secure from any kind of victimisation by their employers while their dispute is pending before the Industrial Tribunal. In the present case there can be no question of victimisation. For two successive years the respondents had suffered heavy losses in the running of the mill. They found themselves unable to carry on the business because conditions suddenly altered by the derationing which came into force on 1st March, 1954. In this view of the matter, it cannot be said that the act of the respondents in closing down the mill was a voluntary act which contravened the provisions of Section 22. That being so, the respondents cannot be said to have committed any offence." The appeal of the State against the acquittal by the trial court was, therefore, dismissed.

Their lordships' judgment concluded with an observation which, if not specifically intended as a hint to Tribunals concerning employers generally, might well be accepted as such: "The mill was not a charitable institution designed to make payments to workmen when payments could not result in any profitable business."

[State v. D. D. Meattle A.L.R. 1957. (Punjab). 74]

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A DITCHER'S DIARY

I SHALL often wonder whether the Congressman who last week suggested that Mr. Nehru should give up the Prime Ministership and devote himself to reorganising the Party could have meant his resolution to be taken seriously. That the Party machine, like our jute mills, could do with some rehabilitation and modernisation, few would deny. Nor would many, I think, dispute the fact that Mr. Nehru is the best man to do it. But if you accept that the advantage of the nation is more important than the interests of a single Party, I think you will also agree that Mr. Nehru's first duty is to remain Prime Minister. There is much in the view, shared apparently by him, that nobody should stay in office continuously for a long period. But the only substantial argument I can see for Mr. Nehru leaving the Government at the present time is not that the Congress needs more of his attention to tone itself up; it is that thinking should begin in rather more concrete terms on the question of a possible successor. The tendency to depend on him goes to some quite extraordinary lengths these days. A few weeks ago, Mr. Jaya Prakash Narayan discovered the need for a strong Opposition Party, and urged Mr. Nehru to organise it. Now, somebody else wants a strong Congress, and thinks once again that Mr. Nehru should organise it. One begins to wonder whether a greater devolution of responsibility is not now beginning to be clearly necessary. Perhaps too many people have been swept to eminent positions on Mr. Nehru's coat-tails without actually having the ability to face up to their responsibilities; perhaps, too many have tended to hide their unpopularity and their shortcomings under the cover of his distinguished leadership, with the result that we have periodic symptoms of waning self-confidence in the ranks.

The most significant thing about the Family of Man, I think, is not that it has a great deal in common, but that it is an increasing one. The alarming rate of its increase, with no comparable growth in the world's total resources, was brought out by the United Nations demographic survey; Mr. Nehru brought it home with his observation that in another thirty years or so, India will have doubled her already sizeable population. Set aside the very real doubts about India's second, third, fourth and fifth five year plans: grant them all the success and more and add to it several times the foreign aid India is even likely to ask for—and you will still see an enormous gap between what the country will have in 1987 and what it will need to feed its 740 million men, women and children. Mr. Nehru is entirely justified in being mildly proud of his Government's official participation in family planning schemes but he will be the first to admit that the extent of the effort to date falls far short of the magnitude of the problem facing the country. The Prime Minister spoke of a problem of communication; the Government, he implied, had not yet evolved a language the common people can understand. This is not the Hindi-English problem; this is a problem arising out of the fact that educated and uneducated Indians live on two distinct levels of existence, and rarely do they use the same idiom, even when the language they speak is the same. This is a question the answer to which I cannot pretend to know, but more family planning clinics in the villages may yet produce results. By the way, cannot the community project workers, who are or should be recruited in the villages, be used more extensively for explaining birth control? This seems to me a little more urgent than explaining democracy and socialism.

Preparations are proceeding apace, I gather, to put into effect the State Bank's scheme to issue

rupee traveller's cheques. As is known, this is probably the first time that such cheques will be issued in the Indian currency. But while complimenting the Bank on the initiative it is showing, I hope I will be forgiven for expressing a little anxiety about the immediate prospects for the scheme. Some of this anxiety centres on the fact that people going abroad from India—who would have constituted the best potential market for the new traveller's cheques—can go much less often than they used to because of the recent exchange restrictions on foreign travel. (You have to join the Railway Board these days if you want to see the world.) Whether many foreigners undertaking a grand tour of, say, Europe or the Far East will take the State Bank's traveller's cheques, rather than those issued by other established agencies, I am not quite sure. Much will depend on negotiability—on how efficient and widespread is the State Bank's network of offices, correspondents and agents selling and cashing its traveller's cheques. Much will also depend on what foreigners think of the Indian rupee as a store of value: this will be particularly important for people going to currency markets which are relatively free, such as Switzerland's, or those which are relatively black, such as France's. A special series of the State Bank's traveller's cheques will be for use within India. These, I expect, will prove popular for they will combine the advantages of cash with the safety of a bank draft—for instance, during your few hundred journeys to Delhi in search of an import licence or of payment for bills from the Government. The State Bank hopes that these cheques will be used not only by the comparatively well-to-do, but also by the common man going to fairs, festivals and on pilgrimage. But since the traveller's cheques are to be issued, at least initially, in denominations of Rs. 50 and Rs. 100, it is open to question how many of the poorer people will find them convenient.

As far as I can see, Port Arthur was not much mentioned in the speeches made during the visit to India of Mr. Nobusuke Kishi, Prime Minister of Japan. But those who are old enough to remember 1905 in Bengal cannot have forgotten what the Russian defeat did on these shores to boost Asian nationalism. Much of that goodwill was dissipated when Japan attacked China; the rest was destroyed when during the war some Asian countries made a closer acquaintance with Japanese soldiers. Next perhaps only to Western Germany's Japan's postwar recovery has rightly earned the admiration of the world. There is much that both countries can gain from closer Indo-Japanese relations. Indeed, it has often been a surprise to me that even some of this country's better economists have looked more to China than to Japan for industrial inspiration. Democracy is perhaps an infant in Japan; in China, it has not yet been born. Nor is China's much-publicised achievement anywhere near Japan's. I have now and then read of Indian experts being sent to Japan and Japanese experts coming to India, but little is known of what has come of these visits. This gives rise to the suspicion that there may not have been much to be known. There are limits to the extent to which the Japanese can come close to neutral India, but in the commercial and industrial fields there is a larger area in which the two countries can co-operate than appears to have been explored yet. All the talk we hear these days about the future of Asia being decided by the competition between democratic India and Communist China seems to me rather facile in as

much as it leaves out of account the most industrialised nation in Asia—Japan. It is by no means certain that political ideologies are more decisive than economic realities.

Public transport in Calcutta is not among the world's best. Nor is New York's, but then they have all the automobiles in the world. In any event, Calcutta has certainly not suffered from a dearth of ambitious schemes intended to provide adequate transport for the increasing population of the city. Underground trains, overhead railways—they have discussed them all, always coming to the question of finance (lack thereof) rather late in the day. I always admire an imaginative administration, but in West Bengal, ministerial fancy may well have roamed a trifle too free and wide, and it came to bear very little relation to the State's resources. The Calcutta Tramway Company's plan to introduce three-coach streetcars in Calcutta is evidence that the solution of many problems lies not necessarily in grandiose new schemes of doubtful financial feasibility but in improvisation and extension of the existing. Three-coach cars are not unknown in India; in some old northern cities they were once among their ugliest features. But in Calcutta, which hardly remembers its horse-drawn tramcars, they will appear a little queer in the beginning. The relief to passengers who now hang on bumpers and mudguards will, however, be great, and it is to be hoped that Authority will accord early approval to this on'y practical answer to the city's public transport problem. As for our getting used to three-coach tramcars, you would be surprised how many things which only recently were unthinkable are today accepted as but normal. Eight-page newspapers with 40-page supplements and tiny little States with huge big ministries are no more "natural" than three-coach trams.

The forty-second Calcutta Dinner, held as usual at the Connaught Rooms, was, a London correspondent tells me, notable for some quick improvisation. Lord Home, Secretary of State for Commonwealth Relations, was to have been the chief guest but Lord Salisbury chose that evening to make his apologia in the House of Lords for resigning from the Government and to move his vote of censure on the Suez "surrender". As the Cecils always have precedence over everything and everyone else, Lord Home begged to be excused from the dinner; but Lord Simon (who some elderly Ditchers may remember in the 1930s as Gilbert Simon), took his place with credit to himself, the shipping industry and the peerage. The other piece of improvisation was that Hubert Gotts, who for the last two years has been acting as honorary secretary of the dinner, mislaid the table plan in a Southern Railway compartment three days before the function. It is no easy matter to do the seating for over three hundred people. However, with the aid of a prodigious memory, some burning of the midnight oil and a little extra co-operation from the printer, all was well on the night. If Mr. Gotts is not the honorary secretary for next year's dinner it will not be because of this incident, but because he is shortly going off to Ghana to take charge of one of the new State banks which independence has called into being. It is quite likely that his talent for improvisation will come in useful there too. Mr. O. T. Jenkins, who presided, scattered his epigrams right and left in proposing the toast of the City of Calcutta. The Wentworth Roffe orchestra got through *Jana gana mana* without a hitch and a good time was had by all.

THE DITCHER.

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A YEAR OF CONTINUED EXPANSION

CHAIRMAN'S STATEMENT

The fifty-fifth annual general meeting of The **Burmah Oil Company Limited**, incorporated in Scotland, will be held on Friday 14th June, 1957 in the Merchants' Hall, 30, George Square, Glasgow.

The following statement by the Chairman, Sir Kenneth B. Harper, has been circulated with the Directors' Report and Accounts for the year ended 31st December, 1956.

Accounts

Once again I am glad to be able to report a year of continuing trade expansion with Group trading profits for 1956 at £7,584,750, an increase of £1,566,576 over the corresponding figure for 1955. Sales continued to expand, while our profit margins were on the whole little different from those obtained in 1955.

I refer later to the formation of a new Rupee Company with Indian participation to take over the oilfield at Nahorkatiya and certain other areas in Assam. Pending the formation of this company we have gone ahead with a comprehensive development programme in the areas to be taken over by it, the cost of which we have carried forward in our Accounts.

Depreciation at £1,243,080 is rather less than that for 1955, in which year there was an exceptionally high charge mainly in respect of the new seaboard installation in East Pakistan.

Dividends from Trade Investments have this year been shown as part of our trading income in the Consolidated Profit and Loss Account, in order to bring out more clearly the profit arising from all our trading interests. These dividends are brought into account as and when they are received and this year include the first dividend on our holding in **Burmah-Shell Refineries Limited**. The amount of the dividends actually received during the year from our other main Trade Investments was less than was received last year.

Dividends and interest on Other Investments received in 1956 amounted to £8,018,336 and are £1,082,834 up on 1955, due mainly to larger dividends received on other holdings. The **British Petroleum Company Limited** and in the **"Shell" Transport and Trading Company, Limited**.

Full provision has been made for U.K. and Overseas taxation amounting in all to £9,550,543, compared with £7,642,336 in 1955. No account has been taken of the possible effect of the recent budget proposals, but as we already pay relatively little U.K. taxation on our overseas trading profits by reason of double tax relief the benefits that may accrue to us from these proposals are unlikely to be material.

The net profit for the year is thus £7,123,896, compared with £5,990,453 in 1955, an increase of £1,133,443. After adding the balance brought forward from 1955, there is available for distribution £7,764,382, from which falls to be deducted the interim dividend of 5 per cent, paid on the Ordinary Stock on 23rd November, 1956, together with the dividends on the Preference Stocks. From £6,407,108 remaining for disposal your Board have appropriated £1,650,000 to General Reserve and recommend that a final dividend of 15 per cent, be paid on the Ordinary Stock on 5th July, 1957. This, if approved, will amount to £4,146,710, leaving a balance of unappropriated profit of £610,398 to be carried forward.

The continued expansion of the activities of our Subsidiary Companies and the development of the new productive areas in Assam are reflected in Fixed Assets and Current Assets and Liabilities in the Consolidated Balance Sheet.

Trade Investments increased during the year due mainly to the call up of further capital by the **Burmah-Shell Marketing Companies** in India and in Pakistan to provide additional distribution facilities to meet the expansion of trade.

Trading

Our Group's own production and purchased oils are marketed by our wholly owned Subsidiary Companies in Burma, Assam and part of East Pakistan and by **Burmah-Shell** in the rest of India and Pakistan.

By comparison with the previous year the Group's sales increased by 12 per cent, in Burma, 7 per cent, in India and 2 per cent, in Pakistan.

The increase in **Burma** was satisfactory having regard to the state of the country which is still subject to outbreaks of insurgency despite Government's efforts to suppress them.

The demand for motor spirit tended to slacken off during 1956 but this was more than compensated for by increases in the kerosine and furnace oil offtake. There has been more purchasing power in the hands of the cultivator and the demand for kerosine last year expanded in spite of quite an extensive electrification programme coming into operation. The demand for furnace oil is growing as new industrial units come into commission.

In **Pakistan** a contributing factor to the small increase in sales was some loss of trade in Furnace Oil because of displacement by Sui gas, but to us the loss of the former was partly offset by the latter.

The organisation for the development and sale of Sui gas is now as follows:—

- (1) The gas is produced by **Pakistan Petroleum Ltd.** at Sui.
- (2) That Company sells it to **Sui Gas Transmission Co. Ltd.**, who own and operate a pipeline for transmission of the gas to Karachi.

- (3) **Sui Gas Transmission Co. Ltd.**, resell the gas for distribution to industrial and other consumers.

- (a) on the pipeline route, to **Indus Gas Co., Ltd.**;
- (b) in Karachi and suburbs, to **Karachi Gas Co., Ltd.**

Your Company has no financial or management interest in either of the two retail companies, which are 100 per cent. Pakistani owned.

Our interest in the ownership and management of Sui gas therefore goes no further than the Karachi end of the main pipeline. Sales of gas were running at the rate of 23 million cubic feet per day at the end of the year. This is less than earlier estimates, partly because the retail companies had not got fully into their stride in this new business and partly because of difficulties in getting import licences for equipment. Sales have been improving steadily this year.

Disappointing in some respects as the rate of off-take was, it has already begun to make a valuable contribution to Pakistan's foreign exchange balances. Last year's sales of gas were equivalent in value to about £1 million in terms of imported fuel oil.

There was a satisfactory expansion of trade in **Assam** which is Digboi's main supply area. The increase was in all products and particularly in furnace oil for which our chief customers are the tea gardens.

In the rest of **India** the distribution of petroleum products was affected by a continuing shortage of tankwagons, but the most marked feature of the trade was an increase in sales of diesel oil for automotive use alongside an almost negligible increase in motor spirit. The increases in our Group's sales of these two products were 31 per cent, and 1 per cent, respectively. The increased demand for the former is in keeping with the encouragement given by the Indian Government to the production of diesel engine vehicles in the assembly works sponsored by them. Imports of petrol driven cars were restricted in favour of cars assembled in India, which were for the most part of the small, lower powered variety.

The petroleum products trade in all our markets and perhaps particularly in India is a "growth industry" and given normal conditions in the domestic as well as the international sphere we can look for a gradual annual expansion in volume. This expansion should become more marked as the Government's industrial plans take practical shape, but expansion calls for more and more facilities and therefore more funds for more finance. The Government of India has shown appreciation of this position by granting development allowances under its taxation laws. This has been welcomed but it goes only part of the way.

The finance required for expansion of the oil industry has for the most part to be generated by the industry itself, and selling prices must accordingly be allowed to remain at a level to meet this need as well as providing an acceptable return on the capital employed.

Oilfield and Refinery Operations

Burma. Our interest in these operations in Burma is through our 55 per cent. shareholding in **The Burma Oil Company (1954) Limited**. The Union Government holds one-third of the equity in this Company and is helpful and co-operative, in the spirit of partnership in a joint venture.

The "1954" Company maintained crude oil production at Chauk and Lanya— the latter field having been developed originally by one of the other shareholders—at the level required to meet Chauk refinery needs, and has since increased it to provide also the required throughput of the new refinery at Syriam, which came on stream in February this year.

The capacity of this new refinery is about one-quarter of our pre-war Syriam refinery which we were ordered to destroy in 1942 to deny it to the Japanese enemy, but the combined throughput of Syriam and Chauk is now sufficient to supply the whole of Burma's present requirements of the main petroleum products, thus making a valuable saving of foreign exchange which Burma has since the war had to find for imports.

Pakistan. Production of crude oil at Balkassar and of gas at Sui is in the hands of **Pakistan Petroleum Limited**, in which our partners are the **Pakistan Government** (29.3%) and the **Pakistan public** (0.7%). Relations with the **Pakistan Government** are cordial and the Company receives every assistance from it.

The small quantity of crude oil derived from Balkassar is refined under contract at the **Attock Oil Company's** Rawalpindi refinery.

At Sui no new wells were drilled during the year. These already completed are capable of supplying all the gas required for some years to come.

Despite unprecedented floods, the **Sui Gas Transmission Company's** main pipeline from Sui to Karachi continued to operate successfully, delivering gas to the two Pakistani owned retail distribution companies to which I have referred.

India. **Assam Oil Company's** new "field" consists of the three contiguous areas near Nahorkatiya, i.e. the original discovery area, the Nahorkatiya Extension and Hugrijan, and now a fourth area, Moran, about 25 miles to the south-west.

During 1956, out of eleven wells drilled on these areas nine were oil producers, one a gas producer and one a dry hole. All four areas have now been proved and the production target has been raised from

one million tons a year, as reported last year, to two-and-half million tons.

Outstanding progress was achieved in increased drilling speeds, with in consequence satisfactory reductions in cost per foot drilled.

It was a condition of the grants in 1953 of concession rights in these areas to **Assam Oil Company** that if oil were found a rupee company would be formed to develop it and that a prescribed percentage of the equity would be reserved for Indian participation. This percentage has been agreed at 33% and the Indian Government has decided to take up this shareholding interest itself.

Throughout last year and up to the present date discussions have been going on with the Government regarding the formation of this rupee company and in the last few weeks have reached the stage where a formal agreement appears to be in sight. In the course of these discussions our main difficulty has been to reconcile the development of the valuable oilfield we have discovered with Government's restrictive policy towards this kind of private enterprise.

At **Bombay**, the **Burmah-Shell** refinery had its first full year of operation and treated nearly two-and-half million tons of crude oil imported from Iran and Kuwait. This refinery company refines crude oil for your Group, **Shell** and **BP** and the products are sold through **Burmah-Shell's** marketing organisation.

At **Digboi**, **Assam Oil Company's** refinery had a trouble-free year. For many years past it has been quite normal to record that the transport of petroleum products to markets outside Assam had been interrupted by breaches in the railways, through flooding or landslides. In 1956 **Assam Oil Company** suffered no major interruption to its operations from this cause and, with **Nahorkatiya** to draw upon to supplement its crude oil production at **Digboi**, the refinery enjoyed a record throughput.

Prospecting

Burma. During the year the "1954" Company made good progress with the geophysical survey of the **Irrawaddy Delta**.

The terms and conditions governing future exploration in **Burma** have been under discussion and this survey was undertaken on assurances received by the Company in that respect.

A test well in the **Delta** area and another at **Onwue**, 30 miles south of our old **Yenangyung** field, will be started when formal licences have been granted.

Discussions are taking place between the Government of **Burma** and the "1954" Company for the grant to the oil industry in **Burma** of taxation conditions on the same lines as those granted in other countries where the search for oil is recognised as an important industry.

Pakistan. **Pakistan Petroleum Limited** has continued its vigorous programme of exploration in both East and West Pakistan. A second well at **Sylhet** in East Pakistan repeated the indication of a useful natural gas field, first disclosed by the well which was destroyed by fire in 1955. Unfortunately no oil was found in either of these wells, but if further drilling confirms results to date this **Sylhet** gas, while not on the same scale as **Sui**, should prove valuable to industry in East Pakistan. The development and utilisation of the gas is now under consideration with the **Pakistan Government**. Meantime the search for oil has moved further south to **Lahore**, where a test well will be started in the current year.

In West Pakistan two test wells were started, one is still drilling, so far without success, and the other found poor quality natural gas in considerable quantity but of no commercial value. Testing continues at the latter well in the hope of obtaining evidence which will assist in the search elsewhere.

The **Pakistan Government** during the year concluded an agreement with **Pakistan Petroleum Limited** which provides, mainly by taxation arrangements, additional incentive to the Company's prospecting effort.

India. Apart from continued drilling to prove the value of the concessions at **Nahorkatiya**, **Hugrijan** and **Moran**, no prospecting was undertaken in India during the year.

By a Resolution on Industrial Policy which was announced early in the year, private enterprise is to be permitted in future to prospect for petroleum only by means of a rupee company in which Government itself will have a majority shareholding and therefore the controlling voice. Your Board and I should recommend any further expenditure of stockholders' money on prospecting for new areas in India so long as such conditions persist.

Our Group has been prospecting in India for 40 years, though with more disappointments than successes, and has been responsible for developing and producing all the oil that has so far been found in India. We have served both India and ourselves well in the process and we would like to continue to do so, but only on conditions that will benefit both.

Private Enterprise in India

Last year and the year before I referred to the difficulty we were finding in determining the place of private enterprise in India's "socialist pattern of society", because verbal encouragement was not being matched and indeed was being contradicted by legislative and executive measures. There were further instances of such measures last year, for example:

- (1) The Seventh Amendment to the Constitution legalised the setting up of State Trading Corporations to compete with normal private enterprise.
- (2) The Resolution on Industrial Policy to which I have already referred deprives private enterprise of the opportunity to develop the country's natural resources except as an instrument of Government.
- (3) The Finance (No. 3) Act of 1956 contains provisions under which a company cannot qualify for the benefits of depreciation allowances for income tax purposes unless it deposits a sub-

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MAHINDRA & MAHINDRA LIMITED

CHAIRMAN MR. K. C. MAHINDRA'S REVIEW

The following is an abbreviated version of the speech delivered by the Chairman Mr. K. C. Mahindra at the Eleventh Annual General Meeting held in Bombay on 22nd May, 1957.

This is the first occasion on which the Chairman of your Company is addressing the Shareholders. It is a matter of satisfaction and a little pride that the report which has been presented to the shareholders reflects the conclusion of an exceedingly successful year of operations for the Company. It has been a year where high levels of sales and earnings have been reached. This achievement was possible principally because of your organisation keeping pace with the demands of an expanding economy. Illustratively, for instance, Government put through a programme of heavy purchasing of Steel from abroad. As one of the principal importers of steel, your Company was in a position to service this demand for additional steel and thereby continue to occupy a dominating position in imports. It should be mentioned that under the very rigid regulations governing steel business, the profit margins are extremely low and importers and dealers usually depend upon large volume in order to meet the substantial expenditures of such an operation.

The turnover in Jeeps and allied vehicles was about 20% more than the previous year, but a very satisfactory improvement was made by the Spare Parts Division. Tractors achieved a remarkable advance in sales, almost tripling the record of the previous year. With the commissioning of your new Trailer factory at Pimpri the Company is now in a position to embark on the manufacture of heavy Trailers, and several steps are at present being taken to improve upon the techniques of production, and equip ourselves to service the demands for heavy Trailers in the country.

The problem of manufacture of Jeep components has been our foremost concern, and while the progress so far made is in accordance with the progressive phases of manufacture presented to Government in 1955, it is early to say whether the restrictions now enforced in respect of import of capital goods and tooling would seriously disturb the schedule of timing. Every effort is being made to overcome the difficulties of foreign exchange, and I have hopes that no serious set-back will be experienced during the current year in maintaining our progress.

Shareholders will appreciate that although it was the original design to gradually build and concentrate the Jeep operations at Pimpri, a major decision in this respect became inevitable last year, when owing to scarcity of steel and cement it was found that the requisite building operations would not be completed within the time available to us. Accordingly, decision was taken to re-locate the Jeep programme. For this purpose we were fortunate in acquiring certain built-up factory areas in Worli and in Ghatskopar and accordingly the manufacturing operations did not suffer too much of a lag in time.

I will not be doing my duty to the shareholders if I were to gloss over the great difficulties which the manufacturing organisation is facing today: difficulties principally in the matter of foreign exchange but also connected with scarcity of steel and cement, and the continuously rising costs. Problems of this nature will surely rear, if not bring to a halt, our expansion programmes.

There is, besides, the great problem of financing the operations, which are now at a high level. You to the line of credit of approximately one million dollars which the **Willis Overland Export Corporation** extended to the Company. This credit is in itself an evidence of faith and confidence which our Principals have shown in your organisation, and I should like to place on record on your behalf our appreciation of this gesture from the Kaiser interests, who now own the **Willis** organisation.

Tariff Commission's Report

During the year, the Tariff Commission rendered a great service to the automobile industry by presenting

THE BURMAH OIL COMPANY LIMITED

(Continued from page 762)

tantial part of its current and accumulated profits and reserves, not represented by fixed assets, with the Reserve Bank of India. Any release of the deposits requires the approval of Government.

Each of these measures could directly and adversely affect our business and their cumulative effect is such that it must be taken into account whenever we have to consider investing further capital in India.

Tankers

Our small fleet usually trades in Indian waters, for which the ships were specially designed, returning to the United Kingdom only for Special Surveys or repairs which cannot be undertaken in yards in India and Pakistan. Two of our ships came home for these reasons during the year and both have now returned to the East.

The remainder of the Fleet continued to operate steadily and satisfactorily.

During the year the Government of India acquired their second tanker.

Staff

The staff of all the Group Companies at home and overseas, and on the seas, have given us another year's good service. The East is no longer "unchanging" and new situations constantly arise. Our Managing Directors, Managers and Staffs cope with them with understanding and in an admirable spirit and our gratitude is due to them.

ing a very able report to the Government, and it is encouraging to know that the industry has now been placed in the category of protected industries eligible for receiving the favours and the bounties attached to such developments. Nevertheless, the industry, in order to become strong and self sustaining, must proceed to develop sound and healthy lines. It is imperative that during the ten years' period recommended by the Tariff Commission and accepted by the Government, the ten years of course in a manner that it relieves the country and the consumers of such burdens as will naturally be suffered during the protection stage. I do not see this happy consummation being reached unless a considerable degree of common exploration and research is carried out in order that we develop an automotive vehicle which will suit not merely the conditions of locomotion and transport in the country, but which will also suit the pockets of the millions of this land where purchasing power is so low and where the roads are scanty and undeveloped. Your Company is engaged in developing a vehicle ideally suited to the road conditions of India but I must confess it does not qualify as a peoples' car because of its high cost today. Cost can only be brought down by sheer weight of volume turnover. There is no other way in the automobile industry. It is incumbent upon the operators of the automobile business in India to explore the operational uses of a vehicle like the Jeep, to develop and build on its functional structure and evolve the multi-types suitable for what people need, suitable for the roads and available within the purchasing power of India but I must confess it does not qualify as a peoples' car because of its high cost today. Cost can only be brought down by sheer weight of volume turnover. There is no other way in the automobile industry. It is incumbent upon the operators of the automobile business in India to explore the operational uses of a vehicle like the Jeep, to develop and build on its functional structure and evolve the multi-types suitable for what people need, suitable for the roads and available within the purchasing power of India but I must confess it does not qualify as a peoples' car because of its high cost today. Cost can only be brought down by sheer weight of volume turnover. 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There is no other way in the automobile industry. It is incumbent upon the operators of the automobile business in India to explore the operational uses

GUEST, KEEN, WILLIAMS, LIMITED

MANAGING DIRECTOR'S STATEMENT

Statement made by the Managing Director, Mr. H. M. L. Williams, at the 27th Annual General Meeting held in Calcutta on 29th May, 1957.

I welcome you to this the Twenty-seventh Annual General Meeting of the Company. The Directors' Report and the Statement of Accounts have been circulated and in your possession for some time, and I propose with your permission they be taken as read. Before we pass on to the formal business of the meeting, I want to tell you about some of the more important events which have occurred in your Company and its fully owned subsidiary since the last Annual General Meeting.

The Board

The Company has been fortunate in being able to recruit to the Board Sir A. Ramaswami Mudaliar and Mr. K. C. Mahindra, both of whom need no introduction to you being well known for their wide experience of public and business affairs; their wise counsel and ability are proving most valuable. We have also been fortunate in obtaining the services of Mr. K. C. Matra, the Managing Director of Sankey Electrical Stampings Private Ltd., with which Company we have much in common both as a customer and a supplier, and also as an occupier of part of our Bhandup Estate near Bombay.

Retirements from the Board were Mr. E. J. Evans, who resigned on 31st March last and Mr. W. E. Murphy, who resigned on 31st March this year, both of whom have left after over 20 years service with the Company in India, during which time they have contributed much by their wise guidance and their personal examples of devotion to duty. Mr. Evans has from 1st July last been appointed Manager at the Company's London Office, and Mr. Murphy is expected, on completion of his leave, to join our Associates Messrs. Guest Keen & Nettlefolds (Midlands) Ltd. in a technical capacity.

Accounts

The Accounts are presented for the first time in the form required by the 1956 Companies Act. Consequently on certain specific groupings called for under this Act, figures of the previous year have not been shown as they would not be comparative with the figures of the year under review. However, next year's Statement of Accounts will show the comparison with the current year's figures.

In addition to the Statutory Statement of Accounts, simplified presentations of the Balance Sheet and Profit and Loss Account are included so that Shareholders can at a glance obtain a broad view of the Company's Capital structure and see how Earnings were used in 1956.

Trading Profit

For the 52 weeks ended 29th December, 1956, Invoiced Sales amounted to Rs. 7,91,30,588/- as compared to Rs. 6,09,72,201/- for the previous financial year. This increase results mainly from a greater out-turn of both Calcutta and Bhandup Works, but the Invoiced Sales figure alone must not be taken as an infallible yard-stick because it is both inflated by statutory increased steel prices and reduced by a larger use of customers' own raw material.

After charging all manufacturing expenses, providing Depreciation on Fixed Assets and adding Income from Investments and other Non-Trading sources, the surplus before taxation for the 52 weeks ended 29th December, 1956, amounted to Rs. 1,52,76,593/- as compared to Rs. 92,57,430/- for the previous financial year.

The provision for taxation on the profits of the current period is Rs. 69,60,774/- compared to Rs. 43,60,000/- for the previous year, in addition to which a further sum of Rs. 2,88,490/- had to be provided to make up a deficit in the tax provision for the previous year; offset against this is a credit of Rs. 99,264/- in respect of tax provision in earlier years no longer required. If the tax amendments as proposed by the Finance Minister when presenting his Budget on the 15th of this month are adopted, adjustments of a similar nature will have to be made in the current year's Accounts for the taxation liability of the year ended 29th December, 1956.

Appropriations

You will see from the Report of the Directors, that having paid an Interim Dividend of 8% free of tax, they now recommend a final Dividend of 15% free of tax and a transfer to General Reserve of Rs. 38,00,000/-, leaving a balance of Rs. 17,04,234/- to be carried forward.

In making these recommendations your Directors have given consideration to the present-day taxation structure and the paramount need to retain as Reserve the maximum amount possible for financing the Company's large rehabilitation and development projects. Present-day plant and machinery prices are about four times pre-war levels and have nearly doubled during the last ten years.

Unfortunately, under Section 23-A of the Income Tax Act, your Company is compelled to make a minimum distribution of 56% of its surplus, failing which a penalty tax is incurred. There is a proposal in the latest Budget to reduce this figure to 45%. At the same time if the distribution exceeds 60% of the Paid up Capital, the Company is deprived of certain rebates in respect of Super Tax payments on account of what might be called an excess Dividend Tax. It will be seen therefore, that either way the Company is penalised. It is my belief that the introduction of more modern plant and equipment with increased operating economies is essential to counteract the continual rising costs of production. The position therefore is most invidious for an expanding Company such as yours which relies on profits and future investment to meet its development costs.

Balance Sheet

The Capital Expenditure for the 52 weeks ended 29th December, 1956, amounted to Rs. 36,38,362/-, whilst Depreciation written off Fixed Assets was Rs. 16,02,213/- (Additional Depreciation of Rs. 2,09,416/- has been provided to allow for the general upward trend in prices, but this amount has not been written off Fixed Assets).

Stocks in hand as at 29th December, 1956, were valued at Rs. 1,97,24,582/- showing an increase of Rs. 61,01,736/- during the year. This increase is mainly on account of raw materials.

Customers' Accounts at Rs. 1,49,31,765/- recorded a rise of Rs. 33,47,932/- over the previous year which is attributed to the marked improvement in Sales. There is, however, an influencing factor to which the Management is giving constant attention; I refer to the Book Debts outstanding for more than 3 months, which at 29th December, 1956, amounted to Rs. 57,26,717/-. Your Directors are very conscious of the need to conserve to the maximum the Company's finance, but I regret to say that these overdue bills (now considerably liquidated) were for the most part on account of the Statutory increase in the price of steel which occurred as far back as June, 1956. The Company on the other hand had to pay the increased prices for raw materials immediately they occurred.

The improvement in cash resources at the end of the year is the result of the Capital Reconstruction which took place on 7th November, 1956, when 5,89,400 shares of Rs. 10/- each were offered for public subscription at a premium of Rs. 10/- per share. It must, however, be mentioned that in the ensuing months a considerable amount of cash will be required to meet large payments of Plant and Machinery for the Development Projects. There is also the possibility that under the Finance (No. 3) Act, 1956) the Company may be called upon to pay over a certain amount of cash in the form of "Refundable Deposits" to be entitled to its claim for Income-tax Depreciation Allowances.

After giving effect to the various transfers, the amount which has been added to the General Reserve and Surplus of the Company is Rs. 39,16,310/- making the cumulative position as at 29th December, 1956, Rs. 1,58,37,252/-. Bearing in mind the Interim Dividend distribution already made and the Final Dividend now proposed, the results can I think be considered most satisfactory.

Production

During the past year both Calcutta and Bhandup Works had full Order Books in almost all Departments and, helped by improved supplies of steel imports, were able to achieve greater out-turns compared to the previous year. Also of immense benefit was the delivery of rods from our Associated Company, Guest Keen & Nettlefolds (South Wales) Ltd. meeting the entire needs of Bhandup Works throughout the year. Furthermore we were very fortunate in being assisted from the same source by the supply of all the smaller size rods for Calcutta Works, enabling our own 8" Rolling Mill to concentrate on longer runs of more profitable sections. Our Calcutta Works Rolling Mills as a whole achieved a record output of 45,913 Tons.

The production of railway track sleepers was generally maintained at a good level due to availability of imported sleeper bars. Railway Switches and Crossings produced were the highest on record, as also were forgings for the wagon builders, and the specialised Permanent Way Fittings. P. & M. Anchors and Mills Loose Jaws, of which the Company has been the pioneer in India.

The Company's Bolt & Nut Works achieved a record output, but due to the very high costs of this specialised plant a commensurate return on investment in this Section is dependent on high working efficiency, and this cannot be achieved until sufficient steel is available to operate the full plant on a two shift basis.

The 5-Ton Electric Steel Melting Furnace at Calcutta Works with a record output of 7,200 ingot tons during the year 1956 has again fully justified its existence. This furnace is making medium, high carbon and alloy steels, utilising as its main raw material low value steel scrap from the Company's manufacturing sections.

Bhandup Works, which made its first wood screw as recently as the autumn of 1953, also achieved a record output and during the year completed its second stage of development which consisted of a 50% building and plant expansion. This development, besides increasing the output of wood screws and safety pins, extended manufacture to a wider variety of fastenings including Timmer's rivets, cotter pins and machine screws, all of which are being produced to a standard of quality equal to the best imported goods and are proving very popular with the Company's customers. The introduction of Hypodermic Needles was also made; but although these needles are manufactured to the same standards of quality as the best imported article, it will take time to overcome a certain amount of consumer resistance. However, I am hopeful that this will be a popular manufacture. When the anomalous position of import duty on the finished article being less than that on the raw material can be corrected, Hypodermic Needles should become a satisfactory income earning item.

Agency Department

Although the Invoiced Sales and Commissions at Rs. 26,78,769/- of this Department were a little better than the previous year the net profit was lower due to rises in cost of sales. Some of these rises are natural to present-day trading but some are not compatible with an efficient economy and should be avoidable; I refer to demurrage charges which are now all too common on consignments coming through the Port of Calcutta. Not only are the demurrage charges a direct enhancement of the costs but the inordinate Customs and Port delays are adding to the financing costs of these imports whether they come by air or sea. Of three recent air consignments of technical equipment required most urgently, the clearing of these goods varied from 15 to 27 days from lodging of documents. Of sea consignments to Calcutta, stores and ordinary machinery are regularly taking over a month from the vessel's arrival to be cleared; and if the consignment requires a heavy lift and/or a special wagon, the delays in delivery can be much longer and quite unpredictable.

Employee Relationships

Your Company has continued its policy as a pro-

gressive employer, laying stress on the need for an efficient recruiting organisation and good training facilities. To this end the Labour Welfare and Personnel Sections have been strengthened, and a fully qualified officer with a life time experience in engineering teaching has been appointed at Calcutta Works where a special Training School building is nearing completion.

Last month the findings of a Labour Industrial Tribunal were gazetted on a number of issues concerning Calcutta Works. Amongst other things the Tribunal gave a decision revising the Annual Bonus for the year 1954 against which the Company has been granted leave to appeal. However it supported the Company's request to revise the Production Bonus Scheme which had been in operation for the past 10 years, but which in the light of present-day practice required a more equitable distribution to have real incentive value.

A renewed attempt has recently been made to reach a long-term Bipartite Agreement with the three Unions at Calcutta Works, but it is premature to express an opinion on the outcome of these negotiations. I believe that agreements of this type are not only in the interests of the Shareholders and the employees but also are of great importance to the Country's future prosperity. An endeavour is also being made to negotiate a similar Bipartite Agreement at Bhandup Works.

Overseas Assistance

Your Company has the benefit of association with Messrs. Guest Keen & Nettlefolds Ltd., whose World-wide engineering organisation extends to over 70 separate units ranging from large Steel Works to small concerns making specialised products of great variety. The assistance from this association is invaluable. Not only do we receive the benefit of their technical experience but also research and advanced training facilities are available to us. These are essential factors in consolidating expansion and in effecting new developments economically with a minimum of delay. Your Company is therefore in a better position than many in the engineering industry.

Future Prospects

A statement such as this to the Shareholders at the Annual General Meeting is usually not considered complete without some estimate of the future. At this particular time it is not easy to predict with accuracy the immediate future, and it is difficult to see how the current year's earnings are to be maintained at 1956 level. In spite of this I have complete faith in our products, our organisation and our ability to maintain and develop our business against competition.

In addition to the difficulties I have already mentioned in this Review, there are other circumstances outside our control which, if allowed to continue, will lengthen the time before the various rehabilitation and development projects can be brought to an income earning stage. I refer to the difficulties of obtaining cement and steel for essential construction purposes, and Foreign Exchange not only for plant and equipment but for imported steel for processing to make up the shortfall of indigenous supplies. Furthermore, there are the recent Budget increases in the cost of steel and cement to be taken into account. The latest proposals of increased Income and Corporate Tax on a Company's earnings and the introduction of Wealth Tax do not appear an inducement to any investor.

However, these difficulties are not peculiar to your Company and I sincerely hope they can be corrected and the promotion of a more favourable atmosphere created in the industry with a greater incentive to attract investment both from indigenous and foreign sources.

For the more distant future I believe the Company will prosper on a policy of continued development along with proper consolidation. Given the circumstances to effect such development, it is the aim of your Directors to supply customers with first class quality goods at reasonable prices. As the Country's specialised engineering requirements grow it is my hope that your Company will be able to meet such needs of the future and, at the same time, to continue to supply its present customers and the Indian Railways who to-day are the largest users of our products.

Management Staff and Workers

I am certain that it will be your wish that I should express your thanks to the Management, the staff and the workmen of the Company for the very real combined effort that has been exerted during the past year. Again the background of difficulties ahead, the clearing feature is the skill and determination of the Management and all employees alike who overcame the obstacles in 1956, to repeat the effort in 1957.

I M C O

- * 85% Magnesia Compound. * Fire Clay.
- * Pipe Jointing Compound. * Fire Cement.
- * Asbestos Boiler Covering. * Asbestos Floss.
- * Asbestos Wool and Pulp. * Magnesite Paste.
- * Hardsetting Compound. * Indurated Fibre.

Products of:—
INDUSTRIAL MINERALS & MILLS
STORES TRADERS
15-A, Clive Row, Calcutta-1.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

SLIGHT FALL IN ADVANCES

Wednesday, 29th May.

THERE has been a slightly downward tendency in advances in the Calcutta money market during the past week. Jute and sugar are mainly responsible for the decrease. Cotton credit is a little higher, while other types of accommodation are at the same levels as before. In the interbank market, funds have been fairly plentiful but the call rate remains at 3½ percent.

Very few export bills have been reported, and these have been mainly on account of tea and gunny shipments. Remittance continues on a fair scale, a substantial portion being of a forward covering nature. In spite of minor fluctuations, sterling is steady against the dollar.

Bullion was quiet on profit-taking. The price of silver declined from the previous week's level of Rs. 183.75 to Rs. 182.25, quoted today. The prices in London and New York remained the same as before.

In sympathy with silver, gold was quiet and declined from Rs. 112 to Rs. 110.50. The sovereign fell from Rs. 72.75 to Rs. 72.50.

During the week ended 24th May, Government of India Treasury bills for Rs. 20,50,00,000 were sold in favour of the Reserve Bank.

A decline of Rs. 11.83 crores to Rs. 1,578.40 crores in active notes was the outstanding feature of the return of the Reserve Bank of India for the week ended 24th May, 1957. The total note issue was Rs. 58 lakhs higher at Rs. 1,605.98 crores. Notes held in the Banking Department increased by Rs. 12.41 crores to Rs. 27.58 crores. Deposits of the Government of India improved by Rs. 4.35 crores to Rs. 54.22 crores and other Government accounts were Rs. 2.58 crores higher at Rs. 5.66 crores. Balances of commercial banks, at Rs. 62.36 crores, showed a decline of Rs. 19 lakhs. Investments increased by Rs. 9.74 crores to Rs. 137.04 crores but balances held abroad declined by Rs. 8.16 crores to Rs. 56.91 crores. Other loans and advances fell from Rs. 119.73 crores to Rs. 111.27 crores, of which advances to scheduled banks against usance bills amounted to Rs. 59.65 crores (Rs. 63.29 crores). Ways and means advances stood at Rs. 19.89 crores against Rs. 20.69 crores.

The return of the State Bank of India for the week ended 17th May, 1957, shows a rise of Rs. 76 lakhs in investments to Rs. 301.58 crores. Investments in Government securities remain unchanged at Rs. 94.12 crores, while other authorised investments are up by Rs. 21 lakhs to Rs. 11.51 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have declined by Rs. 2.19 crores to Rs. 190.91 crores. Cash and balances are, in consequence, shown at Rs. 22.72 crores, or Rs. 2.55 crores higher.

The statement of the position of scheduled banks for the week ended 17th May, 1957, shows Demand and Time liabilities at Rs. 716.90 crores (Rs. 11.37 crores on account of borrowings from banks) and Rs. 517.04 crores (Rs. 3.01 crores), compared with Rs. 719.51 crores (Rs. 11.86 crores) and Rs. 517.24 crores (Rs. 3.18 crores), respectively in the previous week. Cash has increased by Rs. 2.17 crores to Rs. 40.27 crores, while balances with the Reserve Bank have declined by Rs. 2.75 crores to Rs. 58.65 crores. There is a drop of Rs. 7 lakhs in investments to Rs. 343.99 crores. Advances and bills discounted, at Rs. 936.73 crores, show an increase of Rs. 84 lakhs. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.1 percent and 75.9 percent, against 8.1 percent and 75.7 percent.

According to the returns received in the Department of Commercial Intelligence and Statistics, the total gross sea and land Customs revenue collected in the Indian Union during the month of March 1957, amounted to Rs. 1,767 lakhs compared with Rs. 1,742 lakhs in the corresponding month of the previous year. The comparison in the following figures with those of the corresponding period of the preceding year. Of the total customs revenue Rs. 1,427 lakhs, import duties accounted for Rs. 1,550 lakhs against Rs. 1,427 lakhs, export duties for Rs. 169 lakhs against Rs. 303 lakhs and land Customs and miscellaneous for Rs. 48 lakhs against Rs. 12 lakhs. The total gross collection of Union excise duties amounted to Rs. 1,765 lakhs compared with Rs. 1,254 lakhs. During the 12 months, April 1956 to March 1957, the grand total of gross Customs and Union excise revenue realised was Rs. 36,560 lakhs compared with Rs. 32,019 lakhs during the corresponding period of the preceding year. Of this amount, import duties accounted for Rs. 14,318 lakhs against Rs. 13,083 lakhs, export duties for Rs. 3,007 lakhs against Rs. 3,750 lakhs, land Customs and miscellaneous for Rs. 379 lakhs against Rs. 200 lakhs and Union excise duties for Rs. 18,856 lakhs against Rs. 14,900 lakhs.

LONDON FINANCIAL LETTER

MAINTAINING THE STRENGTH OF STERLING

By Air Mail.

THE municipal elections in Britain in May, confirming the leftward tendency shown in parliamentary by-elections in preceding months, weakened sterling. The currency had previously been disturbed by talk of a further reduction of Bank rate, and it responded to the authorities' evident reluctance to "abdicate from monetary control". Over a rather longer period, however, sterling has shown distinct signs of recovery; and the improvement was one reason for the belief that Bank rate would be reduced. If overseas opinion is confused, so, too, is opinion at home. Three weeks after a Budget that was intended to appear strict, the Chancellor of the Exchequer stated that the economy was in a state in which a more expansive policy was permissible. He does not, apparently, share the City's apprehensions about the revival of inflation. Scarcely a trace of last year's recession is left: the weakened industries are fully active again, and in a tightening labour market wages are rising strongly. Socially, this development is gratifying, but financially, it must bring back memories of 1955—and of the restraints that were urgently needed to avert a crisis.

The Government has still (at the maximum) three years in which to restore the Conservatives' popularity in preparation for general election. Full employment and rising wages are doubtless considered necessary for this purpose. But the public demands also stable prices; so there is something to be said for control of inflation for domestic as well as external reasons. The Government must do more than nibble at its grossly inflated expenditure. That is a relatively long-term problem, and in the meantime, it may yet be necessary to take some action in defence of sterling, whose period of seasonal strength has not many weeks to run. However the issue this month of £50 million to the Exchange Equalisation Account is solid evidence of a policy of strengthening the reserve, rather than allowing the seasonal demand for sterling to exert its full effect on exchange rates. When sterling was under pressure, the Account accumulated large amounts of it, purchased in exchange for other currencies to support the rate; and as much as £300 million was transferred from the Account to the Treasury last June, a further £50 million last October. The recent transfer of £50 million in the opposite direction suggests that purchases of foreign currencies have left the Account short of sterling.

Managing the Debt

Much bigger transfers are involved in the Treasury's latest financing operation, but they are likewise mostly internal. The Treasury has made the surprising announcement that no conversion offer would be made to holders of two stocks, totalling just over £400 million, due for redemption next month. A further tranche of five-year Conversion stock, at 4½ percent interest, has been issued to the amount of £100 million nominal, and the proceeds of this issue will be rather more than enough to repay the minority of the maturing stocks that is held outside of Government departments, which have gradually acquired the greater part of them. Buying in maturing stocks is not a new technique, but this is the first time since the war that the authorities have so arranged their maturities that repayment can be made without an offer to convert. Thus, on paper, some of the national debt is being repaid. The effective national debt is, however, a fluid quantity, even while no financing operations are in progress; for the stock held "inside"—many hundreds of millions of pounds' worth—is potential, not actual, debt. These "inside" holdings are a useful instrument of policy, as the Government can reduce the supply of money by selling stock or increase the supply by buying it.

In this latest instance, however, the authorities seem to be concerned rather with economy than with monetary management. They are confining their activities strictly to that sector of financing where interest rates have been appreciably reduced in the past year, ignoring long-term funding until long-term interest rates are lower. There is a moderate inflationary element in the latest operation, but it does not involve a substantial increase in the issue of Treasury bills or in the supply of money paid in exchange for stock, since the acquisitions of maturing stock have mostly been financed by sales of other stock, due for redemption some years hence. However, the result of all this reshuffling will be a reduction of some £300 million in the total of funded debt, in that part of it which is held "inside". So in the books of the Bank of England it will be necessary to show that much more Treasury bills are available through the "tap". Some eyebrows were raised at the implication that the authorities were in no hurry to proceed with funding floating debt. Also implied in this financing operation was that the authorities would "feed" less stock to the market than had been expected; and some observers said that some such sign was all that was needed to start a firm rise in the values of Government stocks. Yet a few days after the announcement, the gilt-edged market was falling heavily. The municipal elections and the weakening of sterling were factors in the decline, but the main reason was apparently the persistent flow of new issues from municipalities and companies.

RESERVE BANK

ISSUE DEPARTMENT		(In 000's of Rupees)		Week ended	Week ended
				17-5-57	25-5-56
Liabilities—					
Notes in Banking Dept.	...	27.58.44	15.17.23	18.97.93	
Notes in Circulation	...	15.78.39.66	15.30.23.03	15.04.13.10	
Total Notes issued	...	16.05.98.10	16.05.40.26	15.25.10.93	
Assets—					
A Gold Coin and Bullion	...	1.17.76.03	1.17.76.03	40.01.71	
Foreign Securities	...	4.12.51.91	4.12.51.91	6.81.44.72	
Total of A	...	5.30.27.94	5.30.27.94	1.21.46.43	
B Rupee Coin	...	1.25.82.85	1.25.82.85	1.04.89.38	
Rupee Securities	...	9.49.07.31	9.49.07.31	6.99.75.42	
Total	...	16.05.98.10	16.05.40.26	5.25.10.93	

BANKING DEPARTMENT

Liabilities—					
Capital Paid-up	...	5.00.00	5.00.00	5.00.00	
Reserve Fund	...	5.00.00	5.00.00	5.00.00	
National Agricultural Credit (Long term) Fund	...	15.00.00	15.00.00	10.00.00	
National Agricultural Credit (Stabilisation) Fund	...	1.00.00	1.00.00	—	
Deposits—					
(a) Central Govt.	...	54.21.94	49.86.90	56.68.99	
(b) Other Govts.	...	5.65.59	5.07.81	9.12.76	
(c) Banks	...	62.36.47	62.54.98	51.21.18	
(d) Others	...	85.42.79	85.29.74	12.53.15	
Bills Payable	...	14.95.92	15.46.02	6.32.42	
Other Liabilities	...	1.20.36.97	1.21.84.82	37.37.69	
Total	...	3.68.99.68	3.64.10.27	1.93.46.19	
Assets—					
Notes	...	27.58.44	15.17.23	18.97.93	
Rupee Coin	...	8.37	8.50	8.50	
Subsidy Coin	...	6.55	6.87	5.18	
Bills Discounted Int. Govt. of India Treasury	...	—	—	32.30	
Bills	...	2.55.27	2.32.06	8.53.98	
Balances held abroad	...	56.90.92	65.07.22	30.69.29	
Loans Govt.	...	19.89.46	20.89.46	1.19.73.15	
Other Loans etc.	...	1.11.26.58	1.19.73.15	78.52.05	
Investments	...	1.37.03.82	1.27.30.19	35.38.36	
Other Assets	...	13.60.27	13.65.55	18.68.79	
Total	...	3.68.99.68	3.64.10.27	1.93.46.19	

SCHEDULED BANKS

	(In 000's of Rupees)		
	17-5-57	10-5-57	19-5-57
Demand Liabilities—			
(a) Borrowings from Banks	11,36.97	11,85.58	6,99.90
(b) Others	7,05,52.66	7,07,85.38	6,30,98.16
Time Liabilities—			
(a) Borrowings from Banks	3,01.00	3,18.00	3,11.30
(b) Others	5,14,02.52	5,14,05.63	4,30,60.21
Borrowing from State Bank—			
(i) Demand Liabilities	11,94.64	10,93.28	9,63.81
(ii) Time Liabilities	—	—	—
Borrowings from Reserve Bank			
Bank	95,28.15	89,64.37	67,36.74
Cash	40,27.09	38,10.27	38,57.52
Balances with the Reserve Bank	58,64.77	61,39.89	48,22.66
Balances with other banks in current account	10,15.03	10,48.80	10,30.09
Money at call and short notice	18,52.39	19,15.45	9,06.30
Investments in Central and State Govt Securities	3,43,99.13	3,44,05.56	3,53,55.55
Advances	7,47,26.80	7,50,10.02	6,14,75.73
Indian Bills purchased and discounted	1,31,11.79	1,27,36.42	1,07,60.66
Foreign Bills purchased and discounted	58,33.94	54,32.38	45,72.36

Our City Cable

FURTHER FALL IN STOCK MARKET ACTIVITY

GILT-EDGED AND INDUSTRIALS EASE

London, 29th May.

THERE was a further contraction in business in the London stock markets last week. With interest more selective and at a lower level, prices in most sections were easier, under the lead of gilt-edged securities which suffered a sharp setback. South African gold shares resisted the general trend however, and oils scored numerous gains while there were good features elsewhere on selective buying. The general dullness of the markets reflected the lack of fresh incentives rather than specific adverse news, and there was very little selling except in the gilt-edged market. The recent buying movement, it appeared, had spent its force, at least for the time being. The weakness of gilt-edged securities was the main feature of the week. Thursday's announcement of an unchanged Bank rate was followed by renewed persistent small selling, and although there was an appreciable recovery after the week-end, losses ranged to about one point compared with the previous week's level. There was very little interest in foreign bonds and rails, but dollar stocks generally gained ground, Canadian stocks being prominent. Insurance shares lost further ground. Bank shares were dull. Occasional good features developed in the industrial market, but

the general tendency was towards lower levels and extensive falls were recorded on the week. The market developed a steadier tendency after the week-end partly in response to the recovery in gilt-edged securities, the earlier weakness of which had contributed to the dullness of industrials. South African gold shares were well maintained with the wide fluctuations in Central Mining on bid developments as the chief feature. Copper shares receded, but there were occasional firm spots elsewhere in base metals. Many good features developed in oils outside the leading issues, but profit-taking reduced some of the gains. Western hemisphere issues were the chief beneficiaries. Active and firm conditions continued in the rubber share market, and there were many useful improvements on bid hopes. Eastern buying contributed to the advance and many shares moved up under this influence. Teas were irregular.

The Money Market

The current phase of tight monetary conditions in the London money market continued last week. Demand was keen throughout, and 3½ percent was the general rate with 4 percent paid on occasions under pressure while there was a hardening trend for bill rates with August and "hots" at 3½ percent. The authorities rendered a fair amount of help, but several houses had to borrow from the central bank at the beginning of the week. The disbursement of some Government departmental money at the end of the week gave temporary relief. In view of the continuing credit shortage, discount houses revised their bids at the weekly tender and a further upward trend was seen in the Treasury bill rate, the average rate being over 1s 6d percent higher at £3 18s 2½d percent.

U.S. Federal Reserve Return

The U.S. Federal Reserve return for the week ended 22nd May shows that the gold stock was unchanged at \$22,320 million. Foreign deposits rose by \$10 million to \$353 million, and foreign investments rose by \$45 million to \$3,662 million. The Federal Reserve sold \$113 million worth of \$22 bills. Total discounts and advances fell by \$22 million to \$669 million while the aggregate excess reserves of member banks fell by \$22 million to \$179 million. The daily average excess reserves of member banks rose by \$14 million to \$492 million, while their daily average borrowings fell by \$177 million to \$772 million. Business loans of the New York city banks fell by \$128 million to \$11,513 million compared with a fall of \$40 million to \$6,591 million in the corresponding week of last year.

Hongkong Gold Firm

After a steady opening last week, the Hongkong bullion market turned firm after the midweek. Firmness was attributed firstly to uncertainty over arrivals in Macao, secondly to weaker sterling rates and thirdly, to favourable carry-over charges totalling 94 cents a 10 taels in buyers' favour. It was also attributed to higher international prices. Sentiment was aided by the French Government's resignation and the anti-American rioting in Formosa. The official offtake was 2,270 taels and the unofficial 7,800 taels. No forward contract was reported. Arrivals in Macao were unknown, but it was believed that they were nil.

Sharp Fall in Paris Gold

French gold prices soared early last week but finally dropped sharply to end the week considerably below the level of the previous Friday. This trend was attributed to the absence of hoarders who failed to follow professional covering operations noted earlier. The Government crisis and the country's financial difficulties this time did not attract investors who preferred to enter the stock exchange rather than the gold market. For this reason business remained at a relatively modest level, though the exchanges were nevertheless more active than in the previous session.

Rubber Surcharge Clause Removed

The London Rubber Traders Association has decided to remove a clause from the contract, inserted last December, whereby any variation in the then 13 percent freight surcharge was to be for the account of the buyer. There is now no surcharge clause in existence, although a surcharge of 5 percent is still levied on shipments from the Far East. The decision has come into effect since 27th May.

Export of U.S. Ferrous Scrap

According to Washington advices published by the Journal of Commerce, Japan is shortly to notify the United States that she will voluntarily restrict her purchases of U.S. heavy ferrous scrap to slightly under 1,700,000 tons for 1957. At present, the 1957 purchase quota is about 300,000 tons more of No. 1 and 2 scrap than Japan bought from U.S. exporters last year. There will be no limit to Japanese purchases of lighter grades of iron and steel scrap. The Journal also states that the Commerce Department is advising U.S. shippers to apply for export licences to cover the proportion of the 1,700,000 tons not already licensed. This breaks the licensing embargo imposed a fortnight ago for Japan, western Europe and Britain. Meanwhile, it is said that an agreement with western Europe on its purchases of U.S. heavy scrap is not immediately in sight. However, officials believe that an arrangement with Japan will help arrive at a prompt settlement with the European Coal and Steel Community over the amount of scrap it might purchase in 1957. Last year, the Community bought slightly more of Nos. 1 and 2 heavy melting scrap than Japan.

Stocks and Shares

SHARE PRICES STEADIER BUT ACTIVITY REMAINS RESTRICTED

OPERATORS HOPE TAX PROPOSALS WILL BE AMENDED

Wednesday Evening.

THE stock market has been a little steadier during the past week, but activity remains restricted and it would be an exaggeration to say that the recovery is in any way promising. The taxation proposals in the Central Budget are still the cause of the hangover, but operators are hoping that they will be amended and made less burdensome. The Bills relating to the expenditure tax and the wealth tax are to go before select committees of Parliament; some think that small concessions may result from this examination. The technical position of the market seems to have improved and bear-covering is responsible for much of the past week's rise in prices. At one time, it was thought that difficulties might arise in connection with the recent clearing in Bombay, but actually things have passed off quite smoothly. Small investment support has been forthcoming at the lower levels in a number of shares.

Engineerings generally are a little better in sympathy with Indian Irons, which ended with today's settlement at Rs. 18.48. Coals remain neglected. Jutes are also dull because of uncertainty about fibre supplies. Among miscellaneous shares, there has been a fractional improvement in papers. Dunlops have held up well since their rights issue announcement. The tea section has suffered badly in response to the recent auction results and the higher excise duty. The trend in gilt-edged is softer.

Details of the week's trading follow.

On the whole, the Government security market ruled quietly steady but the recovery reported last week was not maintained and prices at the close were easier on renewed selling pressure. The 3% Conversion Loan 1946-86 was initially marked up to Rs. 73.47, but it closed lower at Rs. 73.40. The enquiry for short-dated loans was fully maintained, with 3% 1957 in demand around Rs. 99.75 and 3% 1958 better at Rs. 99.68. The 2½% 1961 was asked for at Rs. 93.50 and 2½% 1960 was better at Rs. 96.50. 3% 1959-61 changed hands around Rs. 97.75 while 3½% 1961 met with good enquiry due to the approach of the half-yearly interest payment date and closed firm at Rs. 99.55. Among medium-dated issues, 2½% 1962 was fully maintained at Rs. 93.80, but 3% 1963-65 turned sellers at Rs. 93.94. Both 3½% 1964 and 1965 were again easier at Rs. 98.15, and 3½% 1967 was traded around Rs. 98.40. Among long-dated loans 3% 1966-68 eased further under selling pressure to Rs. 91.75 and 3% 1970-75 was quoted slightly lower at Rs. 86.97. The 3½% 1974 changed hands at Rs. 98.45. Very little business was reported in State loans and the only item of interest was the further fall in the price of 4% Madras 1968 to Rs. 96.45.

Little interest was shown in preference shares and very few transactions were recorded. In the jute section, only two shares changed hands—Hooghly at Rs. 7.81 and Shree Ambica around Rs. 81. Among miscellaneous issues, British India Corporation were dealt in at Rs. 106 ex-dividend and Bowreah were taken at Rs. 99.50. Calcutta Electric changed hands at Rs. 9.12 and Indian Standard Wagon were taken at Rs. 127. Purbapore Sugar were transacted around Rs. 14 and Shaw Wallace were wanted at Rs. 67.

In the banking section, there was some enquiry for Punjab National at the higher rate of Rs. 53 and United Commercial at Rs. 54. Hind Bank were reported at Rs. 32.50 and United Bank of India "D" shares were unchanged at Rs. 4.25 without any business passing.

The only transaction reported in the railway section was in Dehri-Rohas at the lower rate of Rs. 10.25.

Cotton textile shares were dull though prices showed little change. Shares dealt in included Bowreah at Rs. 111, Jayshree at Rs. 5.56 and Kesaram at Rs. 13.12. New Victoria were fractionally better at Rs. 1.72.

There were few price changes in the coal section and business was on a very restricted scale. Burrakur were steady around Rs. 22.37. Bengal were slightly easier at Rs. 21.4, as were Bhalgora at Rs. 4.56. Central India and Western Bengal changed hands at their previous rates of Rs. 5.87 and Rs. 5.18 respectively. Equitable were lower at Rs. 23, while East Indian changed hands at their previous quotation of Rs. 23.75. A solitary transaction was reported in Talcher at Rs. 1.56. Union Jute shares continued to rule quiet though prices showed little variation except in the case of Bally, which receded sharply from Rs. 147 to Rs. 137. Here is a chart showing representative price movements:

	Opening Prices on 23rd May, 1957.	Closing Prices on 29th May, 1957.
Chitavalsah	Rs. 12.25	Rs. 12
Delta	131	123.50
Howrah	14	14.37

National	19.50	19.70
Birla	13.75	13.50
Megna	70	65
Union	112	105

In the electric supply section, Agra were offered at the lower rate of Rs. 127, as were Benares at Rs. 16. Calcutta were unchanged at Rs. 12.50. Mirzapur changed hands at Rs. 6 and Muzafferpore at the same rate.

In the sugar and brewery section, Dyer Meakin improved from Rs. 6 to Rs. 6.25. Despite the maintenance of a Rs. 2 dividend by the Ramnugger Cane and Sugar Company, the shares reacted from Rs. 25.75 to Rs. 25. S. K. G met with some enquiry and improved from Rs. 9.50 to Rs. 10. Carew were steady at Rs. 7.31 while Balramore were easier at Rs. 5.75, as were Purbapore at Rs. 15.50.

In the engineering section, Indian Iron and Steel improved steadily from Rs. 17.60 to Rs. 18.53; tonight's closing quotation is Rs. 18.48. Braithwaite were better at Rs. 25.25, while Burn were unchanged at Rs. 305. Indian Galvanizing improved from Rs. 18.75 to Rs. 19 and Guest, Keen, Williams were remarkably steady at Rs. 27. Indian Standard Wagon reacted from Rs. 162 to Rs. 159. Richardson and Cruddas were depressed around Rs. 14.75, as were Jessop at Rs. 24.19. Textile Machinery, on rumours of a higher dividend, hardened to Rs. 17.50.

In paper, India Paper Pulp improved from Rs. 20.75 to Rs. 20.87 and Orient recovered to Rs. 26.10. Sirpur, after being sold down to Rs. 8.25, improved at the close to Rs. 8.44. Titagur were steady around Rs. 33.25.

In cement, Assam Bengal were unchanged at Rs. 5.50 while Sone Valley were easier at Rs. 5.94. Dalmia Cement changed hands at Rs. 11.37.

In insurance, Concord of India improved from Rs. 10.75 to Rs. 11 while New Asiatic were shaded at Rs. 3.87. Triton Insurance had buyers at the

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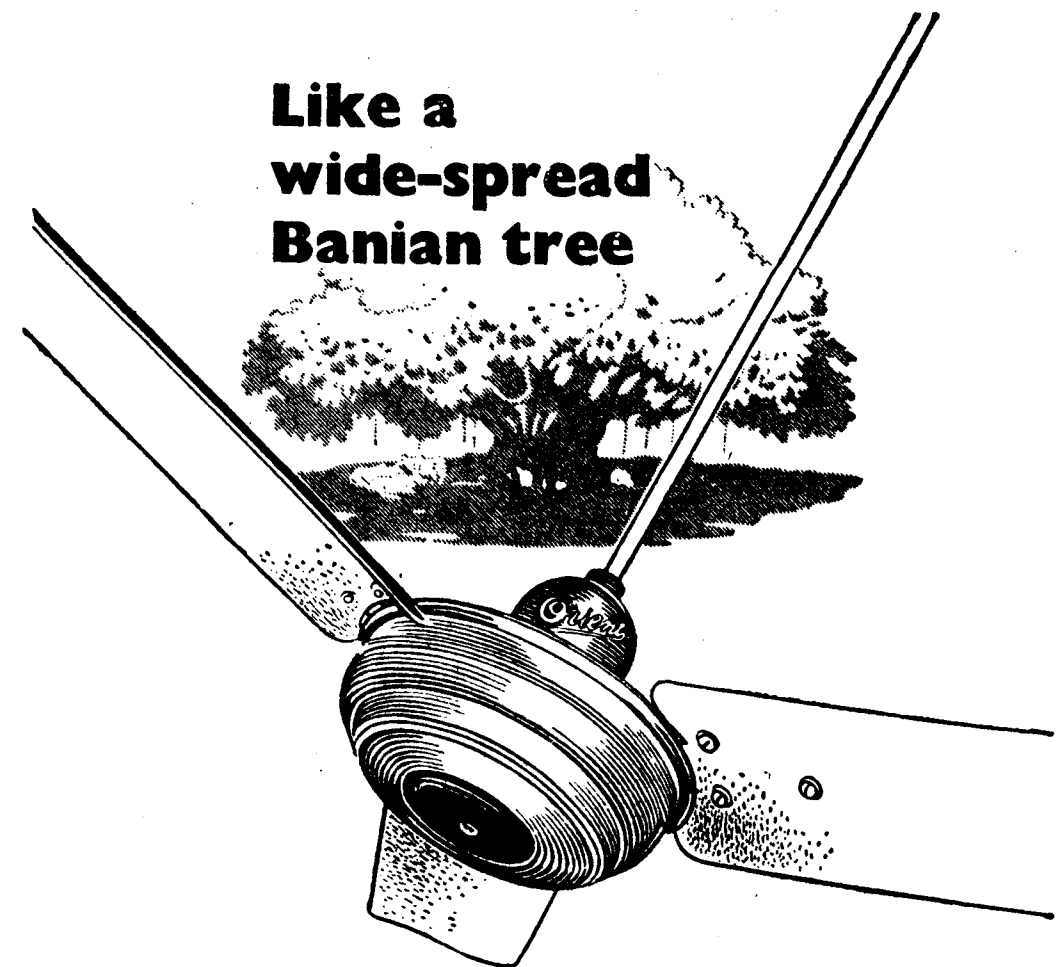
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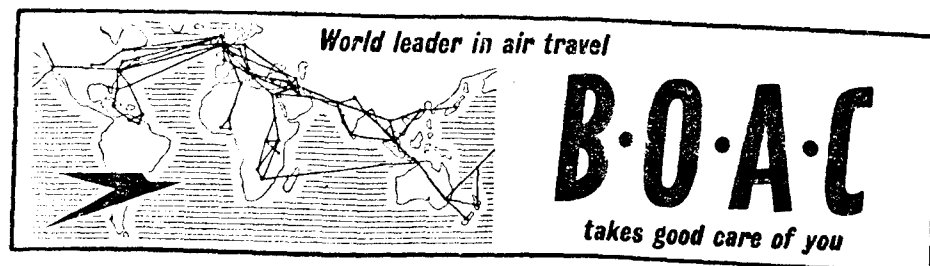


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BRITISH OVERSEAS AIRWAYS CORPORATION WITH S.A.A., C.A.A., QANTAS AND TEAL

higher rate of Rs. 150 against last week's closing price of Rs. 140.

In shipping, India General Navigation were unchanged at Rs. 65. India Steamship were slightly better at Rs. 10. Port Shipping were quoted at the lower rate of Rs. 16.25.

In the miscellaneous section, Alkali and Chemical Corporation met with enquiry and rose from Rs. 12.05 to Rs. 12.50. Angelo Brothers were better at Rs. 17.87 and Balmer Lawrie changed hands at Rs. 145. Bengal Flour eased further to Rs. 25.12, and British Burma Petroleum improved to Rs. 251. British India Corporation were renoted at Rs. 6.50 ex-dividend (10 nP) a share. Dunlop Rubber were better today at Rs. 23.12 cum-dividend, cum-rights. Calcutta Tramways were dealt in at the lower rate of Rs. 15.56. Indo-Burma Petroleum came to hand at Rs. 27 ex-dividend and Indian Wood Products were shaded at Rs. 28.50. Jardine Henderson remained at Rs. 75 and Metal Box shed Rs. 1.25 to close at Rs. 94.75. National Carbon were slightly better at Rs. 23.75, as were Bellis at Rs. 34.25 and Rohtas Industries at Rs. 17.56.

In mining, Indian Canner were maintained at Rs. 3.35 and Orissa Minerals improved from Rs. 19 to Rs. 19.50. Burma Mines were unchanged at Rs. 2.26 while Western Stockholders Investment were slightly better at 84 nP.

Tea shares were extremely depressed and prices fell away because of an almost complete lack of support. Here is a chart showing representative price movements:

	Opening Price on 23rd May, 1957.	Closing Price on 29th May, 1957.
Pasmatia	29.50	29
Brooke Bond	16.81	16.75
Choonabutti	29.50	29.75
Gumb "A"	16.4	16.1
Hasimara	23	21.75
New Dears	25.3	25.0

The profit of the BENGAL COAL COMPANY has amounted to Rs. 48.29 lakhs for the year ended last October. Bringing in Rs. 7.31.563 and providing Rs. 18 lakhs for taxation, there is Rs. 37.61.033. The ordinary dividend has been declared at Rs. 17-8 a share, including an interim of Rs. 7-8 a share. Reserve against valuation of stocks is allocated Rs. 8 lakhs, and general reserve receives Rs. 2 lakhs. The carry-forward is Rs. 9.44.657. Dividends declined from 2,599,787 tons to 2,320,356 tons, and despatches from 2,899,167 tons to 2,559,063 tons. The directors mention that the Labour Appellate Tribunal has given its decision and the issues are now before the Supreme Court. It is hoped that once these issues are settled and the committee recently constituted by the Government to revise coal prices completes its work, the coal industry will be placed on a sounder footing so as to be able to discharge its responsibilities under the second five year plan.

Providing Rs. 1.55 lakhs for depreciation, the profit of the ASSAM SAW MILLS and TIMBER CO., LTD. has amounted to Rs. 19,015 for the year ended last September. The debit balance has been reduced to Rs. 4,95,522. There is again no dividend. The directors state that despite the somewhat better results, which show a small profit in place of the

substantial losses of recent past years, they regret that there are no signs of increased demand for the company's products. During the year under review, although production increased to 513,964 sets of panels, sales declined from 493,483 sets to 448,173 sets. This resulted in a substantial carry-forward of stocks into the current year, but no improved demand for sets of panels has been noticed. Indigenous capacity remains heavily in excess of demand, and with unapproved panels still finding a market, the directors do not view the immediate prospects with optimism.

The DUNBAR MILLS, LTD. has made a profit of Rs. 3.26 lakhs for the year ended last December. Bringing in Rs. 1,37,951, there is a balance of Rs. 4,64,235. The dividend has been declared at Rs. 6 a share, leaving a carry-forward of Rs. 3,50,225. Depreciation is allocated Rs. 4.28 lakhs.

Bombay Market

IMPROVEMENT IN EQUITY PRICES

INSTITUTIONAL SUPPORT HELPS RECOVERY

Wednesday Evening.

THE improvement in the prices of equity shares in the Bombay stock market during the past week was due partly to technical considerations and partly to selective support by institutions. The Life Insurance Corporation, it was reported, bought large parcels of assorted stocks. Sentiment improved on the belief that the reference of the Wealth Tax Bill and the Expenditure Tax Bill to select committees was encouraging. It was hoped that the tax on wealth, especially on companies' wealth, could be substantially modified. Turnover, nevertheless, was limited as operators were not inclined to take a view either way until the Central Budget proposals were finalised.

Tata Steels improved to Rs. 156 and Indian Irons were higher at Rs. 18.45 on good support from Lyons Range. Considering that there was little prospect of serious payment difficulties, the possibility of a further recovery was not ruled out. Alcock Ashdown were quoted at Rs. 260 and Premier Construction were taken at Rs. 143.75. Tata Locomotives were fractionally higher at Rs. 142.50 on replacement buying. Automobile shares were listless, and Premier Automobiles were done at Rs. 87. Hindustan Motors were freely offered at Rs. 8.50 without attracting any worthwhile support.

Bear-covering helped improve prices of mill shares. Bombay Dyeing increased to Rs. 524 on substantial institutional support. Kohinoors were taken at Rs. 233 while Century met with selling pressure at Rs. 400. Svadeshi were bought at Rs. 187 and Simplex were transacted at Rs. 162. India United Ordinary were offered at Rs. 9.56, with sellers predominating.

Miscellaneous industrials were about steady. Associated Cement met with support at Rs. 153.50 and Digvijay realised Rs. 141.50. Sugar shares were bought by knowledgeable quarters on the belief that increased exports might be helpful. Belapur were transacted at Rs. 222 and Walchandnagar Industries came to hand at Rs. 247.

Steamship company shares were steady following the prospect of increased coastal freights. Scindia Steam were done at Rs. 18 and Great Eastern Shipping were bought at Rs. 19.15. Bombay-Burmah recovered to Rs. 527.50, and National Rayon were higher at Rs. 215 on short-covering. Tata Chemicals were taken at Rs. 16.35 while Wimco were offered at Rs. 156. There was little interest in mining shares, and Shivrampur Syndicate were talked around Rs. 78.50.

Turnover in banking shares was limited and quotations showed minor variations. Insurance shares were freely offered and buyers did not appear to be taking much interest. New India Assurance were offered at Rs. 44.50.

Electricity supply undertakings were steady, and Ahmedabad Electric were dealt in at Rs. 94. Tata Power were transacted at Rs. 1,213.75.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week, Lowest for the week, Closing Quotations, Quotations for the Corresponding Closing Date a Year Ago, the last named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paisa).

GOVERNMENT SECURITIES

2 1/2% Loan (1960)	Rs. 96/37-96/50-96/37-96/50.
2 1/2% "	(1962)-Rs. 93/80-93/80-93/80-93/80.
3% "	(1960)-Rs. 73/50-73/50-73/42-73/51.
3% "	(1963-65)-Rs. 93/84-93/84-93/80-93/90.
3% "	(1959-61)-Rs. 97/72-97/72-97/72-97/72.
3% "	(1964)-Rs. 93/75-93/75-93/75-93/75.
3% "	(1970-75)-Rs. 86/50-87/00-86/50-87/00.
3 1/2% "	(1964)-Rs. 98/20-98/35-98/06-98/15.
3 1/2% "	(1967)-Rs. 98/40-98/40-98/40-98/40.
3 1/2% "	(1974)-Rs. 98/45-98/48-98/45-98/48.
4% "	(1969-70)-Rs. 100/80-100/80-100/75-100/90.
4% U.P. (1963)	Rs. 97/50-97/50-97/44-97/44.

BANKS

Allahabad (Pref.)	Rs. 108/00-108/50-108/00-108/50.
Central	Rs. 50/75-50/75-50/00-50/50.
Do. (A share)	Rs. 53/75-53/75-53/00-53/00.
Hindustan Mercantile	Rs. 11/62-11/62-11/62-11/62.
Hind	Rs. 32/50-32/50-32/50-32/50.
Bank of India	Rs. 32/50-32/50-32/50-32/50.
Bank of Commerce	Rs. 53/87-53/87-53/87-53/87.
United Commercial	Rs. 53/87-53/87-53/87-53/87.

COTTONS

Basanti (Pref.)	Rs. 7/56-7/56-7/56-7/56.
Bengal Nagpur	Rs. 7/37-7/37-7/37-7/37.
Jaysingh	Rs. 5/62-5/62-5/47-5/61.
Kanpur	Rs. 12/25-12/32-13/00-13/31.
New Victoria	Rs. 1/76-1/76-1/76-1/76.

COALS

Bhulanbarree	Rs. 13/62-13/62-13/62-13/62.
Birra	Rs. 99/50-99/50-99/50-99/50.
Bharat	Rs. 5/94-5/94-5/94-5/94.
Burrakur	Rs. 22/00-22/37-21/75-22/37.
Bengal	Rs. 214/00-216/00-212/00-215/00.
Bhaipora	Rs. 4/44-4/75-4/44-4/75.
Central India	Rs. 5/84-5/84-5/84-5/84.
Khaskhaura (Pref.)	Rs. 3/19-3/19-3/19-3/19.
New Manbhoom	Rs. 9/00-9/00-9/00-9/00.
Pench Valley	Rs. 14/39-14/39-14/39-14/39.
Shree Mahakali	Rs. 2/94-2/94-2/94-2/94.
Talcher	Rs. 1/56-1/56-1/56-1/56.
Western Bengal	Rs. 5/17-5/24-5/06-5/24.

RAILWAYS

Delhi Rohas	Rs. 10/25-10/25-10/25-10/25.
Agarpara	Rs. 7/75-7/75-7/75-7/75.
Anglo-India	Rs. 137/00-138/00-136/00-138/00.

Chitavalah	Rs. 12/00-12/06-11/82-11/94.
Delta	Rs. 122/00-123/50-121/50-123/50.
Gouropore	Rs. 227/00-224/00-227/00-224/00.
Ganges	Rs. 47/00-47/00-46/50-46/50.
Howrah	Rs. 13/62-14/44-13/62-14/44.
Hoghty (Pref.)	Rs. 7/81-7/81-7/81-7/81.
Megna	Rs. 65/00-65/00-65/00-65/00.
Nellimaria	Rs. 11/37-11/43-11/25-11/25.
National	Rs. 19/30-20/00-19/30-20/00.
New Central	Rs. 11/00-11/31-11/00-11/31.
Nudda	Rs. 32/50-32/87-32/12-32/87.
Presidency	Rs. 3/56-3/62-3/56-3/62.
Rameshwara	Rs. 4/25-4/50-4/25-4/50.
Reliance	Rs. 6/62-7/00-6/62-7/00.
Shree Ambica (Pref.)	Rs. 81/00-82/50-81/00-81/00.
Standard	Rs. 69/00-69/00-69/00-69/00.

MININGS

Burma Mines	Rs. 2/36-2/36-2/36-2/36.
Consolidated Tin	Rs. 1/52-1/61-1/45-1/57.
Indian Copper	Rs. 3/34-3/40-3/33-3/36.
Orissa Minerals	Rs. 19/00-19/05-18/94-19/06.

CEMENTS

Assam Bengal	Rs. 5/25-5/25-5/25-5/25.
Do. (Def.)	Rs. 1/25-1/25-1/25-1/25.
Asoka	Rs. 10/00-10/00-10/00-10/00.
Daima (Bharat)	Rs. 11/37-11/37-11/31-11/31.
Do. (Rs. 24 paid)	Rs. 2/81-2/87-2/81-2/87.
Japur Udyog	Rs. 11/62-12/12-11/62-12/12.
Orissa	Rs. 12/90-13/06-12/90-13/00.
Sone Valley	Rs. 5/91-6/09-5/91-6/00.

CHEMICAL

Alkali & Chemical	Rs. 12/44-12/62-12/44-12/62.
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ELECTRICS

Agra	Rs. 129/00-129/00-129/00-129/00.
Calcutta	Rs. 12/43-12/50-12/12-12/50.
Do. (Pref.)	Rs. 9/15-9/15-9/12-9/12.
Mirzapore	Rs. 6/00-6/00-5/94-5/94.
Muzaffarpore	Rs. 6/00-6/06-5/94-5/94.

ENGINEERING

Britannia Engineering	Rs. 13/50-13/56-13/43-13/56.
Burn & Co.	Rs. 304/00-305/00-304/00-305/00.
Guest, Keen, Williams	Rs. 26/50-27/06-26/19-27/06.
Indian Malleable Casting	Rs. 6/62-6/69-6/62-6/69.
Indian Iron	Rs. 17/63-18/57-17/45-18/48.
Do. (New)	Rs. 16/50-17/36-16/48-17/33.
Do. (Pref.)	Rs. 100/00-100/00-99/50-99/50.
Indian Std. Wagon (Pref.)	Rs. 127/00-127/50-127/00-127/50.
Do. (Ord.)	Rs. 161/00-161/00-159/00-159/00.
Jessop & Co.	Rs. 24/12-24/62-23/94-24/31.
Marshall	Rs. 4/50-4/50-4/50-4/50.
National Iron & Steel	Rs. 7/15-7/15-7/06-7/06.
Richardson & Cruddas	Rs. 15/19-15/37-15/06-15/06.
Textile Machinery	Rs. 17/25-17/70-17/20-17/45.

MISCELLANEOUS

Airways India	Rs. 4/94-4/94-4/91-4/91.
Aluminium Corp.	Rs. 8/81-8/83-8/81-8/87.
Anglo Brothers	Rs. 17/69-17/87-17/69-17/75.
B. I. Corp.	Rs. 6/19 x.d.-6/40-6/10-6/40.
Do. (Pref.)	Rs. 106/00 x.d.-106/00 x.d.-106/00 x.d.-106/00 x.d.
Britannia Biscuits	Rs. 13/50-13/50-13/50-13/50.
Birds' Investment	Rs. 13/81-13/87-13/81-13/87.
Behar Rice	Rs. 1/52-1/52-1/50-1/50.
Clive Row Investment	Rs. 10/00-10/12-9/83-10/00.
Calcutta Tramways	Rs. 15/75-15/75-15/44-15/56.
Dunlop Rubber	Rs. 23/75-23/75-22/44-23/75.
Electric Construction Equipment	Rs. 9/44-9/44-9/44-9/44.
Eastern Investments	Rs. 105/00-105/00-105/00-105/00.
Gillanders Arbuthnot	Rs. 11/12-11/12-11/00-11/00.
Indian Aluminium	Rs. 12/81-13/00-12/81-13/00.
Indian Cables	Rs. 23/00-23/00-22/69-22/75.
Imperial Tobacco	Rs. 14/00-14/12-13/87-14/00.
Indian Wood Products	Rs. 38/75-38/75-38/37-38/50.
Jardine Henderson	Rs. 75/00-75/00-75/00-75/00.
Martin Burn	Rs. 22/50-22/63-22/44-22/63.
Metal Box	Rs. 25/75-25/75-24/75-24/75.
National Insulated Cable	Rs. 19/25-19/81-19/25-19/69.
National Carbon	Rs. 23/62-23/75-23/44-23/56.
National Tobacco	Rs. 9/87-9/87-9/87-9/87.
Oiler Elec. Lamp	Rs. 2/94-2/94-2/90-2/94.
Rohtas Industries	Rs. 17/44-17/62-16/93-17/62.
Rallis India	Rs. 34/25-34/50-34/25-34/50.
Do. (Pref.)	Rs. 61/50-61/50-61/50-61/50.
Show Wallace (Pref.)	Rs. 67/00-68/00-67/00-68/00.
Western Stockholders Investment	Rs. 0/82-0/87-0/82-0/87.

INSURANCES

Concord of India	Rs. 11/00-11/12-11/06-11/12.
India Trade & General	Rs. 20/50-20/50-20/50-20/50.
New Asiatic	Rs. 3/81-3/87-3/81-3/87.
Ruby General	Rs. 5/65-5/65-5/62-5/62.
Triton	Rs. 150/00-150/00-150/00-150/00.

OIL SHARES

British Burma Petrol	Rs. 2/51-2/51-2/37-2/37.
Tide Water	Rs. 13/37-13/37-13/37-13/37.

PAPER MILLS

India Paper Pulp	Rs. 20/87-20/87-20/75-20/75.
Orient	Rs. 25/75-26/15-25/50-26/00.
Do. (Pref.)	Rs. 94/00-94/00-94/00-94/00.
Shree Gopal	Rs. 15/12-15/12-15/00-15/00.
Titaghar	Rs. 33/25-33/50-33/25-33/37.

SHIPPINGS

teamship	Rs. 9/91-10/06-9/75-9/75.
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Port Shipping—Rs. 16/25-16/50-16/18-16/50—(16-4).

FLOUR MILL

Bengal—Rs. 25/25-25/25-24/43-25/12—(27).

SUGARS

Carew & Co.	Rs. 7/31-7/31-7/25-7/25.
Cawnpore	Rs. 14/62-14/62-14/62-14/62.
Dover Meakin Breweries	Rs. 6/12-6/12-6/06-6/06.
Purlabore (Pref.)	Rs. 13/87-14/25-13/87-14/25.
Shree Krishna Gyanoday	Rs. 10/00-10/06-10/00-10/06.

TEA SHARES

Banarhat	Rs. 264/00-264/00-264/00-264/00.
Brooke Bond	Rs. 16/75-17/88-16/75-16/88.
Bishnauth	Rs. 18/50-18/50-18/50-18/50.
Chandypore	Rs. 77/25-78/50-77/00-77/00.
Dhelahtat	Rs. 21/50-21/62-21/50-21/62.
Grob (B)	Rs. 12/75-13/00-12/75-13/00.
Hasimara	Rs. 21/62-21/75-20/87-21/00.
Jaybhupara	Rs. 22/37-22/62-22/37-22/62.
Javahree	Rs. 9/87-9/87-9/87-9/87.
Kilcott	Rs. 17/12-17/25-17/12-17/25.
Lackatohar	Rs. 20/75-20/75-19/62-19/75.
Maud	Rs. 15/12-15/25-15/12-15/25.
New Terai	Rs. 22/00-22/12-21/50-21/50.
Patnakhola	Rs. 145/00-145/00-145/00-145/00.
Sonai River	Rs. 12/00-12/00-11/87-11/87.

STANDARD FOR METRIC CONVERSION FACTORS AND CONVERSION TABLES

The Indian Standards Institution has published Indian Standard Conversion Factors and Conversion Tables (IS: 786-1956). With the introduction of decimal system of coinage and the Government of India's decision to introduce the metric system as the only system of weights and measures for the country within a period of ten years need will be felt, during the changeover, for a useful reference book for conversion of values from the existing system of units to metric system. To meet this need, the ISI has published this standard. It is hoped it will assist trade and industry Government departments, engineers, technologists, scientists, students and others interested in quick and accurate inter-conversion of values. The Standard contains 154 tables covering inter-conversion of values on basic unit's mass, length, area, volume and capacity, weight, temperature, angle, speed, density and concentration, stress and pressure, transport, force, energy, power and heat. A ready 50,000 copies of the standard forming the first imprint, have been sold out. While the ISI is proceeding with the reprint those interested in acquiring copies may write, indicating the number of copies they require to ISI headquarters at 19, University Road, Delhi, or its branch offices at 40/40A, Cowasji Patel Street, Fort, Bombay, or P. 11, Mission Row Extension, Calcutta.

THE GANGES MANUFACTURING CO. LIMITED.

NOTICE is hereby given that Messrs. Macneill & Barry Ltd. have resigned their office of Managing Agents of the Company with effect from the expiry of the 18th May, 1957 and the Board of Directors of the Company at their meeting held on the 18th May, 1957 accepted the resignation subject to the provisions of Section 312 of the Companies Act 1956.

All correspondence should henceforth be addressed to the Company at 2, Fairlie Place, Calcutta-1.

LAKSHMIPAT SINGHANIA,
Chairman.

Calcutta.
The 20th May 1957.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of

AMBIGUITIES IN CENTRAL SALES TAX ACT

LIABILITY IN INTER-STATE TRANSACTIONS
(By G. P. Agarwala)

THE question of levying sales tax on inter-State transactions by different State Governments has been the subject of interpretation by the Supreme Court on more than one occasion. We are familiar with the decision of the Supreme Court in the case of the Bengal Immunity Company. There it was held, in contrast to the previous view taken in the case of United Motors, that State Governments have no power to impose or authorise the imposition of tax on the sale or purchase of any goods where such sale or purchase takes place in the course of inter-State trade or commerce, unless Parliament by law provides otherwise. This pronouncement was made in September, 1955, and it affected the budgets of different States. In order to protect State Governments from the complications which arose, the Central Government promulgated an ordinance known as the Sales Tax Laws Validation Ordinance, 1956, which ultimately became an Act. Parliament, therefore, by this enactment made legal all the collections made by State Governments from 1st April, 1951, till 6th September, 1955, the date the Supreme Court pronounced the judgment. It also legalised the measures of the different State Governments which had been declared invalid by the highest court of the country.

Even after the enactment of the Sales Tax Laws Validation Act, doubts were expressed about the competence of Parliament to validate such measures under Article 286, sub-clause 2 of the Indian Constitution. These doubts were expressed on various constitutional points but did not find favour with the High Courts and the highest judicial pronouncement is still awaited. Article 286 of the Indian Constitution now stands amended. The most important amendments have been in clauses 2 and 3, and in the explanation to clause 1 which has been omitted altogether. The changes are very important, because these provisions created most of the difficulties which resulted in the final interpretation by the Supreme Court in the case of the Bengal Immunity Company.

Power to Tax

One of the important questions on which the final verdict of the Supreme Court has not been

given so far is the taxing power of the different State Governments on inter-State transactions even after the passing of the Sales Tax Laws Validation Act, 1956. Some State Governments started completing their assessment for the period saved by the Validation Act. A question arose about their power to do so. It was alleged that there was no existing enactment in the sales tax laws of such State Governments whereby they could levy sales tax on inter-State transactions. Section 2 of the Validation Act removed the fetters on the taxation of inter-State sales during the period from 1st April, 1951 to 6th September, 1955, in cases where a State law providing for such an imposition already existed. This question was considered by the Travancore-Cochin High Court and also by the Andhra High Court. It was held that Section 22 of the Madras Sales Tax Act did not create any liability to tax if the transaction was not liable to be taxed under the Act; that the Section was only a reproduction of Article 286; and that, as the bans imposed by clauses (a) and (b) of Article 286 were separate and independent, the explanation to Section 22 could not be read as an explanation of the definition of the word "sale" in the Act. There was, therefore, no particular law existing in the State of Andhra imposing and authorising imposition of tax on sales falling under the explanation to Article 286 1(a); the Sales Tax Laws Validation Act, 1956, could not be applied to such sales.

Uniform Legislation

Thus, after maintaining the *status quo* up to September, 1955, the Central Government resolved to introduce uniform legislation for taxes levied on inter-State sales or purchases. This has resulted in the passing of "the Central Sales Tax Act, 1956". In this enactment there are certain questions which are open to controversy and will require to be resolved by judicial pronouncements.

Section 7 provides for the registration of a dealer under the Act and an application is to be made in the prescribed form to such authorities in the appropriate State as the Central Government may, by general or special order, specify. "Appropriate State" has been defined under Section 2 as meaning: "(i) in relation to a dealer who has one or more places of business situated in the same State, that State; (ii) in relation to a dealer who has one or more places of business situated in different States, every such State with respect to the place or places of business situated within its territory." There is an explanation attached to it which defines the place of business as meaning: "(i) in

the case of a sale of goods in the course of inter-State trade or commerce falling within clause (a) of Section 3, the place from which the goods have been moved by reason of such sale; (ii) in the case of any such sale falling within clause (b) of Section 3, the place where the sale is effected". Section 3, to which reference has been made in explaining the phrase "place of business", provides the necessary conditions when the sale or purchase shall be deemed to take place in the course of inter-State trade or commerce.

Take the example of a dealer who is carrying on business in one State only. Apparently, he would make an application for registration under Section 7 of the Act to the proper authorities of the State Government in which he carries on his business. By virtue of the legal fiction created by the definition of "place of business", the other State Governments where the goods are being sent by the dealer (under Section 3(b)) might also require the dealer to apply for registration. Failure on his part has been made punishable under Section 10 of the Act. This is an anomaly which requires to be resolved either by judicial pronouncement or by suitable amendment of the Act. The tax is leviable only at one point, so registration in one State would be sufficient compliance. But this offence of non-registration under Section 7, though technical in nature, cannot be avoided by dealers in general.

Taxing Turnover

Section 8 of the Act provides for the levy of tax at the rate of 1 percent of the turnover. The proviso attached to it saves from taxation only certain goods which are exempted generally and not in specified cases or in specified circumstances. The position, therefore, is that, even if a dealer gets exemption from a State tax on certain raw materials or other commodities which he purchases for the manufacture of certain articles, he would be liable to pay Central sales tax at the rate of 1 percent on the turnover. This would certainly affect industries and is not healthy for the promotion or growth of such industries or class of industries which manufacture goods at competitive rates.

Section 4 of the Act defines the conditions when a sale takes place inside a State and outside all other States. A sale or purchase of goods shall be deemed to take place inside a State if the goods are within the State:

- in the case of specific or ascertained goods at the time the contract of sale is made; and
- in the case of unascertained future goods at the time of their appropriation to the contract of sale by the seller or by buyer where assent of the other party is prior or subsequent to such appropriation.

Under the Sale of Goods Act, where there is an unconditional contract for the sale of specific goods in the deliverable State, the property in the goods passes to the buyer when the contract is made and it is immaterial whether the time of payment or the price or the time of delivery of the goods, or both, are postponed. The position, therefore, is that if the contract for sale is completed before the goods are moved from one State to another, it would become an intra-State sale; it would be an inter-State sale in the opposite case. This, in actual practice, is bound to create complexities for dealers in general. Similarly, if the documents of title are transferred before the goods are moved, the sale would be an intra-State sale. In the opposite case, it would be inter-State sale.

Exports and Imports

Section 5 defines when a sale or purchase of goods would be considered as having taken place in the course of export of goods out of the territory of India and import of the goods into the territory of India. If the sale or purchase occasions the export of the goods out of the territory of India or is affected by a transfer of documents of title to the goods after the goods have crossed the Customs frontier of India, the sale would be deemed to have taken place in the course of export of the goods. Take the example of a dealer who has contracted with foreign parties for the export of ascertained goods and has delivered them to the agents in India in the process of export of the goods. Now, in accordance with Section 4 of the Act, this transaction would become an inside sale and the Government of the State in which this sale would be deemed to have taken place would start proceedings for the levy of the tax. On the other hand, under Article 286, sub-clause 1 of the Indian Constitution such transactions would be exempt from the levy of sales tax. From a reading of the Act, it appears that much emphasis is laid on the time factor in the case of transfer of documents of title to the goods, while judging whether a transaction is intra-State or inter-State.

The last, but not the least important, anomaly which appears in the Act is that there is no express provision whereby a seller is authorised to realise sales tax from the purchaser. In most of the sales tax laws of State Governments, registered dealers are authorised to realise sales tax from their customers. In the absence of such statutory authority, a purchaser having agreed to pay sales tax may later refuse to pay it on the ground that there is no such statutory right given to the selling dealer to realise sales tax from his customers. These are, in short, some of the important aspects of the Central Sales Tax Act, 1956, which require careful scrutiny. It is hoped that ambiguities will be clarified by amendment at an early date.

New Delhi

NEHRU AND KRISHNAMACHARI DEFEND TAXATION MEASURES

PROSPECTS OF OBTAINING LONG-TERM CREDIT FROM JAPAN

(FROM A NEW DELHI CORRESPONDENT)

THE Government's intention to adhere firmly to the new taxation proposals in this year's Budget is confirmed, firstly by Mr. Nehru's address to the Congress Parliamentary Party last Saturday, and secondly, by the reply of the Finance Minister to the Budget debate in the Rajya Sabha. Apart from the already announced withdrawal of the import and excise duties on kerosene and the import duty on newsprint, the only other changes that are likely to be in postal rates, the tax on railway passenger fares and certain excise duties. The net reduction in the quantum of new taxation will probably be negligible. While indicating the Government's willingness to withdraw the increase in the price of postcards, Mr. Krishnamachari made it clear that he would seek to make up the fall by transferring the increase to the envelope and/or other postal articles and services. The Railway Minister some time ago hinted at the likely exemption of short-distance railway third-class travel from the passenger tax. In inviting Congressmen to discuss the various commodity excise duties with the Finance Minister, Mr. Nehru did not by any means suggest that the total size of the burden could be significantly reduced. On the contrary, while conceding that the excise levies were unpopular, he maintained that they were dictated by the unavoidable need for greater revenue.

In the sphere of direct taxation, the Finance Minister said in the Rajya Sabha that, but for the limitation of resources, he would have given some further relief to the new income-tax assesses through allowances for children, in addition to the increase of the tax-free slab for married people. This remark has led to speculation that he may yet do so. But it is clear that the exemption limit of Rs. 3,000 has come to stay. In defending this step, which had been recommended by the Taxation Enquiry Commission, Mr. Krishnamachari pointed out that even the new limit was at least ten times the national per capita income, while the proportion was 1.22 in the U.S.A., 1.45 in the U.K., 1.37 in Western Germany, 0.8 in France, and 2.25 in Japan. Speaking on the tax on wealth, the Finance Minister referred to the complaint that, in the case of companies, the same property would be taxed twice if, as proposed, the levy was applied to companies as well as to their individual shareholders. He offered to consider all grievances at the Select Committee stage, but made it clear that companies would not be exempted: "The scheme itself will have to be dropped if the wealth tax on companies is removed." Mr. Krishnamachari said that India would not be alone in imposing the wealth tax on companies. It is levied in Western Germany on domestic companies at the rate of 0.75 percent, in Norway at 0.6 percent and in Switzerland and Italy at 0.75 percent. Even in the U.S.A., he added, property tax was levied on companies in many States at rates which went up to 2 percent. On the expenditure tax, Mr. Krishnamachari offered to consider only "matters of a marginal character" when the relevant Bill is referred to a Select Committee of the Lok Sabha in July.

Corporate Taxation

About the overall effect of the changes in corporate taxation, the Finance Minister claimed that even after the increase proposed by him, the incidence of taxation on companies in India would remain lower than in many countries. In contrast to the figures cited by Mr. Chandulal Parikh at a meeting of the Congress Parliamentary Party, the Finance Minister estimated the present incidence of corporate taxation at 32.78 percent compared with 33 percent "even in Pakistan". As the result of his Budget proposals, the Indian figure would go up to 37.7 percent. He contrasted this with the rate of 40.85 percent in the U.K., 50.5 percent in the U.S.A., 40 percent in Canada and 57 percent in Sweden.

Economic Collaboration with Japan

Mr. Nobusuke Kishi, Prime Minister of Japan, has a background of varied experience, including successive terms of office as Director of the Industrial Bureau and Vice-Minister and Minister of Commerce and Industry. During his brief visit to the capital last week, in the course of a good-faith talks with the Prime Minister, Mr. Nehru, but also discussed specific projects for Indo-Japanese economic collaboration with the Minister for Commerce and Industry, Mr. Morarji Desai, and the Finance Minister, Mr. T. T. Krishnamachari. The scope for increasing the volume of Indian exports to Japan, it is understood, was examined. During 1956, India's imports from Japan were of the value of Rs. 42.49 crores (steel alone accounting for Rs. 22 crores; machinery Rs. 8.14 crores; and vehicles, mainly railway rolling stock Rs. 2.31 crores). India's exports amounted to only about Rs. 30 crores (the main items being cotton Rs. 10.5 crores; iron ore Rs. 9.6 crores; manganese ore Rs. 2.26 crores and hides and skins Rs. 1.7 crores).

Though a long-term agreement has been

reached for the export of 7.2 million tons of iron ore to Japan over five years, commencing from April 1957, India needs further to explore the possibilities of export promotion in order to reduce the adverse balance of trade. The payments position will improve if the talks now under way, for the supply of Japanese steel, machinery and equipment on a deferred payments basis, succeed. Mr. Kishi said at a Press conference last Friday that an identity of views was yet to be achieved on the duration and interest terms of long-term credit from Japan. But he struck a hopeful note when he added: "Recently, however, we have made some progress and our differences on these points have been narrowed." It will be recalled that the talks between Mr. H. Kano, vice-president of Japan's Export-Import Bank, and Indian officials here last month were encouraging enough for both sides to agree on further negotiations for the supply of automatic looms and hydro-electric equipment by Japan on long-term credit. Mr. B. K. Nehru, Secretary for Economic Affairs in the Finance Ministry, who is now engaged in negotiations with the World Bank in Washington, is expected to visit Tokyo on his way back to resume the talks with Mr. Kano.

Indo-Japanese Trade

The proposed Indo-Japanese trade agreement will be a natural sequel to the growth in economic relations between the two countries. This subject was discussed by the Indian Ministers with Mr. Kishi, along with the question of obligations towards Japan under the General Agreement on Tariffs and Trade. The talks covered the proposal

for the establishment of a training centre for small-scale industries in India with Japanese assistance. Also covered were two projects for the expansion of ore exports to Japan. One of them is the improvement of Honavar, Redi and other minor ports on the west coast for the shipment of low-grade iron ore, and the other is a scheme for the exploitation of iron ore around Rourkela, with American assistance (under President Eisenhower's Asian regional development fund) for export to Japan in exchange for steel. Mr. B. R. Bhagat, Deputy Finance Minister, stated in reply to a question in Parliament last week that the report of an American survey team on the last project is expected by September, and that negotiations will be held thereafter with the Governments of the U.S.A. and Japan.

Nationalisation of Coal-bearing Areas

The debates on the President's Address and the Budget have overshadowed the consideration of an important nationalisation measure, the Coal Bearing Areas (Acquisition and Development) Bill, by the new Parliament in its first session. The statement of objects and reasons recalls that, according to the Industrial Policy Resolution of 1956, the future development of the coal industry is the responsibility of the State, which will set up all new units save in exceptional circumstances. Pointing out that the public sector has been allotted the responsibility of raising 12 million tons a year out of the 22 million tons of additional production to be achieved during the second five year plan, the statement explains that "the bulk (10 million tons a year) will have to be raised by the development of new coalfields such as Korba, Karanpura, Kathara and Jhilmili and Barampur. Very nearly all the coal-bearing areas, however, are covered by mining leases held by private persons or prospecting licences which carry a right to a mining lease. Hence it is proposed to take power to acquire unworked coal-bearing areas covered by private leases or prospecting licences which are found surplus to the production required in the private sector, and to work these areas as lessees of the State Governments. With the acquisition of zamindari rights by the State Governments, the rights in minerals are now vested in all areas in the State Governments, and it is not appropriate to use the Land Acquisition Act, 1894, for the acquisition of mineral rights, particularly because the Central Government does not intend to acquire the proprietary rights vested

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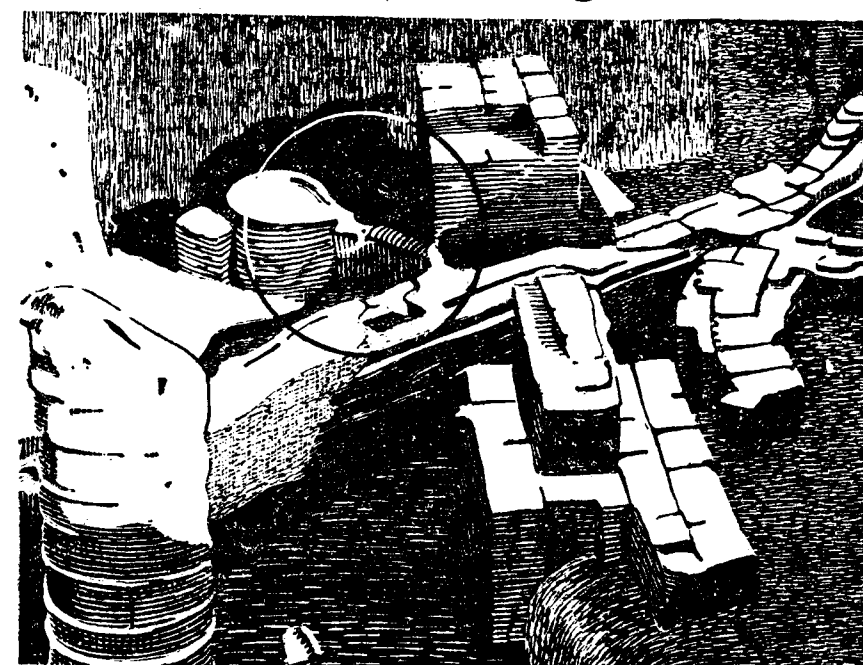
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3000 years ago



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Brahmanabad

Inside a house excavated at Brahmanabad in Sind, has been found an interesting piece of earthenware tubing. A basin like altar which probably served as the seat for bathing some household deity, is connected by this tubing to a covered drain. This tubing unlike other pipework found at various sites of the Indus Civilisation, has a corrugated outer surface, obviously as a safety measure against breakage.

Indian Tube

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In the States. There is no other existing Central or State legislation under which the Government has powers to acquire immediately the lessee's rights over the coal-bearing areas required by the Government for the additional coal production. It is accordingly considered necessary to take powers by fresh legislation to acquire the lessee's rights over unworked coal-bearing areas on payment of reasonable compensation to the lessees, and without affecting the State Government's rights as owner of the minerals or the royalty payable to the State Government on minerals."

Terms of Compensation

Where a prospecting licence ceases to have effect by a notification under this Act, the compensation payable will be the sum of the bona fide expenditure actually incurred in the land, (i) in obtaining the licence; (ii) for preparing maps, charts and other documents relating to the land, the collection from the land of cores or other mineral samples, and their due analysis and the preparation of any other relevant records or material; (iii) for the construction of roads or other essential works on the land, if such roads or works are in existence and in a usable condition; and (iv) for any other operation necessary for prospecting carried out in the land. Where a mining lease is acquired the compensation will cover the actually incurred expenditure of the nature referred to above, together with the *salami*, if any, paid for obtaining the lease, as well as the expenditure incurred by way of payment of de-*rent* or minimum royalty during years when there was no production of coal. Further, interest will be paid on such expenditure at the rate of 5 percent for the first five years, and 4 percent for each subsequent year, subject to the proviso that the sum paid as interest shall not exceed 50 percent of the expenditure which is compensated. Where any land is acquired, the compensation will be determined after taking into consideration the market value of the land. In determining the market value the value of any minerals lying in the land will not be taken into account, but allowance will be made for the damage sustained by the person concerned by taking any standing crops or trees, and certain other specified damages. Where the amount of compensation can be fixed by agreement, it will be so paid. Where no agreement can be reached, the Central Government will constitute a tribunal consisting of a person "who is or has been or is qualified to be a Judge of a High Court," for the purpose of determining the amount. Appeals against the tribunal's award, to the appropriate High Court, are allowed.

During the first reading of the Bill in the Lok Sabha last week, some Congress members joined leftists in criticising the proposed compensation as being unduly liberal. The Minister for Steel, Mines and Fuel, Mr. Swaran Singh, defended the terms and said that the Government would not pay unduly large compensation. It only wanted to be just and fair. During the clause-by-clause consideration, a Congress member, Mr. Thakurdas Bhargava, unsuccessfully moved an amendment seeking to exclude from the scope of the Bill the existing private collieries and areas immediately contiguous to them, which are necessary for the efficient exploitation and expansion of the collieries. Mr. K. D. Malaviya, Minister for Mines and Fuel, gave the assurance however that "it is not our intention to deny facilities to the private sector so far as existing collieries are concerned, nor do we propose to stop them from expanding for the sake of efficiency when the right moment for such expansion comes". The Minister also rejected a suggestion from the Opposition that compensation should be paid in transferable 4 percent bonds maturing after 15 years. He estimated the compensation that the Government might have to pay at Rs. 20 to 40 lakhs every year and said that such small sums did not require deferred payment.

U.S. Private Capital Investment

In a report last summer on the Indian Government's Industrial Policy Resolution, Mr. Harry Robinson (the American economist whose services have been provided by the Ford Foundation for studying methods of stimulating foreign investment in India), hailed the new declaration as an improvement on the 1948 Resolution from the point of view of the private investor. Though he regretted that the 1956 resolution did not explicitly welcome foreign investment, the report was calculated, by and large, to influence the foreign investor favourably, and was widely circulated in the U.S.A., at the time. Mr. Robinson, who has since been engaged in routing enquiries from Indian industrialists for possible American collaboration, will now personally discuss specific investment proposals with American industrialists. He left for the U.S.A. last week, carrying with him proposals covering a wide range of industries: the manufacture of railway wagons, conveyors and air conditioning equipment, paper and sugar mills, pharmaceutical plant, manufacture of special paints, electrical equipment and automobile accessories. Mr. Robinson's work will involve a study of the attitude of American businessmen towards investment in India, and their reaction to the terms suggested by Indian entrepreneurs. After spending three months in the U.S.A., he will visit western European countries to study—for possible collaboration by India—the incentives and conditions offered by the Governments of those countries to foreign investors. He will also study the working of the investment centres established by the Governments of Belgium, the Netherlands and Denmark.

London

WAGE INCREASE FOR U.K. ENGINEERING WORKERS

MOVE TO INCREASE TRADE WITH CHINA

(FROM OUR LONDON CORRESPONDENT)

At a cost of something like £70 million, the engineering industry has bought a year's respite from further wage claims, a development which should help materially in the maintenance of its export drive by enabling it to quote fixed prices. Nevertheless, it is a sizeable amount to pay. Some of the smaller firms may be hard hit but for the fact that in addition to the wage standstill, the trade unions have also accepted the other conditions suggested by the Court of Enquiry as part of the 6½ percent wage increase, namely, to try and stop all embargoes on overtime, restrictions on output and earnings, and unofficial strikes; to encourage the introduction of new machines and techniques; and to enforce punctuality in starting and stopping work and the elimination of interim breaks. Provided the new agreements are implemented in the right spirit, the industry can look forward to both a peaceful and prosperous year, for the additional costs might well be offset by greater productivity. Some three million workers are affected, but the 200,000 shipyard workers also represented by the same unions have refused to join their engineering colleagues and are still holding out for the maximum increase without any conditions, a proposition to which the employers seem unlikely to agree even in the face of yet another threatened strike.

The main basis for labour wage claims is the increasing cost of living and although the general acceptance by employers of a 5 percent rise suggests that an upward move of about that extent has taken place, this is certainly not supported by the statistical evidence. On 16th April, according to the Ministry of Labour, the official index of retail prices was still standing at 104 (January, 1956=100) for the fourth consecutive month. In April last year it stood at 103. Rises in wage levels have more than exceeded this slight increase. An economic expert recently undertook what promised to be a rather unrewarding task—an examination of what had happened to Mr. Macmillan's "price plateau" policy and negotiations when he was Chancellor of the Exchequer. This has been subjected to not a little cynicism, and at times ribald criticism since he succeeded to the Premiership. The expert was apparently surprised to find that the critics were wrong, and Mr. Macmillan surprisingly accurate in his forecasts. In fact, the "plateau" has been reached and maintained, even though the immediate future and the possibilities of holding the position are other matters.

Trade with Egypt and China

The inflationary danger is certainly far from having been averted, but the Government's confidence in the country's ability to expand exports to a level sufficient to meet balance of payments needs continues unimpaired. To some extent this has influenced many recent decisions. For instance, the resumed use of the Suez Canal and the even more far-reaching financial talks with Egyptian representatives in Rome, as also the firmer attitude being adopted in Paris on the question of trade with China. The talks with Egypt have the immediate object of setting up a special account into which British shipping companies will be able to pay their Canal dues and other charges in sterling which will be freely available to the Egyptian Government and transferable over the greater part of the non-dollar world. There will also be some discussion of the extent to which the British Government is prepared to unfreeze Egypt's ordinary account to enable her to resume trading with the sterling area. Finally, there is a possibility that the claims and counter-claims of the two countries arising out of the nationalisation of the Suez Canal Company and the British intervention in Egypt will be considered. It seems hardly likely, however, that on this subject the talks can be more than exploratory in view of the large sums involved and its general complexity.

So far as China is concerned the British delegation to the China Committee meetings in Paris, it is believed, has been advised to emphasise that the U.K. considers that many of the 450 items banned from exports to China have no strategic value and are not on the Russian list. The hopes of substantial relaxation of the embargo engendered by the Macmillan-Eisenhower discussions in Bermuda are not fulfilled in the latest American proposal which offers a reduction of the China list, but an expansion of the Russian list. The British view is that there should be one list of rationally defined strategic commodities which should not be exported to both these countries and, failing agreement, the U.K. is prepared to differ with America and "go it alone" if necessary. The collapse of the China Committee, with the U.S.A. playing a lone hand, is not unlikely unless the latter is willing to be more realistic.

Commonwealth Economic Policy

Trade as a whole, indeed, appears to be occupying a predominant position in Government policy-making at the moment, and with the European free market idea making fair progress this is hardly surprising. Where does the Com-

monwealth fit into this picture? The answer may be forthcoming at next month's conference of Commonwealth Prime Ministers. As is well known, no formal agenda is prepared for these meetings, but it is reported in the Beaverbrook press—which takes a particular interest in these affairs—that Mr. Macmillan has decided on a new Commonwealth economic policy in which Imperial Preference will be whittled down but investment and development will have a greatly expanded rôle. He believes that the system of Imperial Preference is obsolete, arguing that it was based on the concept of an industrial Britain with the Dominions and Colonies as producers of food and raw materials. But now more and more overseas industrial development is needed. Unfortunately, the capital requirements are greater than Britain can quickly provide. By linking the Commonwealth to the European free trade area, however, the Government hopes to attract foreign capital into Commonwealth development. Commonwealth nations will also be invited to invest in under-developed areas. Mr. R. A. Butler, Mr. Peter Thorneycroft, Sir David Eccles and Lord Home form the ministerial team charged with the task of drawing up the development plans to be put before the Commonwealth Prime Ministers. Mr. Macmillan's broad proposal is that an alliance between the sterling area and Europe can build up a combination economically equal to the United States and the Communist bloc.

Trade Trend Pointers

The detailed trade returns for April disclose one or two significant pointers for the future. Petroleum imports at £43 million were nearly two-fifths greater in value than the average for the ten-month period prior to the closing of the Suez Canal though about the same in volume. Indeed, the increase in oil prices and freights accounted for about half of the rise in total imports. On the other hand, there is encouragement in the recovery in exports of motor cars and spares to 17 percent above the first quarter's rate and in 1956 were worth £13 million against £10 million in April 1956. What is more, they earned good dollars, for over three times as many cars were shipped to the United States in the first four months of this year as in the corresponding periods of the previous two years. Total exports are shown as being 21 percent down on the monthly average for the first quarter—a somewhat larger fall than might have been expected on seasonal grounds. Nevertheless, exports of engineering products were one percent higher and steel exports also continued to rise, so far this year (over the first four months) being 27 percent up in value on the same period of 1956. The inclusion of the final instalment repayment of lend-lease silver and the special inflation of the ship sales figures by the delivery of the Empress of England render these a bit abnormal. In these circumstances, it is unfortunate to learn from these and other Board of Trade statistics that total car production is still well below 1955 and 1956 levels. In the first quarter this year, output was 25 percent below last year's. The result is that exports are now taking a much higher proportion of production—something like 60 percent against 49 percent a year ago. The number of cars produced in April was 60,771, compared with 69,709 in March and 58,947 in April last year. Exports were 34,621 compared with 35,925 in March, and 30,451 in April 1956. Commercial vehicle production is even worse off, and so also are exports.

Coal Could Help

There can be little doubt that exports of coal could go a long way towards stabilising our balance of payments, but in the face of rising stocks some miners are reported to be considering a stoppage of Saturday working because recent figures have shown that coal stocks—thanks mainly to the mildness of the winter—are at a higher level now than they ever have been. It may be no more, of course, than a subtle warning to the National Coal Board that it must do better than its recent 5 percent wage increase offer, which the miners have rejected, but from the point of view of the general public, surely a better argument would be the fact that output is improving. Coal production in the second week of May was the highest since nationalisation, apart from the Easter "bull" week. Provisional statistics show that the total saleable output of deep-mined and opencast coal was 4,789,600 tons, which was 197,700 more than for the previous week and 362,100 tons more than for the same week in 1956. Open-cast production in the same week was the highest for a year at 295,000 tons. The figures also show that output a man-shift for faceworkers for the previous week was 3,468 tons, the highest on record.

That the Coal Board is not unappreciative of good work has been demonstrated by recent concessions to the miners' other demands, and if this rate of output can be maintained, the pay claim would also stand a better chance of acceptance. It certainly appears more convincing than talk of further restriction in the face of the latest report of the British Coal Exporters' Federation. This points out that present restrictions on coal exports are causing loss of overseas markets to Britain which it may need in the future. Many of Britain's traditional coal outlets, it says, have already been lost to oil and others are committed to American producers by long-term coal and freight contracts. The report foresees a British coal surplus of 7 million tons a year by 1965 and bigger surpluses after that.

Bombay

INCREASED OUTPUT OF SODA ASH

NEW COMPANY TO MAKE PEST CONTROL PRODUCTS

(FROM OUR BOMBAY CORRESPONDENT)

THE heavy chemicals industry continues to make good progress. The production of soda ash amounted to 24,199 tons during the first three months of the current year. This represents an annual output rate of 96,796 tons against 84,234 tons achieved last year and 77,268 tons produced in 1955. The demand for soda ash is expected to increase to approximately 230,000 tons by 1960-61. It is hoped that domestic production will rise correspondingly and will be adequate to meet it. The Tata plant in Mithapur achieved a record production of 5,412 tons during January which represents a daily average of 174.6 tons. This follows the expansion of the plant from an installed capacity of 140 to 200 tons a day. The new carbon dioxide compressor recently installed in the Mithapur works is expected to improve and stabilise production at higher levels. The company's first phase of expansion to 200 tons a day can now be considered as having been completed. The second phase of expansion is now in hand which will increase the rated capacity of the Mithapur plant to 400 tons a day. A welcome feature is that Tata's expansion plans envisage the production of 30,000 tons of heavy soda ash a year. At present, the country's entire requirement is imported from foreign sources. This grade is chiefly required by the glass industry which is unable to use light soda ash because it shows a greater tendency to foaming and consequently lowers the filling capacity of the pots. In the recuperative and regenerative furnaces, the losses in the form of dust are greater with light ash. Such losses not only affect the composition of the melt, but also clog the recuperative galleries and remunerative chambers.

Expansion Cost

Simultaneously with the expansion of the soda ash plant, Tatas are also to double the production of sodium bicarbonate from 15 to 30 tons a day. The cost of financing these expansion schemes, including the auxiliary services, is estimated at around Rs. 2 crores spread over a period of three to four years. This is in addition to the sum of about Rs. 2.24 crores spent on the expansion programme just completed. Licences for three new plants have been issued by the Government of India: one in Porbandar, another in Tuticorin and the third in Dalmanagar. The plant licensed for Porbandar is now under construction and it is expected that it will be commissioned some time next year. The rate of production of caustic soda was maintained in the Mithapur plant and a notable feature is that the electrolyzers there are now working to full capacity. This has not been possible in the past because there was no outlet for the chlorine which is automatically manufactured as a by-product when caustic soda is produced by the electrolytic process. The problem has now been solved by the benzene hexachloride plant which can use the entire quantity of chlorine generated by the electrolyzers.

Steps have been taken to form a new company in association with the British firm of Fisons Pest Control. This new company will purchase benzene hexachloride from Tata Chemicals and market suitable products. The potential market for pest control products is very great. One of the more important products is copper oxychloride which is used in south India on tea and rubber plantations as well as in the tea gardens of Assam in the form of 4 percent and 6 percent copper dusts and 50 percent wettable copper formulations. It is estimated that India's annual requirements of copper fungicides are about 3,000 tons of 4 percent dust, valued at Rs. 31 lakhs, and 400 tons of 50 percent wettable powder, valued at Rs. 24 lakhs. The copper oxychloride equivalent of these quantities is about 600 tons. Tata Chemicals are now in the process of installing a plant for the basic manufacture of copper oxychloride while Tata-Fison will undertake the formulation and marketing of copper fungicides as well as a full range of other pest control products including insecticides, weed killers and fumigants.

Chlorinated Rubber

Another development at the Tata plant in Mithapur is that the manufacture of chlorinated rubber has been investigated in detail in the research laboratory as a part of the programme for the utilisation of chlorine. Chlorinated rubber finds its use as a base in the paint industry where high stability and low viscosity are the most important characteristics. Chlorinated rubber is particularly resistant to the action of acids, alkalis and salt solutions and is therefore used mainly in the production of corrosion resistant paints. It is estimated that their durability is about four times that of the common anticorrosive paints. Other uses of this product are in the preparation of quick drying varnishes with improved chemical resistance, for the manufacture of traffic paints that have greater durability and longer road life, and for the preparation of adhesives to be used with rubber for the impregnation of textiles and paper. It finds its use also in making special cable lacquers, marine finishes and printing inks. The laboratory process for the manufacture of chlorinated rubber has now been translated into a pilot plant. The plant will manufacture stabilised paint grade chlorinated rubber.

Madras

CENTRAL TAX PROPOSALS CRITICISED

SAVINGS LIKELY TO DECREASE

(FROM OUR MADRAS CORRESPONDENT)

VIGOROUS criticism of the Budget featured the speech of Mr. M. A. Chidambaram at the annual meeting of the Southern India Chamber of Commerce. He endorsed the view that the new taxes would stifle enterprise and would reduce savings and investment. He pleaded that more business men should seek election to legislative bodies. Other complaints related to the meagre allocation for shipping in the second plan and the paucity of tonnage on the coastal routes. He regretted that railway rates were being raised before the Rail Sea Co-ordination Committee's report was presented. Higher excise duties would lead to the demand for higher wages and anti-inflationary measures would fail in their object. Novelties like the wealth tax and the expenditure tax were described by him as harmful since administrative difficulties would lead to oppression and corruption.

The Chief Minister in his address commented on the need for extra revenue to step up public investment and asked the business community to appreciate the Government's purpose in broadening and deepening the tax base. Mr. Kamaraj Nadar disposed of the criticism that the Budget would discredit the Congress now in power. He said that taxes were not wantonly increased. While the D.M.K. held demonstrations and asked the Finance Minister to resign and seek re-election, the Dravida Kazhagam leader supported the new tax proposals and suggested that all classes and interests must make sacrifices for the plan.

Share Values Slump

The stock exchange proved vulnerable and declines in textile shares were recorded. Sugar shares lost ground because of the levy of higher excise duty while planting shares were not favoured on account of the fear that prices of coffee and tea might decline both at home and abroad. The settlement of the Kerala bonus dispute, promising more concessions for estate workers, brought little cheer. The increase in wages in Mysore as from 1st April may depress share values and the preference for Coorg Coffee shares may disappear soon as the truce agreement provides for a 40 percent increase in wages as well as compulsory provident fund benefits. The restoration of the power cut did not help textile shares and fears that changes in Section 23A of the Income Tax Act and the increase in bonus tax would lead to reduced dividends were the main causes which led to the decline in quotations for Mettur and Bangalore. Proposals to raise the present paid-up capital brought down Coimbatore Cotton and Vijayalakshmi, while Rayon eased to Rs. 13.35 cum dividend of 10 percent as it is believed that political prospects in Kerala are a grave risk facing the investor. Only Spencer Ordinary held firm at Rs. 16.60 on the news of the normal interim of 10 percent. Bank shares found more support on the assumption that profits would increase following the rise in Bank rate and the high level of advances in 1956-57. In view of the 10 percent dividend for 1956, Overseas held firm at Rs. 138.50 and Indian, partly paid, was in demand at Rs. 141 in view of the call on shareholders for Rs. 5 and a possible realignment of capital in the Jubilee year.

Disincentives to Capital Formation

The Madras Trades Association at its annual meeting heard Mr. C. W. Stephenson deplore the new disincentives to capital formation. He pointed out that productivity had to be raised to match the rise in wages under awards and argued that the Government must try to hold wages down if it was earnest about checking inflation. Reform of the company law so as to obviate the reference under Section 294 on the appointment of selling agents with shareholders' approval appears necessary. The cut in import quotas for the sake of conserving foreign exchange has been accepted by the Trades Association as necessary.

Power Cut Restored

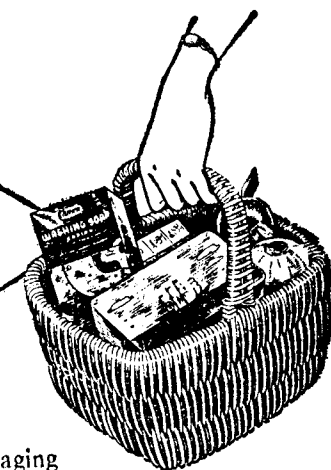
The early monsoon has enabled the Government to restore the power cut earlier than expected. It has also allowed water from the Cauvery for irrigation in the delta ahead of the usual date, which is 20th June. The rainfall in certain districts has not brought down foodgrain prices yet, but it is noted that the retail prices of oils, pulses and condiments have not been raised by local traders. The Chief Electrical Engineer has claimed that the annual provision of Rs. 25 crores has so far kept Madras in the lead in the matter of power generation. The Madras Electricity system will be on a strong footing as soon as the new powerhouse, costing Rs. 3 crores, is ready. Work on the Periyar project is ahead of schedule, and the powerhouse will come into operation early next year. The execution of the Kundah project is also going on well. Some visiting Canadians have commended the State Government on the speed of work on this project, which may pave the way for an enlargement of the Canadian aid now given to it. It is hoped that transmission lines via Salem to Madras city will augment the

power supply and an application for extra help from Canada has been placed before the Union Government. Madras also hopes that aid for Kundah may be increased under the Colombo Plan.

Electrification of Southern Railway

Mr. T. A. Joseph, General Manager of the Southern Railway, explained last Thursday that electrification would save coal and help divert wagons now transporting railway coal to other uses. He hopes that electrification up to Villupuram will be undertaken in the current programme. The advantages of a double track on certain sections lie in the higher speed, and the avoidance of dislocation of services. But he has pointed out that a double track up to Villupuram will be far more costly than electrification. Mr. Joseph has explained that deviations from time-tables arose on account of the overriding need for safety. He confessed that overcrowding on the suburban sections was inevitable, and restricting the issue of tickets was not legally possible. New electric engines from Italy had arrived and some relief had also been obtained by getting ten integral coaches for use on the Madras-Bangalore route. He pointed out that more long-distance passenger trains would mean the elimination of two goods trains, and the Southern Railway was helping the public by putting in more coaches on trains running on the metre gauge. The railway's major achievement he claims is the ending of the transport bottlenecks in Bezwada and Raichur. Consequently, ore from Mysore is no longer sent for shipment via Cochin. Surveys for new lines have not been dropped. He stated that the M. G. line from Ernakulam to Quilon would be ready before the end of this year and the new line from Macherla which will be ready in a year will help move materials for the Nagarjunakonda dam.

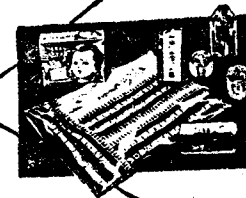
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Commodity Markets

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August 1939=100) advanced by 1.5 percent to 428.9 during the week ended 11th May, compared with 427.7 (revised) for the earlier week. The index was higher by 1.8 percent and 10.0 percent respectively when compared with the corresponding week of last month and that of a year ago. An advance in the prices of tea for internal consumption (+3.2%), dal arhar (+6%), wheat in Hapur, gram and gur (+5%, each), rice (+2%) and coffee-Native Flat (+1%), was responsible for a rise of 4.4 percent to 419.2 in the index for Food Articles compared with 401.4 (revised) for the previous week; the price of wheat in Amritsar (-3%) was, however, marked down. The index for Industrial Raw Materials advanced by 0.6 percent to 534.4 compared with 531.0 (revised) for the previous week due to a rise in the prices of rapeseed and cottonseed (+5%, each), groundnuts in Bombay and castorseed (+3%, each) linseed (+2%) and gingellyseed in Bombay and raw cotton (+1%, each), although the prices of groundnuts in Cuddalore and raw hides (-3%, each) and manganese ore (average export price) and lac (-1%, each) exhibited declines. The index for Semi-Manufactures stood almost unchanged at 40.8 compared with 40.9 for the previous week. Items which showed significant variations were: kerosene oil (-4%), gingellycake (-3%), groundnut cake (+6%), mustard oil (+3%), and groundnut oil in Bombay (+2%). A rise of 0.1 percent to 264.6 in the index for Manufactures was caused by an increase in the prices of jute manufactures (+1%). Lower prices of black pepper in Calcutta (-7%) and cashewnuts (-3%) brought down the Miscellaneous group index by 0.5 percent to 570.7 (estimated) compared with 573.6 (estimated) for the previous week. The price of black pepper in Cochin witnessed an increase of one percent.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year Ended August 1939=100)

Groups and Sub Groups	Week Ending			
	11-5-57	4-5-57	13-4-57	12-5-56
I Food Articles:	419.2	401.4(R)	406.6(R)	350.1
Cereals	530*	536*(R)	541*	445
Pulses	420	339	423	363
Others	237	240	241	227
II Industrial Raw Materials:	534.4	531.0(R)	513.6	475.2
Fibres	523	522	508	456
Oilseeds	581	569	550(R)	547
Minerals	563	564(R)	511	437
Others	469	415	417(R)	397
III Semi-Manufactures:	40.8	40.9	399.6	383.2
Leather	414	414	391	406
Mineral oils	207	211	211	208
Vegetable oils	587	539	561	559
Cotton yarn	479*	479	484	471
Metals	327	327	328	280
Oilcakes	423	413	415	397
Others	374	374	375	360
IV Manufactures:	384.6	384.2	384.1	378.2
Textiles	410	410	419(R)	413
Jute	427	424	414	391
Cotton	412*	412*	412*	416*
Rayon and silk	424*	424*	442*(R)	502*
Woolen	266	266	266	264
Metal products	392	392	392	371
Others	305	305	305	286
V Miscellaneous:	570.7*	573.6*	567.4(R)	498.0
All Commodities	428.9	422.7(R)	421.2(R)	389.8

R-Revised * = Estimated.

METRIC SYSTEM IN TEXTILE INDUSTRY

The textile industry in India will make purchases and sales on the metric system from April next year. This has been decided at a meeting held in Bombay under the chairmanship of Mr.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA
(Base: August 1939)

The Middle Class Cost of Living Indices, by groups, have now been brought up to April, 1957. As compared with March, the April Indices for Food, Clothing and Miscellaneous disclose rises of 6 points, 1 point and 1 point, respectively. The Middle Class Cost of Living Index Number

Groups	Weights	GROUP INDICES											
		April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	Dec. 1956	Jan. 1957	Feb. 1957	March 1957
Food	33.6	461	470	475	480	484	484	486	482	473	468	468	473
Fuel and Lighting	4.4	239	239	239	259	261	268	268	268	268	268	268	268
Clothing	12.4	520	526	526	534	534	546	546	546	546	543	543	544
Miscellaneous	29.6	283	283	283	283	283	283	283	283	283	283	283	283
Combined Index	100.0	406	411	414	418	421	422	424	422	417	414	414	417

Compiled and constructed by the Statistical Department of "Capital"

V. Nanjappa, Textile Commissioner. Representatives of the millowners' associations and textile machinery manufacturers attended. While purchases of raw cotton will be in kilograms, the sale of cloth in metres will relate to wholesale transactions only; retail selling of cloth in metres will be adopted gradually, at a later stage. In the meanwhile, all marking of cloth will be on both systems, i.e., in yards as well as in metres, the metre being the primary unit. The practical difficulties that will be faced by the industry during the transitional period were discussed, and a technical committee was constituted to go into the problems in detail: the committee is expected to submit its report within two months. While the industry expressed readiness to change over to the metric system, it was pointed out that a concerted programme of education and publicity was necessary in order to condition the public to transact in terms of the metric system. The chairman said that this was a problem which would require co-operation of the consumer and the retail seller, and expressed the "plan already drawn for a 'leader-campaign'. Mr. Nanjappa also pleaded for 'leader-ships and initiative' on the part of the industry. Referring to replacements during the transitional period, representatives of the textile machinery manufacturers explained that the U.K. was already supplying textile machinery to the metric countries on the continent, and that there would be no difficulty on this account.

PRODUCTION AND ACREAGE OF KHARIF PULSES INCREASE

According to the Directorate of Economics and Statistics, Central Ministry of Food and Agriculture, the all-India final estimate of kharif pulses other than tur for 1956-57 puts the current year's area and production at 16,166,000 acres and 1,664,000 tons, against the partially revised estimate of 15,567,000 acres and 1,632,000 tons for 1955-56. This shows an increase of 599,000 acres or 3.8 percent in area, and 32,000 tons or 2.0 percent in production over last year. The increase in acreage has been shared mainly by Bombay, Rajasthan, Punjab and Andhra Pradesh and has been attributed generally to favourable climatic conditions at the time of sowing. This increase has, however, been offset to some extent by the decreases registered in Bihar, Madhya Pradesh, Mysore, Uttar Pradesh and Himachal Pradesh. The increase in production has occurred in Andhra Pradesh, Bombay, Bihar, Madras, Punjab, Rajasthan and West Bengal, and has been attributed partly to increase in acreage and partly to favourable climatic conditions during the growing period of the crops. As between various pulses, the increase in production has occurred in the case of mung, moth and kulh. Some of the pulses included in this estimate are also grown during rabi season in some States. Kharif pulses reported in this estimate, however, cover about 62 percent of the total area under pulses other than gram and tur.

RECEIPTS UNDER INDO-U.S. AGRICULTURAL COMMODITIES AGREEMENT

In a written reply to a question in the Lok Sabha on the commodities so far received under the Indo-U.S. Agricultural Commodities Agreement, Mr. Ajit Prasad Jain, Minister for Food and Agriculture, recently laid the following statement on the table of the Sabha:

"Commodities received up to 30th April, 1957 with their quantities and values:

Quantity	Value (c.f.)	Lakhs of Rs.
Wheat	741,000 tons	3.079
Rice	133,000 tons	1.088
Cotton	88,149 bales of 480 lbs. each	744

Grants and loans: Nil so far.
Out of the rupee proceeds of the commodities to be received under the Agreement, namely wheat, rice, cotton, tobacco and dairy products, a grant of \$54 million and a loan of \$234.1 million will be given to India after the loan agreement has been signed and the projects on which it is to be utilised are decided between the Government of India and the Government of the U.S.A. by natural agreement.

LABOUR IN THE JUTE INDUSTRY

NEED TO MAINTAIN COMPETITIVE EFFICIENCY OF MILLS

THE jute industry is again having to face criticism, this time from two sides. One criticism comes from the report of the committee appointed by the Government of West Bengal to enquire into labour conditions in jute mills. The other comes from members of Parliament for Bihar on the question of the price of raw jute. One of the points noted by the West Bengal Government's committee from the replies to its questionnaire is the reduction in the number of women employed. It is stated that this is probably the result of the increase in wages granted by the last tribunal, and also of the maternity benefits to which women workers are entitled. There is a good deal of truth in this, and it is probably correct to state that because of the higher wages and maternity benefits and the cost of providing other amenities such as children's creches, the employment of women has become uneconomic. There are, however, other reasons for the reduction in the number of women employed. One of these is the mechanisation of work that was formerly done by women. There have been cases where sack sewers, for example, have gone on being paid by mills long after there was no work for them just because it was cheaper to do that than to pay the retrenchment compensation laid down in tribunal awards. Their elimination has come through natural wastage.

Another point remarked on by the committee is the reduction in the number of permanent hands and the increase in the number of temporary employees. The fall in the number of permanent workers is mainly due to the introduction of labour-saving machinery and better handling methods. This may be deduced from the fact that the number of permanent employees has fallen by 19,000 in five years, while the number of temporary workers has increased by only 10,000 in the same period. One reason for the increase in temporary employees is said to be that mills which are in the course of modernising their plant are not engaging any new permanent workers to replace normal wastage, as the new employees would merely have to be paid off with compensation when the modernisation has been completed.

On the subject of housing, the committee states that conditions are not satisfactory. It is alleged that mills have not taken advantage of the Government's scheme to provide loans or subsidies for housing. Surely the reason for this is obvious. The mills are so hard pressed from depletion of their resources because of high labour costs and the disparity between the price of raw material and that of manufactured goods that they are finding it difficult to raise funds even for their day-to-day operations. If they are now compelled to deposit with the Government a portion of their profits and reserves—where they have any left—how can money be found to construct houses for workers? The Government's action in destroying the profit-earning capacity of the industry has undermined the latter's ability to provide new accommodation and improve existing accommodation for workers.

Water Supply

Another matter commented upon by the committee is water supply. It complains that every house does not have a water tap. It has omitted, however, to notice the colossal waste of water through many taps being left open perpetually so that the water runs to waste. This is simply due to the fact that workers—and it applies to other industries besides jute—are not appreciative of the cost of providing them with water which they get for free, and so count it as of no value. The committee does not comment either on the fact that the water supplies installed by jute mills are, in some cases, ment nor the municipalities having bothered to provide any. In most countries, the provision of water supplies is the concern of public bodies and not of private industry.

On the general subject of employment, it is obvious that if the industry is to compete with its rivals, it must install all the labour-saving devices available. That naturally means a reduction in the number of employees and it is a problem which must be faced. If the industry does not modernise, it will not be able to compete and the number thrown out of employment will be greater than the number retrenched through modernisation. In fact, as one of the important employers of labour in India, the alternatives then are modernisation and reduction of the number of workers, or anti-lation and almost total unemployment. The latter is unthinkable and the former ought to be easily enough mitigated for, if the second plan is a success, the redundant labour should be easily absorbed.

Prices for Bihar Jute

In a statement issued a few days ago, Mr. Sudhansu, M.L.A. and President of the Bihar Jute Growers Association, said that he welcomed Dr. Deshmukh's assurance in the Lok Sabha that the Government wanted to ensure a fair price for jute. But he went on to say that Dr. Deshmukh's observation that the prices prevailing in February, March and April this year compared favourably with those of last year showed a regrettable com-

placency. He said that the growers had been facing a crisis for some years because of the fall in prices and had been losing Rs. 6 crores annually. It looks as if the Association's President has based his statement on a comparison with the fantastic prices which prevailed after decontrol in 1951. The prices which the growers have obtained in the past few years have been higher than can be justified by the prices of manufactured jute goods in the world's markets, and they have been high enough to encourage the growers to sow bigger crops. If they had been losing money on the scale suggested, it is certain that less jute would have been grown instead of more. How far out of touch with reality Mr. Sudhansu has strayed, is shown by his suggestion that the Government should impose a heavy import duty on Pakistani jute. He is apparently unaware that the cost of Pakistani jute is already so high that its import is uneconomic except for small quantities for special purposes. He also proposed that the Government should permit the export of raw jute to prevent the creation of a buyers' market. He seems to be ignorant of the fact that the market has favoured the growers for some years to such an extent that they have greater holding power than they have ever had. It is a pity that anyone in a responsible position should make a statement so far out of accord with facts.

THE JUTE MARKETS

Firm conditions prevailed throughout the past week until Monday afternoon when a storm broke over Calcutta and brought about easier conditions in both jute and gunnies. Actually, little rain fell. The storm was purely local and could not in any way influence the crop, but it served to expose the weakness of the position which has been built up on the basis of the prolonged drought in the jute districts. Immediately the storm began there was a wave of nervousness among jute dealers and large offers were made at prices 25 nP to 50 nP below what was being quoted in the morning. Forgotten was the talk about small stocks of the old crop and poor prospects for the new crop. The idea was to effect sales so as not to be left holding jute on a falling market or to sell bear in the hope of making a quick profit by covering when the market fell. From sellers' reactions, it seems clear that there is more jute available than they would like to believe. Buyers' actions were not much better than those of sellers and few took the chance of securing jute at prices lower than they had been paying a few hours before. They may, of course, think that now that the fiction of shortage has been exposed they can afford to wait, and they may have been deterred by the fact that gunny prices also dropped steeply when the storm broke. On Tuesday morning, when it was realised that the storm was confined to the locality and that the rainfall was negligible, sellers raised their quotations to the levels prevailing before the storm.

Manufactured Goods: As usual the fatka market has been the dominating influence. Early in the week, the B Twill fatka was around Rs. 117 but bear-selling by a prominent operator brought about a reaction. The continued drought in a large part of the jute-growing area prevented any serious fall and quotations remained between Rs. 116 and Rs. 117 until Tuesday afternoon. It is reported that there has been good enquiry for both hessian and sacking for shipments up to the end of the year, but mills have been reserved because of the firmness of raw jute. On Monday afternoon, the B Twill fatka dropped below Rs. 116 but it recovered on Tuesday morning.

On Wednesday morning, the market opened steady with quotations as follows:

	Ready Rs.	June Rs.	July-Sept. Rs.	Oct.-Dec. Rs.
40in. 8oz.	34.50	34.75	35	34.50
40in. 10oz.	43.10	43.35	43.60	43.20
B Twills	116.95	117.10	117.36	117
Heavy Cees	116.50	117.25	117.75	117.20
(Plain)	139.50	140	140	139.50
A Twills	128.50	129	129	129
Liverpools	117.10	117.75	118.75	118
Cornsacks				

Raw Jute: For most of the past week, the market was firm and sellers were offering only small quantities, for which they were asking higher prices. Most offers were of high assortment, it being stated that imports in the mofussil centres were mainly of qualities yielding a high percentage of middles. Buyers were mentioning prices slightly below the quoted rates but, in some cases, conceded an advance and prices rose during the week by 25 nP or 50 nP. Business was reported in Northern and Assam jute at Rs. 30.50 to Rs. 31.50, in desal white at Rs. 29.50 to Rs. 30 and in Daissee jute, including Kolaghat, at Rs. 33 to Rs. 33.50. Mesta was done at Rs. 28 to Rs. 28.50 for desal and Rs. 28 to Rs. 29 for Northern and Assam. Tossa was sold at Rs. 33 to Rs. 33.50. Pakistani N.C.'s fetched Rs. 115 and bimli was bought at Rs. 25.50 to Rs. 26. On Monday afternoon, when a nor'wester broke in Calcutta, there was a rush to sell and business was done at 25 nP to 50 nP below the rates quoted in the morning.

Only small business was done as buyers withdrew, but on Tuesday morning sellers had recovered and were quoting the rates prevailing before the storm. On Tuesday, small business was reported at Rs. 31.25 basis Bottoms for Assam jute.

On Wednesday morning, quotations were as follows:

Indian Jute:	Landed at Mills Rs. a md. basis Bottoms.	Shipment. June
Assam	31.50	"
Northern	31.50	"
Purnea Desal	30.50	"
Purnea Jungli	28	"
Daissee Jute	33.50	"
Murshidabad Tossa	32.50	"
Jungli Tossa	30	"
Northern ex Calcutta	30.50	"
Local Packing	29	"
Pakistani N.C.'s	115 a bale	"
Mesta:		
Assam	29	"
Northern	29	"
Desal	28.50	"
Daissee	28	"
Murshidabad	26.50	"
Jungli	26.50	"
Bimli	F.A.Q. 26	"

The Cossipore market has been firm, with mill buyers active and paying full prices. Imports were 546 wagons, compared with 441 wagons in the previous week.

Mufussil: Imports are small, but not less than usual at this time of year. Drought still continues in Bihar, central Bengal and in the daissee districts. In Assam, the crop is doing well. In North Bengal there have been occasional local showers but general rain is needed to promote growth and allow more sowing to be done.

CORRECTION

In last week's notes, it was stated that mills' stocks of jute at the end of April were 125,000 bales. That should, of course, have been 1,250,000 bales.

THE PAKISTANI JUTE MARKETS

FIBRE SUPPLY INCREASES

(FROM A NARAYANGANJ CORRESPONDENT)

AFTER a slight recession, the market has again steadied. Last week's prices are being maintained in spite of considerably increased arrivals. Considering the fact that this is the end of May and that for the past two months there have been complaints of scarcity, it is amazing that so much jute is available now. This may be mainly due to the attraction of high prices, but it also indicates that the fibre was hoarded. Although there may be a slight squeeze by the end of June, it is unlikely that there will be any serious shortage despite the lateness of the new crop, and there is no indication that prices will weaken more than a rupee a maund. Many of the Pakistani mills have sold hessian as far forward as October at prices which allow them to buy B Bottoms at Rs. 32-8. This being the case, it is reasonable to expect that now or later, the mills will buy fibre as soon as prices fall below this level. If they do, it is most likely that jute will not fall so low for more than a day or two.

In spite of the current steadiness in the market, overseas buyers seem to have withdrawn and are reducing their prices. In the pucca bale market, where prices are nominally unchanged, there is very little buying interest; it is reported that pucca bale prices have been maintained simply because one large baler has a fair amount of covering to do. Comparatively, the price for pucca bales is considerably higher than for loose jute or kutcha bales. In Karachi, hessians remain unchanged at Rs. 56-8, but B Twills are steadier at Rs. 130-8. The rise is mainly due to a demand for all sizes of B Twills for bagging salt from Karachi to East Pakistan.

THE FOREIGN JUTE MARKETS

CONTINUED STEADINESS IN FIBRE

(FROM OUR DUNDEE CORRESPONDENT)

THE manner in which prices for all jute commodities are being maintained is rather remarkable, and there must be more business passing than appears on the surface. A quieter tone is observed in the raw jute market one day, but the tendency is steadier the next, and it is especially noticeable that shippers are very reluctant to make offers of new crop this year. Quite a lot of jute of the new crop had been sold last year at this time, which the sellers had reason to regret later as they had no opportunity of covering in because of the big advance caused by the Suez crisis. It is known that several shippers have fair quantities of jute to cover in again, sales made over the past few months, and this is believed, is the reason for the maintenance of old crop rates. As far as the new crop is concerned, the weather conditions are now quite satisfactory in most districts. Tentative offers are being made at £104 for Mill Lightnings and £100 for Mill Hearts, c.i.f. U.K. There are no September-October shipment. There are no September-October shipment yet, which indicates the fear shippers have of any repetition of last year's losses on early sales of the new crop. Dundee spinners are so far not touching the new crop, but they continue to pick up any available parcels of old crop, mainly afloat or spot material, which is offered at around shipment rates. There are £113 for Mill Hearts and £107 for grade B.

£123 a ton for Mill Firsts, £117 for Mill Lightnings, while good marks of Daisies-2/3 are quoted at £114 and grade from £112 and grade Tossa-2/3 from £121 and grade Tossa-4 from £116, all c.i.f. U.K., May-June. For June-July shipment, 20s less all round is quoted. Sales were recorded last week at £117 for Mill Lightnings, £114 for crack Daisies-2/3 and £115 for Tossa-4, afloat and ex-warehouse.

Calcutta goods have shown little change, with slight fluctuations. Hessians have ruled very steady at 65s for 40in. 10oz. May, 65s 3d June and 65s 6d July-September, with 71oz. at 48s 9d May to September. B twills are quoted at 178s 6d, 178s 6d and 178s 3d for the respective positions mentioned, all f.o.b. Calcutta. Trade in jute yarns and cloth continues dull, and production is being steadily curtailed.

U.S. BURLAP CONSUMPTION AND STOCKS

U.S. burlap consumption was somewhat disappointing in April. Although approximating that for April last year, it was 5 million yards below March, and brings the total consumption for the first four months of this year to 2 million yards below the same period last year. Burlap prices last month were about 8 percent higher than a year ago. This undoubtedly was a contributing factor to this year's performance not being better than it was. U.S. burlap stocks at the end of April, at 257 million yards, were 6 million yards lower than at the end of March. The 257 million yards included 175 million spots and 122 million afloats. Stocks are now at about the same levels as were reported last year. Appearing below are two tables which include the April figures—(1) based on member reports to the Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (As reported to T.B.M.A.) (Million Yards)		U.S. Burlap Consumption (Estimated Industry Total) (Million Yards)	
1957	1956	1957	1956
Jan. 69	68	Jan. 75	72
Feb. 58	64	Feb. 62	68
Mar. 68	67	Mar. 73	71
Apr. 63	65	Apr. 68	69
Total 256	264	Total 278	289
Mo. Av. 65	66	Mo. Av. 70	70
May 69	73	May 73	73
June 59	62	June 61	62
July 59	61	July 61	61
Aug. 79	83	Aug. 83	83
Sept. 77	80	Sept. 80	80
Oct. 79	86	Oct. 86	86
Nov. 75	81	Nov. 81	81
Dec. 66	72	Dec. 72	72
Total 827	878	Total 878	878
Mo. Av. 69	73	Mo. Av. 73	73
U.S. Burlap Stocks (As reported to T.B.M.A.) (Million Yards)		U.S. Burlap Stocks (Estimated Industry Total) (Million Yards)	
1957	1956	1957	1956
Jan. 232	213	Jan. 267	243
Feb. 237	214	Feb. 266	245
Mar. 231	224	Mar. 262	253
Apr. 227	224	Apr. 257	255
May 216	247	May 247	247
June 216	240	June 244	244
July 219	259	July 259	259
Aug. 228	258	Aug. 258	258
Sept. 229	262	Sept. 262	262
Oct. 225	268	Oct. 268	268
Nov. 233	267	Nov. 268	267
Dec. 236	267	Dec. 267	267



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Plantation Topics

KERALA PLANTATIONS MAY BE TAXED MORE

RISE IN SOUTH INDIAN TEA AND COFFEE PRICES

(FROM A SOUTH INDIAN CORRESPONDENT)

PLANTERS in Kerala may have to pay more to the State exchequer if Mr. Namboodiripad's recent statements on his Government's taxation policy are put into effect. An enhancement of the plantation agricultural income-tax is considered probable in the State's new Budget.

Tea and coffee have become dearer in south Indian markets as a result of the enhancement of the excise duty on them, and of rail freight. The Coffee Board, in turn, has made certain upward adjustments in its release prices with effect from 15th May. The pool sales price of Plantation A, the highest grade coffee, is now fixed at Rs. 219.30 a cwt., compared with Rs. 201 a cwt. formerly. Similarly, the price of the best quality coffee powder sold through the Board's propaganda units has been raised from Rs. 2.62 a lb. to Rs. 2.76 a lb. Quotations from different south Indian markets show an increase of Rs. 10 to Rs. 15 a cwt. Tea dealers have also raised their quotations to accommodate the increase in duty. In the auction room buyers are cutting less probably with the intention of passing the tax burden on to producers. At last week's internal sale in Cochin most sorts declined in value by 10 to 20 p.p. a lb. The price increases in beverages, brought about by higher taxation, are likely to have an adverse effect on internal consumption.

C. Co-operative Scheme

Until the end of April 1957, the Government of Kerala spent over Rs. 78 lakhs on the co-operative scheme which was introduced in Travancore-Cochin in 1950, says an administrative report. Out of this, Rs. 66.8 lakhs was issued as loans to build the working capital of 103 co-operative societies and Rs. 7.5 lakhs as grants to 208 societies for their establishment and contingent expenditure. Now there are about 224 coir and *thundu* societies, two central societies and 15 co-operative unions functioning in Kerala. These societies have a membership of about 5,00,000 (of which about 80 percent are workers). They have sold 156,359 shares, and collected Rs. 8 lakhs as share capital. The business transacted so far in the purchase and sale of husks and coir yarn amounts to Rs. 13.4 lakhs. Steps are now being taken to extend the co-operative scheme to the Malabar area of the State.

The Government claims that tangible results have been achieved in the Travancore-Cochin area. Rotted husks at very reasonable price are being supplied to the members of the co-operative societies. The purchase and sale of the yarn produced by them are being advantageously carried on. Besides, this scheme has provided permanent employment for about 600 persons and temporary work for about 3,000 persons. Of the 500,000 people engaged in the various sectors of the coir industry in Travancore-Cochin, more than 10 percent have joined co-operatives. Since it is not usual for all adults engaged in the coir industry to get themselves enlisted as members of the societies, it would be reasonable to assume, the report says, that almost 50 percent of the families engaged in and depending on the coir industry have come within the co-operative orbit. About 20 to 25 percent of the husks required for the coir industry are now being controlled by the societies working under this scheme, while they have control over nearly 35 percent of the yarn produced for sale. The Government hopes that by the end of the second plan period the desired result of eliminating intermediaries will have been achieved.

Extension of the scheme to the entire industry is the goal of the Government. With this end in view, it has asked the Central Government to raise

the amount provided for coir in the second five year plan to Rs. 1.5 crores. The Kerala Industries Minister, Mr. K. P. Gopalan, dealt with the necessity to reorganise Kerala's coir industry on a co-operative basis, when he addressed the coir conference held in Trivandrum on 19th May. Nearly 300 persons representing the various interests participated. The conference, which was called to find a solution to the present crisis in the industry, generally accepted the suggestions put forward by the Government. The suggestions, briefly, were the re-organisation of the industry on a sound co-operative basis, elimination of all the intermediaries, fixing the price of raw husks in relation to the prevailing prices of coir products from time to time, and ensuring adequate supply of husk to the co-operative societies. The Government would consider subsidising the price of husk, which is the basic raw material used in the coir industry, if necessary with the assistance of the Central Government.

Plantation Strike Averted

The plantation workers' strike, scheduled to start on 21st May, did not take place as the major issue at dispute—bonus for the years 1955 and 1956—was settled amicably at a tripartite conference held in Trivandrum on 18th and 19th May. Under the agreement reached, the workers employed in the tea estates and falling under the purview of the Plantation Labour Act will be paid 21 1/2 percent of the annual average of their total earnings for the two years and those in other tea estates 15 1/2 percent. In rubber estates, those with an area of 200 acres and above will pay 18 percent of the annual average of the total earnings of workers for the two years. The question of payment of bonus to workers on coffee estates was left to the meeting of the Plantation Labour Committee. Workers have been demanding bonus at the aggregate rate of 25 percent of the total earnings for 1955 and 1956. But the employers' contention is that they would not be able to pay anything more than 18 percent in tea estates and 15 1/2 percent in rubber estates. It was also decided at the conference immediately to set up a committee to go into the question of wages, future bonus and other connected issues relating to employment in the plantations.

Tea Shipments

Tea shipments from Cochin during the first four months of 1957 amounted to 21.2 million lbs showing a small decrease of 300,000 lbs over that of the corresponding period last year. Exports to the U.K. at 10.7 million lbs and to the U.S.A. at 2.9 million lbs maintained last year's level. Canada and Australia took more or less the same quantity they bought at this time last year.

Competition in Cashew Growing

The Kerala State Government has received a communication from the Indian Council of Agricultural Research suggesting that a crop competition for cashew be conducted in Kerala to encourage growers. It is understood that similar communications have been addressed to the Governments of other cashew-growing States.

Pepper Cultivation in Kerala

A scheme for the development of pepper cultivation in Kerala has been drawn up by the State Government. It will be spread over a period of four years during the second five year plan. It envisages the establishment of seven nurseries, one in each of the seven revenue districts of the State, to raise rooted cuttings from quality vines of high yield for distribution among the growers. The scheme will be looked after by a pepper development officer, with headquarters in Palghat.

Participation in Poznan Fair

Along with the Coffee Board, the Pepper and Cashew Export Promotion Council has decided to participate in the Poznan Industrial Fair to be held from 9th June. Exhibits will include different grades of cashew kernels and pepper as well as cashew shell liquid.

COLOMBO RUBBER PRICES

The following prices have been issued by the Rubber Board of India from the weekly market report published by the Colombo Brokers Association:

	Closing prices on 17-5-1957 (Rupees a lb.)	Average for the period (Rupees a lb.)
Sheet:		
No. 1	1.26	1.26
No. 2	1.23	1.23
No. 3	1.20	1.20
No. 4	.96	.96
No. 5	.91	.91
	Sheet Cuttings 1	.92
	Sheet Cuttings 2	.87
Crape:		
Water White	—	—
R.M.A. No. IX	1.16/18	1.16 1/2
R.M.A. No. 1	1.12/15	1.12 1/2
	Crape No. 2	1.04 1/2
	Crape No. 3	1.00 1/2
Scrap Crape:		
Sc. Crape No. 1	.95	.95
Sc. Crape No. 2	.92/94	.92 1/2
Sc. Crape No. 3	.82/91	.85 1/2
Flat Bark	.75/80	.76 1/2
	Sc. Crape 3X	.89

To arrive at f.o.b. Colombo prices add 53.53 cents a lb for crape other than scrap crape and 31.53 cents for scrap crape to the above market prices.

Engineering and Transport

LIGNITE MINING IN NEYVELI

MULTI-PURPOSE PROJECT

THE Prime Minister, Mr. Jawaharlal Nehru, inaugurated recently the earth moving operations of the first mine cut of the lignite reserve in Neyveli, in South Arcot district of Madras State. The Neyveli lignite reserves are being harnessed under a Rs. 68.9-crore multipurpose project to produce electricity for industrial development in the south, to manufacture fertilisers for agricultural development and to produce briquettes for use as domestic and industrial fuel. The project has been accorded a high degree of priority in view of the acute shortage of fuel in south India, which has retarded the development of industry and agriculture in this region. The total estimated reserve of lignite in the area is 2,000 million tons. Only an area of 200 million tons has been selected for exploration. It would suffice a mine life of about 57 years at an average mine output of 3.5 million tons a year.

As the most economic utilisation of lignite is to use it as fuel in boilers close to the mine itself, generation of electric power is the most important scheme in the integrated project. The installed capacity of the thermal station consisting of two units, which will be set up at a cost of Rs. 21 lakhs, will be about 200,000 kW. The first of the two will be commissioned by the middle of 1960, and the second by the end of that year. Another aspect of the multipurpose project is the production of nitrogenous fertilisers which would help step up agricultural production. The fertiliser plant in the project is intended to produce fertilisers with a nitrogen content of 70,000 tons a year. The fertiliser plant, it is expected, will go into production by the end of 1960, the time by which lignite mining in commercial quantities is scheduled to start.

The balance of lignite, after meeting the requirements of the power house and fertiliser plant, will be utilised for producing briquettes. It is proposed to set up a plant for the production of 714,000 tons of raw lignite briquettes, which, on carbonisation, will yield 318,000 tons of carbonised briquettes and by-products.

T.C.M. Aid

Under the aid from T.C.M., a pilot plant for the briquetting and carbonising equipment is expected to be received and erected by the end of October 1957. After completion of the tests with the plant, preparation of the specifications for the briquetting and carbonising equipment will be taken up. The operation of the plant, which is estimated to cost Rs. 10 crores on a commercial scale, is expected to commence by about October 1961. The estimated cost of the lignite project excluding the fertiliser unit will be Rs. 46.90 crores, out of which Rs. 21 crores will be spent in the second five year plan period. The fertiliser unit is estimated to cost Rs. 21 crores and the construction phase of this scheme will last through the period 1957-61.

Mining Operations

But the mining of Neyveli lignite was no easy task. Investigations revealed that the ground water control at a pumpage of 27,000 to 28,000 gallons a minute was the pre-requisite to mining operations. It was also in the nature of large-scale open-cast mining which has not been attempted in India before. It was, therefore, decided to engage the services of expert consultants. An agreement was executed on 9th May with Messrs. Powell Duffern Technical Services Ltd. of London for expert consultancy services on the mining scheme. Orders for the supply of conventional and specialised mining equipment to the extent of Rs. 5.5 crores have already been placed with a West German firm. The specialised mining machinery under preparation in West Germany, and the first consignment of the equipment is expected to arrive in India only in 1958. But no time had to be lost in the execution of such an important project. It was decided to begin the work with conventional mining machinery which had already arrived. The target date for exposing the first cut in the lignite mine is in 1960, and the full production stage of the mine will be reached at the end of 1960 or early in 1961. The tests have revealed that Neyveli lignite has a moisture content of 50 percent and an ash content of 3 percent. About 2 1/2 tons of raw lignite could be equivalent in thermal value to a ton of good coal and the annual target of production of 3.5 million tons would, therefore, be equivalent to a little over a million and a quarter tons of good coal. Raw lignite is, however, bulky and liable to spontaneous combustion. It is also to be briquetted bringing the moisture down to about 15 percent.

Project Administration

During the investigation stages, the project was administered departmentally. In view of the magnitude and importance of the project and in order to ensure effective and flexible management as in the case of Sindri fertilisers and National Coal Development Corporation, the Government organised the undertaking into a private limited company known as the Neyveli Lignite Corporation Private Limited, in which the Government holds 100 percent shares. The Company was registered under the Companies Act, 1956, in Madras on 14th November, 1956, and started functioning

from 6th December, 1956, with a share capital of 25 crores.

IRRIGATION SCHEMES FOR

THIRD PLAN

THE Planning Commission has, in a letter addressed to State Governments, suggested the establishment, in each State, of an investigation unit under the charge of an experienced superintending engineer to undertake preliminary work relating to irrigation and power projects to be included in the third five year plan. Emphasising the importance of completing detailed investigations of irrigation and power projects before they are included in the plan, the Planning Commission says, that the time has come to take adequate steps to see that fully worked out schemes are got ready in time for the third plan. The work of the investigation unit will be (i) the location of areas requiring irrigation; (ii) the examination of and recommendation on the relative priorities of such areas; (iii) the assessment of water resources available and the needs of the region; (iv) the determination of possible project sites making use of the available Survey of India maps; (v) the preparation of preliminary reports on quantities of water that can be utilised at different sites in each river basin; (vi) the reconnaissance of possible project sites; and (vii) the preparation of outline project reports. In fixing and assessing the water requirements of areas that need irrigation by major and medium projects, the investigation unit will also determine such areas as can best be irrigated by minor irrigation projects, or are best suited for contour bunding and dry farming. The requirements of water for these areas will have to be kept in mind in preparing the proposals for major and medium irrigation works. The Planning Commission has strongly recommended that the investigation units should be set up as soon as possible so that the preliminary works might be completed in about a year. Detailed investigations, surveys, and preparation of project reports can be taken in hand thereafter on schemes that the State may like to suggest for the third plan.

A number of big river valley projects have been included in the first and second plans. Most of these will continue in the third plan. The Planning Commission has, therefore, recommended that new irrigation projects in the third plan should be preferably medium projects which can be completed quickly and yield benefits in the third plan or immediately after. This, it is stated, will be an important criterion in the selection of irrigation projects in the third plan and should be borne in mind in formulating proposals. While most irrigation schemes will be medium-sized, certain river valley projects may have to be taken up for generating power. These, the Planning Commission suggests, should be confined to areas situated away from coal-bearing regions as the bulk of power in the latter will have to be generated by steam in order to utilise low grade coal and large volumes of middlings from coal washeries.

NO PROPOSAL YET FOR A STEEL PLANT IN SOUTH INDIA

Reports published in certain newspapers that a 2-million-ton steel plant will be set up in south India during the third five year plan are baseless. Schemes of steel production in the third five year plan have not been formulated yet, and no decision has been taken about the capacity or the location of future steel plants in the country. Only preliminary studies were undertaken which gave indication that if anything like a target of 15 million tons of steel production is to be achieved, not only should the capacity of existing units of steel production be expanded, but new works should be set up. The use of lignite for iron smelting in south India has no doubt, become a possibility after the inauguration of the Neyveli Lignite Project. But the extent to which Neyveli lignite reserves could be utilised for setting up a steel plant in that part of the country is yet to be examined. No decision has also been taken about the setting up of a steel plant in Bokaro. It was one of the alternative sites suggested for one of the three steel plants in the second five year plan. It will, therefore, naturally come up for consideration when schemes for setting up steel plants in the third five year plan are formulated.

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(FREE OF INCOME-TAX)

Interest at the rate of 4% will be payable free of income-tax annually from the date of deposits and will not be taken into account in calculating the total income of the depositors for the purpose of income-tax.

The maximum amount that may be held in these deposits including the amount invested in 3½% Ten-Year Treasury Savings Deposits in terms of Government of India, Ministry of Finance Notification No. 7(1)-B/51 dated 22nd January 1951 will be:—

For an individual	Rs. 25,000
For an individual jointly with another	50,000
For charitable institutions	1,00,000
For other institutions	50,000

Deposits in cash/cheque will be received from the 1st June 1957 until further notice in multiples of Rs. 100/-.

Deposits will be refundable at any time after expiry of one year from the date of deposit at certain discounts.

Applications will be received at the offices of the Reserve Bank of India, Bombay, Calcutta, New Delhi, Madras and Bangalore, branches of the State Bank of India, State Bank of Hyderabad and Bank of Mysore Ltd. conducting Government Treasury business and Treasuries and Sub-Treasuries in India at places where there is no such office of the Reserve Bank of India or branch of the State Bank of India, State Bank of Hyderabad or Bank of Mysore Ltd.

Deposit certificates will be accepted for safe custody by Public Debt Offices and interest remitted to holders if so desired.

Calcutta Markets

DEMAND FALLS AT TEA EXPORT SALE

FAIR GENERAL SUPPORT FOR DUSTS

AT Export Sale No. B, held on 27th and 28th May, export offerings were 9,400 packages, which were of a generally ordinary description. The few invoices that possessed attractive flavour were keenly competed for, and were sometimes dearer. There was much less demand than in the last sale and most kinds were selling at 50 p.p. below valuations and sometimes more. The weakest feature of the Sale were broken and Fannings grades and these were frequently withdrawn. Less interest was shown by internal buyers than in the previous sale, but exporters gave good support to well made whole leaf grades, although at lower rates.

At the Internal Sale 48, Dust offerings consisted of 19,767 chests. There was a fair general demand, and prices improved as the Sale progressed. There was less buying for Middle East types, but clean leafed teas from all districts were about firm. Medium C.T.C. Assams were firm and sometimes dearer, but the best C.T.C. Assams were a weak feature and often difficult of sale. Commonest types were generally irregular.

Quotations	1957	1956
Medium Doars Dust	1.40 to 1.45	1 6 6 to 1 7 0
Medium Assam Grains Dust	1.50 to 1.55	1 8 0
Medium Assam C.T.C. Dust	1.55 to 1.65	1 8 0
Best Assam C.T.C. Dust	Not Quotable	2 11 0 to 2 13 0

There were 325 chests of leaf on offer, and prices were irregular and generally easier.

FALL IN ORE FREIGHT RATES

IN the freight markets last week, a further decline of 3s a ton to 47s was noted in the trans-Atlantic coal rate, and charterers are still talking the market down. Ore rates from India have slumped and two ports East Coast-Poland was done at 100s. There has been a very much reduced demand for ships on time charter, although liner companies trading to India were seeking suitable tonnage at rates considerably under those last paid. The paucity of orders in the Far East trades was illustrated by the fixture of a vessel to load South African maize and which would ballast from Japan.

Meantime, with the monsoon almost upon us, a depressing picture is apparent at most Indian ports. In Calcutta even vessels carrying grain now face berthing delays of up to five to six days, while ore loading labour continues its go-slow tactics. In Vizagapatnam, delays of up to 30 days for vessels loading ore are again prevalent, and ships with steel for Bhilai are taking nearly 40 days to discharge part cargoes. In Madras, delays of 14 to 21 days appear certain over June, and Bombay is likely to be overrun with grain ships next month.

SUGAR MARKET RISES

During the week ended 29th May, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 3,000 bags and stocks totalled 150,000 bags. Rates for ready sugar ex-Kantapur delivery rose to Rs. 35.50 for ordinary grain and Rs. 36.50 for big grain.

LINSEED UNCHANGED

Conditions were more or less unchanged last week and both buyers as well as sellers were reserved. The weekly turnover was very poor. The oil section was inactive and buyers showed very little interest due to lack of enquiries from overseas and a smaller local demand. Latest quotations were as follows: May-June Rs. 22-8 a maund; June-July Rs. 22-12 a maund and July-August Rs. 23-4 a maund.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 21st May and 27th May, 1957)

Cowhides: Wet salted (Ord.) 18,000 pcs. on the basis of Rs. 7 to Rs. 9; Wet salted (Slaughtered) 17,500 pcs. on the basis of Rs. 12 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 30,100 pcs. on the basis of Rs. 290 to Rs. 300; Rs. 325 to Rs. 345 and Rs. 370 to Rs. 380; Assam-Dinajpur-Purneah 10,900 pcs. on the basis of Rs. 275 to Rs. 320; Purneah-Kissanganj 4,000 pcs. on the basis of Rs. 325 to Rs. 330; Pakur-Patna (Ord.) 26,500 pcs. on the basis of Rs. 290 to Rs. 305; Muzafferpore-Patna 60,800 pcs. on the basis of Rs. 315 to Rs. 320.

Bazaar Stocks
(27th May, 1957)

Cowhides: Wet salted 1,59,500 pcs.

Goatskins: Muzafferpore - Patna - Pakur - Purneah-Kissanganj 42,000 pcs.

COMPANY AND PUBLIC NOTICES

BENGAL POTTERIES LIMITED.

NOTICE

NOTICE is hereby given that the Forty-fifth Ordinary General Meeting of the Bengal Potteries Limited, will be held at the Registered Office of the Company, 45, Tangra Road, Calcutta, on Tuesday, the 18th June, 1957, at 4.0 P.M. to transact the following items of business:—

- To receive and adopt the Directors' Report, the Audited Balance Sheet and the Profit and Loss Account for the year ended 31st December, 1956.
- To declare dividend.
- To elect Directors.
- To appoint Auditors for the current year and to fix their remuneration.
- To consider, and if thought fit, pass the following Resolution as a Special Resolution:—

"Resolved that the Company may receive moneys from Messrs. Madan Mohan Lall Shri Ram & Co. Private Ltd., Partners of the Managing Agents, Messrs. Bharat Ram Bhagat & Co., or from associates of the said Managing Agents, by way of deposits, loans or advances, and pay interest thereon at such rates as may be agreed upon between the lender and the Board of Directors of the Company, so however that the rate of interest shall not be higher than what the Company will pay to the Industrial Finance Corporation on the additional loan of Rs. 20 lakhs, terms and conditions of which have already been accepted by the Company."

"Further resolved that payment of interest on loans outstanding on 1st April, 1956, or made thereafter be and is hereby approved."

The Share Transfer Register of the Company will be closed from 7th June, 1957 to 1st July, 1957, both days inclusive.

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

By Order of the Board of Directors,

BHARAT RAM BHAGAT & COMPANY,
Managing Agents.

45, Tangra Road,
Calcutta.

Dated, 15th May, 1957.

THE BENGAL FLOUR MILLS CO., LTD.

NOTICE is hereby given to the members of the abovenamed Company that the Annual General Meeting (being the One Hundred and Twenty-third Ordinary General Meeting of the Company) will be held at its Registered Office, 21, Netaji Subhas Road, Calcutta, on Wednesday, the 19th June, 1957, at 12 noon to consider the Profit & Loss Account for the year ended 31st December, 1956 and the Balance Sheet as at that date. The Report of the Auditors thereon the Report of the Board of Directors, to declare a dividend, and to transact other ordinary general business of the Company.

Notice is also hereby given that the Transfer Books and Register of Members of the Company will be closed from 3rd June, 1957 to 19th June, 1957, both days inclusive.

By Order of the Board,

BALMER LAWRIE & CO., LTD.,
D. MANSON,
Secretary,
Managing Agents.

21, Netaji Subhas Road,
Calcutta, 22nd May, 1957.

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

STATE BANK OF INDIA

NOTICE is hereby given that a Local Meeting of the Shareholders of the State Bank of India on the Branch Register of Shareholders kept at the Calcutta Local Head Office of the Bank will be held at the Calcutta Local Head Office, No. 3, Strand Road, Calcutta, on Wednesday, the 26th day of June 1957, at 4.00 P.M. (Standard Time) for the purpose of electing one person to be a Member of the Local Board at Calcutta in pursuance of Regulation 48 of the State Bank of India General Regulations, 1955, in place of Shri Dharendra Nath Mitra, a Member of the Local Board, whose term of office will expire on the 30th June, 1957.

P. C. BHATTACHARYYA,
Chairman.

Bombay, 22nd May, 1957.

JENSON AND NICHOLSON (INDIA) LIMITED.

NOTICE

NOTICE is hereby given that the Annual General Meeting of Members of the Company will be held at the Registered Office of the Company, No. 2, Fairlie Place, Calcutta, on Thursday, 20th June, 1957, at 11 A.M. for the following purposes:—

- To receive and consider the Directors' and Auditors' Reports and the Profit & Loss Account for the year ended 31st December, 1956 and the Balance Sheet as at that date.
- To declare Dividends.
- To elect a Director in place of Mr. B. J. Nicholson who retires by rotation and is eligible for re-election by passing the following resolution of which special notice as required by Section 281 of the Companies Act 1956 has been received by the Company.
- To appoint Auditors and fix their remuneration.
- As Special Business:—To pass, if thought fit the undernoted resolutions:—

"Resolved that Mr. B. J. Nicholson who has attained the age of 68 years, and who retires by rotation be and is hereby re-elected a Director of the Company and it is hereby specifically declared that the age limit for Directors prescribed under Section 280 of the Companies Act 1956 shall not apply to him."

(i) As an Ordinary Resolution: "That Mr. H. S. Challis be appointed an Alternate Director of the Company to act for Mr. B. J. Nicholson during his absence from West Bengal."

(ii) As a Special Resolution: "That the consent of the Company be accorded to the holding by Mr. H. S. Challis of the office or place of profit of Secretary and Accountant of the Company notwithstanding that he be a Director of the same."

The Share Transfer Books of the Company will be closed from the 13th to 20th June, 1957, both days inclusive.

By Order of the Board,
H. S. CHALLIS,
Secretary.

2, Fairlie Place,
Calcutta 8th May, 1957.

NOTE: A member entitled to attend and vote at the above Meeting may appoint a proxy to attend and vote instead of him. A proxy need not also be a Member of the Company.

EXPLANATORY STATEMENT

The Resolution set out under item 3 is required as Mr. B. J. Nicholson has attained the age of 68 years and hence cannot be re-appointed a Director except by a resolution in respect of which special notice has been given in accordance with Sections 180 and 281 of the Companies Act 1956. Notice has been duly received that this Resolution will be proposed.

Mr. B. J. Nicholson will be away from India for more than three months and the Board of Directors recommend that Mr. H. S. Challis be appointed to act as his Alternate, accordingly the Ordinary Resolution under item 5 (i) has been proposed.

The Special Resolution under item 5 (ii) is necessitated by the facts therein specified and the operation thereon of Section 314 of the Companies Act 1956.

THE RAMNUGGER CANE & SUGAR COMPANY LTD.

NOTICE is hereby given that the Twentieth Ordinary General Meeting of the Shareholders of the Ramnugger Cane & Sugar Co. Ltd. will be held at the Registered Office of the Company, 7, Wellesley Place, Calcutta, on Thursday the 4th July, 1957, at 12 noon to transact the following business:—

- To receive the Directors' Report and pass the Audited Accounts for the year ended 31st August 1956.
- To declare a dividend on Preference Shares.
- To declare a dividend on Ordinary Shares.
- To elect Directors.
- To appoint Auditors and fix their remuneration.
- To transact any other business which may properly be brought before the Meeting.

NOTICE is also given that the Share Transfer Registers will be closed from the 15th June to 4th July, 1957, both days inclusive.

By Order of the Board,

ANDERSON WRIGHT LTD.,
Managing Agents.

Calcutta, 22nd May, 1957.

Note—A member of the Company who is entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a Member of the Company.

BHARTIA ELECTRIC STEEL CO., LTD.
NOTICE.

NOTICE is hereby given that the Twenty-eighth Annual General Meeting of the Members of Bhartia Electric Steel Co. Ltd. will be held at the Registered Office of the Company at 42, Shibtolla Street, Calcutta, on Friday, the 28th June 1957 at 4 p.m. to transact the following business:—

AS ORDINARY BUSINESS:—

- To consider and pass the Audited, Balance Sheet and Profit & Loss Account of the Company for the year ended 31st December 1956 together with the Reports of the Directors and Auditors of the Company.
- To declare Dividend.
- To elect Directors in place of Shri H. P. Saraf and R. B. Mungtullal Tapudish, who being longest in office retire by rotation.
- To appoint Auditors for the year 1957 and to fix their remuneration.

AS SPECIAL BUSINESS:—

- To consider and if thought fit to pass with or without modifications the following as Ordinary Resolutions:—

(i) Resolved that the Company accords its consent to Shri R. L. Bhartia, a whole time Director of the Company to continue to draw a salary of Rs. 2,500/- per month from 1st January 1957.

(ii) Resolved that the Company accords its consent to Shri P. R. Bagri a whole time Director of the Company to continue to draw a salary of Rs. 1,500/- per month from 1st January 1957.

(iii) Resolved that the remuneration payable to Shri P. R. Bagri a whole time Director of the Company be increased from Rs. 1,500/- to Rs. 2,500/- per month with effect from 1st January 1957 subject to the approval of the Central Government.

(iv) Resolved that consent of the Company be and is hereby accorded to borrowing of moneys by the Company exceeding the aggregate of the Paid-up Capital of the Company and its free reserves i.e., reserves not set apart for any specific purposes.

EXPLANATORY NOTE WITH REGARD TO THE AGENDA NO. 5:—

5. (i) & (ii) Shri R. L. Bhartia and Shri P. R. Bagri, two of the whole time Directors of the Company had been receiving remuneration at the rate of Rs. 2,500/- and Rs. 1,500/- respectively per month. Sanction of the Shareholders under Section 309 (1) of the Companies Act 1956 is necessary for continuance of payment of such remunerations from 1st January 1957.

5. (iii) Shri P. R. Bagri is in the service of the Company since last 18 years and was appointed a Director on and from 1-4-50. For a man of his experience and abilities his present emolument is quite inadequate and the Directors have recommended an increment of Rs. 1,000/- per month. This increment will become valid only after the Shareholders have accorded their sanction and the Central Government has also approved of the proposed increment as required by the provisions of Section 310 of the Companies Act 1956.

5. (iv) Under Section 233(d) of the Companies Act 1956 the consent of the Shareholders is necessary for borrowing moneys by the Company exceeding the aggregate of the Paid-up Capital and its free reserves, that is, reserves not set apart for any specific purpose. The borrowings of the company have not so far exceeded the said limit, but, in view of the increased prices of the raw materials and expansion programmes undertaken by your Company, it may be necessary for the Company to borrow in excess of the aggregate of the Paid-up Capital and Free Reserves.

By Order of the Board,

for BHARTIA COMPANY LIMITED,
Sd/- JWALAPRASAD BHARTIA,
Managing Director,
Managing Agents.

42 Shibtolla Street,

Calcutta, 24th May, 1957.

Note:—(1) The Share Transfer Register of the Company will be closed from 14th June, 1957 to 28th June, 1957, both days inclusive.

(2) A member of the Company entitled to attend and vote at the above meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of himself and proxy need not be a member.

The Company Meeting and Dividends table appears on page 769

PORT ENGINEERING WORKS LTD.

THE Board of Directors has today decided to recommend to the forthcoming Annual General Meeting of shareholders a final dividend of 63 Naye Paise per share without any deduction in respect of taxation payable by the Company for the year ended 31st December, 1956.

By Order of the Board,

ANDREW YULE & CO., LTD.,
Managing Agents.

Calcutta, 29th May, 1957.

BBJ

CALCUTTA

STRUCTURAL STEELWORK.

REINFORCED CONCRETE.

SCREWCRETE FOUNDATIONS.

FRANKI PILED FOUNDATIONS.

The Braithwaite Burn & Jessop Const. Co., Ltd.

P-13, MISSION ROW EXTENSION, CALCUTTA.

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	Rs.	Rs.
25,00,000	27,30,536	25,05,000	3,00,797	Amalgamated	3-6	23	2,92,390	28,610	3-1-1	65-7-1	5-1-1	10
1,00,00,000	1,36,15,298	1,40,48,222	18,85,856	Bengal P	4-12	2	26,18,984	7,31,562	7-1-7-1	8-1-8-1	...	100
4,49,350	4,98,195	70,000	2,24,305	Bengal Bhatdee	5-12	2	15,145	4,951	1-1-1	...	...	10
2,25,000	2,48,198	530,654	3,64,478	Bengal Nagpur P	5-12	2	50,568	1,07,984	Nil-Nil	Nil-Nil	...	10
15,75,000	14,16,665	6,91,571	13,52,176	Bhalgora	9	152	5,13,895	39,877	...	...	...	10
40,00,000	38,11,474	20,23,275	32,65,421	Shalgar Collieries P	4-12	106	2,32,221	27,435	...	...	...	10
7,15,000	15,63,291	14,29,045	68,794	Shulanbarar	4-12	106	20,815	1,87,448	Nil-Nil	Nil-Nil	...	10
16,10,000	18,19,272	16,18,636	1,181	Sikar & Rangur	4-12	315	1,21,331	79,108	...	...	...	10
7,50,000	18,36,885	24,29,024	11,60,066	Sorres P	4-12	106	2,14,682	94,207	10-1-10	10-1-10	...	10
90,32,488	2,39,17,614	1,75,02,136	22,83,830	Burrakur P	4-12	21	7,43,659	38,168	2-1-3-1	3-1-3-1	...	10
49,51,000	34,53,430	75	3,65,960	Central India	3	164	2,45,758	9,927	2-1-2-1	2-1-2-1	5	10
8,00,000	16,87,572	13,30,531	13,752	Central Kurkend P	4-12	322	34,742	82,768	...	...	...	10
6,00,000	16,87,572	13,30,531	13,752	Central Kurkend P	4-12	322	34,742	82,768	...	...	...	10
16,10,000	24,30,428	14,34,871	7,32,536	Central Kurkend P	4-12	322	34,742	82,768	...	...	...	10
2,240,000	2,239,116	2,313,125	1,140,348	East Indian	4-12	122	2,96,155	2,96,922	1-1-1	2-1-2-1	18-1	10
29,35,700	1,15,25,711	23,55,045	24,17,696	East Indian	4-12	122	2,96,155	2,96,922	1-1-1	2-1-2-1	18-1	10
10,10,000	6,74,708	2,07,481	3,32,377	East Indian	4-12	122	2,96,155	2,96,922	1-1-1	2-1-2-1	18-1	10
6,50,000	5,06,854	3,35,152	4,35,444	East Indian	4-12	122	2,96,155	2,96,922	1-1-1	2-1-2-1	18-1	10
8,10,000	1,17,788	7,25,000	7,92,425	East Indian	4-12	122	2,96,155	2,96,922	1-1-1	2-1-2-1	18-1	10
3,50,000	6,31,200	5,66,816	1,407	East Indian	4-12	122	2,96,155	2,96,922	1-1-1	2-1-2-1	18-1	10
15,10,000	31,71,938	24,32,396	25,61,314	Karapur Development	6-12	21	49,116	17,839	Nil-Nil	Nil-Nil	...	100
20,00,000	24,80,896	1,77,178	26,967	Karapur Collieries P	2	21	2,26,982	6,965	Nil	2-1-2-1	5	100
5,30,000	10,29,548	16,60,000	11,25,332	Katras Ithermah	1-7	7	5,92,347	1,33,475	2-1-2-1	2-1-2-1	35	100
1,36,400	5,75,000	45,000	11,89,294	Khas Kajora P	5-12	326	49,776	1,918	...	...	...	10
5,69,750	10,84,977	35,000	9,594	Mundulpur	4-12	326	49,776	1,918	...	...	...	10
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	12	34	92,517	31,201	...	...	...	10
7,90,000	5,13,411	26,611	51,941	New Bansdepur	4-12	326	49,776	1,918	...	...	...	10
17,76,230	31,15,785	20,31,762	3,78,339	New Bansdepur P	4-12	326	49,776	1,918	...	...	...	10
6,50,000	11,11,646	75,000	46,881	New Bansdepur P	4-12	326	49,776	1,918	...	...	...	10
2,50,000	7,69,692	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	...	...	...	10
1,15,000	4,42,488	2,85,195	1,53,246	North West	3-8	2	51,420	15,950	Nil-Nil	6-1-7-1	10	10
7,50,000	1,20,000	12,19,987	23,26,757	Orissa P	4-12	106	22,197	56,646	...	...	...	10
8,34,000	9,21,342	10,862	1,36,011	Paras P	4-12	207	1,08,077	8,118	3-1-3-1	3-1-3-1	...	10
15,10,000	13,19,443	16,30,000	13,39,443	Pure Valley	4-12	207	1,08,077	8,118	3-1-3-1	3-1-3-1	...	10
2,30,000	1,32,417	1,300	11,337	Pure Valley	4-12	207	1,08,077	8,118	3-1-3-1	3-1-3-1	...	10
2,30,000	1,32,417	1,300	11,337	Pure Valley	4-12	207	1,08,077	8,118	3-1-3-1	3-1-3-1	...	10
8,88,001	36,99,424	20,17,105	67,898	Ranagange	4-12	79	3,67,448	15,614	...	...	...	10
20,00,000	23,74,261	7,52,022	1,01,422	Sania	12	48	1,80,665	51,542	...	...	...	10
2,50,000	1,36,194	1,34,374	11,356	Sania	12	48	1,80,665	51,542	...	...	...	10
2,80,000	10,82,182	3,35,388	7,87,722	Sania	12	48	1,80,665	51,542	...	...	...	10
8,10,000	1,32,417	1,300	11,337	Sania	12	48	1,80,665	51,542	...	...	...	10
17,50,000	22,79,233	10,89,693	25,303	Sania	12	48	1,80,665	51,542	...	...	...	10
8,00,000	1,42,060	14,01,053	23,80,817	Standard	12	106	70,093	17,411	...	...	...	10
10,00,000	15,58,085	15,375	9,110	Standard	12	106	70,093	17,411	...	...	...	10
4,50,000	4,62,900	3,47,000	12,886	Standard	12	106	70,093	17,411	...	...	...	10
49,38,000	33,66,554	50,300	2,17,144	Standard	12	106	70,093	17,411	...	...	...	10
7,00,000	32,65,173	21,569	61,480	Standard	12	106	70,093	17,411	...	...	...	10
10,00,000	15,58,085	15,375	9,110	Standard	12	106	70,093	17,411	...	...	...	10
4,50,000	4,62,900	3,47,000	12,886	Standard	12	106	70,093	17,411	...	...	...	10
49,38,000	33,66,554	50,300	2,17,144	Standard	12	106	70,093	17,411	...	...	...	10
7,00,000	32,65,173	21,569	61,480	Standard	12	106	70,093	17,411	...	...	...	10

N = Nominal

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until	A year ago
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	Rs.	Rs.
10,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
32,12,340	22,197	915	17,09,611	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
27,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	10
15,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
30,00,000	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
3,21,200	14,106	306	14,92,915	1,73,478	Basanti P	12	49	1,97,268	41,227	...	...	...	10
1,11,128	96,104	324	17,11,128	23,18,835	Basanti P	12	49	1,97,268	41,227	...	...	...	

MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other funds Premiums & Surplus Shares if any	Cash & Securities	NAMES	Accounts closed	Market Value	New profits including amort	Carry over	Dividends per cent			Shares outstanding	Latest Market Quotations as at 15th Dec 1954		
									1954	1953	1952		29-5-54	22-5-54	15-5-54
Rs.	Rs.	Rs.	Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	Rs.	
MININGS.															
£2,369,796		£1,73,459	£2,534,236	Burma Mines Ltd.	12	153	£608	£364	..	..	..	3 1/2	2/36	2/36	
30,00,000	..	22,78,385	34,23,759	Chrestien Mica Industries Ltd P.	12	312	11,97,13	10,88	..	..	..	10 1/2	14/34	14/34	
15,00,000	43,47,289	22,78,385	34,23,759	Consolidated Tin Mines	12	312	11,97,13	10,88	..	..	..	10 1/2	14/34	14/34	
£318,088	£238,420	£25,484	£112,683	Indian Copper Corporation	12	312	11,97,13	10,88	..	..	..	10 1/2	14/34	14/34	
£214,200	£238,420	£1,853,956	£1,376,169	Metal Corp. P.	12	312	11,97,13	10,88	..	..	..	10 1/2	14/34	14/34	
29,194,300	61,08,841	2,01,886	13,729	Orissa Minerals Development	6-12	21	3,32,669	1,06,66	10-10	10-10	10-10	10 1/2	14/34	14/34	
2,63,673	23,45,841	35,94,529	2,234,02	Tavy Tin Dredging	12	14	£3,059	£19,118	..	..	..	28	00/53	00/53	
20,00,000	£445,32	£317,48													
£375,000															
CEMENT LIME SLATE. ETC.															
43,14,600	41,51,412	21,43,421	29,64,072	Assam Bengal Cement	3	80	1,70,81	6,44,67	..	..	..	10 1/2	1/25	1/25	
70,97,655	33,23,186	14,32,396	1,06,702	Bengal Potteries	12	155	3,02,06	12,631	10	10	10	10 1/2	1/25	1/25	
31,70,655	25,95,360	27,63,242	4,20,854	Bisra Stone Lime	3-9	21	5,47,558	20,178	3-8 1/2	3 1/2	3 1/2	10 1/2	1/25	1/25	
10,00,000															
60,00,000	62,91,81	98,26,915	2,11,38,275	Dalmia Cement (Bharat) P.	12	123	56,57,15	2,87,995	10	12 1/2	10	10 1/2	1/25	1/25	
25,50,000	77,49,749	72,13,922	2,14,327	Kumardhubi Fireclay & Silica P.	12	21	6,05,31	49,404	15	15	15	10 1/2	1/25	1/25	
10,00,000	10,81,502	8,62,369	80,358	Kullandhri Fireclay & Pottery	12	21	1,10,348	18,301	10-10	10-10	10-10	10 1/2	1/25	1/25	
6,00,000	59,94,174	22,45,008	6,74,211	Sina Valley Portland Cement	12	1	7,88,48	41,441	..	..	..	10 1/2	1/25	1/25	
75,50,000	1,63,551	61,287	2,27,012	Sina Stone & Lime	6-12	3	99,369	652	4-5 1/2	3 1/2	3 1/2	10 1/2	1/25	1/25	
3,22,560															
CHEMICAL INDUSTRIES															
62,00,000	1,57,65,178	84,81,273	1,55,677	Alkali & Chemical Corp of India	9	121	29,84,25	92,49	8	8	8	10 1/2	12/62	12/62	
40,00,000	99,765	60,000	37,852	Bathgate & Co. Ltd P.	12	324	2,18,67	20,65,382	Nil	Nil	..	10	1/25	1/25	
11,45,800															
11,38,900A	56,38,902	43,35,000	1,49,08,740	Bengal Chemical & Pharm P.	4	245	14,18,43	11,70,500	6	6	..	100	101/0	101/00	
22,34,700B															
4,95,000	82,645	69,079	15,903	Frank Ross P.	2	129	46,89	88	Nil	Nil	..	5	2/19	2/19	
5,00,000	4,60,152	11,00,929	35,878	Smith Stanistreet P.	6	191	7,14,52	1,18,39	10	20	20	5	11/69	11/69	
ELECTRIC LIGHTING POWERS.															
19,99,600	47,69,341	26,19,793	22,94,558	Agra Electric Supply	3-6	32	3,05,59	46,084	5-5	5-5	..	100	126/00	145/00	
8,00,000	26,70,392	6,35,866	4,84,369	Bareilly Electric Supply	6-12	32	43,78	21,89	5-5	5-5	..	10	13-2	15/2	
17,90,000	80,72,095	22,47,869	11,75,299	Benares Electric Light Power	6-12	42	5,94,01	38,50	51	61	51	10	12/19	17/19	
5,91,360	10,96,663	3,90,855	45,318	Bhagalpur Electric Supply	12	202	1,44,13	1,44,13	61	61	..	10	4/62	3/62	
6,262,646	£18,89,212	£7,242,380	£595,368	Calcutta Electric Supply P.	12	30	£1,526,25	26,455	8	8	..	10	12/50	12/50	
£4,000,000	17,68,432	5,34,904	93,194	Cuttack Electric Supply	12	202	1,24,89	12,706	5	5	..	10	8/72	8/72	
17,51,056	38,10,419	10,41,599	3,39,342	Dacca Electric Supply P.	12	202	3,89,24	12,706	..	..	..	10	4/12	4/12	
Jhansi Electric Supply															
5,21,640	8,42,306	1,65,000	3,03	Jhansi Electric Supply	12	168	71,308	27,52	..	..	..	10	8/5	8/50	
22,49,550	42,44,152	14,91,996	5,31,332	Jubbulpore Electric Supply	3-9	32	2,14,45	27,739	51-4	51-4	..	10	12/81	12/81	
4,95,000	5,44,852	2,51,358	1,13,122	Muzaffarpore Electric Supply	12	202	58,67	73,79	..	..	..	10	5/94	5/94	
5,32,260	17,12,125	1,78,813	83,89	Muzaffarpore Electric Supply	12	202	73,12	7,77	Nil	..	..	10	5/94	5/94	
6,99,700	5,43,357	77,521	3,48,18	Muttia Electric Supply	6-9	129	30,32	2,295	..	..	..	10	10/6	10/62	
35,07,380	85,46,044	37,10,222	11,51,661	Patna Electric Supply	12	202	1,40,28	68,005	71	..	..	10	10/75	10/75	
Saugor Electric Supply															
3,00,000	2,87,192	92,919	1,24,719	Saugor Electric Supply	6-12	32	26,54	2,249	21	21	..	10	5/8	5/8	
9,10,000	7,57,951	2,72,490	1,20,919	Shahabpur Electric P.	9	202	55,62	14,394	6	6	..	10	10/75	10/75	
16,80,000	27,99,592	5,36,596	3,38,389	Shia (Jheria) Electric	12	21	3,29	4,298	71	..	..	10	10/75	10/75	
5,88,500	1,62,42,470	35,82,369	13,28,418	United Provinces Electric	3-9	32	5,39	80,70	5-5	5-5	..	100	140/00	140/00	
4,97,500	10,14,094	2,71,543	6,41,801	Upper Ganges Valley Elec.	6-12	32	56,350	7,922	12	12	5-5	10	13/56	13/56	
	9,83,503	4,45,371	6,17,317	Upper Jumna Valley Elec.	3-9	32	65,31	28,286	51-61	61-61	..	10	18/00	18/00	
ENGINEERING & METAL.															
6,00,000	1,74,639	6,49,870	2,10,155	Arthur Butler (Muzaffarpore) P.	10	300	1,52,74	1,01,96	..	..	..	10	9/00	9/00	
50,00,000	51,82,373	16,39,587	37,153	Bharatia Electric Steel.	12	31	11,67,21	3,95,94	10	121	..	10	13/50	13/50	
56,59,790	51,44,314	63,34,991	28,56,980	Braithwaite India	12	289	30,48,09	1,99,290	16	17	25	10	25/00	25/00	
12,00,000	11,00,577	20,99,451	2,31,284	Brath & Roof	6-12	24	3,16,24	1,51,29	71-71	71-71	..	10	36/00	36/00	
19,78,570	31,90,232	15,41,361	3,64,392	Britannia Building & Iron P.	5	105	1,38,00	51,63	5	10	5	10	6/48	5/48	
3,97,520	30,18,167	36,42,365	1,28,698	Britannia Engineering	12	165	11,41,58	1,36,315	15	15	..	10	13/50	13/50	
50,00,000	5,44,177	1,00,000	6,594	British India Electric Cons.	6-12	24	31,780	5,26,32	Nil	Nil	Nil	10	32/00	32/00	
84,00,000	1,54,91,115	1,30,96,539	15,49,679	Burn P. (Engineering)	4	32	35,08,82	1,12,719	15	15	20	100	105/00	105/00	
Guest Keen Williams															
2,00,00,000	1,97,21,022	1,68,27,018	53,41,813	Guest Keen Williams	12	227	1,53,63,802	17,04,234	..	..	23	10	27/06	26/12	
12,50,000	20,64,776	22,00,000	45,733	Hoodby Machine	4-5	50	1,72,12	4,037	121	121	..	10	135/00	135/00	
21,95,070	19,83,384	1,36,275	39,748	India Machinery P.	6	288	83,089	7,725	..	Nil	Nil	10	3/50	3/50	
36,94,590	23,07,100	6,65,000	55,316	Indian Galvanizing	12	42	5,46,70	41,267	4	10	..	10	19/00	19/00	
1,18,37,080	18,00,34,454	11,70,76,011	6,37,45,033	Indian Iron & Steel P.	8	32	3,54,28,16	4,49,314	10	10-10	10	10	18/48	17/48	
1,54,909,000	3,90,976	40,000	3,47,063	Indian Malleable Casting	5	29	26,99	82,877	..	..	..	10	6/69	7/25	
19,42,250	30,46,714	47,33,981	13,61,471	Indian Standard Wagon P.	3	32	41,06,3	24,07	19	25	30	2	159/00	168/00	
32,00,000	41,51,48	2,74,14,189	2,14,40,051	Indian Steel & Wire Products	3	122	75,05,63	9,71,549	30	30	30	100	59/75	59/75	
51,00,000	45,37,847	57,91,388	15,39,182	Jessop & Co. P.	10	290	17,21,35	14,13	15	16	2/3	10	24/31	24/40	
15,30,000	44,15,822	43,12,118	5,55,293	Kumardhubi Engineering P.	11	21	6,23,37	21,42	169	16	2/3	10	9/00	9/00	
Marshall Sons (India)															
10,50,000	4,14,165	24,87,584	4,85,613	Marshall Sons (India)	6	170	5,19,244	1,01,088	121	15	20	2	4/50	4/56	
49,96,000	37,52,077	4,90,631	5,22,399	National Iron and Steel	3	132	11,68,03	3,28,78	Nil	61	61	10	7/06	7/12	
6,00,000	3,22,727	1,36,103	1,36,103	Saran Engineering	8	25	1,98,552	3,269	121	10	..	10	6/62	6/62	
	1,55,63,547	3,51,516	12,57,737	Textile Machinery	12	22	4,94,77	4,47,573	10	..	..	10	17/45	17/05	
SUGAR BREWERIES. ETC.															
14,00,000	12,16,880	12,32,202	1,10,458	Bairampur Sugar	6	25	37,960	48,3	15	11	Nil	10	6/50	6/50	
19,49,025	5,64,327	7,75,009	14,40,008	Belaund Sugar	9	234	9,86,373	73,488	10	10	13 1/3	71	10/56	10/56	
15,00,000	22,31,225	13,51,513	18,14,443	Bharat Sugar P.	6	316	4,94,561	2,339	15	15	15	10	17/00	17/00	
32,57,590	44,63,474	27,37,050	26,47,499	Buland	10	92	14,37,92	8,477	..	..	..	10	7/25	7/31	
30,00,000	77,03,997	65,63,722	9,45,476	Lawson (Sugar) P.	10	158	2,63,562	12,445	71	71	71	10	14/62	15/25	
20,00,000	26,46,921	37,91,883	2,42,443	Barmanan Sugar	6	25	8,18,131	91,991	10	15	10	10	17/50	17/50	
18,20,630	20,87,662	38,37,013	4,95,670	Darbhanga	8	171	17,37,748	2,35,636	15	15	20	10	24/50	24/50	
12,59,648	16,38,916	11,32,151	9,75,613	Dyer Meakin (Breweries)	8	110	1,70,601	3,143	10	111	..	10	6/06	6/06	
28,89,532	2,24,658	3,84,91	2,24,658	Gwalior Sugar P.	9	237	57,979	8,819	..	..	..	100	76/00	76/00	
LIQUID ASSETS. * 1954.															

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid up per Share	Latest Market Quotations as available until	A year ago			
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	Rs.
SUGAR BREWERIES ETC.															
11.00.000	6,45,722	3,75,000	10,90,594	New Savan Sugar and Gur	5	140	95,437	52,205	..	..	..	10	5/50	5/50	64
9,00,000	12,45,157	19,04,817	1,62,880	Purattapur Sugar P.	10	25	2,94,625	20,705	74	74	74	10	17/62	17/62	144
18,59,820	26,52,127	35,00,000	4,84,156	Ramnagar Cane & Sugar P.	5	1	18,11,304	20,350	15	20	..	10	25/18	25/18	245
19,98,800	35,82,582	39,88,218	13,92,915	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..
8,00,000	6,07,239	7,72,778	3,77,846	Ryam Sugar P.	4	25	4,21,492	13,264	..	..	..	10	21/50	21/50	304
11,99,000	21,07,973	19,42,074	40,372	Samastipur Central Sugar	5	25	3,35,568	3,554	..	..	..	10	11/50	11/50	131
40,00,000	72,49,554	19,00,000	1,12,477	Shree Krishna Gyanoday Sugar P.	7	335	8,83,387	16,381	15	174	10	10/06	9/93	132	
7,94,500	13,34,858	11,35,174	11,15,888	Shree Sitaram Sugar	8	146	1,90,455	7,981	..	..	..	10	13/00	13/00	111
9,99,950	14,69,227	26,825	75,569	Sitalpore Sugar	8	94	77,391	-4,25,477	Nil	Nil	Nil	10	4/37	4/37	44
16,30,000	5,07,894	7,99,778	4,22,372	United Provinces	3	341	4,23,880	39,361	124	..	..	10	13/50	13/50	204
8,00,000	47,67,069	29,24,348	3,58,383	Upper Ganges Sugar P.	4	316	12,95,211	32,829	25	25	30	10	70/00	70/00	944
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	1	302	16,80,986	86,393	15	20	..	100AC	280/00	280/00	280
7,00,000B												124BC	28/50	28/50	281
MISCELLANEOUS															
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurants)	10	55	84,518	4,475	..	..	..	10	4/19	4/19	44
1,20,00,000	1,40,80,594	6,21,115	51,361	Air India Ltd.	12	269	-6,02,788	-14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,58,39,654	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	..
47,50,000	3,08,51,605	17,00,000	16,26,711	Aluminium Corp. P.	1	132	25,21,116	1,18,199	Nil	Nil	5	100	8/87	8/81	10
20,00,000	42,38,502	14,30,000	54,97,530	Anderson Wright, Ltd. P.	12	1	-89,042	18,284	74	Nil	..	24Dd	4/50	4/50	110
30,00,000	11,39,552	39,18,823	14,94,091	Angelo Bros.	3	268	15,15,199	3,35,874	124	20	10	10	11/50	11/50	218
30,00,000	18,62,280	15,70,000	98,451	Assam Match	12	274	10,24,418	1,72,873	124	124	124	10	17/75	17/75	199
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	-97,045	-5,14,537	Nil	Nil	..	3	20/37	20/37	44
20,00,000	61,61,597	23,00,000	61,84,607	Associated Hotels of India P.	1	304	8,82,393	32,685	2	4	12	10	7/75	7/75	74
80,01,400	35,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	124	..	100	145/00	145/00	168
12,00,000	2,55,604	8,49,890	4,92,019	Baraee Coke	3-9	128	2,19,706	45,399	74-7	74-7	6	100	16/25	16/25	194
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	9	128	-6,43,164	-1,19,103	..	..	..	100	41/00	41/00	44
80,00,000	19,53,822	Nil	19,59,159	Bharat Airways Ltd.	12	1	-3,19,589	-3,19,229	..	..	..	100	5/25	5/25	44
20,00,000	7,25,715	66,88,956	66,88,956	Birds Investments P.	3	160	4,58,013	37,312	124	124	10	10	13/87	13/56	174
45,97,020	16,95,085	31,11,814	2,09,476	Britannia Biscuit P.	12	1	8,14,261	1,79,277	10	10	10	10	13/50	13/06	154
32,50,000	13,98,706	43,18,775	3,38,473	British Ceylon Corporation P.	12	4	27,75,295	1,85,855	..	..	..	74	9/00	9/00	84
8,25,00,000	59,89,738	1,18,60,524	2,50,83,659	British India Corporation P.	12	33	-30,23,938	-27,36,584	14	Nil	..	5	6/40	6/40	114
22,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	9	235	60,996	1,550	5	6	5	10A	6/69	6/69	84
22,50,000B	5,92,780	2,40,684	1,02,376	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	4/12	4/12	44
90,00,000	17,81,146	90,09,268	2,06,11,688	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	100/00	100/00	1214
80,00,000	3,06,30,528	3,40,86,174	35,55,133	Dunlop Rubber Co. (India) P.	12	96	1,02,44,457	13,24,595	15	15	15	10	23/37	23/69	304
61,26,000	54,10,811	17,29,490	1,72,99,490	Eastern Investments Ltd. P.	12	21	11,20,034	3,27,919	9	9	9	100	105/00	107/75	174
75,00,000	13,79,337	4,33,826	1,02,21,714	E & C Osler (India) Ltd. P.	3	84	-4,26,249	-26,954	..	..	..	10	5/87	5/87	204
80,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,757	124	124	..	20	21/87	21/87	204
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	10	89,571	27,194	74-74	74-74	34	100	107/50	107/50	179
2,25,000	55,893	5,34,882	1,08,48,711	General Investments Trust P.	3	357	18,384	12,435	24-24	24-24	34	75	43/00	43/00	43
65,00,000	33,54,049	53,17,350	5,90,324	Gillanders Arbuthnot & Co. Ltd. P.	3	105	30,03,640	89,541	74	74	16	10	11/00	10/94	131
20,00,000	27,68,049	12,84,457	1,18,329	Gladstone Lyall & Co. Ltd. P.	12	208	1,02,192	34,255	..	..	..	10	23/37	23/37	204
40,00,000	31,09,479	8,87,000	6,22,424	Godfrey Phillips (India) Ltd. P.	12	310	2,23,734	13,04,513	10	20	20	10	23/50	23/50	204
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	226/00	226/00	240
10,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	..	43,377	24,274	..	..	..	5	1/25	1/25	11
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	204	2,05,330	1,33,076	..	..	..	5	14/06	14/06	14
15,16,00,000	7,42,66,398	1,88,86,788	5,50,32,187	Imperial Tobacco	1	325	3,66,59,515	24,94,274	..	..	..	10	7/56	7/56	14
2,01,10,000	2,83,61,126	55,27,506	8,59,214	Indian Aluminium Co. Ltd. P.	12	293	42,79,225	7,97,410	..	..	..	10	13/00	12/87	14
1,52,89,220	1,27,87,878	1,37,00,000	1,18,84,068	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	124	15	10	22/75	23/00	22
83,75,000	22,07,260	2,21,286	11,89,467	Indian National Airways	12	93	36,302	-12,82,971	..	..	..	10PO	8/12	8/12	54
1,25,00,000	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	..	..	10D	6/75	6/75	154
8,27,970	4,64,735	18,15,487	10,03,705	Indian Wood Products	3	88	17,28,038	2,67,619	..	..	..	10	00/50	00/50	134
20,00,000	2,55,728	2,55,728	12,78,254	Investments and Finance P.	2-8	21	5,1001	39,371	24-24	24-24	30	10	38/50	39/37	64
2,40,000	15,362	4,46,244	3,20,757	Ivan Jones Ltd.	9	194	1,39,321	36,496	34-24	34-24	100	2	2/50	2/50	24
5,87,500	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	90,996	1,550	5	5	..	50	3/12	3/12	44
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	3	39	31,24,445	5,11,852	74	74	74	10D	00/62	00/62	1004
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	..	..	100	75/00	76/00	24
66,300Dd	88,50,000	63,33,428	2,57,13,417	Macneill & Barry Ltd. P.	3	334	52,06,340	6,31,124	..	..	..	10D	00/56	00/56	254
1,50,00,000	35,89,193	69,82,796	2,07,03,941	Martin Burn Ltd. P.	9	309	93,42,590	2,70,207	134	134	11	100	22/63	22/68	240
1,43,96,500	37,46,252	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	17	224	10	100D	240/00	240/00	274
40,00,000	1,10,37,201	69,14,249	7,33,589	Metals Box Co. of India Ltd. P.	1	167	42,82,696	16,24,249	10	124	164	10	24/75	25/00	274
1,15,00,000	1,30,38,010	18,15,505	15,24,841	National Carbon	12	301	90,42,727	21,19,752	..	..	..	15	23/56	23/25	234
2,00,00,000	22,27,953	74,50,000	7,78,329	National Insulated Cable P.	6	7	58,72,160	1,44,442	10	15	2				

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until.		
									1954	1955	1956		28-5-57	21-5-57	A year ago Rs.
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8½	10	10	100	154/25	148/50	216
ELECTRIC LTG. POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6½	5	6½	100	94/00	92/00	97½
2,92,83,500	4,18,62,358	62,34,507	65,30,599	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7½	7½	..	1,000	1,201/25	1,200/00	1,205
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100	106/25	105/50	114½
38,08,200	17,49,053	4,75,323	14,87,557	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100	123/00	123/00	146
1,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec. Power Sup. P.	6	267	37,75,587	21,171	7½	7½	..	100	121/50	119/00	131½
5,02,78,750	8,99,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000	1,213/75	1,215/00	1,307½
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12½	..	..	100	260/00	243/75	350
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	5	50	66/00	66/00	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	10	15/10	15/10	13½
40,95,100	81,25,752	2,02,500	49,033	Machinery Mfgs. Corp'n Ltd P.	3	330	2,02,006	64,676	Nil	Nil	..	100A	76/00	76/00	96½
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,085	64,938	..	..	..	100	143/25	140/50	176½
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6	28 1/3	..	300	143/00	142/00	152½
1,31,250F	5,90,52,365	11,77,73,382	23,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	100	143/00	142/00	152½
4,20,00,000	32,44,07,753	16,63,05,536	12,34,83,310	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	156/25	151/50	248½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,695	..	..	..	10	13/37	13/37	13½
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/00	350/00	67½
8,46,120	..	36,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	100	45/50	45/50	45½
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	155	38,951	4,65,315	Nil	..	..	20	7/00	7/00	9½
1,06,81,590	..	1,68,81,795	27,25,18,952	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	44/30	40/25	43
6,00,000	..	67,83,74,430	63,46,33,420	Oriental Life	12	298	..	..	..	..	..	200	1,775/00	1,775/00	3,900
15,99,270	..	29,81,460	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	10	15/60	15/60	13½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	-	-	-
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	222/50	217/00	231½
50,00,000	2,20,64,303	4,12,80,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	530/50	508/00	628½
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	200/00	190/50	241½
45,00,000	3,51,93,454	1,03,93,754	98,20,769	Hindustan Lever	12	91	2,23,86,720	94,17,000	..	..	..	25	19/60	19/60	..
5,57,00,000	1,28,40,992	1,28,40,992	1,28,40,992	Industrial Investment Trust	12	299	6,81,909	2,83,136	4½	4½	..	100	75/50	75/50	72
99,99,250	13,82,957	14,95,223	14,95,223	Kemp (Chemists)	3	87	68,232	16,942	6	..	..	200	197/50	197/50	215
1,57,71,400	5,74,05,779	1,81,13,445	2,99,942	National Rayon Corp'n.	12	352	53,19,604	5,72,076	10	..	..	100	215/50	222/50	213½
9,39,98,060	17,79,33,192	9,13,12,101	29,63,143	Scindia Steam Navigation	6	198	38,40,822	5,62,020	2½	2½	5	20	17/90	16/95	18½
7,00,000	36,65,283	70,00,000	29,63,143	Shivrajpur Synd. (Manganese)	11	146	38,67,824	9,485	80	80	10	78/50	77/00	101	
1,39,95,990	2,25,39,547	13,22,272	4,37,391	Tata Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	7½	10	16/35	15/85	18½
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	12	25	43/75	42/50	51/18½
2,75,00,000	1,55,25,785	1,35,45,829	1,27,74,419	Western India Match	12	274	67,12,994	5,02,236	11	11	11	100	158/00	159/50	180½

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry Forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until		
								1953	1954	1955		29-5-57	22-5-57	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,62,356	2,00,804	Ahmedpur Kutwa S.S.G.	3	165	..	..	2½	2½	2½	100	60/00	60/00	59½
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3-3	100	67/50	67/50	73
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	2½	100	58/75	58/75	58½
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10/00	10/00	9½
17,80,000	17,80,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	..	..	..	100	59/00	59/00	60½
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,854	10,849	1-29	1½-1½	1½-1½	100	51/00	51/00	53½
4,75,000	3,20,049	4,75,000	Cherra Chhatrak Ropeway	3	88	7,071	9,917	1½	5-..	..	5	4/88	4/88	7½
2,47,650	2,75,015	65,025	Darjeeling Ropeway	3	101	18,097	4,549	1½	2½	2½	100	6/00	6/00	7½
22,50,000	62,20,813	13,32,600	Dehri Rohtas	3	325	6,42,311	37,814	6½	7½	10-12½	10	11/25	11/00	13½
11,49,700	20,10,843	1,68,149	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	98-98	99-1	1-1	100	63/37	63/37	56½
16,00,000	50,82,188	17,87,954	Howrah Amia DRG (P)	3-9	32	1,18,351	90,009	3-3	3-3	3-3	100	51/00	51/00	72½
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	3-3	100	65/00	65/00	61½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2½	2½	2½	100	58/00	58/00	61½
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	4½	5	..	100	72/00	72/00	74½
15,00,000	62,56,929	23,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,540	6-6	6-6	6-6	100	115/00	115/00	146½
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P.	3-9	165	-43,574	5,944	..	..	..	100	..	..	..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-I.	329. Sri G. D. Bhagat—15, Shib Thakur Lane Calcutta	339. M. G. Investment Corp'n., Ltd.—127, Mahatma Gandhi Road Fort Bombay.
321. F. C. Williams—14, Old Court House St., Calcutta	330. Lahindra & Mahindra Ltd.—Gateway Building Apollo Bunder Bombay	340. K. O. Chervyan—Travancore.
322. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort Bombay-I.	331. N. L. Roy & Sons—Canning St., Calcutta	341. James Finlay & Co., Ltd.—2, Netaji Subhas Road Calcutta
323. Anderson Wright & Co.—7, Wellesley Place, Calcutta	332. M. Paspatti—21, Ravelin Street Fort Bombay	342. U. N. Chatterjee—2, Royal Exchange Place Calcutta
324. Indo Corporation Private Ltd.—5, Swinhoe St., Calcutta-19	333. Jaipuria Bros., Ltd.—33, Netaji Subhas Road Calcutta	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row Calcutta
325. John Rutherford Blakeie—Virginia House, 37, Chowringhee Calcutta	334. B. Latimer—2, Fairlie Place Calcutta	344. V. I. Pilloni—Victoria Bunder Colaba.
326. Berwala Bros.—53, Netaji Subhas Rd., Calcutta	335. Sahu Jain Ltd.—Daimanagar.	345. The National Tea Corporation—130, Cotton Street Calcutta
327. Marwar Textiles (Agency), Ltd.—Waudby Road, Fort Bombay-I	336. Fulsidas Kilachand—Scindia House, Douglas Road Bombay	346. Sennasayee Brothers (Travancore), Ltd.—Eloor Factory, Alwaye.
328. John Taylor & Sons (India), Ltd.—Mysore Dargam South India.	337. Berwala & Co.—63, Netaji Subhas Road Calcutta	347. Associated Commercial Co., Ltd.—15/1, Harrison Road Calcutta
	338. B. R. Sons, Ltd.—Hornby Road, Fort Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta
		349. Chandmull Batia—7, Canning Street Calcutta
		350. K. & Agarwal—Empire House, Hornby Road Fort Bombay
		351. L. & T. (Management) Private Ltd.—J. K. Building, Douglas Road, Ballard Estate, Bombay
		352. C. G. Mahant—Ewart House, Bruce Street, Fort Bombay
		353. N. K. Jhajharia—14, Netaji Subhas Road, Calcutta
		354. L. C. Kanoo—P. B. Mission Row Extension Calcutta
		355. G. G. Robertson—16, Strand Road, Calcutta
		356. B. Bajoria—10, Clive Row Calcutta
		357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta
		358. P. Goenka—14, Old Court House St., Calcutta-I.

CARBORUNDUM UNIVERSAL LTD. SCOTT & PICKSTOCK PRIVATE LTD. 5, Fairlie Place, Calcutta-I.

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CARBORUNDUM UNIVERSAL LTD. Grinding Wheels AND SPECIALTIES SCOTT & PICKSTOCK PRIVATE LTD. 5, Fairlie Place, Calcutta-I.

RATIONALISATION OF THE SMALL SAVINGS STRUCTURE

INFLATIONARY PRESSURES AND BULLION MARKET TRENDS

As wealth becomes more widely diffused, the importance of small savings—in absolute terms, as well as in relation to other types of savings—is expected to grow steadily. Further details have now been issued about the reforms in the small savings structure which were outlined by the Finance Minister, Mr. T. T. Krishnamachari, in his Budget speech recently. The main features of these reforms are two-fold: one is that the structure is being rationalised by a reduction in the types of savings certificates, and the other is that interest rates are being raised. As a result of rationalisation, only two kinds of savings certificates will now be left: the new series of National Plan Savings Certificates, and the Treasury Savings Deposit Certificates. The former will have a currency of 12 years, and will replace the present National Savings Certificates and the National Plan Certificates. The latter will have the same life as they do now, that is, ten years.

that saving in the form of gold is unproductive, and is damaging from the point of view of the nation's economic future. But the trend of bullion prices, especially during the past six months, suggests that capital appreciation more than compensates for the loss of interest

already exist. For the banks have, in fact, been lending some money for relatively long terms—up to eight years in a recent scheme to finance the building of oil tankers. But such operations are a very small part of their business. The advocates of long-term bank credit for industry contend that the proportion should be substantially increased, and that the banks should not only grant extended credit but also participate directly in industry through the medium of shares.

Mr. Bland's argument has not converted this school of thought. It is agreed that the banks cannot create savings by "financial wizardry". But Mr. Bland is on less sure ground when he argues that if the savings exist they will find their way into industry through the existing capital market. This is an entirely different proposition. Saving takes many forms and as the distribution of wealth changes, the forms of saving change with it. High taxation of big incomes and estates, and the increase in wage earners' incomes, have spread wealth, and therefore savings, more evenly; and the new class of savers is not traditionally interested in the stock market. The masses' savings are accumulated these days rather in the big financial institutions, primarily in the insurance companies, to a less extent in the building societies and the banks. The insurance companies are investing an increasing proportion of their resources in industry, and also in real property. The building societies' function is to guide savings into property. The banks' deposits, representing both individuals' and companies' savings, are mostly employed in the money and discount markets, in Government securities, and in temporary loans to individuals and companies; about one-third of them is represented by liquid assets in the strictest sense.

Mr. Bland himself recognises that the banks have sometimes, rightly, granted special assistance to special types of borrowers, outside of the normal conventions of banking; so, tacitly, he admits that the banks can make capital available to industry if they are willing to do so. The question is whether they could, and should, make such capital available in greater quantities and over a wider range. The idea that the banks might materially reduce their liquidity ratios finds no favour in banking circles and is certainly not approved officially. The idea in the minds of "progressive" bankers is that non-liquid resources could be more positively employed. The Treasury might not like the implication that a smaller proportion of assets should be invested in Government stocks, but if insurance companies can invest substantially in ordinary shares and grant special long-term assistance to companies, there is no evident reason why banks should not do likewise.

A better idea is that the banks' resources should be increased, to enable them to lend more. But Mr. Bland objects that offering higher interest rates on deposits, though it might cause some transfer of existing deposits, would not materially increase the total of deposits within the banking system. What is needed is an increase in total savings. But it is also necessary to ensure that, by some appropriate means, the savings shall be made available for genuinely productive uses. One can dispute Mr. Bland's assumption that the existing arrangements for distributing capital are adequate, and that only the capital itself is deficient. But one cannot dispute that the primary need is to promote voluntary saving. Without an increase in saving, any increase in investment, whether through the banks or otherwise, will stimulate inflation—unless the Government can release resources by reducing its expenditure.

INCOME ESTIMATE FOR WEST BENGAL

EFFECTS OF REFUGEE INFLUX

THE Statistical Bureau of the West Bengal Government has made some useful and enterprising studies in recent years. The survey of unemployment carried out between September and December 1953 brought together much interesting information. The survey of small-scale industries was another valuable investigation. The latest in the series of socio-economic surveys, and perhaps the one it has been most difficult to compile, is a venture to compute the income of West Bengal for the years 1948-49 to 1951-52. It is not too difficult to estimate the national income of an integrated economy, but the measurement of the income of a single State bristles with many practical difficulties. "Up-to-date statistics are not available for many sectors. The scope and definition of the terms used are not clear in many cases. Though in recent years statistics are being collected on many items, which had been previously left untouched, there are still large gaps in the statistical picture." These drawbacks may be largely removed if the Government accepts the Bureau's recommendation to carry out continuous socio-economic surveys.

In computing its estimate of West Bengal's income, the Bureau frankly confesses that the pic-

ture presented is far from complete. In spite of various limitations—which are mainly statistical in nature—it is hoped that the findings of the Bureau will induce other State Governments to make similar important surveys. The Bureau has estimated West Bengal's income by sectors, as was done by the National Income Committee. Its estimate shows that the total income of the State, for the four years 1948-49 to 1951-52, was about Rs. 674 crores. Rs. 691 crores, Rs. 740 crores and Rs. 760 crores, respectively. The per capita income is estimated at Rs. 292, Rs. 294, Rs. 303 and Rs. 304 a year, respectively. The figures show that the upward trend in income during the three years from 1948-49 to 1950-51 was almost arrested in 1951-52. The reason is not far to seek: the influx of refugees increased the size of the total population without bringing about a corresponding rise in total income. The contribution of West Bengal to the aggregate national income of India is of the order of 8 percent. The Bureau has estimated that the per capita income of West Bengal is about 15 percent higher than that of India as a whole. But this picture of prosperity appears to be superficial on closer analysis, for during the period 1948-49 to 1951-52, the per capita income in India increased by 11 percent whereas in West Bengal it rose by only 4 percent. The rate of increase in West Bengal's income would have been higher had there been no heavy influx of refugees.

Although West Bengal is fairly advanced industrially, the contribution of agriculture to its total income is still bigger than that of any other sector. No less than 57 percent of the population of West Bengal depends on agriculture, while 47 percent directly earns its livelihood from it. More interesting is the fact that although big industry in the State accounts for a larger share of the total income compared with big industry in India, the State's share in the total income from small industry is still unusually small.

In estimating the income of different "occupation classes", the Bureau was faced with some ticklish problems. "The difficulty in this sector is that a large number of persons under these classes are employed not only by the Government, but also by various industrial establishments, commercial houses, plantation farms and so on." There are people, grouped in this category, who are not self-supporting, but support themselves on charity and donations from others; the task of the Bureau has been greatly facilitated by previous records relating to an unemployment survey. The total income in this sector comes to Rs. 25.2 crores in 1948-49, Rs. 25.6 crores in 1949-50, Rs. 26.6 crores in 1950-51 and Rs. 27.2 crores in 1951-52. There are some minor deficiencies, but they are perhaps inevitable in view of the statistical handicaps. In estimating the income from house property, the non-municipal urban areas have been treated as rural areas since there is little definite information. Such worthies as barbers, hair-dressers and laundresses have been grouped in the sector of "professions and liberal arts"; they might have been put more appropriately under petty traders. Many drawbacks may disappear as the results of a number of surveys, carried out by the Bureau only recently, become available. In fact, the Bureau has said that the present estimates should be considered provisional, and are therefore subject to revision.

PROGRESS OF GUEST, KEEN, WILLIAMS

SHAREHOLDERS in Guest, Keen, Williams, Ltd., including those who subscribed to the November 1956 issue of Rs. 10 shares at a premium of Rs. 10 each, have been rewarded for their sound judgment. A final dividend of 15 percent, free of tax, has been recommended; and most people will agree with Mr. H. M. L. Williams, managing director, that it is very satisfactory. After charging manufacturing expenses, providing for depreciation on fixed assets and adding income from investments and other non-trading sources, the surplus before taxation, for the 52 weeks ended 29th December, 1956, amounts to Rs. 152,76,593 as compared with Rs. 92,47,430 in the previous year. Of this, taxes take Rs. 69,60,774, compared with Rs. 43,60,000 in the previous year, not counting a sum of Rs. 2,88,490 which had to be provided to make up for a deficit in the tax provision for the previous year or an offsetting credit of Rs. 99,264 in respect of tax provisions in earlier years, no longer required. The tax measures in the Central Government's Budget for 1957-58 will necessitate similar adjustments in the current year's accounts. As to whether the satisfactory results will be maintained, Mr. Williams's statement shows some uncertainty. The Finance Minister Mr. T. T. Krishnamachari, has not made things easier by increasing the income tax on companies and the corporate tax, or by making companies liable to the wealth tax in a considerable underestimation. Mr. Williams says of these levies that "they do not appear an inducement to any investor." The rise

in the prices of steel and cement (thanks to the steep increase in excise duties) and foreign exchange restrictions will tend to lengthen the time before the rehabilitation and development projects can be brought to an income-earning stage.

With all this, Mr. Williams allows himself a measure of consolation. The difficulties are not peculiar to his company. Nearly everybody else is in the same boat, but Guest, Keen, Williams belongs to a group which enjoys the advantage of having foreign associates. Guest, Keen and Nettelfolds, of Britain, with their worldwide engineering organisation, are well equipped to provide technical experience along with facilities for research and advanced training. The company is thus in a better position than many of its competitors in the engineering industry. Both the Calcutta and Bhandup works have had full order books in almost all departments. Helped by a rise in steel imports, they were able to increase their output. A record output was achieved in the Calcutta works rolling mill, in railway switches and crossings, forgings for wagon-builders, specialised permanent way fittings, P and M anchors and mills loose jaws, and in the bolt and nut works. The Bhandup works, which made its first wood screw in the autumn of 1952, also achieved a record output and completed its second stage of development, consisting of a 50 percent building and plant expansion.

Mr. Williams draws special attention to an anomaly in the tax system concerning Section 23A companies like Guest, Keen, Williams. Such companies are compelled to make a minimum distribution of 60 percent of their surplus (which the latest Budget proposes to reduce to 45 percent), failing which they become liable to a penal super-tax. At the same time, if the dividend distributed exceeds 6 percent of the paid-up capital, it attracts the excess dividend super-tax. Thus the company is penalised both ways, whether it distributes dividends or whether it retains its profits. This is particularly hard when it has to rely on the reinvestment of profits to meet development costs. Mr. Williams has spoken strongly about Customs and port delays and the resulting demurrage charges. In the case of three recent air consignments of technical equipment, which were required most urgently, clearing of goods took 15 to 27 days from the time of lodging the documents. As for sea consignments to Calcutta, stores and ordinary machinery take over a month, after the vessel's arrival, to be cleared. If the consignment requires a heavy lift or a special wagon or both, delays in delivery can be much longer and quite unpredictable.

CURRENT COIN

Estimates of National Income.—The national income of India at 1948-49 prices was Rs. 10,420 crores in 1955-56 and Rs. 10,280 crores in 1954-55 as compared with Rs. 10,030 crores in 1953-54. The per capita income at 1948-49 prices correspondingly rose from Rs. 268.7 in 1953-54 to Rs. 271.9 in 1954-55 and Rs. 272.1 in 1955-56. This is shown by the fourth issue of the annual paper on national income just released by the Central Statistical Organisation. The estimates for 1954-55 included in this paper are based on the detailed method of estimation followed for the earlier years and show an upward revision over the preliminary estimates published last year. The estimates for 1955-56 are, however, based on partial material and are subject to revision. The table below indicates the trend of national income (or net national output) at 1948-49 prices since 1948-49:

Year	Net National Output at 1948-49 prices (Rs. crores)	Per capita net output at 1948-49 prices (Rs.)
1948-49	8,650	246.9
1949-50	8,820	248.6
1950-51	8,850	246.3
1951-52	9,100	250.1
1952-53	9,460	256.6
1953-54	10,030	268.7
1954-55	10,280	271.9
1955-56	10,420	272.1
(preliminary)		

On the whole, during the first five year plan period (1951-52 to 1955-56) the national income in real terms increased by 17.7 percent, as against the original plan target of 11 percent. The corresponding rise in the per capita income was 10.5 percent. The absence of any pronounced rise in 1955-56 over 1954-55 was mainly due to the fall in agricultural production shown by the latest available crop figures. The total contribution to national income at 1948-49 prices by agriculture showed a decline of Rs. 50 crores in 1955-56 over 1954-55, as compared with a rise of similar magnitude in 1954-55 over 1953-54. There was no appreciable change in the yearly increase in the overall contribution by other sectors. Expressed at current prices, the national income stood at Rs. 9,650 crores in 1955-56 and Rs. 9,620 crores in 1954-55, or Rs. 830 crores

and Rs. 860 crores lower than the 1953-54 level. The per capita income at current prices correspondingly declined from Rs. 280.7 in 1953-54 to Rs. 254.4 in 1954-55 and Rs. 252.0 in 1955-56. The fall in the national income at current prices in 1955-56 and 1954-55 was entirely due to price changes, the national income in real terms having shown a rise in both the years. The level of agricultural prices, in particular, was considerably lower in 1955-56 and 1954-55 compared with 1953-54 and this also accounted for the sharp decline in the income at current prices originating in the agricultural sector. As the estimates are presented in the paper in terms of rupees abja (100 crores) corrected up to one decimal place, changes smaller than Rs. 5 crores are ignored. Although there was some progress during 1955-56 in small sectors like "mining" and "organised banking and insurance," it was not large enough to be shown by the figures presented in this paper.

West Bengal Financial Corporation.—The West Bengal Financial Corporation has to increase its resources if it is to meet the larger new applications for loans which are now coming before its management. The shortage of private capital and the tightness in the money market have forced more and more companies to seek loans from the Corporation. Mr. B. M. Birla, its chairman, has at the recent annual general meeting expressed surprise that even "first-class companies, which should have normally experienced no difficulty in raising money from the market, are unable to do so and are coming to us for comparatively small loans." The Corporation lent Rs. 71,65,000 during the year ended 31st March, 1957, the progressive total of its loans sanctioned so far being Rs. 1,14,92,000. Mr. Birla points out that the total loans sanctioned, "despite the fact that the Corporation had to reject 60 percent of the applications as they did not come up to the minimum standard required, have exceeded the present resources of the Corporation—comprising entirely its paid-up capital of Rs. 1 crore." So he feels that the time has come to mobilise more resources. The only effective way the Corporation can do so is to issue debentures and bonds with the approval of the Reserve Bank and the State Government, he says. The law provides that the payment of interest on such debentures and bonds shall be guaranteed by the State Government. But even then, Mr. Birla thinks, the success of the issue cannot, "in view of the prevailing tight conditions in the money market, be regarded as fully assured without direct support from Governmental institutions such as the Reserve Bank, the State Bank and the Life Insurance Corporation." Discussing the changing character of the investment market, Mr. Birla says that while it is "very gratifying" that these Government-sponsored bodies have done much to relieve the financial hardships of industry, there is, unfortunately, little encouragement for the private investor to offer his own capital. As matters stand, entrepreneurs provide only 25 percent of the capital, "the institutions, in some cases, supplying 75 percent." Some years ago, the opposite was the case. "The situation has deteriorated to such an extent that it is now being seriously considered whether the Finance Corporations should encourage the capital market by starting the business of underwriting shares and participating in equity capital," Mr. Birla declares.

Workers' Participation in Management.—The Study Group which was appointed by the Government of India to report on the question of workers' participation in management has done so after having studied the problem in several European countries. The central point of its recommendations seems to be that no rigid system should be imposed from above and that the forms of participation should be flexible. "Joint consultation should be in-built," it says. It therefore emphasises the co-operative spirit, and says that the permissive legislation it recommends for enactment should only provide the framework, "the procedure being left to be developed by joint consultation." The success of such bodies depends upon the spirit in which they are worked. "The law cannot prescribe the spirit," Education, the Group says, will play a fundamental part in the "reorientation of attitudes" that will be necessary for the success of the idea. It suggests that the Government take a leading part in arranging for educational courses for workers, in collaboration with employers' organisations, trade unions, universities and non-official bodies. "In every country we visited," says the Group's report, "there are workers' colleges, courses, evening classes, seminars, printed literature and the like to train them not merely to become more skilled, but also to acquire an understanding of the work they are engaged in, so that they can really 'participate' and not merely be passive tools in the hands of demagogues." As a starting point for applying this principle, the Group suggests that it would be advisable to begin the experiment with undertakings which are not too complex. Smaller industries where workers have to be protected under the Minimum Wages Act should be left alone.

Where an undertaking is spread over several places, there may be separate councils at the local, regional or national levels. The functions of the joint councils should not be confused with those of the trade unions. "Joint councils cannot cover the whole field of workers' interest. A demarcation of functions is necessary and matters requiring collective bargaining should be left to trade unions. But even after the demarcation of duties, it is necessary to ensure that the trade unions co-operate with the joint machinery." Dealing with the functions of joint councils, the Group's report says that they "may be conveniently consulted on matters like alteration in standing orders, retrenchment, proposals for rationalisation, closure, reduction in or cessation of operations, introduction of new methods, procedure for engagement and punishment." They may have the right to receive information and make suggestions about the general economic situation of the concern, the state of the market, production and sales programmes, organisation and general running of the undertaking, circumstances affecting the economic position of the undertaking, methods of work and annual balance-sheet and profit and loss statements and connected documents and explanations. The councils should also have administrative powers; the spheres of responsibility here should cover welfare schemes, safety measures, vocational and apprenticeship schemes, preparation of schedules of working hours and breaks, preparation of holiday schedules and payment of rewards for valuable suggestions. The Study Group was composed of Government officials, and representatives of trade unions and employers. It toured the U.K., France, Germany, Sweden, Yugoslavia and Belgium.

The Value of Advertising.—Advertising tries to increase the conscious wants of the consumer. By making him dissatisfied with the little he has, it tempts him to work harder. The valuable social function it thereby performs is often poorly appreciated even by people in authority. Many have a sneaking suspicion that the big advertiser, in one way or another, restricts the freedom of the Press. But a recent speech at the Bombay Rotary Club by Mr. K. U. Mathew recalls that when the Royal Commission in Britain asked several senior newspaper editors whether there was any interference with editorial policy by big business, they said that they had never heard of an editorial blacklist. The Press Commission in India has echoed the same view in saying: "No industry or group of industries contributes such a high proportion of revenue to the Press as a whole as to be able to hold it to ransom." In former times, a newspaper depended on a small group of business houses for its advertising revenue. But today its income is derived from a large number of sources, so there is no inclination to compromise editorial policy for the sake of an advertiser or a group of advertisers. Mr. Mathew gives the estimate that the aggregate income of a large Bombay group of newspapers is approximately Rs. 140 lakhs, but "the biggest single advertiser does not contribute more than a lakh of rupees to this total." Advertising expenditure in India is about Rs. 10 crores a year. This works out to 0.1 percent of the national income, which compares with 2 percent in the United Kingdom and 3 percent in the United States. Mr. Mathew says that the average revenue from circulation is in the region of 55 percent and the revenue from advertising 45 percent. "If it were not for advertising, newspapers would at least cost double of what they do today."

U.S. Steel Expansion.—The increase in U.S. steel production capacity this year may exceed last year's expansion of five million tons. Mr. Benjamin F. Fairless, president of the American Iron and Steel Institute, told the Institute's annual meeting recently that the steel industry's plans for 1958 are "no less ambitious." Over the long range, U.S. steel production capacity "must be added at a rate of at least three million tons." Reviewing the industry's growth in the past decade, he noted that 42 million tons of new steel capacity have been added in that period to bring production capacity in 1956 to 133.5 million tons. U.S. mills are currently operating at about 87 percent of rated capacity.

Effects of High Taxes.—The wealth tax and the expenditure tax have been strongly criticised on the ground that although they may increase the Government's revenues, their adverse effect on savings and investment will far outweigh the gains. Speaking at the recent annual general meeting of the Southern India Chamber of Commerce, Mr. M. A. Chidambaram, president, has pointed out that there will be many practical difficulties in making assessments, and a vast new army of officers will have to be appointed. "It will not be too much to say that these measures will prove to be a veritable engine of oppression and will surely embitter the good relationship between the assessee and the Government. It will destroy even the little incentive that the individual may now have. The increase in the tax on companies, coupled with the levy on wealth, will have a de-

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pressing effect on investment." The higher excise duties will increase living costs, and will particularly hit people in fixed income groups. The external payments deficit is widening, and has exceeded the estimate of the planners, so there is an urgent need to increase and diversify exports. Mr. Chidambaram thinks that the targets fixed under the second plan for many exportable commodities are on the low side. He does not deny that there will be hardship if enough goods are not available for domestic consumption. "But a country wedded to a planned all-round development should be prepared for some austerity measures and we may have to tighten our belt."

Lloyd's Deposits.—The growing trend for insurance companies in Britain to move away from gilts and to invest funds in equities has received what will undoubtedly be considered strong support in the recent decision that up to one-half of the deposits lodged by Lloyd's underwriters with the committee may in future be invested in non-trustee securities. Until now all securities deposited had to be trustee stocks. The non-trustee stocks which may now be included, such as industrial ordinary shares, will have to be approved by the committee. Membership of Lloyd's exceeds 4,000, and the average minimum deposit required from a member is about £10,000. This policy change by the committee indicates the growing investment status of industrial equities. It also im-

plies that, with income tax and surtax at present levels, investors in the high income groups are becoming increasingly interested in capital appreciation potentialities than in taxable interest payments.

CORRESPONDENCE

LITTLE LIGHT FROM LAMPS

(TO THE EDITOR OF "CAPITAL")

Sir,

My attention has been drawn to the editorial comments appearing in your issue dated 2nd May on certain observations which I had made in course of my presidential address at the recent annual general meeting of the Indian Lamp Factories Association. In particular, I would like to refer to the comments as extracted below:

"The differences in rates of growth may be merely a reflection of the comparative efficiency of individual units. Mr. Sinha complains that cut-throat competition prevails in the market. But from the consumer's point of view, nothing could be better. He states that lamps produced in India but marked with foreign brands have a special appeal to consumers, regardless of their price and quality. Such a prejudice which has in actual practice, divided the products of the industry into two categories, viz., more popular and less popular brands, is, needless to emphasise, a very undesirable feature of

the industry, inasmuch as it is primarily because of this fact that the factories producing less popular brands of products have not been able to increase their production to a level they should have attained. It is hard to agree with Mr. Sinha; one would have thought that it is for the manufacturers themselves to remove consumer prejudices by selling more vigorously and being fully competitive in terms of quality and prices."

I regret to have to point out that your reading of the problem of lack of balance stands on a misconception. In order that this basic problem may not be misunderstood by your readers and/or others concerned, and also in the interests of the industry as a whole, I deem it my duty to address this letter clarifying the implications of the problem to which I have made a pointed reference in my speech. At the outset, I would like to point out that the growth and expansion of a particular unit in the lamp industry has been, primarily, influenced by the consideration whether its products are branded with internationally reputed foreign brands or not. Consumers' prejudice in favour of such foreign branded lamps is still so great that the manufacturers of less popular brands are encountering considerable handicaps and difficulties in selling their products in competition with their counterparts, notwithstanding the fact that the quality and the prices of the less popular brands of lamps are equal to those of foreign branded lamps. I may point out that the prices of less popular brands are comparatively cheap in a few cases. Even then, it has not been possible for the manufacturers of less popular brands of lamps to enjoy a better position in the market solely due to the consumers' prejudice.

Thus, the general observation to which you have made a reference, namely, that the differences in rates of growth may be merely a reflection of comparative efficiency of individual units, is not applicable in the case of the lamp industry. From the practical point of view, the efficiency of a particular unit is found to be of no value to the consumers so long as the quality and the prices of lamps available in the market are the same. Besides, your advice to the effect that the manufacturers should themselves remove the consumers' prejudices by selling more vigorously and being fully competitive in terms of quality and prices, not only involves a contradiction, but is also neither correct nor possible, having regard to the facts as explained above.

As I have already stated, so I would like to reiterate on this occasion also that the lopsided development of the operating units is directly the result of consumers' prejudice in favour of foreign brands and their active patronage and support towards the same. In my address, I drew particular attention to this aspect of the problem as I felt that unless the cause of the unbalanced development of different units was handled at the very root, the overall interests of the industry would continue to suffer. This is why I dwelt on the problem in detail and offered a few suggestions for consideration by the Government. I hope I have made the position quite clear to you, and I shall be glad if you will kindly publish the letter in the next issue of the journal, so as to enlighten the reading public on the basic problem faced by some units in the industry.

Yours etc.,

H. SINHA,

President of the Indian Lamp Factories Association.

Calcutta, 29th May.

[Reference is made to this letter in A Ditcher's Diary]

CURRENCY EXPERIMENTS

IT is more than two years ago that we gave up supporting the present currency experiment, and our main reason was that, depending as it did, and does still, on contraction of the currency and on nothing else, its chances of success were doubtful and remote, and we would only arrive at the desired goal over the ruin of India's trade. Opinions which have lately been expressed by members of the Indian Currency Association and others seem to confirm our arguments, and the experience of the last six months proves clearly, we think, the harmful tendency of our present currency laws. In India itself, we have always had to contend with a slow and spasmodic distribution of loanable capital. That is in no way to be laid at the door of Government legislation, but there is no doubt, we think that our present currency laws have greatly aggravated the evil. We published in another column a pamphlet forwarded to us by Mr. Sleight, the Secretary and Treasurer of the Bank of Bombay and the leading member of the Indian Currency Association of Western Presidency. Mr. Sleight's argument coincides with those which we have frequently expressed, viz., that the first desideratum of currency legislation is that it shall encourage and not in any way hamper freedom of finance or free distribution of capital.

FROM

CAPITAL

1st June, 1897.

A DITCHER'S DIARY

"THE least I could do to save the plan", said Mr. T. T. Krishnamachari in defence of his Budget taxation proposals about three weeks ago. With the changes in the proposals announced last Friday, more than Rs. 5 crores out of the Rs. 93 crores extra he intended to raise have gone. It may not, therefore, be wholly irrelevant to enquire how much of the plan is now likely to be "saved", although the taxes that remain are still substantial. Of course, as far as the Government is concerned, lower taxes do not always necessarily mean less money. The currency printing presses, in Nasik and elsewhere, would have been busy fulfilling their production target of Rs. 275 crores of paper notes this year; with the target now up by another Rs. 5 crores, it should still not prove too difficult to achieve, although I suspect things are getting to the stage where their brave Stakhanovite workers might have to be paid heavily for overtime. As for last week's tax concessions, they represent for the most part adjustments which had to be made in response to the political pressures in Parliament and outside. This is particularly true of the changes affecting postcards and short-distance railway travel. But the decision to bring the excise duties on tea and coffee back to their original levels is welcome; so also is the logic shown in exempting new industrial undertakings from the wealth tax for five years and in removing an anomaly affecting inter-corporate investments. If the readjustment of the children's and marriage allowances encourages those getting less than Rs. 20,000 a year to have a couple of children, and those getting more not to marry, it would not become me, in my innocence, to say who would be the happier.

It is difficult to see the Finance Minister concede Mr. Dange's claim that the general strike in West Bengal last Thursday was responsible for the tax reliefs. That would be one way of inviting, and getting, more general strikes in the weeks to come. The latest strike did not depart much from the pattern we in Calcutta are painfully familiar with, and it was a success, too, in a manner of speaking. Shops were closed, offices worked with what are exaggeratedly called skeleton staffs, and after 5 in the evening there was what without exaggeration can be called a mammoth meeting at the foot of the Ochterloni monument. Resentment against the taxes was wide, but not to that should we attribute the "success" of the strike; and some Leftist parties are less than honest in claiming a share of the credit, for there is reason to think that they joined in the appeal for the strike against their wishes. Possible loss of face was the chief motivator in their case, even as the almost certain loss of property or worse was what kept the shops shut. It is perhaps too much to expect that parties in opposition will desist from proclaiming general strikes on the slightest pretext, in spite of the real hardship they cause to the very people these parties profess to champion; but the sole provider of these pretexts, the Government, must ask itself why it should so oblige the opposition so often. The Congress once knew, and in advance, what the country wanted. Perhaps it no longer does. Perhaps this is the result of what Mr. Nehru calls the Congress's lack of touch with the people. Subsequent bending makes it the easier for Mr. Dange and his comrades to take the fullest advantage of the ruling party's failing powers of intelligent anticipation.

T. S. Eliot's "nothing but a set of obsolete responses" would perhaps be too harsh a judgment on the latest deliberations of the All India Congress Committee in New Delhi, but even Mr. Krishnamachari's "socialism in our time" sounded

like an echo from the past. It is, however, on the question of Ministers' salaries that Congressmen betrayed how little their thinking had kept pace with changing events. The figure of Rs. 500 still casts a spell on Congressmen out of office—until, of course, they become members of Parliament, when they quickly find out that they cannot manage with the allowances of yesteryear. Apart from a nostalgia for ascetic austerity, which has by and large been abandoned in practice if not in theory, there is behind these periodic demands for reducing Ministers' salaries an incredible amount of ignorance about the history of administration in this country. It is only when the East India Company ceased to pay its imported writers £5 a month—or was it a year?—that corruption began to diminish. It is not, unfortunately, true that a well-paid official will necessarily be honest but, surely, he is less likely than an ill-paid man to succumb to temptations which, incidentally, mount as the administration spreads its arm over enlarging areas of life. I do not know just how Mr. Nehru's net monthly salary happens to be no more than Rs. 1,600—even after the rate has been determined by presumably substantial earnings from royalties and other sources—but it is a pity that his defence of existing salaries was not a good deal firmer. An enquiry into the ways of Ministers less lucky in authorship would probably show that their salaries are a small part of what they cost the Government. I am all for economy in the administration, but economy consists in paying a man Rs. 5,000 and getting work worth Rs. 6,000 from him—not in paying him Rs. 500 and getting no more than Rs. 250 worth of work. The latter is what I call waste, and what may be too true of too many in the employ of the Government.

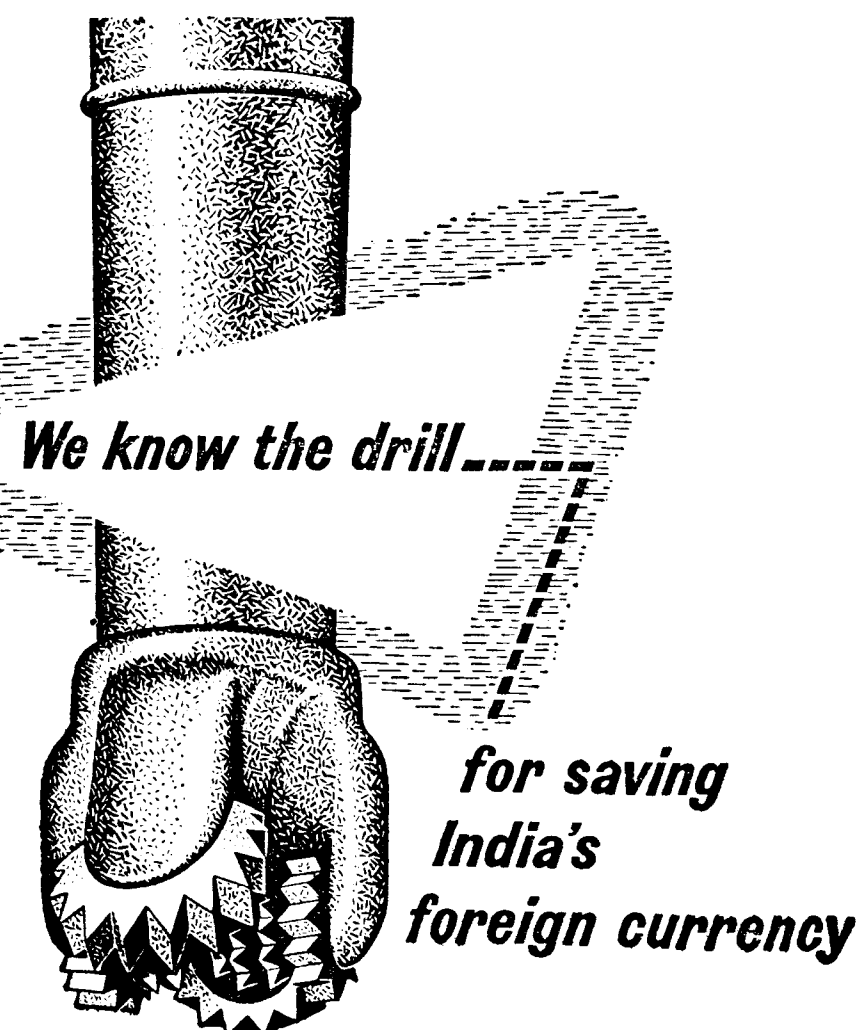
On the opposite page today, there appears a remarkable letter from Mr. H. Sinha, president of the Indian Lamp Manufacturers Association. The most striking feature in it is the use of the term "consumers' prejudice"—which is employed in making the charge that the Indian consumer is prejudiced because he buys "foreign branded" lamps rather than the ones Mr. Sinha thinks he ought to buy. What exactly "consumers' prejudice" is, in the particular sense in which Mr. Sinha uses the phrase, I have failed to divine. As far as I know, there is no industry and no product in the world which does not have to cope with at least a certain amount of "consumers' prejudice"—or consumer preference, which is in my view the more rational term to use. This consumer preference, of course, implies nothing more than that a buyer thinks that one thing will serve him better than the other. If consumers want "foreign branded" lamps rather than those which are not so branded, I think the logical reaction should not be to grieve, but to try and find out why this is so. Consider the problem on the purely personal level. If some people prefer black cigarettes with gold tips to white ones with no tips, I cannot see how any manufacturer has a right to complain; all he would have a right to do is either to persuade them that the white cigarette is the better, or to start making the black one they like. To say that the Government should intervene in order to make people buy a certain type of cigarette, or a certain type of lamp, is ridiculous. Manufacturers are apt to forget that once official intervention begins, there is often no end to it. The interference which one day starts with one's choice of cigarettes and lamps may in time spread to one's choice of trousers and underwear. The occasion could even arise when we would all be asked to wear ties which

are replicas of the Congress Party flag. Some automobile concerns have been able to inflict shoddy products on consumers by obtaining official protection on the false pretence that there is too much competition. But there is no reason why the lamp industry should now follow their example. The difference between firms which are expanding and those which are not, arises from their relative ability to compete. In a free market, the "prejudice" of the consumer no more than mirrors the reputation and efficiency of the producer.

In spite of much solid academic achievement, Mr. George Schwartz, whose weekly economic dissertations in a British Sunday newspaper bring joy to the hearts of thousands, is generally reckoned to be the funny man of the dismal science. Discussing the future of savings in the *Westminster Bank Review*, he sets down some thoughts which are not without a certain relevance to India's present problems. We are living, he says, in an unprecedented age as far as capital development is concerned. When were the ambitions of mankind for capital projects so universal and so grandiose? He continues: The capital development the world has experienced so far has been tentative, sporadic and local. Suddenly it has become compelling, assured and global. From China to Peru, the world is bent on assuaging the capital hunger of centuries. Mr. Schwartz asks who is going to release the resources for the investment stage? Who will do the forgoing and the concomitant saving? The popular answer to this, expressed in attitude and behaviour, is, he finds, terse and unequivocal. By common consent it's the other fellow. But there the common consent stops, for personal saving in the old sense is on the decline, and with the growth of a welfare philosophy, saving tends to be increasingly institutional or by Governmental accumulation. Mr. Schwartz sees dangers in this. In the first place, a larger and larger number of individuals will feel the sacrifice without experiencing the satisfaction of saving. Secondly, the State achieves savings by high taxation and high taxation reduces the ability of the individual to save. But perhaps more important is the concentration of savings and the decisions on their investment into fewer and fewer hands, with the consequent enhancement of the power of the State to control the whole machinery of investment.

The sudden death of Phulan Prasad Varma on Sunday night deprives the Damodar Valley Corporation of one of the most likeable and most conscientious members of its senior personnel. Varma certainly was an unusual kind of Congressman, as his many friends in the Calcutta Club must now remember, with regret that they will see him no more with that endearing smile. For a man with no great administrative experience before independence, membership of the Corporation was an unusual appointment. Yet he survived all other first members, and came to be truly loved by officers and workers alike. The Indian Civil Service does not easily see efficiency out of its ranks, but I have heard more than one member of that service speak of Varma with respect and affection. He was Bihar's nominee to the D.V.C., and yet most Bengalis in the organisation never thought of him as such. To the corporate idea of doing big things like dams, he brought more than a mere socialistic belief; to hear him on the subject was to encounter something indistinguishable from a personal faith. Only the other evening I met Phulan Varma at a party, and I could have taken a bet then that he was nowhere near 56. The D.V.C. is the poorer without him.

THE DITCHER.



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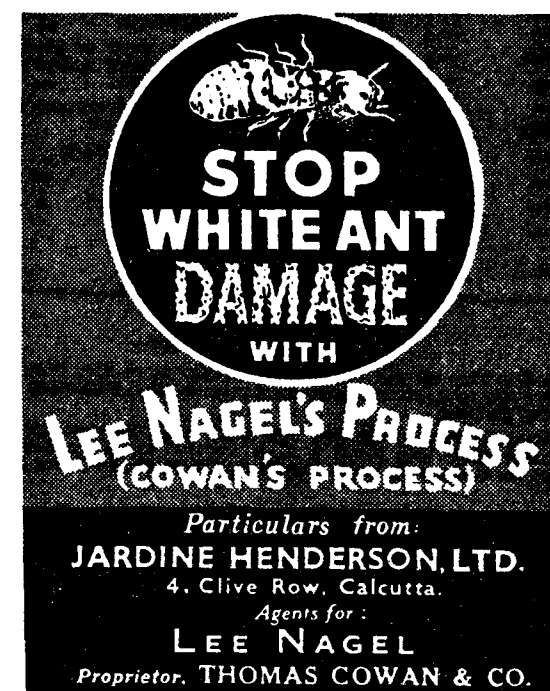
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BANK OF CHINA

(INCORPORATED IN CHINA, LIABILITY OF MEMBERS LIMITED.)

BALANCE SHEET OF THE INDIAN BRANCHES AS AT 31ST DECEMBER, 1956.

CAPITAL AND LIABILITIES.		Rs.	As. p.	Rs.	As. p.	PROPERTY AND ASSETS		Rs.	As. p.	Rs.	As. p.
1. CAPITAL:						1. CASH:					
Amount deposited with Reserve Bank of India under section 1(2) of the Banking Companies Act ...		23,02,000	0 0			In hand and with Reserve Bank and State Bank of India (including foreign currency notes) ...		70,50,008	15 6		
2. RESERVE FUND AND OTHER RESERVES:						2. BALANCES WITH OTHER BANKS:					
(On current accounts),						(i) In India		1,88,179	10 3		
3. DEPOSITS AND OTHER ACCOUNTS:						(ii) Outside India: (includes US\$ 40272.42, Canadian \$1622.54, and Pesos 1981.78 blocked)		7,70,558	5 6	9,58,737	15 9
Fixed Deposits ...		14,59,546	0 5			3. MONEY AT CALL AND SHORT NOTICE:				1,68,00,000	0 0
Savings Bank Deposits ...		NIL				4. INVESTMENTS:					
Current Accounts, Contingency Accounts, etc.		5,31,02,792	10 0	5,45,02,338	10 5	(i) Securities of the Central and State Governments and other State Securities, including Treasury Bills of the Central and State Governments (at book value which is below market value) ...		58,83,339	1 0		
4. BORROWINGS FROM OTHER BANKING COMPANIES, AGENTS, ETC.:						(ii) Fully paid ordinary shares in a company (now in Members' voluntary winding up) at estimated value realisable on distribution ...		12,000	0 0		
(i) In India		1,11,82,000	0 0			(iii) Debentures or Bonds ...		NIL			
(ii) Outside India		NIL		1,11,82,000	0 0	(iv) Other Investments ...		NIL		58,95,339	1 0
Particulars:						(v) Gold ...		NIL			
(i) Secured by endorsed usance Promissory Notes ...						5. ADVANCES:					
(ii) Unsecured ...						(i) Loans, Cash Credits, Overdrafts, etc.					
5. BILLS PAYABLE:						(ii) Outside India		5,04,31,278	3 5		
(i) Payable in India		1,38,18,530	2 3	1,56,17,291	0 0	(iii) Bills Discounted and Purchased (Excluding Treasury Bills of the Central and State Governments)					
(ii) Payable outside India		17,98,766	13 9			(i) Payable in India		97,61,908	5 11	6,41,03,504	9 10
6. BILLS FOR COLLECTION BEING BILLS RECEIVABLE as per contra:						(ii) Payable outside India		39,10,318	0 0		
(i) Payable in India		1,38,18,530	2 3			PARTICULARS OF ADVANCES:					
(ii) Payable outside India		17,98,766	13 9			(i) Debts considered good in respect of which the banking company is fully secured		4,07,97,241	13 3		
7. OTHER LIABILITIES:						(ii) Debts considered good for which the banking company holds no other security than the debtors' personal security		1,40,30,524	13 0		
Head Office and other Branches outside India		2,51,56,189	5 5	2,90,30,631	11 4	(iii) Debts considered good secured by the personal liabilities of one or more parties in addition to the personal security of the debtors		92,60,283	15 4		
Accounts Payable & Provisions		31,09,404	2 3			(iv) Debts considered doubtful or bad, not provided for		15,454	0 3		
Adjustments for Forward Exchange Contracts		17,689	7 3			(v) Debts due by directors or officers of the banking company or any of them either severally or jointly with any other persons		1,370	0 0		
Accrued Interest Temporary Credits (adjustable) etc.		2,79,386	9 6			(vi) Debts due by companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies as members		NIL			
Branch Adjustments in India		4,67,962	2 11			(vii) Maximum total amount of advances including temporary advances made at any time during the year to directors or managers or officers of the banking company or any of them either severally or jointly with any other persons		2,400	0 0		
Note: Head Office & other branches outside India include debit balances of US\$13791956 and Aust. £2036-5-5 blocked.						(viii) Maximum total amount of advances including temporary advances granted during the year to the companies or firms in which the directors of the banking company are interested as directors, partners or managing agents or, in the case of private companies as members		NIL			
8. ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS as per contra				3,75,55,061	11 3	(ix) Due from banking companies		NIL			
9. PROFIT AND LOSS:						6. BILLS RECEIVABLE BEING BILLS FOR COLLECTION as per contra:					
Balance as per last Balance Sheet		2,71,526	11 4			(i) Payable in India		1,38,18,530	2 3	1,56,17,291	0 0
Add: Balance of Profit for the year brought from the Profit & Loss Account		9,45,553	2 10			(ii) Payable outside India		17,98,766	13 9		
Less: Transferred to Head Office Account		2,71,526	11 4	9,45,553	2 10	7. CONSTITUENTS' LIABILITIES FOR ACCEPTANCES, ENDORSEMENTS AND OTHER OBLIGATIONS as per contra:				3,75,55,061	11 3
10. CONTINGENT LIABILITIES:						8. PREMISES LESS DEPRECIATION:				NIL	
(i) On account of guarantees given on behalf of customers						9. FURNITURE AND FIXTURES LESS DEPRECIATION:					
(ii) On outstanding forward exchange contracts		37,00,542	2 6			Total cost upto 31.12.55		4,57,533	5 6		
Note: Short Provisions for depreciation estimated at Rs. 20,000 and for tax liabilities for 1956 at Rs. 3,00,000.		6,37,41,525	8 6			Additions (Rs. 96,712/3/3) less deductions (Rs. 36,200/-) during the year		60,512	3 3		
						Less: Depreciation written off to date after adjustments of depreciation written off in previous years and depreciation on assets completely written off and sold		8,18,045	8 9	3,11,614	0 5
						10. OTHER ASSETS INCLUDING SILVER:					
						Accrued Interest Deferred charges, Temporary debits and Accounts adjustable		5,65,008	13 11		
						Advance Payments of Tax and Provisional Taxes		11,14,892	15 0	17,61,131	2 11
						Deposits (Electric, Gas, Rent, etc.)		87,139	6 0	NIL	
						11. NON-BANKING ASSETS ACQUIRED IN SATISFACTION OF CLAIMS:					
Total Rs.				15,00,58,688	8 8					15,00,58,688	8 8

PROFIT AND LOSS ACCOUNT OF THE INDIAN BRANCHES FOR THE YEAR ENDED 31ST DECEMBER, 1956.

EXPENDITURE		Rs.	As. p.	INCOME		Rs.	As. p.
1. Interest paid on deposits, borrowings, etc.				(Less provision made during the year for bad and doubtful debts and other usual or necessary provisions)			
2. Salaries and Allowances and Provident Fund: (Salaries and allowances to Manager, Calcutta Office being the Chief Executive Officer, Rs. 96,408/- inclusive of taxes but exclusive of value of rent free quarter)		6,77,234	8 5	1. Interest and Discount		19,18,403	1 8
3. Directors' and Local Committee members' fees and allowances		9,71,361	11 4	2. Commission, Exchange and Brokerage		12,67,461	14 2
4. Rent Taxes Insurance, Lighting, etc.		2,37,929	9 1	3. Rents		82,230	1 0
5. Law Charges		4,583	9 0	4. Net profit on sale of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)		6,355	15 0
6. Postage Telegrams and Stamps		34,802	11 7	5. Net profit on revaluation of investments, gold and silver, land, premises and other assets (not credited to Reserves or any particular Fund or Account)		NIL	
7. Auditors' Fees		6,000	0 0	6. Income from non banking assets, and profit from sale of or dealing with such assets		NIL	
8. Depreciation on and repairs to the banking company's property		57,241	0 4	7. Other receipts		22,584	7 5
9. Stationery Printing Advertisement, etc.		43,121	8 0	8. Loss		NIL	
10. Loss from sale of or dealing with non-banking assets		NIL					
11. Other Expenditure		3,19,207	10 8				
12. Balance of Profit		9,45,553	2 10				
Total Rs.				Total Rs.		32,97,035	7 5

Sd/- S. C. Wong,
Accountant.

AUDITORS' REPORT:

Sd/- W. K. Chiang,
Manager.

We have audited the above Balance Sheet of the Indian Branches of the BANK OF CHINA as at 31st December, 1956 and also the annexed Profit & Loss Account of the Bank for the year ended on that date, in which are incorporated the unaudited returns of the Bombay Branch not visited by us, with the books of accounts of the Branch and with certified returns and particulars from the Bombay Branch.

In accordance with the provisions of Section 29 of the Banking Companies Act, 1949 read with the proviso to Sub-section (1) and (2) of Section 211 and Sub-section (5) of Section 211 and Section 221 (5) of the Companies Act, 1956, the Balance Sheet and Profit & Loss Account are not required to be drawn up in accordance with the Sixth Schedule of the Companies Act, 1956. The accounts are therefore drawn up in conformity with Forms A and B of the Third Schedule to the Banking Companies Act, 1949.

We report that:-

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account as required by law have been kept by the Indian Branches of the Bank so far as appears from our examination of those books and proper returns adequate for the purpose of our audit have been received from the Branches of the Bank not visited by us;
- The Balance Sheet and Profit & Loss Account of the Bank dealt with by this report are in agreement with the books of account and the returns;
- In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required for banking companies, and on such basis and read with the notes appearing on the Balance Sheet the said Balance Sheet gives a true and fair view of the state of the affairs of the Indian Branches of the Bank as at 31st December, 1956, and the Profit & Loss Account gives a true and fair view of the profit of the Indian Branches for the year ended upon that date;

CALCUTTA.
22 Hastings Street
The 27th May, 1957.Sd/- A. Banu & Co.
Chartered Accountants

Finance in India and Abroad

CHANGES IN CENTRAL BUDGET TAXATION PROPOSALS

RELIEFS AND CONCESSIONS

THE Finance Minister, Mr. T. T. Krishnamachari, last Friday announced in the Lok Sabha the following changes in the Budget proposals made by him on 15th May, 1957.

Excise duties: The increases proposed in the rates of excise duty on tea and coffee have been withdrawn.

Small producers of matches, it is proposed, will be given adequate protection in the matter of the enhanced excise levy.

The question of relief in the excise duty on tobacco is being examined and the difficulties that have been pointed out and found to be genuine will be remedied by administrative action.

Postal rates: The increases in the rates of post-cards, including local cards and on parcels, have been dropped. It is now proposed that the initial slab of weight for inland letters including business reply envelopes should be raised from one tola to 1½ tolas and the rates for such inland letters should be raised from 13nP to 15nP. The additional weights will also be computed in 1½ tolas instead of 1 tola as at present and the rate will be increased from 6nP to 10nP.

Railway fares: Exemption, it is proposed, will be granted from the tax on passenger fares for the first 15 miles. But there will be a tax of 5 percent on journeys above 15 miles and up to and inclusive of 30 miles. The other slabs will remain as proposed in the Finance Bill.

Income tax: While the minimum taxable limit will remain at Rs. 3,000, it is proposed to make a further addition to the marriage allowance already provided for. There will be an allowance of Rs. 300 a child subject to a maximum of Rs. 600. But this allowance will not be admissible to persons with incomes above Rs. 20,000. In these cases, the marriage allowance of Rs. 2,000 provided for in the Budget proposals will be withdrawn.

Wealth tax: A wealth tax holiday is proposed for the first five years from the date of incorporation on the value of the assets pertaining to an industrial undertaking of a new company. However, such an undertaking should not be formed by the splitting up or the reconstruction of business already in existence or by transfer to a new business of buildings, machinery and plants already used in an existing business. It is also proposed that investments of one company in another company should not be included for the purpose of wealth tax in the hands of investing company.

THE CALCUTTA MONEY MARKET

RISE IN ADVANCES

Wednesday, 5th June.

ADVANCES have increased in the Calcutta money market during the past week, mainly on account of seeds and grains. Accommodation for cotton is slightly lower, while that for jute has expanded. The downward trend in sugar credit continues. In the interbank market, ample funds have been available, but the call rate remains at 3½ percent.

The number of bills passing in the exchange market has been small, but those on account of gunny shipments have increased. Remittance continues on a fair scale. Sterling has been steady since the publication of the sterling area's gold and dollar reserve figures.

Silver was quietly steady and arrivals were restricted. The price advanced from the previous week's level of Rs. 182.25 to Rs. 182.75, quoted today, for ready delivery. The price in London and New York remained the same as before.

In spite of the rise in silver, gold was easier and the price declined from Rs. 110.50 to Rs. 108.50. The sovereign fell from Rs. 72.50 to Rs. 72.

During the week ended 31st May, Government of India Treasury bills for Rs. 22,55,00,000 were sold in favour of the Reserve Bank.

Declines of Rs. 9.98 crores to Rs. 1,596 crores in the total note issue and of Rs. 8.40 crores to Rs. 1,570 crores in active notes were the outstanding features of the return of the Reserve Bank of India for the week ended 31st May, 1957. The currency contraction was covered by reducing rupee securities by Rs. 10 crores to Rs. 939.87 crores. Deposits of the Central Government declined by Rs. 57 lakhs to Rs. 53.65 crores while other Government accounts increased by Rs. 1.17 crores to Rs. 6.83 crores. Balances of commercial banks were held abroad fell further by Rs. 4.36 crores to Rs. 27.55 crores, but investments improved by Rs. 42.55 crores to Rs. 164.39 crores. Other loans and advances declined from Rs. 111.27 crores to Rs. 106.55 crores, of which advances to scheduled banks against usance bills totalled Rs. 58.17 crores (Rs. 59.65 crores). Ways and means advances stood at Rs. 19 crores against Rs. 19.89 crores.

The return of the State Bank of India for the week ended 24th May, 1957, shows a rise of Rs. 2.51

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crores in total deposits to Rs. 304.09 crores. Investments in Government securities are down by Rs. 2 lakhs to Rs. 94.10 crores, while other authorised investments remain unchanged at Rs. 11.51 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased, have decreased by Rs. 1.74 crores to Rs. 189.17 crores. Cash and balances are, in consequence, shown at Rs. 23.68 crores, or Rs. 96 lakhs higher.

and of advances and discounts, are, in consequence, shown at 7.6 percent and 75.3 percent, against 8.1 percent and 75.9 percent.

The following is a statement of the balances of the Central Government on the last day of March 1957:

	Rs.
(1) At the Reserve Bank of India in India	57,70,43,000
(2) At treasuries in India	(—)3,69,55,000
(3) In England (Sterling converted at 18d the Rupee)	34,76,000
TOTAL	54,35,64,000

The Indian branches of the BANK OF CHINA made a profit of Rs. 9.46 lakhs for the year ended last December. Deposits amounted to Rs. 54.56 crores. Advances were shown at Rs. 64.10 crores and investments stood at Rs. 58.95 lakhs. Cash amounted to Rs. 2.49 crores.

RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	31-5-57	24-5-57	1-6-56
Liabilities—			
Notes in Banking Dept.	25,99.82	27,58.44	23,43.72
Notes in Circulation	15,09,99.97	15,78,39.06	15,01,83.05
Total Notes issued	15,95,99.79	16,05,98.10	15,25,27.67
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,12,51.91	4,12,51.91	6,76,47.45
Total of A	5,30,27.94	5,30,27.94	7,16,49.56
B Rupee Coin	1,25,84.54	1,25,82.85	1,05,05.82
Rupee Securities	9,39,87.31	9,49,87.31	7,03,72.29
Total	15,95,99.79	16,05,98.10	15,25,27.67
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	53,64.53	54,21.94	54,48.22
(b) Other Govts.	6,82.89	5,65.59	10,26.45
(c) Banks	68,25.56	62,36.47	51,88.62
(d) Others	86,17.35	85,42.79	13,09.73
Bills Payable	13,51.36	14,95.82	12,77.31
Other Liabilities	120,15.86	1,20,36.97	38,13.39
Total	3,74,55.35	3,68,99.68	2,00,63.72
Assets—			
Notes	25,99.82	27,58.44	23,43.72
Rupee Coin	8.17	8.37	3.71
Subsidiary Coin	6.44	6.55	5.16
Bills Discounted Int.	—	—	26.10
Govt. of India Treasury Bills	2,27.14	2,55.27	8,99.79
Balances held abroad	42,55.15	56,90.92	28,85.66
Loans to Govt.	19,00.46	19,89.46	2,80.00
Other Loans, etc.	1,06,55.09	1,11,26.58	80,24.96
Investments	1,64,38.64	1,37,03.82	37,03.21
Other Assets	13,64.44	13,60.27	18,91.21
Total	3,74,55.35	3,68,99.68	2,00,63.72

SCHEDULED BANKS

(In 000's of Rupees)			
	24-5-57	17-5-57	25-5-56
Demand Liabilities—			
(a) Borrowings from Banks	11,30.57	11,36.97	7,31.16
(b) Others	7,16,56.43	7,05,52.69	6,37,77.26
Time Liabilities—			
(a) Borrowings from Banks	3,07.00	3,01.00	3,21.30
(b) Others	5,16,73.93	5,14,02.52	4,32,34.42
Borrowing from State Bank—			
(i) Demand Liabilities	9,59.22	11,94.04	9,88.63
(ii) Time Liabilities	—	—	—
Borrowings from Reserve Bank	86,27.18	95,28.15	63,94.77
Cash	39,85.94	40,27.09	39,49.07
Balances with the Reserve Bank	54,73.55	58,64.77	48,75.73
Balances with other banks in current account	10,32.33	10,15.03	10,43.07
Money at call and short notice	20,88.40	18,52.39	9,94.03
Investments in Central and State Govt. Securities	3,43,34.08	3,43,99.13	3,52,78.61
Advances	7,43,43.03	7,47,26.30	6,13,69.99
Indian Bills purchased and discounted	1,31,10.44	1,31,11.79	1,09,10.63
Foreign Bills purchased and discounted	65,33.59	58,33.94	48,22.79

CLEARING HOUSE RETURNS

Week ended	Rs. (thousands)	Calcutta	Bombay
24-5-57	56,36.58	72,34.43	—
17-5-57	57,79.09	77,14.48	—
10-5-57	58,78.47	64,99.77	—

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	week ended	week ended	week ended
	17-5-57	10-5-57	3-5-57
Liabilities—			
Notes in Banking Department	11,75.69	11,75.69	8,40.16
Notes in Circulation	3,29,46.73	3,29,46.73	3,32,53.38
Total Notes issued	3,41,22.47	3,41,22.47	3,40,93.54
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	11,33.41
Approved Foreign Exchange	1,04,38.03	1,04,38.03	1,04,38.03
Government of India Securities	—	—	—
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30	43,02.30
B Rupee Coin	4,99.49	4,99.49	4,70.58
Govt. of Pakistan Securities	1,71,59.18	1,71,59.18	1,71,59.18
Held with Reserve Bank of India pending transfer to Pakistan	—	—	—
Gold Coin and Bullion	19.02	19.02	19.02
Sterling Securities	4,40.63	4,40.63	4,40.63
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee Coin	29.51	29.51	29.51
Total	3,41,22.47	3,41,22.47	3,40,93.54

BANKING DEPARTMENT

Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	54,91.31	51,96.09	51,96.09
(b) Provincial Government	3,23.26	3,23.26	14,51.97
(c) Banks	13,73.23	13,73.23	9,08.21
(d) Others	8,98.65	8,98.65	15.52
Bills Payable	46.90	46.90	13,42.87
Other Liabilities	13,22.35	13,22.35	95,50.76
Assets—			
Notes	11,75.69	11,75.69	8,40.16
Rupee Coin	19	19	19
(a) Pakistan	—	—	—
Subsidiary Coin	—	—	—
(a) Pakistan	—	—	—
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	10.46	10.46	10.46
(b) Govt. Treasury Bills	26.00	26.00	26.00
Loans and Advances to Govt.	9,38.42	9,38.42	12,61.06
Provincial Govt. Debtor Balances	5,45.45	5,45.45	5,45.45
Other Loans and Advances	63,53.59	63,53.59	53,29.74
Investments	10,05.81	10,05.81	11,05.08
Other Assets	—	—	95,50.76
Total	1,00,55.70	1,00,55.70	95,50.76

Stocks and Shares

TRADING REMAINS DULL AND RESTRICTED

LITTLE REACTION TO CHANGES IN TAXATION PROPOSALS

Wednesday Evening.

THE stock market has been extremely dull during the past week. The changes in the Budget taxation proposals announced by the Finance Minister last Friday have had little effect, presumably because the concessions relate mainly to indirect taxation. Operators are pleased that new industrial undertakings will be exempt from the wealth tax for their first five years; this has been a very welcome change, because under the original provision industrial expansion would have been unfairly penalised. The other concession, concerning the application of the wealth tax to one company's investments in another, is also worthy of approval. The changes, however, are minor compared to the major original injustice of applying the wealth tax to companies at all. The market hopes that when the Bills relating to the expenditure tax and the wealth tax go before select committees, further drastic amendments will be made.

Indian Irons have been notable for their steady trend which owes much to buying by the Life Insurance Corporation. There is nothing very special to report from the various sections individually. It might have been thought that tea shares would improve because the excise duty has been brought down to its former level; but this has not been the case, since fears of overproduction are making the outlook for the commodity bearish. Jute has attracted very little interest; worried by the fairly firm trend in fibre prices, investors are inclined to sell their holdings. In the miscellaneous section, interest has been selective, while coals remain dull. Gilt-edged have eased, except in the case of short-dateds.

Details of the week's trading follow.

With the exception of short-dated loans, the enquiry for Government securities petered out and prices receded further under selling pressure. The undertone of the market was quiet and the volume of business was on a small scale. The 3% Conversion Loan 1986 was marked back from Rs. 73.40 to Rs. 73.20 and 3% Non-terminable Paper eased to Rs. 73. The enquiry for short-dated loans continued unabated, with 3% 1957 in demand at Rs. 99.75, while 3% 1958 hardened to Rs. 99.68; 2½% 1961 had buyers over at Rs. 93.50 and 2½% 1960 was asked for around Rs. 96.50. The 3½% 1959-61 was traded around Rs. 97.75, but 3½% 1961 was marked back after payment of the half-yearly interest from Rs. 99.55 cum-voucher to Rs. 99.40 ex-voucher. In the medium-dated group, 2½% 1962 was fully steady around Rs. 93.80, but 3% 1963-65 was marked back from Rs. 93.94 cum-voucher to Rs. 93.82 ex-voucher, while 3% 1964 was easier at Rs. 93.95. Both 3½% 1964 and 1965 continued on offer and prices receded from Rs. 98.15 to Rs. 98.10 in each case, while 3½% 1967 has sellers over at Rs. 98.40. Long-dated loans were weak, with 3% 1966-68 quoted lower at Rs. 91.60, while 3% 1970-75 was marked back to Rs. 96.85 and 3½% 1974 to Rs. 98.40. State loans were dull and neglected, 4% Madras 1968 receding further to Rs. 96.40, and 4% U.P. 1968 being marked back to Rs. 97.50. Among other issues, 4% West Bengal loan 1963 was traded at the lower rate of Rs. 99.60 and 4% U.P. 1964 was easier at Rs. 98.75.

Preference shares were extremely dull with more sellers than buyers. In the miscellaneous group, Associated Hotels were crossed at Rs. 60 as were Bengal Timber at Rs. 33.50. Bharat Collieries hands at Rs. 49.25 and Burn 7% changed hands at Rs. 128. Calcutta Electric were reported at Rs. 9.12 and Indian Iron and Steel at Rs. 99. Indo-Burma Petroleum were marked at Rs. 97 ex-dividend, Jardine Henderson were crossed at Rs. 59.50 and Muir Mills at Rs. 83. Richardson and Cruttdas were offered at Rs. 67 and Rohtas Industries "B" preference were sold at Rs. 62. Martin were done at Rs. 98. In jute, Barnagore were taken at Rs. 30.50 and New Central were crossed at Rs. 100.

In the banking section, Punjab National and United Commercial were both well maintained at Rs. 54. United Bank of India were slightly easier at Rs. 4.19.

In the railway section, a solitary transaction was reported in Bukhtiarpur-Bihar at Rs. 20.

Cotton shares were dull and very little business was reported. Cawnpore Textiles were extremely quiet at Rs. 5.44 and Kesoram were marked down further to Rs. 13. Dunbar changed hands at Rs. 167 and Jaysree Textiles were crossed at Rs. 5.75.

Scattered business was reported in coal shares, with prices drifting to lower levels. Burrakur hand at Rs. 22.15 and Bengal came to Rs. 203 ex-dividend. Bokaro and Ramgur were marked at Rs. 12.12 and Central India were transacted at their previous quotation of Rs. 5.87. Talcher were unchanged at Rs. 1.56 while Western Bengal were sold at the lower rate of Rs. 5.12.

Jute shares continue to meet with selling pressure and prices moved to new low levels, as will be seen from the following table:

	Opening	Closing
	31st May, 1957	5th June, 1957
Rs.	Rs.	Rs.
Alliance	70	67
Anglo-India	136	134

Barnagore	85	81
Belvedere	92	80
Delta	123.50	120.50
Gourepore	234	228
India	127	124
Kamarhatti	85	82
Kinnison	135	131

Contrary to the general trend, Titagur and Victoria were both better at Rs. 9.25, while National were well maintained at around Rs. 19.70.

Electric supply shares were featureless, with prices showing little variation. Mirzapore were done at Rs. 5.90 and Calcutta were unchanged at Rs. 12.56. Patna Electric were crossed at Rs. 10.62 and Bhagalpur were reported at Rs. 7.94.

In the sugar section, Carew were maintained at Rs. 7.31, but Dyer Meakin Breweries were slightly easier at Rs. 6.12. Ramnugger Cane were unchanged at Rs. 25, as were Champaran at Rs. 16.50. There were small buyers of Shree Krishna Gyanoday around Rs. 10.

In the engineering section, continued support from the Life Insurance Corporation helped maintain the price of Indian Iron around Rs. 18.75. Most other issues in this section were easier, with the exception of Indian Galvanizing, which were steady at Rs. 20 against the opening quotation of Rs. 19.25. Here is a chart showing representative price movements:

	Opening	Closing
	31st May, 1957	5th June, 1957
Rs.	Rs.	Rs.
Braithwaite	25.37	25
Burn	305	300
Indian Steel and Wire Products	57	55
Jessop	24.06	22.56
Richardson and Cruttdas	14.62	13.75
Textile Machinery	17.40	17.25

Paper shares suffered further losses. Orient were marked down to Rs. 25.70, Shree Gopal to Rs.

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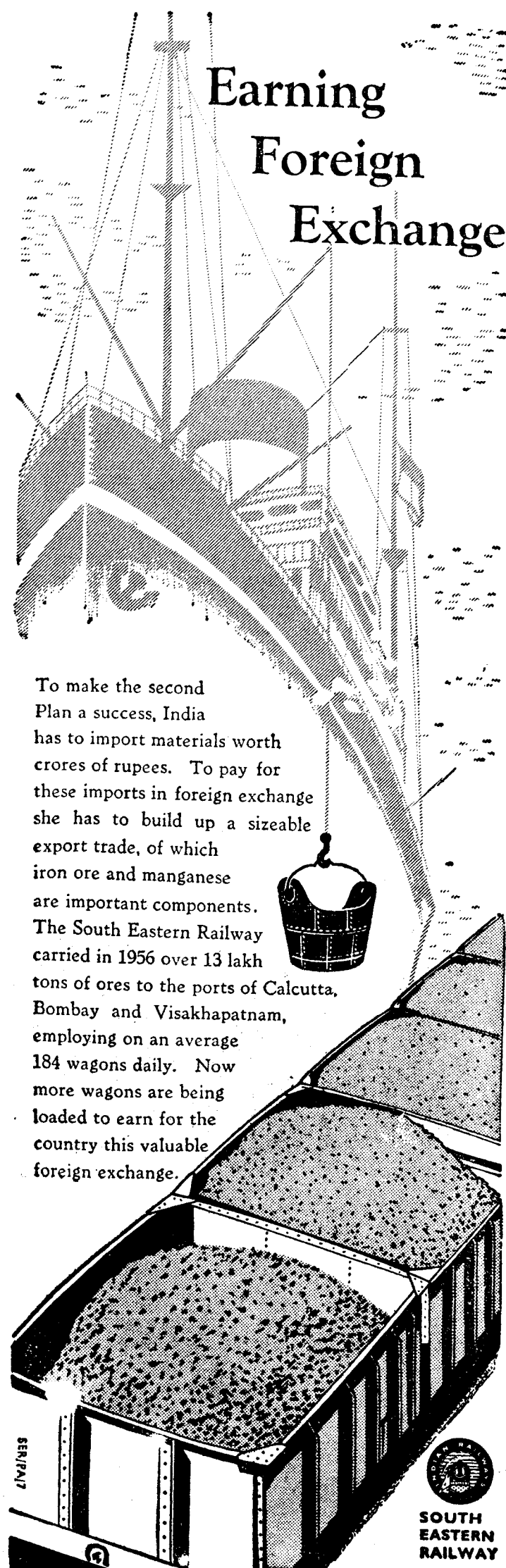
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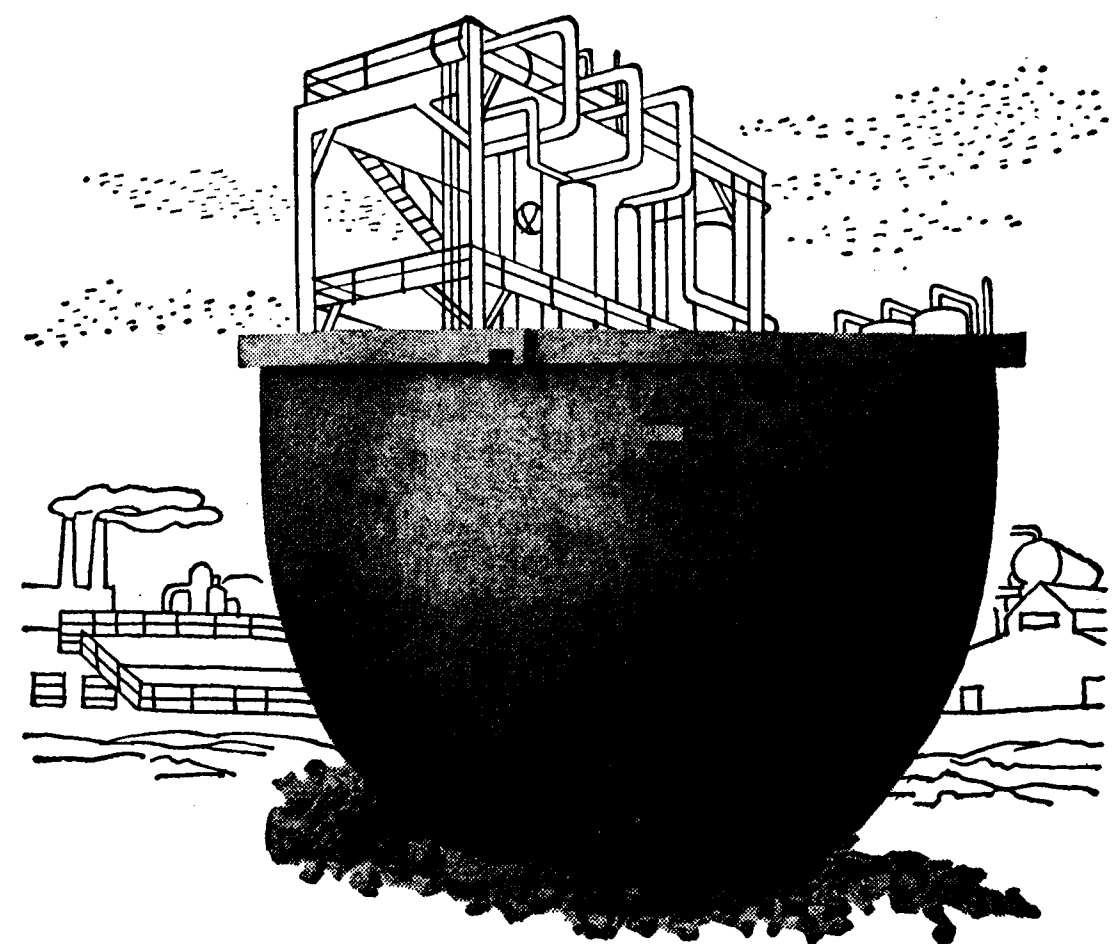
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The General Manager, South Eastern Railway, Garden Reach, Calcutta-23 invites tender for supply of the following items:

Tender No. GMI 57/PD 2CS(57) for supply of 1809 TW Tables for clerks, 1985 Chairs armed TW 1198 TW Tables supervisory, 1339 Chairs TW crossed-legged, 262 Tables T.W. Typist and 627 TW Steel oval to the Railways drawings.

Tender forms are obtainable from the Controller of Stores, South Eastern Railway, Garden Reach, Calcutta-23, (P. D. Section) on remittance of Rs. 5/- per copy per tender (not refundable) by money order in full direct in the case of outside firms and on production of cash receipt from the Chief Cashier, South Eastern Railway, Garden Reach, Calcutta-23, by local firms. Earnest money against the tender is Rs. 1,000/- Closing date of the tender is 27-6-57 at 12 noon. Firms not on the Railway's list of approved contractors must enclose a valid income tax clearance certificate along with the Earnest Money receipt with the tender.

14.50 and Titaghar to Rs. 32.75. Sirpur were fractionally lower at Rs. 8.31 while India Paper Pulp were unchanged at Rs. 20.50.

In cement, Ashoka were reported at Rs. 9.25 and Assam Bengal around Rs. 5.19. Dalmia were unchanged at Rs. 11.37 while Sone Valley were slightly easier at Rs. 5.81. Orissa were fairly steady at around Rs. 13.

In insurance, Standard General were offered at Rs. 5.25, while Triton were crossed at Rs. 150, with further buyers at this rate.

In shipping, India General Navigation lost one point to close at Rs. 65 and India Steamship were lower at Rs. 9.81.

Among miscellaneous industrials, Alkali and Chemical improved further to Rs. 13.37, but Assam Saws were marked back from Rs. 2.75 to Rs. 2.31. Britannia Biscuits had small buyers at Rs. 13.12, while British India Corporation on renewed selling pressure reacted from Rs. 6.90 to Rs. 5.85. Clive Row had small buyers at Rs. 9.87 and Dunlop Rubber were dealt in on an ex-dividend ex-rights basis at Rs. 16.62, against last week's quotation of Rs. 23 cum-dividend cum-rights. Hercules were lower at Rs. 21 and both Imperial Tobacco and Indian Aluminium were steady at Rs. 14 and Rs. 13 respectively. Indian Cables were depressed at Rs. 22.27, as were Indo Burma Petroleum at Rs. 26.25 ex-dividend. Jardine Henderson and Martin Burn were both unchanged at Rs. 75 and Rs. 22.62. Metal Pox were shared at Rs. 24.60, as were National Carbon at Rs. 23.50. Rallis were wanted at Rs. 35 and Shaw Wallace were better at Rs. 11.44. National Insulated Cables and Rehtas Industries were steady at Rs. 20.12 and Rs. 17.62 respectively.

In the mining section, Indian Copper were steady at Rs. 3.40 as were Orissa Minerals at Rs. 20.06. Barma Mines were marked at Rs. 2.32 and Western Stockholders Investment at 94p.

The withdrawal of the increase in excise duty on tea failed to arouse any interest in tea shares. Tukvar were quoted at Rs. 11.25 and Brooke Bond changed hands at Rs. 16.62. Bishnauth were traded at Rs. 18.50 and Hansena and Jayshree came to hand at Rs. 27 and Rs. 9.87 respectively. Ellenbarrie were wanted at Rs. 190 while Ebbahari, Hasimara and Rydak were quoted at Rs. 12.75, Rs. 20.50 and Rs. 32.50 respectively.

The BENAL FLOUR MILLS COMPANY has increased its profit by Rs. 3.22 lakhs to Rs. 9.66 lakhs for the year ended last December. The dividend has been declared at 25 percent, against 22 percent. The taxation provision is Rs. 4.52 lakhs (Rs. 2.90 lakhs). The general reserve allocation is the same at Rs. 2 lakhs and tax contingency reserve receives Rs. 1.46 lakhs. The carry-forward is Rs. 93,079 (Rs. 76,830).

The profit of the BENAL ASSAM STEAMSHIP COMPANY has declined from Rs. 10.81 lakhs to Rs. 5.25 lakhs. Providing Rs. 3 lakhs (Rs. 8.90 lakhs) for taxation there is Rs. 2,25,194. Bringing in Rs. 55,826, the available balance is Rs. 2,81,020. The ordinary dividend has been maintained at Rs. 7.50 a share, leaving a carry-forward of Rs. 1,10,020. The directors say that since the closing of the accounts, raw jute arrivals in this country have been disappointing and they show little sign of future improvement. The level of coal exports by water to East Pakistan is being maintained, but the freight on coal carried to Pakistan without return cargoes of jute is not itself sufficient to maintain and utilise fully the company's fleet. The possibility of extending the company's services elsewhere is being considered.

Bombay Market

IRREGULAR FLUCTUATIONS IN QUIET TRADING

GLOOM ABOUT BONUS ISSUE PROSPECTS

Wednesday Afternoon.

IRREGULAR fluctuations took place in the Bombay stock market during the past week. Steel shares were supported and values improved due partly to short-covering and partly to buying by the Life Insurance Corporation. Calcutta interests, in particular, it was believed, took delivery of large parcels of Indian Irons. Operators were not inclined to lengthen their commitments as uncertainty prevailed about the future outlook. The decision of a number of companies to withdraw their applications for the issue of bonus shares was a discouraging factor. It was stated that the increased tax on bonus shares would be too burdensome, and that company managers did not consider it worthwhile paying so much for capitalising reserves.

Sentiment in the mill group was weak because of slow trading in the piecemeal market. Stocks of cloth, it was thought, had accumulated. It was also feared that the experiment concerning labour participation in management would be made first in the textile industry. Prices in consequence tended to decline on long liquidation.

Tata Steel's were quoted to Rs. 158. Indian Irons increased to Rs. 18.70 on good support from Calcutta interests. Alcock Ashdown were available at Rs. 267.50 in spite of an improved report. Tata Locomotive were taken at Rs. 142.50 in routine turnover. Premier Construction came to hand at Rs. 142. Automobile shares lacked support, and Premier Automobiles were available at Rs. 87.50. Hindustan Motors were freely offered at Rs. 7 without attracting support.

The mill group was marked with a number of losses. Bombay Dyeing were transacted at Rs. 523 and Kohinoor declined to Rs. 284 on pressure. Century were quoted lower at Rs. 393 and Simplex declined to Rs. 162. Svadeshi were difficult to negotiate at Rs. 9.40.

Miscellaneous shares moved in sympathy with the general trend and activity was restricted. Sugar shares were barely steady, and Belapur were taken at Rs. 217. Phalton Sugar were done at Rs. 133. Mining shares were steady, and Shivrajpur Syndicate came to hand at Rs. 78. In spite of the decision of the Scindia Steam Navigation Company to proceed with its programme for capitalisation of reserves, the scrip declined to Rs. 17.75 on pressure. Bombay-Burmah improved to Rs. 536 on support from South Indian interests. National Ravon recovered to Rs. 216 and Tata Chemicals ended at Rs. 16.40 after minor variations. Wimco were sold at Rs. 156 on the belief that the increased excise duty on matches would be borne largely by the industry itself.

Banking shares were steady, and Central Bank were taken at Rs. 51.50. Bank of India were transacted at Rs. 138.25. Scattered interest was taken in New India Assurance at Rs. 45 after the publication of its report.

Electricity supply shares were steady and routine business was done. Ahmedabad were taken at Rs. 93.75 and Tata Power came to hand at Rs. 120.5.

THE WEEK'S TRANSACTIONS

[In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations. Highest for the week. Lowest for the week. Closing Quotations. Quotations for the Corresponding Closing Date a Year Ago, the last-named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paisa].

GOVERNMENT SECURITIES

21% Loan (1962)—Rs. 93/85—93/85—93/85—93/85.
21% U.P. Zamindari Bond (Collected)—Rs. 40/00—40/00—40/00—40/00.
3% Loan (1958)—Rs. 99/68—99/68—99/62—99/62.
3% " (1970-75)—Rs. 86/62—86/62—86/50—86/50.
3% " (1986)—Rs. 73/25—73/25—73/25—73/31.
3% " (1959-61)—Rs. 97/73—97/73—97/73—97/73.
3% " (1964)—Rs. 97/75—97/75—97/75—97/75.
3% " (1961)—Rs. 99/37—99/37—99/37—99/37.
3% " (1964)—Rs. 99/00—99/00—99/00—99/13.
3% " (1967)—Rs. 98/25—98/25—98/25—98/40.
3% " (1974)—Rs. 98/45—98/45—98/45—98/48.
4% U.P. (1964)—Rs. 98/75—98/75—98/75—98/75.

BANKS

Punjab National—Rs. 54/50—54/50—54/50—54/50.
United Bk. of India ("D" Share)—Rs. 4/25—4/25—4/19—4/25—4/8.
United Commercial—Rs. 53/25—54/00—53/25—54/00—50/8.

COTTONS

Birla—Rs. 20/00—28/00—20/00—28/00—(95).
Cawnpore—Rs. 5/50—5/50—5/50—5/50—(8-15).
Dunbar—Rs. 167/00—167/00—167/00—167/00—(312).
Elgin—Rs. 18/50—18/50—18/50—18/50—(27-4).
Jayshree—Rs. 5/62—5/62—5/62—5/62—(18-3).
Kesoram—Rs. 13/00—13/00—13/00—13/00—(85).
Muir Mills (Pref.)—Rs. 83/00—83/00—83/00—83/00—(85).
New Victoria—Rs. 1/56—1/56—1/56—1/56—(2-10).

COALS

Bengal—Rs. 213/00—214/00—212/00—213/00—(536).
Bharat (Pref.)—Rs. 49/25—49/25—49/25—49/25—(12-1).
Burrakur—Rs. 22/37—22/37—22/12—22/15—(13-1).
Bokaro and Ramgarh—Rs. 12/12—12/50—12/12—12/50—(12-1).
Central India—Rs. 5/91—5/94—5/84—5/91—(7-4).
New Hindustan—Rs. 2/00—2/06—2/00—2/06—(3-1).
Howrah—Rs. 1/56—1/56—1/56—1/56—(11-10).
West Ghusick—Rs. 13/06—13/06—13/06—13/06—(11-10).
Western Bengal—Rs. 5/12—5/12—5/12—5/12—(6-12).

JUTES

Alliance—Rs. 69/00—69/00—69/00—69/00—(140).
Anglo-India—Rs. 134/50—134/50—133/00—134/50—(181).
Do. (Pref.)—Rs. 98/00—100/00—98/00—100/00—(115).
Barnagore (Pref.)—Rs. 30/50—3/50—3/50—3/50—(44).
Belvedere—Rs. 79/00—80/00—79/00—80/00—(167).
Chitavalasah—Rs. 12/06—12/12—11/87—11/87—(15-6).
Howrah—Rs. 14/00—14/00—14/00—14/00—(24-3).
Hooghly (Pref.)—Rs. 7/81—7/81—7/50—7/50—(13-13).
Kankarnath ("B" Ord.)—Rs. 49/50—49/50—49/50—49/50—(6).
Kankarnath ("B" Ord.)—Rs. 76/00—76/00—76/00—76/00—(6).
Lawrence—Rs. 91/00—91/00—90/00—91/00—(115).
Megna—Rs. 65/00—65/00—65/00—65/00—(89).
National—Rs. 19/80 x d—19/80—19/69—19/70—(25-6).
New Central—Rs. 11/25—11/62—11/25—11/37—(18-1).
Do. (Pref.)—Rs. 100/00—100/00—100/00—100/00—(112).
Naihati—Rs. 49/50—49/50—49/00—49/00—(87-8).
Ramshewara—Rs. 4/50—4/62—4/50—4/62—(6-7).
Union—Rs. 100/00—100/00—100/00—100/00—(154).

MININGS

Burma Mines—Rs. 2/33—2/36—2/30—2/30—(3-13).
Consolidated Tin—Rs. 1/45—1/53—1/25—1/25—(2-10).
Indian Copper—Rs. 3/35—3/42—3/35—3/40—(6-14).
Orissa Minerals—Rs. 20/06—20/06—19/62—19/62—(24-4).
Tavoy Tin—Rs. 0/47—0/50—0/47—0/50—(10-0).

RAILWAY

Bukhtapur Bihar—Rs. 20/00—20/00—20/00—20/00—(10-0).

CEMENTS

Ashoka—Rs. 9/75—9/75—9/75—9/75—(8-4).
Assam Bengal—Rs. 5/06—5/25—5/06—5/25—(8-4).
Do. (Defd.)—Rs. 0/68—0/68—0/68—0/68—(2-1).
Dalmia (Bharat) (Defd.)—Rs. 2/06—2/19—2/06—2/19—(6).
Jaipur Udyog—Rs. 11/50—11/50—11/50—11/50—(13-0).
Orissa—Rs. 12/69—13/12 S.T.—12/69—13/00—(13-0).
Sone Valley—Rs. 5/81—5/81—5/68—5/68—(8-13).

CHEMICALS

Alkali and Chemical—Rs. 12/94—13/37—12/94—13/37—(21-4).
Bathgate & Co.—Rs. 1/44—1/44—1/44—1/44—(2-2).
Bengal Chemical—Rs. 102/00 S.T.—102/00—102/00—102/00—(103-8).

ELECTRICS

Bhagalpur—Rs. 7/69—7/94—7/69—7/75—(8-8).
Calcutta—Rs. 12/56—12/68—12/43 S.T.—12/53—(13-4).
Do. (Pref.)—Rs. 9/12—9/15—9/00—9/15—(11-5).
Muzaffarpore—Rs. 5/84—5/90—5/84—5/90—(7-4).
Mirzapore—Rs. 8/00—8/00—6/00—6/00—(9).
Patna—Rs. 10/62—10/69—10/62—10/69—(11-9).

SAW MILLS

Assam Saws—Rs. 2/25—2/25—2/25—2/25—(4-14).
Bengal Timber (Pref.)—Rs. 33/50—33/50—33/50—33/50—(78).

ENGINEERINGS

Arthur Butler—Rs. 8/00—8/00—8/00—8/00—(7-7).
Braithwaite & Co.—Rs. 25/37—25/37—25/00—25/00—(28-4).
Britannia Eng.—Rs. 13/35—13/50—13/35—13/50—(18-5).
Bharat Elec., Steel—Rs. 15/00—15/00—14/94—14/94—(10-12).
Guest, Keen, Williams—Rs. 27/00—28/50—27/00—28/50—(24-12).
Indian Galvanizing—Rs. 19/93—19/93—19/62—19/87—(24-12).
Indian Iron—Rs. 18/30—18/84—18/30—18/75—(38-9).
Do. (New)—Rs. 17/18—17/54—17/18—17/54—(106-8).
Do. (Pref.)—Rs. 99/00—99/00—99/00—99/00—(55/00—75/4).
Indian Steel & Wire Products—Rs. 55/25—55/25—55/00—55/00—(75/4).
Jasraj & Co.—Rs. 23/87—24/06—22/43—22/75—(35-13).
Kumardhubi—Rs. 8/69—8/81—8/69—8/69—(10-0).

Marshall—Rs. 4/56—4/62—4/50—4/50—(6-10).
National Iron & Steel—Rs. 7/19—7/19—7/12—7/12—(8-4).
Richardson & Cruddas—Rs. 13/94—14/06—13/75—13/75—(24-1).
Do. (Pref.)—Rs. 67/37—67/50—67/00—67/50—(24-1).
Steel Products (Pref.)—Rs. 0/72—1/56—0/72—1/56—(24-1).
Do. (Ord.)—Rs. 0/69—0/69—0/69—0/69—(24-1).
Textile Machinery—Rs. 17/45—17/50—17/20—17/25—(24-1).

INSURANCES

Standard General—Rs. 5/25—5/25—5/25—5/25—(3-14).
Triton—Rs. 150/00—150/00—150/00—150/00—(170-12).

MISCELLANEOUS

Aluminium Corp.—Rs. 8/75—8/87—8/75—8/87—(10).
Angelo Brothers—Rs. 17/75—17/75—17/62—17/62—(21-6).
Associated Hotels (Pref.)—Rs. 60/00—60/00—59/00—60/00—(65).
Airways India—Rs. 4/87—4/90—4/87—4/90—(11-3).
B. I. Corp.—Rs. 6/25—6/33—5/68—5/85—(11-3).
British Ceylon Corp.—Rs. 9/37—9/37—9/37—9/37—(8-15).
Britannia Biscuits—Rs. 13/12—13/12—13/12—13/12—(15-2).
Balmer Lawrie—Rs. 142/00—143/50—142/00—143/50—(13-12).
Bharat Commerce—Rs. 3/25—3/27—3/19—3/19—(9-9).
Clive Row Investment—Rs. 9/78—9/94—9/75—9/94—(10-8).
Darjeeling Ropeway—Rs. 5/87—5/87—5/87—5/87—(7-1).
Dunlop Rubber—Rs. 23/12—23/12—18/62—18/80 x.d.—(30-10).
Gillanders Arbuthnot—Rs. 11/00—11/37—11/00—11/37—(13-12).
Indian Cables—Rs. 22/75—23/12—22/75—22/87—(22-12).
Imperial Tobacco—Rs. 14/12—14/12—14/12—14/12—(14-14).
Indian Aluminium—Rs. 12/94—13/00—12/87—12/87—(101-8).
Jardine Henderson—Rs. 75/00—75/50—75/00—75/00—(101-8).
Do. (Pref.)—Rs. 59/50—59/50—59/50—59/50—(77).
James Wright—Rs. 3/56—3/62—3/12—3/12—(11-3).
Macfarlane & Co. (Defd.)—Rs. 0/50—0/50—0/46—0/46—(11-3).
Do. (Pref.)—Rs. 22/62—22/62—22/62—22/62—(25-5).
Martin Burn—Rs. 98/00—98/00—98/00—98/00—(105).
Do. (Pref.)—Rs. 98/00—98/00—98/00—98/00—(105).
Metal Box—Rs. 24/87—24/87—24/60—24/60—(28).
National Carbon—Rs. 23/75—23/75—23/31—23/50—(22-15).
National Insulated Cable—Rs. 19/87—20/25—19/75—20/12—(22-15).
Osler Electric Lamp—Rs. 3/06—3/06—2/90—2/90—(24-15).
Rohas India—Rs. 35/25—35/25—35/25—35/25—(24-15).
Rohas Industries—Rs. 17/50—17/87—17/50—17/50—(24-15).
Do. ("B" Pref.)—Rs. 62/75—62/75—62/00—62/00—(64).
Shaw Wallace—Rs. 11/19—11/31—11/19—11/19—(15-4).
Western Stockholders Investment—Rs. 0/84—0/95—0/84—0/95—(9-5).

PAPER MILLS

Orient—Rs. 26/05—26/12—25/60—25/70—(38-14).
Do. (Pref.)—Rs. 92/00—92/00—92/00—92/00—(19-7).
Shree Gopal—Rs. 14/68—14/75—14/68—14/75—(19-7).
Star—Rs. 9/94—9/94—9/94—9/94—(44-12).
Tilghur—Rs. 33/50—33/50—33/50—33/50—(44-12).
Do. (Pref.)—Rs. 134/00—135/50—134/00—135/50—(127).

SHIPPINGS

Calcutta Steam Nav.—Rs. 17/00—17/00—17/00—17/00—(127).
India Steamship—Rs. 9/91—10/00—9/74—9/80—(9-2).
India General Navig.—Rs. 65/50—65/50—64/75—65/25—(127).

SUGAR SHARES

Carew & Co.—Rs. 7/31—7/31—7/25—7/25—(8-12).
Champaran—Rs. 16/75—16/75—16/75—16/75—(29-4).
Cawnpore—Rs. 14/06—14/12—14/06—14/12—(20).
Dyer Meakin Breweries—Rs. 6/00—6/06—6/00—6/06—(6).
Shree Krishna Gyaanoday—Rs. 10/06—10/06—9/87—9/87—(13-4).

OILS

British Burma Petrol—Rs. 2/44—2/44—2/44—2/44—(41-14).
Indo-Burma Petrol—Rs. 26/50—26/50—26/37—26/37—(41-14).

Do. (Pref.)—Rs. 96/00—97/00 x.d.—96/00—97/00 x.d.—(108).

TEA SHARES

Bishnauth—Rs. 18/44—18/56—18/44—18/56—(25-10).
Brooke Bond—Rs. 16/62—16/69—16/50—16/56—(23-2).
Brahmapootra—Rs. 5/69—5/73—5/69—5/73—(24-1).
Dibrugarh—Rs. 21/25—21/43—21/25—21/43—(272).
Ellenbarrie—Rs. 163/00—163/00—163/00—163/00—(272).
Ebbahari—Rs. 12/75—12/81—12/75—12/81—(29-6).
Hansara—Rs. 27/00—27/00—27/00—27/00—(24-1).
Hasimara—Rs. 20/37—20/50—20/37—20/50—(43-8).
Huntapara—Rs. 157/00—157/00—157/00—157/00—(170-12).
Jayshree—Rs. 9/87—9/93—9/81—9/93—(19-62).
Luckatooah—Rs. 19/50—19/62—19/50—19/62—(80-4).
Rydak—Rs. 33/87—34/12—33/50—33/50—(14-12).
Rinicherra—Rs. 13/87—14/12—13/87—14/12—(14-14).
Tukvar—Rs. 11/25—11/37—11/25—11/31—(14-14).

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Dividend
Calcutta Gas Co. (Proprietary), Ltd.	7-6-57	4-15 p.m.
Soorah Jute Mills Co. Ltd.	12-6-57	2-30 p.m.
Assam Saw Mills & Timber Co. Ltd.	14-6-57	10-30 a.m.
Minerva Mills Ltd.	17-6-57	4 p.m.
Bengal Potteries Ltd.	18-6-57	4 p.m.
Bengal Flour Mills Co. Ltd.	19-6-57	Noon
Jenson & Nicholson (India) Ltd.	20-6-57	11 a.m.
State Bank of India	26-6-57	4 p.m.
Bhartia Electric Steel Co. Ltd.	28-6-57	4 p.m.
Shree Gopal Paper Mills Ltd.	28-6-57	10-30 a.m.
Rampooria Cotton Mills Ltd.	28-6-57	2 p.m.
Punjab Minerals Co. Ltd.	28-6-57	3 p.m.
Romnugger Cane & Sugar Co. Ltd.	4-7-57	Noon
Ondal Coal Co. Ltd.	4-7-57	10-30 a.m.
Churulia Coal Co. Ltd.	4-7-57	10-40 a.m.
Sendra Coal Co. Ltd.	4-7-57	10-50 a.m.



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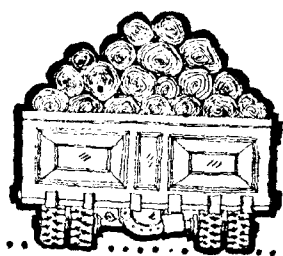
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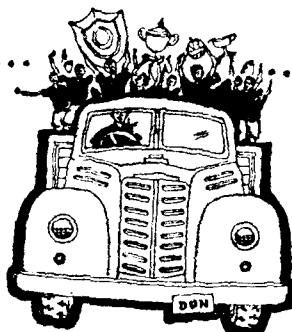
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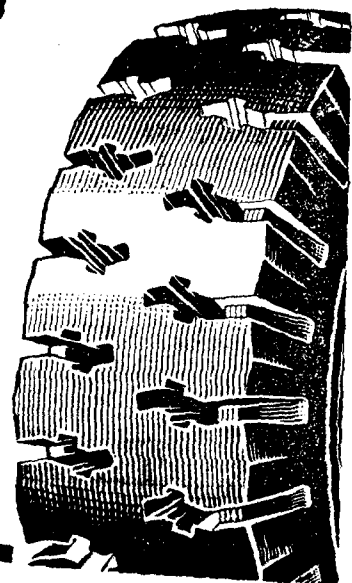
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RISE IN STOCK MARKETS INDUSTRIALS HIGHER BUT GILT-EDGED FALL

London, 5th June.

THE stock markets last week went ahead with the opening of the new account, but irregular conditions developed later. Gains generally predominated, but business suffered a further contraction partly due to the lack of fresh incentives, and partly under the influence of the approaching holiday. The industrials market benefited from good company news, and from the Chancellor of the Exchequer's statement that the Government's policy of reducing taxation will be continued. This was also a favourable influence in the gilt-edged market, but its effect proved short-lived, partly in view of the subsequent statement in Parliament that no artificial means would be used to stimulate interest in gilt-edged securities. This section remained highly sensitive and nervous, with the volume of business small. After recovering part of the previous week's losses, Government securities reacted and closed lower on balance. There was a selective demand for foreign bonds, with Chinese issues particularly favoured on the relaxation of trading restrictions with China. Rails were featureless while dollar stocks were rather irregular. The feature was the firmness of Canadian issues. The industrials market went smartly ahead at the opening of the new account, and although it developed some irregularity later, prices recorded numerous gains on the week. The chief feature was the fluctuation in Central Mining on bid developments. Coppers were dull with the Rhodesian Selection Trust's production cut a depressing influence. There were occasional firm spots in leads, zincs and tins. Oil shares were strong, following the increase in Persian Gulf prices announced by British Petroleum and the publication of the Royal Dutch Shell quarterly figures which were better than expected. Hopes of further bids continued to stimulate interest in rubber shares and many good features developed, but the market turned dull on suggestions that the Malayan Government might take steps to discourage bids. Teas were irregular.

The Money Market

End-of-the-month preparations and a lack of maturities were responsible for the continued shortage of credit in the money market last week. Apart from last Saturday, when the turn of the month brought a short spell of improvement, day-to-day operations continued on the basis of stringent credit conditions, and under the pressure for funds, up to 4 percent was realised. The main bulk of market requirements was usually transacted at 3½ percent. However, the market was forced only once into the Bank of England for a small amount, and that at the beginning of the week. On most days, the authorities intervened and bridged the gap between the market's needs and the funds available in the banking system. Bill business was fair with August and "hots" at 3-13 16 percent, although when hard pressed, 3-27 32 percent was conceded. No change was made in the general bid of the money market for the weekly offer of Treasury bills, but due to reduced competition, market houses were able to secure a large number of bills at a more favourable rate, the average rate being a few pence higher at £3 10s 5.25d percent.

Activity on Wall Street

U.S. Government obligations in longer term maturity ranges suffered further losses in sluggish dealings. A number of the issues came within striking distances of the record lows reached last January. In the foreign section, German Nationals were a firm spot, while Italians, Norwegians as well as Denmark 4½ percents and Poland 4½ percents of 1963 were easier and Greeks unchanged. Investment quality corporates were weak early last week, with many issues down by large fractions, but they eventually staged a slight recovery on a better volume of business. Rails were mostly lower in slack dealings. Convertibles fluctuated irregularly. Serbs and Union of South Africa 4½ percents were neglected. Australians were mostly higher. Japanese issues showed little change. Chile 3 percents advanced by a small fraction on fair activity.

Slight Interest in Vegetable Oils

With the conference on oils and seeds in Rapallo getting under way, trading interest in vegetable oils remained slight. Sharp price cuts of around £8 a ton in Argentine linseed oil followed the week-end announcement by the Argentine Central Bank of new export assessments. June shipments were offered tentatively in the region of £86½ c.i.f., with the price expected to drop a further £2 when freight charges are fully known. The tender on 4th June of a further one million bushels of U.S. linseed by the C.C.C. restricted activity. There was minor interest in Nigerian groundnut oil, with the Continent reported to have paid £125 c.i.f. for afloat. Groundnuts were a neglected market, with re-sellers mainly offering Nigerian to any destination at £67½ c.i.f., July-August, while a similar position for British East African was reduced to £64½ c.i.f. The Nigerian Board offered palm oil at 10s a ton lower at £91 a ton c.i.f. June-July without reported business. Indian castor oil was inclined to drift lower. Continental and eastern European buyers were generally indifferent, while for Pakistan, castor seed pure basis bids were invited for June-July at £73½ c.i.f., but apparently without result.

New Delhi

FINANCE MINISTER AMENDS TAXATION PROPOSALS

MEASURES TO BRING DOWN FOOD PRICES

(FROM A NEW DELHI CORRESPONDENT)

THE tax reliefs which the Finance Minister announced last Friday in the course of his reply to the Budget debate in the Lok Sabha were, as expected, small. But they were well received in the lobbies. Though the net effect will be a reduction of only Rs. 5.78 crores in the proposed additional taxation, the concessions made are popular. The proposed increases in the excise duty on tea and coffee have been withdrawn; they would have brought in Rs. 3.25 crores of additional revenue. The post card rates will remain the same as before, but the envelope will now bear a heavier levy. Railway travel up to 15 miles will be exempted from the tax on passenger fares. The effect of the income-tax on the lower income groups will be mitigated by the grant of an allowance of Rs. 300 a child, subject to a maximum of Rs. 600. The Finance Minister also promised some small mercies for companies in connection with the proposed wealth tax, and also for those assessable to the tax on expenditure.

Reiterating his intention to refer the Bills concerning the wealth tax and the expenditure tax to one or two select committees of the Lok Sabha, Mr. Krishnamachari said: "There will, therefore, be further opportunity to discuss the various details of these Bills. Meanwhile, I may as well state that it is my intention to ask the select committee to agree to giving a 'wealth tax holiday' for the first five years from the date of incorporation of a company on the value of the assets pertaining to an industrial undertaking of a new company, provided that the undertaking is not formed by the splitting up or the reconstruction of business already in existence or by the transfer to a new business of buildings, machinery and plant already used in an existing business. I also propose that investments of one company in another company, in what is called inter-corporate existence, should not be included for the purpose of the wealth tax. This is in tune with the provisions of Section 62 of the Income-tax Amendment Act, an amendment to which was made three or four years ago at my instance." On the Expenditure Tax Bill, which now provides in Clause 3 that the levy will not be applicable to an assessee "in respect of any assessment year if his total income under the Income-Tax Act during the previous year does not exceed Rs. 60,000", Mr. Krishnamachari said that the ultimate determination of the limit would be left to the select committee. "It is more than likely," Mr. Krishnamachari said, "that several provisions of this Bill will need revision: (a) in the direction of tightening the provisions; and (b) in allowing, in some cases, some elasticity for a period of time, so that particular individuals might change over from their normal expenditure limits to the new ones, of course, subject to the fact that there will be saving, and they can prove that they have been incurring this expenditure. May be in the case of some people who have retainers, to whom money has to be paid, that has to be excluded from the expenditure. Some people have mentioned about a large increase in medical bills. It will be for the select committee to consider all these matters."

The exemption of industrial undertakings of new companies for five years from the wealth tax, and of investment of a company in other companies in computing its wealth will make little difference to the estimated yield from the new levy on companies. Meanwhile, making allowance for the total tax credit of about Rs. 10 crores given by the Income-Tax Department every year on the income-tax paid by companies in the personal assessments of shareholders, the Central Finance Ministry has issued the following table to show that the incidence of corporate taxation in India, even after the proposed increase of 5 percent, will be less than in many industrially advanced countries. The rates are on the basis of distribution of 30 percent of the taxable profits.

The Finance Ministry's accompanying commentary defends the increase in the rate of income-tax on companies on the ground that it will reduce the loss accruing to the Government through the non-declaration of their dividend incomes by the bigger shareholders, while the smaller shareholders still get their refund. In addition, it is claimed: "We have a liberal development rebate as also depreciation allowances. An industrial company which has assets for which the standard rate of depreciation is 10 percent can write off 80 percent of its original cost in five years. The total tax rate being about 50 percent, this means that in a period of five years the company saves by way of taxes 40 percent on its investment. This is a very large concession which is not given anywhere in the world except only for shipping in the U.K."

Action against Food Hoarders

The new Parliament passed the Essential Commodities (Amendment) Bill. Introduced by the Government at the eleventh hour as a weapon to check hoarding and the consequent rise in food prices, the measure evoked two types of criticism. One, voiced mainly by Congress members, was that the power taken by the Government to requisition food stocks might lead to the harassment of small

producers and traders. It might pave the way for the return of unpopular controls and rationing. In reply to this, Mr. A. P. Jain, Minister for Food and Agriculture, ruled out rationing. He said that it was not the Government's intention to touch the small trader or the small farmer: "We propose to confine our operations to check hoarding by the

why the action now proposed was not taken much earlier. He said that while the country and the Finance Minister had been aware for some time of the rising trend of food prices and had been expressing concern, the Food Minister had been "consistently complacent". Spokesmen of the Opposition Parties sarcastically recalled the Food Minister's prediction last August of a "crash" in food prices. Those who wanted energetic action to bring down the market criticised particularly the proviso in the amending Bill on the payment of prices. In the event of the Government taking over food stocks from dealers in notified areas, the payment—in the absence of mutual agreement or a controlled price—will be on the basis of "the average market rate prevailing in the locality during the period of three months immediately preceding the date of the notification," the proviso runs. Since market prices during recent months have been unduly high it was argued, the Government was, in effect, accepting these as the norm, and would have to subsidise the sale of stocks seized from hoarders.

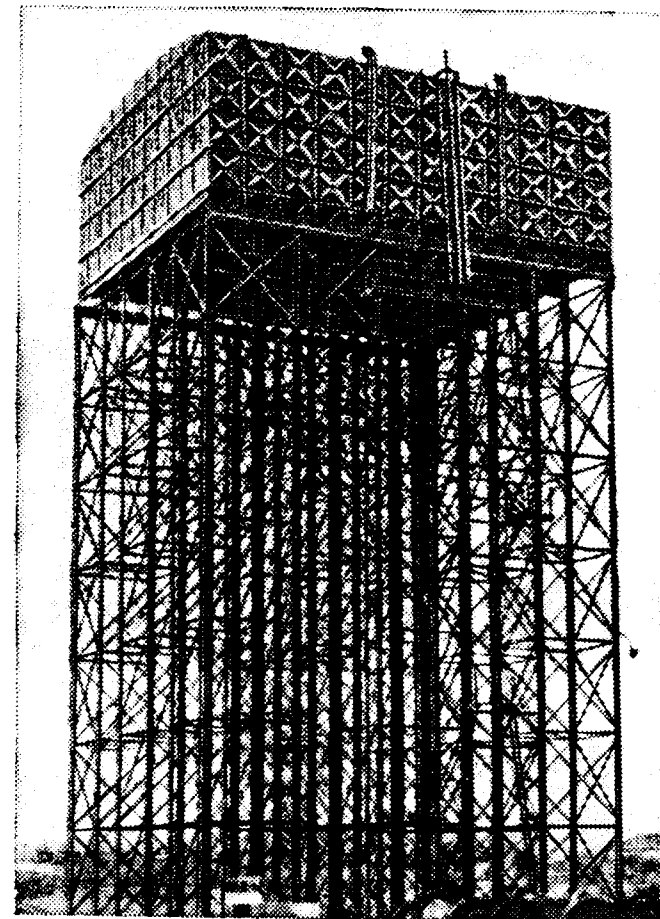
Country	Normal tax	Surplus, profits tax, social security tax	Total taxes	Credit to shareholders	Net incidence
	Percent	Percent	Percent	Percent	Percent
U.S.A.	30.00	22.00	52.00	1.59	50.50
U.K.	42.50	11.10	53.60	12.75	40.85
Canada	44.00	2.00	46.00	6.00	40.00
Australia	40.00	...	40.00	...	40.00
Sweden	Communal 12.00 State 44.00	...	56.00	...	56.00
Western Germany	31.50	9.00	40.50	...	40.50
Japan	40.00	...	40.00	6.00	34.00
India	Existing 26.25 Proposed 31.50	17.18 20.00	43.43 51.50	10.67 13.30	32.76 37.70

large stockists." The other, more widely heard, criticism was that the measure, though a step in the right direction, came too late and did not go far enough. Pandit Hriday Nath Kunzru, the Independent member, asked in the Rajya Sabha

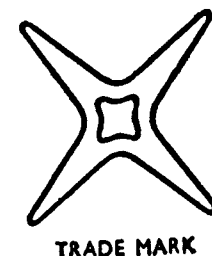
Wholesale Food Prices

The following table shows the movement of the wholesale price index of food articles over the year ended April 1957, and the variations each month since December 1956:

Groups and Sub-groups	April 1955	Dec. 1956	Jan. 1957	Feb. 1957	March 1957	April 1957
Food Articles	360.9	413.9	392.1	406.0	402.5	408.3
Cereals	461	532	491	526	523	536
Pulses	357	427	429	439	440	418
Others	234	232	257	251	232	249



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Messrs. Harrison & Crosfield Ltd., Quilon

During the week ended 18th May, the group index for food articles moved up further to 423.7, the figures for the three sub-groups being 558, 401 and 263, respectively. Yet Mr. A. P. Jain confidently declared that, in taking action "almost immediately" under the amended Act, prices would be fixed equitably both for the consumer and the stockist. He did not elaborate how this could be accomplished. At present, there is no control of prices in any part of the country, and the notification of controlled prices—under the amendment of the Essential Commodities Act of 1955 was required—would appear to be the only way by which the Government could pay less than the average market price of the preceding three months."

Long-term Measures

Speaking on the long-term policy for maintaining food prices "at a reasonable level," Mr. Jain

announced that the Government was negotiating a second agreement for American farm surpluses. It also proposed to announce shortly "certain very important" incentives for producing more food. The incentives will presumably be on the lines of the A.I.C.C. resolution which calls for the assurance of minimum prices of foodgrains and the award of a larger number of prizes for high productivity. Finally, Mr. Jain said that though rationing was out of the question, the Government might exercise greater powers of control over food-grain prices if the measure to requisition stocks from dealers did not prove adequate. He did not specify what the further steps might be, but it is expected that, in the next harvesting season, restrictions will be imposed on the movement of foodgrains out of surplus States, and that the Government will supplement its imported reserve stocks with internal purchases. The absence of zonal

restrictions on food movement has led to the paradox of Andhra, a rice-surplus State, making a request for 50,000 tons of rice from Central stocks for distribution through fair price shops.

Heavy Machinery Project

Mr. Manubhai Shah, Minister for Industry, made a statement in the Lok Sabha last week on the programme for the development of the heavy machinery industry in the coming years. Pointing out that very little machinery was produced in India at the time of partition, he said that indigenous production had increased in value from an estimated Rs. 5.10 crores in 1951 to Rs. 19 crores in 1954, Rs. 23 crores in 1955 and Rs. 30 crores in 1956. The demand, however, was far bigger, and the value of machinery imports was Rs. 83 crores in 1954-55; Rs. 118 crores in 1955-56; and Rs. 114 crores in the period from April to December 1956. It was estimated that requirements of machinery by 1960-61 would be of the order of Rs. 250 to 300 crores a year. The anticipated indigenous production, taking into account the schemes already sanctioned in the private sector and those being made for the public sector, would be Rs. 90 to 100 crores worth of machinery. There would thus be a gap of Rs. 150 to 200 crores.

With this prospect, Mr. Shah stated, "the Government invited two missions—one from Russia and the other from the U.K.—to visit India last year and to give us their ideas as to how heavy machinery manufacture should be initiated and developed in our country. After making a detailed survey of the existing capacity as well as the likely future needs, the two expert missions submitted their reports to the Government. The Government has given its most careful consideration to these two reports. It has decided in principle to proceed with the implementation of the heavy machine building shop as proposed by the Russian team as also a factory for the manufacture of coalmining equipment as proposed by another Russian expert mission. The Government has also decided to go ahead with three other projects recommended by the U.K. team, namely, the heavy machine tool factory, the heavy structural works, and the heavy plate and vessel works. In order to provide the heavy castings and forgings for these factories, the Government proposes to set up a heavy foundry and forge shop of sufficient capacity to meet the requirements. Four project reports have been studied by the Government relating to this foundry and forge shop, and it is expected that the decision as to which of the four parties is to be selected as technical collaborators will be taken shortly. The statement goes on to give the following details of the different projects:

Heavy machine building project: This factory will have an output of about 45,000 tons of machinery in the initial stage, and will be capable of being expanded later to an output of 80,000 tons of machinery a year. The principal items it is intended to manufacture in the initial stages are coke ovens and by-products plants, blast furnaces, steel melting furnaces, ore crushing and grinding equipment, cranes, rolling mills and their spare parts. The estimated cost of the plant excluding working capital, cost of township, etcetera, is about Rs. 20 crores in the first stage of 45,000 tons of output a year. In due course, it will be possible to expand the output of the plant to 165,000 tons of machinery a year.

Foundry and Forge: The estimated cost of this project is about Rs. 20 crores, exclusive of working capital, cost of township, etcetera. The capacity of the plant will be 28,000 tons of steel castings a year up to 100 tons piece weight; 30,000 tons of iron castings a year up to 100 tons piece weight; and 27,300 tons of forgings a year up to 30 tons piece weight. The plant layout will be so planned as to enable the doubling of this capacity if the need arises. Foreign technical collaboration for this project is still to be finalised.

Heavy machine tool works: This is the largest of the three projects based on the British mission's recommendations. They are together intended to meet the machinery and plant requirements of a number of industries such as chemicals, fertilisers, structural, shipbuilding yards, cement factories and railway workshops. The heavy machine tool works will have a capacity of 3,500 to 4,500 tons of machine tools a year on single shift, and it is estimated, will cost Rs. 5 crores exclusive of working capital, cost of township, etcetera.

Heavy structural works and plate and vessel works: These units will each have a capacity of 10,000 to 12,000 tons a year on a single shift basis, and are together estimated to cost Rs. 6.3 crores. The estimate does not, again, include working capital, cost of township, etcetera.

Coalmining equipment factory: This will have an output of 30,000 tons a year of coalmining machines and equipment, and is estimated to cost Rs. 13 crores excluding working capital, cost of township, etcetera. The principal items it is intended to manufacture are coal cutters, coal loaders, conveyors and conveyor drives, winders, haulages, mine locos, winches, mine pumps and fans. The factory will have its own small foundry and forge for light castings and forgings.

In reply to another question in the Lok Sabha, Mr. Manubhai Shah stated that the long-term credit of 500 million roubles offered by Russia, it is tentatively proposed, will be utilised in the following manner: heavy machinery building project and mining machinery project, Rs. 26.8 crores; development of Korba coalfields, Rs. 8 crores; power plant in Neyveli, Rs. 16 crores; optical glass plant, Rs. 85 lakhs; and equipment for balancing and reconditioning the methanol plant lying in Sindri, Rs. 1 crore. These add up to Rs. 52.35 crores.

London

FURTHER TAX CUTS LIKELY IN NEXT U.K. BUDGET

RESTRICTIONS ON TRADE WITH CHINA RELAXED

(FROM OUR LONDON CORRESPONDENT)

IF the Government feels worried at the trend displayed by the recent by-election results, this is not apparent from the determination with which it is pursuing its declared policies. Criticism of the Finance Bill was not lacking during the Committee stage of its consideration in the House of Commons, but with an average majority of about 40 votes, the clauses have been put through with almost time-table regularity, and the only concessions have been minor ones. Markets got a shot in the arm from the Chancellor of the Exchequer's promise of further tax concessions in the next Budget, contending that he had gone as far as he could in the present one under prevailing circumstances. That he is considering further relief, even so far off, is regarded as being indicative of official confidence. The Rent Bill, though it is alleged to be the main cause of the Government's unpopularity is being put through according to programme. The Shops Bill, on the other hand, which is strongly supported by the Opposition but is not so popular with Conservative backbenchers, is being dropped for this session. American disapproval has been risked on the unilateral decision to "go it alone" on raising the trade embargo with Communist China; and the European free trade area plan is still being supported enthusiastically. Mr. Macmillan is certainly demonstrating that he has the courage of his convictions.

There are many uncertainties ahead which will have to be overcome before the Government can face the next election with any hopes of success against the trend which the by-elections have shown. The chief of these is the success or failure of the fight against inflation. That danger persists. Almost as high on the list is the attitude of labour. The 5 percent wage rise as a sensible settlement of the latest spate of claims is finding more and more acceptors, and it is even more encouraging that many unions are also prepared to admit the need for some sort of standstill in wage claims and for increased productivity; but the shipyard workers are still holding out and being unnecessarily belligerent in the process and if Mr. Hill and other trade union leaders holding somewhat similar views can influence the mass of workers by their speeches employer-union relations will be a lot less reasonable than they have been hitherto.

Industrial Production Stale

The index of industrial production issued by the Central Statistical Office does not help to explain Mr. Thorneycroft's confidence in the future. Indeed, it is so contradictory that it must be lagging well behind current developments. It does not yet reflect the obvious recent revival of activity in many industrial centres, and particularly in the motor industry. The index for March is estimated at 143, and the number for April is expected to be 133-134. This compares with 140 for March 1956, and 136 for April 1956. In the first four months of 1957, the output index averaged 139, the same as in the corresponding period of 1956. Corrected for seasonal changes, the index comes out at 157 for both January and February 1957. March, and provisionally 136-137 for April. According to these figures, there has been no change in total industrial production for two years, apart from a short-lived spurt at the end of 1955, and as trial investment in new plant and equipment in British industry, there must now be a great deal of productive capacity under-employed, or some other obscure reason for the comparative anomaly. The March and April figures might have been affected adversely by the shipyard and engineering strikes, and, of course, the unusual mildness of the winter has reduced the demands for both coal and electricity. The figures for May and those for succeeding months should be more illuminating, and will no doubt be awaited with some interest.

In view of this, the economists' forecast of the economic trend for 1957 looks quite unreal. Compiled from the answers of 67 economists working in industry, commerce, finance and the universities on the basis of a questionnaire issued by the study section of the Royal Statistical Society, this has just made its appearance for the sixth year in succession. Once again it records a wide divergence of opinion—even some changes over the course of the last few months—and although it may be a most inaccurate method of assessing the value of the views expressed, the only way of arriving at a general picture is to take an average. Almost unanimously they predict an increase in production of about 2½ percent over 1956, which would call for a somewhat substantial rise over the rest of the year if the official index is a true guide. Personal consumption is expected to show an increase of a similar amount. Investment in fixed assets, on the other hand, is estimated at £50 million more than in 1956, against that year's rise of £80 million over 1955, but there is likely to be a change in direction, for allowance is made for a drop of about £30 million on housing. The rising export trend is expected to continue, but at a somewhat slower rate, namely 4½ percent against the 1956 increase of 6 percent. A significant fall in the present unemployment percentage of 1.7 is forecast, but less satisfactory is the belief that retail

prices will continue to rise though at 4 percent or just under the rate of increase will show a tendency to slow down. The interpretation of these figures depends on individual approach but they seem to be reasonably near to probabilities.

Control of Hire-Purchase Sales

The recent steady growth in the volume of hire-purchase trade—to damp down which has been a feature of the Government's anti-inflationary measures—is no doubt responsible for last week's slight tightening of the screw on business in motor cars. The temporary reduction of the deposit on hire-purchase sales introduced last December to bolster the slump-hit industry and avert unemployment has more than achieved its purpose, as latest statistics go to show. The cut then was from 50 percent to 20 percent. The minimum deposit is now raised to 33⅓ percent—the trade is divided as to whether it will stay at that level for some time, or alternatively be raised still further—and as a sort of *quid pro quo*, the minimum deposit for heavy vehicles and machinery has also been reduced to the one-third level from the half at which it stood previously. There has been some criticism of what is called "chopping and changing" but flexibility of control measures would seem to be an advantage in most cases.

There is no doubt that hire-purchase sales are an important influence on economic developments these days, and no secret has been made that official attention for some time has been concerned with the need to place it on a proper footing. Rumours have increased recently that the Government's long-delayed measure to do this may be expected in the not-too-distant future, and that it will lay down minimum capital requirements for hire-purchase companies as well as minimum "liquidity ratios." This would mean that an expanding company would have to increase its capital as well as its holdings of cash and Treasury bills to keep these in a constant ratio with its business. There have been reports that certain small companies want to increase their authorised capital before the controls are announced. People in the hire-purchase world are not convinced that there is any need for linking the amount of capital with the volume of business. The Chairman of the Campbell Discount Company in a note accompanying his company's accounts, writes that "the amount of business which may be done is not ultimately determined by the amount of capital which a banker possesses, but by the volume of the deposits entrusted to his care." His argument is that the safety of a hire-purchase house depends on liquidity to meet a sudden withdrawal of deposits, not on the amount of reserves on the liabilities side of the balance-sheet. In essence, these companies work on much the same lines as banks, so it would seem fair enough that they should present the same measure of control in the interest of the public.

Trade with China

Outside America, there will probably be general agreement that Britain has taken the obvious and only sensible decision by deciding to reduce restrictions on trade with China to the same basis as that which now applies to all trade with countries behind the Iron Curtain. What is more, she has done it without withdrawing from the China Committee and her example, therefore, is likely to be followed by many other members of that organisation. The practical results are not likely to be spectacular—a probable doubling of present exports to China to about £20 million a year for the U.K.—though it could bring even further benefit to Commonwealth trade which now runs at about £50 million a year. The most useful development would be a nearer balancing of payments, for China has recently been running a substantial credit which has involved a drain on our gold and dollar reserves. The effect of the British decision is completely to remove the differential between the list of goods embargoed for China and the list for the countries of the Russian block. There are 207 items, falling under ten headings which will be removed from the China list and will now be able to be exported with controls to China. These include some machine tools, some electric motors and generators, rubber-working machinery, most motor vehicles and tractors, most railway locomotives and other railway equipment, most internal combustion engines, some scientific instruments, rubber and most tyres and various chemicals. The Russian black list comprises 268 items, and all these items will feature on the China list. Of these items 180 are under full embargo, 25 are under quantitative control,

and 63 are on the so-called watch list, which means that the volume of these goods has to be notified to the Russian Committee. It is the Government's view that the same procedure should be adopted towards the items now removed from the list of goods embargoed for China. Some of them will be completely freed of all controls, some will be placed on the quantitative list and some on the watch list. In addition to the 238 items on the Russian list, there are 16 items listed as munitions, and 35 items in the field of atomic energy, which are embargoed also for the Russian block. These items will continue to be embargoed for China.

Apprentices in Commerce

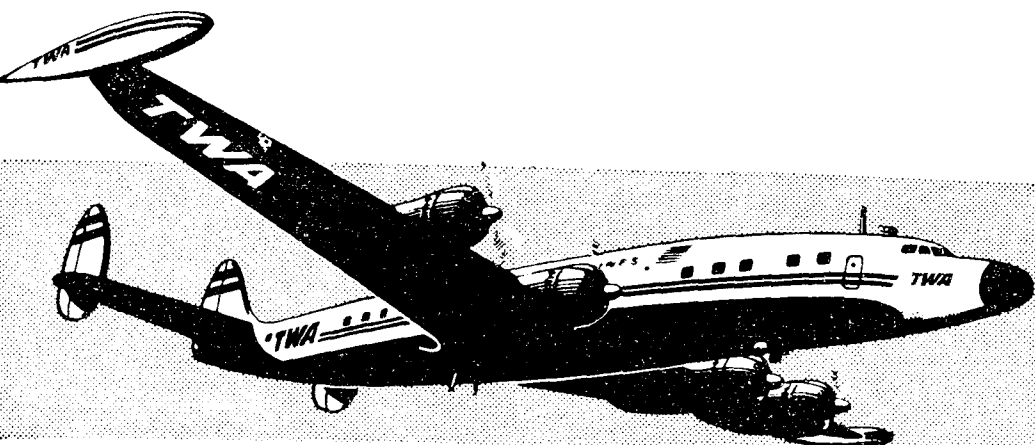
A scheme which will attract considerable attention has just been launched with Government approval by the Association of British Chambers of Commerce. It is a national apprenticeship scheme for commercial employees, designed both to raise the general standard of clerical work and to equip "candidates for management succession" with a comprehensive basic training. The scheme will be run by the Association's 100 affiliated Chambers of Commerce in collaboration with the local youth employment offices and technical and commercial colleges and is based on a deed of apprenticeship under which employer and employee contract to undertake an organised five-year course of training. This will comprise practical instruction in office organisation and methods, and at least two other departments of the employer's business such as accounting, purchasing, sales and marketing together with attendance on a part-time day-release basis at classes at a college of further education for the equivalent of at least one working day a week, supplemented by evening and home study. In preparation for the Higher National Certificate in Commerce or the final examination of a professional body. Apprentices who successfully complete the practical training course will get a diploma from the Association if they also obtain one of these higher qualifications, and a certificate if they only pass the examination for the Ordinary National Certificate in Commerce.

To qualify for enrolment as an apprentice, an employee must be between 16 and 30 years, and must normally hold a General Certificate of Education, with passes in English language and two other subjects (including mathematics, geography, history, a foreign language, science or commerce) at ordinary level, or in two subjects at advanced level. He must serve a probationary period of three months before the deed of apprenticeship is signed. The deed of apprenticeship will be drawn up by, and deposited with, the local Chamber of Commerce, which will receive annual reports on the apprentice's progress from his employer and the principal of his college. The Association's Commercial Apprenticeship Boards will approve the employer's scheme of practical training and the apprentice's choice of professional examination. They reserve the right to terminate the deed of apprenticeship if either the apprentice or his employer fails to carry out his obligations. Both employer and apprentice have the option of terminating an agreement after the first two years, and there is provision for an apprentice to complete an interrupted course with another employer. A pilot survey has shown that many textile, chemical, shipping, engineering and warehousing firms are willing to participate in the scheme immediately, and the first apprentices (about 1,000 are expected as a start) will begin their courses this autumn. The response of the Clerical Workers' Union has also been favourable, though the scheme does not lay down any improved rate of pay for apprentices; their wages and conditions of employment will be "those in operation in the employer's establishment." Registered apprentices will be eligible to apply for deferment of National Service.

Brevities

A further reduction from 10 percent to 5 percent (it was cut from 17½ percent to 10 percent a fortnight ago) was made last week in the freight surcharges imposed as a result of the Suez Canal blockade by the outward and homeward conference lines (1) U.K.—Continent—India, Pakistan, Colombo, (2) East African ports and (3) outward to Port Sudan.

Coal output figures continue to improve, production during the third week of last month being over a million tons higher than in the corresponding week a year earlier. So far this year we are four million tons ahead of the 1956 total, and imports over the period are only 1,562,400 tons against 2,675,600 tons. Distributed stocks are almost 2 million tons higher.



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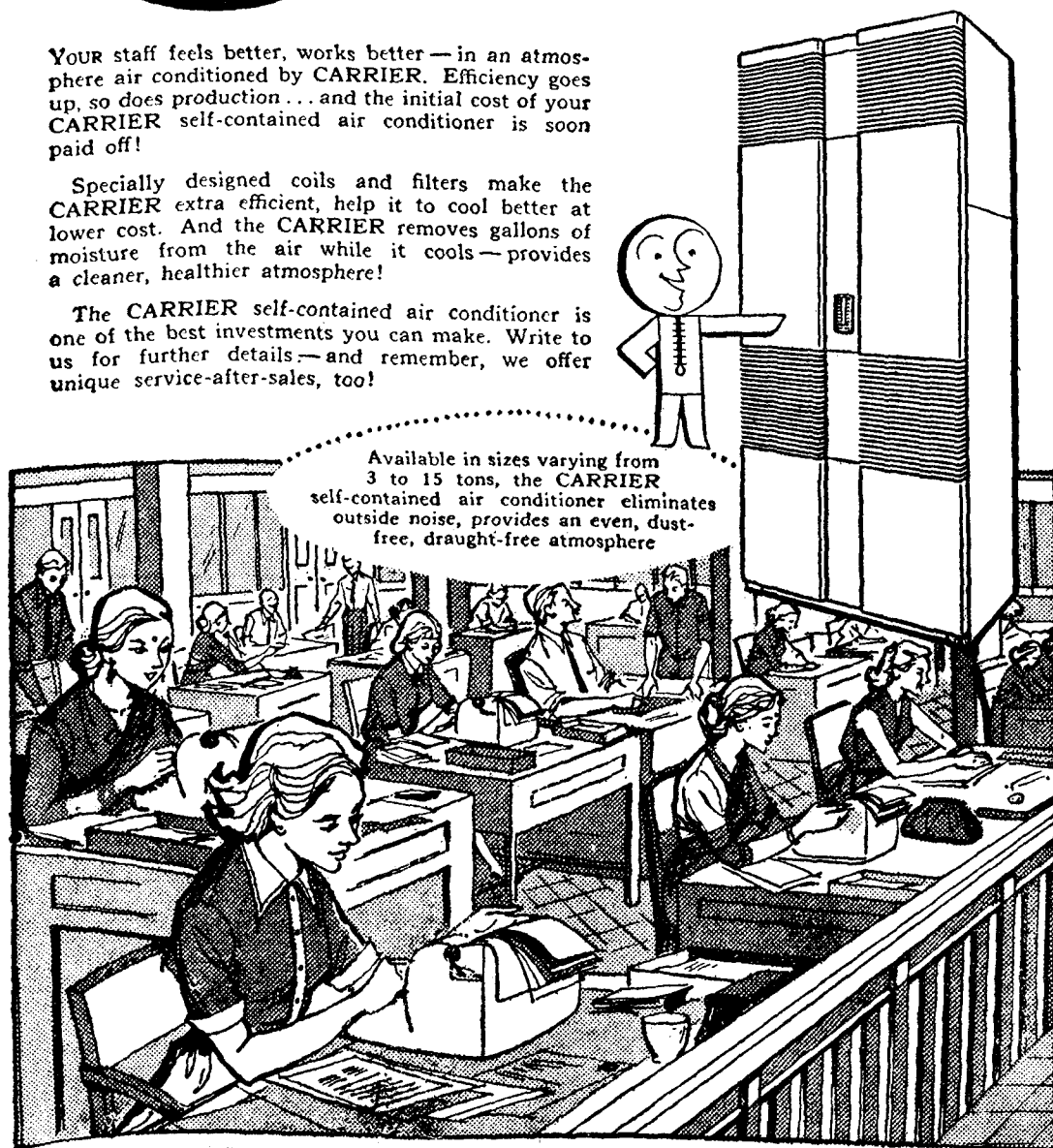
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Bombay

EXPANSION OF CEMENT INDUSTRY

PRODUCTION TARGETS MAY BE TOO LOW

(FROM OUR BOMBAY CORRESPONDENT)

THE cement industry has made good progress in recent years. Production last year amounted to approximately 4.9 million tons, as against a little less than 4.5 million tons in 1955. But it remains short of requirements by about 500,000 tons and the gap has to be bridged by imports. The second five year plan has fixed a production target of 18 million tons a year by 1961. It is planned to expand existing factories and to install new ones in order to achieve this target. The capital cost of expansion schemes is conservatively estimated at Rs. 75 crores. On the basis of its past record, there seems little doubt that the industry will achieve the target but actual demand may still exceed output.

Diversifying Production

Efforts are to be made to diversify production by the manufacture of blended cements for special purposes. Blended cements are generally manufactured by the inter-grinding of artificial pozzolanas, such as burnt clays and blast furnace slag, with controlled quantities of Portland cement clinker. At present, three types of cement are manufactured in this country conforming to Indian standard specifications. These are the ordinary, rapid hardening and low heat cements. Ordinary cement is used for normal construction purposes, rapid hardening cement where high early strengths are required and low heat cement where massive concrete work, as in dams, is involved requiring a low heat of hydration during the setting and hardening of the concrete in order to prevent shrinkage cracks.

Manufacturing Process

Another likely development pertains to manufacturing processes. There are two principal methods of manufacturing cement. They are the wet and the dry processes. The former is widely used in this country. It involves the reduction of the finely ground and blended raw materials to a state of fluid paste with the addition of water during grinding. After that, they are processed through the rotary kiln for roasting and chemical transformation. Although the wet process uses more fuel, the advantage is that it is easier and cheaper to blend and make homogenous the ingredients than in the dry process. But technical research is now under way on the blending and homogenising of the ingredients by the dry process. It is possible that within the next few years, some ultra-modern dry process plants will be functioning. A variety of raw materials are used in the production of ordinary Portland cement. For instance, the principal raw material, limestone or calcium bearing substances, ranges from sea shells, shells of marine biological origin, soft sedimentary deposits to highly crystallised metamorphic rock approximating to the hardness of granite. Yet another raw material was added, namely calcium carbonate sludge, which is obtained as a by-product in the manufacture of ammonium sulphate at the Sindri fertiliser factory. Although these resources seem impressive, a disadvantage is that high grade materials seem to be concentrated in remote areas, which involves heavy transport charges. These charges account for 20 percent of the selling price of cement.

Greater Mechanisation

A greater degree of mechanisation needs to be introduced in order to effect further economies in production. The use of mechanical excavators, for instance, is practically unknown. Manual operation involves a tremendous waste in terms of man-hours and adds to production costs. But mechanisation presupposes a highly developed group of ancillary industries which this country lacks at present. The industry plans intensive research in concrete technology. Such research will be directed towards the full utilisation of the properties of cement related to prestressed concrete, vibrated concrete, the development of soil cement and low cost canal linings. In addition, techniques of application will have to be evolved which suit Indian conditions.

Mechanical Equipment

In the last few years, industry has undertaken the fabrication of some units of heavy mechanical equipment required by cement manufacturers. One group manufactures nearly 70 percent of the heavy mechanical equipment needed by its units. This side of the industry is to be expanded in collaboration with British interests. The new Rs. 8 crore concern will specialise in the manufacture of cement, general mining and industrial machinery. Apart from fabricating cement units, such as stone crushing plant and rotary kilns, it will manufacture pressure vessels for the sugar and chemical industries and large capacity low head pumps for irrigation purposes.

June 6, 1957.

SMALL-SCALE MANUFACTURE OF JUTE GOODS

OFFICIAL PROPOSAL TO ESTABLISH TRAINING CENTRES

LONG before the introduction into India of power spinning and weaving of jute, the manufacture of jute bags by hand was already an established industry in Bengal. It is recorded that as far back as the eighteenth century and, in the first half of the nineteenth century, it had attained some importance. Production was at first for local consumption, but by the middle of the nineteenth century, exports of jute bags to Burma, Indonesia and other countries were quite substantial and formed a considerable proportion of the export trade. With the establishment of steam-power manufacture in the 'sixties, hand-made goods could not compete with the machine-made products and the hand industry gradually faded out though its goods went on being exported until late in the 'seventies. The West Bengal Government is now proposing to revive the handloom industry in some districts in north Bengal in order to provide employment for people belonging to the scheduled castes. Training centres are to be established, and spinning wheels and looms are to be supplied by the Government. Trainees are to be given subsidies to enable them to establish production centres. It will be interesting to see how the experiment progresses. Mills need not fear this competition and it is possible that there may be a market for the goods produced, but it is doubtful if it will be possible to sell them at a price low enough to compete with the mill product. Hand-spun cotton yarn and hand-woven cloth cannot compete with the factory products; it seems unlikely that hand-made jute goods will fare any better.

THE JUTE MARKETS

The markets remained steady until Saturday with mills offering prices for raw material just under the quoted rates and sellers unwilling to accept lower prices because of the continued drought. The market for manufactures was also steady and it was reported that overseas buyers were showing more interest having, it was stated, apparently made up their minds that the crop prospects did not justify expectations of lower prices. After the rain at the end of the week, both sections of the market eased but prices did not show any drastic fall and by Monday had recovered to the previous levels.

Manufactured Goods: Overseas markets, it is reported, have shown more interest and enquiry for heavy goods has been reported from Australia, New Zealand and West Africa. The Argentine is said to be buying, though not in large quantities. Rain in the jute districts brought about a fall in the fatka market and bulls did some unloading, but prices soon recovered from the lowest levels touched. Mills are reserved and brokers report positions. Quotations on Wednesday morning are as follows:

	Ready	June	July-Sept.	Oct.-Dec.
40in. 8oz.	Rs.	Rs.	Rs.	Rs.
	34.50	34.70	35	34.60
40in. 10oz.	42.86	43.10	43.40	43
B Twills	115.80	116	116.15	115.65
Heavy Cees (Plain)	115.40	116.15	116.90	115.80
A Twills	140.50	140	140	139.50
Liverpools	128.50	129	129.25	129.25
Cornacks	116.15	116.80	117.50	116.80

Raw Jute: Until Saturday, the market was steady, with a moderate amount of business passing daily. Reports of rain produced an easier tone and quotations fell. Buyers mostly withdrew from the market on the expectation of lower prices but, by Monday, sellers had raised rates to the previous levels. Buyers, however, held back and in the past two days there has been little business. Before the rain, business was done in Assam and Northern jute at Rs. 31 to Rs. 31.25 for assortment, while Middles alone were done at Rs. 33.50 and Bottoms alone at Rs. 31.50. After the rain, Assam and Northern was done at Rs. 30.75 but it is delivery from Calcutta. Mesta was sold at prices up to Rs. 29 basis Bottoms for Assam and Northern. Bimbi was bought at Rs. 26 to Rs. 26.50 and Pakistani N.C.'s at Rs. 115.50.

In the Cossipore market, mills continued to buy at full prices. Arrivals during the week ended 4th June were 370 wagons, against 546 in the previous week. Stocks declined further.

On Wednesday morning quotations were as follows:

Indian Jute:	Landed at Mills Rs. and basis Bottoms.	Shipment June-July
Assam	31	"
Northern	30	"
Purnea Desal	31	"
Purnea Jungli	28	"
Daissee	32.50	One month
Assam Tossa	32.50	June-July
Murshidabad Tossa	32.50	"
Jungli Tossa	30	"
Northern ex Calcutta	30.50	One month
Local Packing	29	"

Mesta:	29	June-July
Assam	29	"
Northern	28.50	"
Desal	27.50	One month
Murshidabad	27	June-July
Jungli	26	"
Bimbi	26	"
Pakistani N.C.'s	115.00 a bale	June-July

Mofussil: In Assam, and especially in Bihar, imports are more than normal for the time of year and they are expected to increase in Bihar now that rain has come. In north Bengal, Murshidabad and other districts, there is not much fibre coming forward.

Showers have fallen in almost all districts and sowing is now going on. In Assam and north Bengal, the crop is making good progress. More rain would be beneficial.

GUNNY SHIPMENTS DURING APRIL

The following are the total net figures of manufactured jute goods shipped from Calcutta during the month of April 1957 after providing for short shipments. These figures include shipments to coastal ports.

	Hessian Bags (Tons)	Cloth (Tons)	Total (Tons)
Gross	2,603.5	22,844.3	25,447.8
Short Shipped	432.5	1,837.3	2,269.8
April 1957 (Net)	2,171.0	21,007.0	23,178.0
March 1957 (Net)	2,962.5	30,561.2	33,523.7
February 1957 (Net)	1,892.2	26,288.0	28,170.2

	Sacking	1,401.3	27,577.9
Gross	26,176.6	1,401.3	27,577.9
Short Shipped	2,266.4	Nil	2,266.4
April 1957 (Net)	23,910.2	1,401.3	25,311.5
March 1957 (Net)	38,790.4	5,347.8	44,138.2
February 1957 (Net)	25,236.4	3,427.9	28,664.3

THE PAKISTANI JUTE MARKETS

FIBRE MAINTAINED: GUNNIES

STEADIER

(FROM A NARAYANGANJ CORRESPONDENT)

THE quantity of jute available at present in Narayanganj, and even in upcountry centres, is large for this time of the season. But prices also are high, last week's levels having been maintained after very small fluctuations. Railway connections to the northern areas have often been interrupted, restricting the flow of fibre. Moisture is less apparent than before. In spite of high prices, imports are being fully taken up and sellers are reluctant to haggle for very long over jute which has been landed. If their price is not paid, they know very well that it is difficult to find a buyer. More business has been reported for August-September in kutcha bales to the mills at Rs. 30-8 for B Bottoms. Inter-baler business in Narayanganj is restricted; the eagerness to buy loose and kutcha bales indicates a short position among shippers. Overseas prices are quoted at about £119 for Export Firsts but buying has been very selective.

During the last few days, there has been widespread rain throughout East Pakistan and for the first time some rain is even reported in the northern districts. The midland and highland crops, especially Tossa, should not therefore suffer unduly from the late rains. There will probably be a fall in the outturn in the northern areas, but it remains extremely difficult to give any accurate estimate of the final crop. In some areas, there are reports that sowings have exceeded last season's. River levels continue to rise but are not too high. Both by the law of averages and by the general weather conditions this season, it is fair to assume that there will be no flooding of a serious nature.

Various departments of the Pakistan Government have asked for tenders for a total of 28,000 bales of B Twills for delivery between June and August. This has steadied the market slightly. Karachi B Twills are now quoted at Rs. 131 and hessian at Rs. 45-8.

THE FOREIGN JUTE MARKETS

FIBRE KEEPS STEADY

(FROM OUR DUNDEE CORRESPONDENT)

IN spite of more favourable news about weather conditions for the new crop, raw jute prices have been very well maintained during the past week. Buyers of most commodities in the industry, however, are feeling confident that values must come down sooner or later, and any business that is being done in all sections of the trade is confined to satisfying the more pressing needs. The jute industry is losing customers because of the high level of prices and the uncertainty about the future. There is no need for Pakistan to keep prices so high. If it considers the minimum fixed prices enough to give the growers an adequate return for their labours why are the current quotations £30 to £40 a ton higher? Mill Firsts are offered at £124. Mill Lightnings at £118. Mill Hearts at £114 and grade Hearts at £107, good

Daissee-3 at £116 and grade at £133 and grade Tossa-3 at £122 and grade Tossa-4 at £117, all June-July, old crop, c.i.f., U.K. It is difficult to get shippers to name prices for the new crop, but one or two firms have indicated £104 for Mill Lightnings and £100 for Mill Hearts, September-October, c.i.f. Buyers' ideas are somewhat lower and, naturally, there is no business being done. By this time last year, shippers had a considerable number of orders on their books for new crop jute, much of which has been bought at minimum rates.

The Calcutta goods market has, like jute, been well maintained at unchanged prices. Little business is passing here at 65s 6d for 40in. 10oz. hessian and 49s 3d for 7oz. June. 65s 8d and 49s 3d July and 66s and 49s 6d August-September, with B Twills at 178s 9d, 179s and 179s for the respective positions of shipment f.o.b., Calcutta.

Dundee spinners and manufacturers are very perturbed about the complaints made by merchants who are losing business in jute cloth to sellers of paper and paper bags. They are appealing for the abolition of control so that they can purchase cheap jute goods from India or Pakistan and compete all the better with any other commodity being substituted for jute. Though jute has many advantages as a packaging material the question of price is a serious one. Meetings are being held between Government officials and the jute trade here, and some move is likely to be made soon. Meantime, trade in yarns and cloth is very dull and production is being increasingly curtailed.

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Engineering and Transport

DIESEL FUEL INJECTION
EQUIPMENT INDUSTRY
ENQUIRY ON EXTENDING
PROTECTION

OPENING the public enquiry into the question of continuance of protection to the diesel fuel injection equipment industry beyond 31st December, 1957. Mr. C. Ramasubban, Member, Tariff Commission said that the first enquiry into the claim of this industry to protection and assistance was conducted by the Tariff Commission in 1954. In its report submitted to the Government in March 1955, the Commission recommended protection to the industry up to 31st December, 1956, by levying a protective duty of 60 percent *ad valorem*, standard, on single cylinder fuel injection pumps for stationary diesel engines and nozzleholders with a clamping capacity up to 1 in. clamping diameter for nozzles (atomisers) and their component parts excluding elements and delivery valves when imported separately and nozzles respectively. The preferential rate of duty on nozzleholders of British manufacture was left to be fixed in accordance with the Indo-U.K. Trade Agreement. These recommendations were accepted by the Government and protection was granted to the industry from 7th September, 1955. Subsequently, in consultation with the Tariff Commission, the period of protection which was due to expire on 31st December, 1956, was extended by one year, that is, up to 31st December, 1957.

At present, protection is restricted to (a) single cylinder fuel injection pumps for stationary diesel engines, and component parts of such pumps, but excluding elements and delivery valves and their component parts, and (b) nozzleholders with a clamping capacity up to 1 in. clamping diameter for nozzles (atomisers) for use on stationary or automobile diesel engines, and their component parts (excluding nozzles). In connection with the present enquiry, the Development Wing has suggested that the scope of the enquiry may be widened so as to cover nozzles.

Domestic Demand

At the last enquiry, the Commission estimated the domestic demand for single cylinder pumps at 17,000 and for nozzleholders at 50,000. In connection with the present enquiry the Development Wing and Motor Industries Co. Ltd., Bangalore,

have furnished varying estimates of demand. The Development Wing has suggested that the demand for multi-cylinder pumps may also be assessed this time as it would be of help in planning the development of the industry. The estimates furnished by the Development Wing and Motor Industries Co. Ltd., are:

	Development	Wing	M.I.C.O.
		Nos.	Nos.
Single cylinder pumps	18,600	—	14,000
Multi-cylinder pumps	24,350	—	—
Nozzleholders	161,700	73,800	—
Nozzles	446,000	240,000	—

The basis adopted in arriving at the above estimates would be examined during the course of the discussions to assess the current demand for pumps, nozzles and nozzleholders and also to arrive at an estimate of the future demand for those items.

In 1954, there were three units licensed for the manufacture of diesel fuel injection equipment of all types and their components, namely, Motor Industries Co. Ltd., Bangalore (M.I.C.O.), Fuel Injections Ltd., Bombay and Kulko Engineering Works Ltd., Kolhapur. Of these only M.I.C.O. was producing fuel injection equipment on a commercial scale. Its capacity was then estimated at 4,000 for "P.F.A." type pumps, 6,000 for "P.F.B." type pumps and 10,000 for "S" type nozzleholders a year. Kulko Engineering Works was manufacturing fuel injection equipment for its own engines. Fuel Injections Ltd. went into production only in De-

ITEMS	Oct.-Dec. '55		1956	
	Quantity	Value	Quantity	Value
	Nos.	Rs.	Nos.	Rs.
Single cylinder fuel injection pumps for stationary diesel engines and component parts thereof excluding elements and delivery valves	2,201	54,216	4,791	3,88,181
Nozzleholders with a clamping capacity up to 1 in. clamping diameter for nozzles (atomisers) for use on stationary as well as automobile diesel engines and component parts (excluding nozzles) thereof	1,807	1,75,243	52,171	9,63,373

NOTE: Value of parts is also included in the above figures.

cember 1956. The present annual capacity of M.I.C.O. on single shift has been furnished by the Company at 12,000 for single cylinder pumps, 6,500 for multi-cylinder pumps, 48,000 for nozzleholders, 66,000 each for elements and delivery valves and 75,000 for nozzles. The capacity of Fuel Injections Ltd. on single shift is stated to be 10,000 for elements and 30,000 for nozzles. Fuel Injections Ltd.,

produced 350 nozzles in December 1956, and 670 nozzles during January-March 1957.

As regards raw materials required by the industry, it is understood that while one of the units meets its requirements partly from indigenous sources and partly from imports, the other unit depends entirely on imports. The supply position of raw materials would be examined with a view to finding out how far the dependence of the industry on imports could be reduced.

At the last enquiry, the Commission was of the view that the quality of M.I.C.O.'s products would be satisfactory because they were being manufactured according to Bosch standards. The Commission's view has been fully confirmed and no complaints on quality have been made, although one or two parties have expressed the view that there is scope for improvement. Complaints have been received from consumers that Bosch/Bryce type pumps, nozzleholders and nozzles cannot be fitted to certain engines. A clearer picture of the position relating to the engines which cannot use Bosch/Bryce type of equipment is however necessary. Mr. Ramasubban said.

Imports

Imports of protected categories of diesel fuel injection pumps and nozzleholders are being recorded separately by the Collectors of Customs and the D.G.C.I. & S. Calcutta, from October 1955. The total imports during October-December 1955 and 1956 were:

ITEMS	Oct.-Dec. '55		1956	
	Quantity	Value	Quantity	Value
	Nos.	Rs.	Nos.	Rs.
Single cylinder fuel injection pumps for stationary diesel engines and component parts thereof excluding elements and delivery valves	2,201	54,216	4,791	3,88,181
Nozzleholders with a clamping capacity up to 1 in. clamping diameter for nozzles (atomisers) for use on stationary as well as automobile diesel engines and component parts (excluding nozzles) thereof	1,807	1,75,243	52,171	9,63,373

The bulk of the imports came from the U.K.

The protected categories of diesel fuel injection pumps and nozzleholders and their parts are assessed to protective duty of 60 percent *ad valorem* under item No 75(18) of the First Schedule to the Indian Tariff Act, 1934. Nozzleholders of U.K. manufacture are assessed to a preferential duty of 52½ percent *ad valorem*.

One of the manufacturers has prayed for the continuance of protection for a further period of at least five years, while another has pleaded for its continuance with the inclusion of elements and nozzles within the scheme of protection. The Cost Accounts Officer has examined the costs of production of representative types of single cylinder pumps and nozzleholders produced by M.I.C.O. and the details of the costs will be discussed separately with the representatives of the Company, but it is proposed to discuss in general terms the various factors which have compelled the industry to claim continuance of protection, and the nature and extent of protection and assistance that may be necessary. The equipment is a vital component of diesel engines, both stationary and automotive, and production under the extremely fine precision limits permissible calls for the exercise of unrelenting efforts on the part of the manufacturer to maintain quality. The growth of this industry is, therefore, of vital importance for the development of the automobile industry as a whole.

NEW PROCESS FOR TREATING MACHINERY
PARTS SAVES ON LUBRICATION

A new process for treating metal surfaces has been invented in Britain. It enables machinery to run almost indefinitely without the moving parts being in need of lubrication. It is claimed by testing experts to be "the most important development in engineering since the introduction of steel". The new process—known as "Promac"—is the invention of a Scottish engineer, Mr. John McGregor. In his pioneering work and the fitting of treated parts in various industrial establishments in the area, the inventor was helped by the Dundee engineering firm of William McLean and Sons. Of the many applications of the Promac process, one spectacular test was carried out at a jute factory in Dundee where tests on the spindles of a jute loom began on 22nd February. It is now reported that not one drop of oil was needed to be applied to the spindles in all that time, while the oil requirement of normal loom spindles is once every two hours. An experiment is now to take place with a shuttle where one of the major results is expected to be the lessening of factory noise. Several Edinburgh buses have already been fitted with Promac-treated parts. Among the notable results reported after their use were easy starting from zero temperature, quieter running and economy in petrol consumption as buses could run two miles more to each gallon of fuel. Another test is claimed to have shown no measurable wear to a motor-car engine even after 20,000 miles' running, and in another, car lubricating oil was still quite clean after running 70,000 miles. There had also been a 12 percent improvement in petrol consumption. For a long time, tests with machinery in moving parts have been made on machinery in Edinburgh, Glasgow, Dundee, Sheffield, and Newcastle. After the machine tests, reports show that the process adds up to 10 times the normal life to cutting tools running at high speeds, and 20 times the normal life to power-press tools.

Commodity Markets

CANALISING IRON ORE
EXPORTSFUNCTIONS OF THE STATE
TRADING CORPORATION

ON a review of the procedures adopted since 1953 for regulating iron ore exports and in view of the pattern of the trade abroad, the Government has decided to canalise its exports through a single agency, a Government Press note says. This, the Government hopes, will prevent fragmentation of quotas, facilitate bulk movements, help in the co-ordination of rail movements with shipping programmes, and above all, make it possible for the development of mining, to be synchronised with the availability of transport. Accordingly, the responsibility for canalising iron ore exports has been entrusted to the State Trading Corporation with effect from 1st July. The Government, it is said, is keen to ensure that established trading and mining interests participate fully in the business. The State Trading Corporation has accordingly been directed to utilise the existing channels of trade and give effect to the maximum extent practicable to the recommendations made by the Liaison Committee in this behalf. In particular, the Corporation will ensure that every established shipper and mineowner-exporter is given an opportunity to participate in the business relative to his performance during the four-year period ended December 1956, and that the interests of mineowners who are not shippers are duly safeguarded. Export Trade Controllers have been instructed to give *ad hoc* permission to shippers and mineowner-exporters to facilitate the shipment of iron ore moved against current quotas to the ports before 30th June, 1957, provided such shipments are intended to be made against contracts concluded before 31st March, 1957.

Utilising Private Trade

In a separate trade notice, the State Trading Corporation has announced that it has already concluded contracts for the export of a little over 2 million tons of iron ore during 1957-58. It expects to achieve the target of 2.5 million tons set already by the Liaison Committee. The Corporation has implemented the Government's directive that the maximum extent possible, the Corporation also proposed to procure iron ore from shippers and mineowners who have exported iron ore during the basic years 1953, 1954, 1955 and 1956 to the extent of 50 percent of their average exports. Allotments of each individual supplier will be calculated separately for three groups of ports, namely, Calcutta, Madras and Bombay ports and Kandla and Bhavnagar ports. The Corporation will buy on an allotment basis from suppliers whose individual allotment is 20,000 tons or more. Allottees with less than 20,000 tons each will be free to bulk their individual allotment and nominate anyone among them to operate on their behalf. The Corporation will also buy on f.o.b. basis from associations or co-operatives of allottees registered as a corporation body, provided the membership is 15 or more. The Corporation will buy on f.o.b. basis from suppliers whose individual allotments fall below 20,000 tons and who have not been able to bulk their allotments with others. It will not, however, purchase directly from any individual whose allotment is less than 100 tons. The Corporation will also be prepared to buy ready stocks from persons holding stocks at ports which are moved before 30th June and not covered by the overseas sales contracts. The Corporation is negotiating for the sale of low grade ores to Japan and Europe; and hopes to conclude contracts shortly for substantial quantities. Ores originating from Redi, Hanover and Naydupetah areas will also be exported by the S.T.C. It will be willing to make its purchases of these low grade ores from mineowners and shippers at a negotiated price.

Quota Licensing for Manganese Ore Exports

On a review of the procedures for regulating the exports of manganese ore, the Government has decided to continue the system of quota licensing for the period July 1957 to June 1958. Movement and shipment quotas will be given to shippers and mineowners equal to 60 percent of their exports made in 1955 or 1956 to be selected by them. Quota holders will be required to utilise at least 60 percent of the quotas issued to them for the export of manganese ore containing 42 percent manganese and below. This restriction will not apply to mineowners who establish to the satisfaction of Export Trade Controllers that their mines do not contain manganese ore containing less than 42 percent manganese and to those shippers and mineowner-exporters who have outstanding commitments for higher grades. The Government trust that commitments made by shippers and mineowner-exporters to foreign importers for the export of manganese ore prior to June 1957 will be honoured to the maximum extent practicable. It is hoped that quotaholders will utilise their quotas for the fulfilment of their outstanding commitments in the first instance. The State Trading Corporation is also being advised to make available a portion of its quota where convenient to shippers and mineowners whose quota allotments fall short of their genuine commitments to meet their obligations on a basis acceptable to the parties concerned. Quotas will be valid for management facilities only on sectors on which

quotaholders have been operating during the period July 1956 to June 1957.

The State Trading Corporation will be allotted an adequate quota to enable it to maximise the exports of manganese ore. The Corporation is being advised to seek the co-operation of established trading and mining interests to make this effort a success.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August 1939=100) advanced by 13 percent to 434.6 during the week ended 18th May, compared with 428.9 for the earlier week. The index was higher by 2.7 percent and 11.1 percent respectively when compared with the corresponding week of last month and that of a year ago. Higher prices of rice in Vijayawada and in Patna (+5% each), gur (+4%) and tea (+1%) raised the index for Food Articles by 1.1 percent to 423.7 in spite of a decline in the prices of gram (-5%), dal arhar (-4%), wheat (-3%) and rice in Calcutta (-1%). The index for Industrial Raw Materials rose by 1.2 percent to 540.6 as a result of an increase in the prices of manganese ore (average export price) and raw jute (+5% each), rapeseed in Kanpur and raw silk (+3% each) and castorseed and gingellyseed both in Bombay, linseed in Calcutta and copra (+1% each), although the prices of lac (-6%), linseed in Bombay (-2%) and groundnuts (-1%) witnessed a fall. The index for Semi-Manufactures went up by 2.0 percent to 410.0 compared with 401.9 (revised) for the earlier week. Items which showed significant changes were: semis (+17%), petrol (+12%), gingelly oil (+6%), linseed oil in Calcutta, groundnut cake and coconut oil (+3% each), castor oil and groundnut oil (+2% each), zinc (-4%) and linseed oil in Bombay (-2%). An increase of 1.4 percent to 390.0 compared with 384.7 (revised) for the previous week, in the index for Manufactures was caused by an advance in the prices of matches (+31%), cement (+15%), iron and steel manufactures (+9%), paper (+6%) and dyestuffs (+2%); the prices of glass and paints (-1% each) were, however, marked down. The index for the Miscellaneous group moved up by 0.4 percent to 572.9 (estimated) on account of a rise in the prices of vanaspathi (daldia) (+5%), betelnuts (+2%) and black pepper (+1%) while turmeric (-4%) and cashewnuts (-1%) showed decreases.

INDEX NUMBERS BY GROUPS AND SUB-GROUPS
(Base: Year ended August 1939=100)

Groups and Sub-Groups	Week Ended			
	18-5-57	11-5-57	20-4-57	19-5-56
I Food Articles:	423.7	419.2	411.1(R)	350.5
Cereals	558*	550*	529*	447
Pulses	401	420	412	367
Others	263*	257	261	225
II Industrial Raw Materials:	540.6	534.4	516.4	493.5
Fibres	535	523	509*	457
Oilseeds	579	581	556	559
Minerals	568	563	520	463
Others	406	409	415*	427
III Semi-Manufactures:	410.0	401.9(R)	400.4	385.1
Leather	414	414	401	406
Mineral oils	218	207	211	208
Vegetable oils	597	587	573	561
Cotton yarn	478	479*	482*	476
Metals	346	327	328*	280
Oilcakes	428	423	403*	402
Others	374	374	375	360
IV Manufactures:	390.0	384.7(R)	384.1	377.2
Textiles	411	410	410*(R)	411
Jute	429	427	—	389
Cotton	412*	412*	412*	416*
Rayon and silk	424*	424*	442*(R)	485*
Woollen	270	270(R)	266	264
Metal products	407	392	392	371
Others	316	305	305	286
V Miscellaneous:	572.9*	570.7*	568.5	501.0
All Commodities	434.6	428.9	423.3(R)	391.3
R=Revised.			*=Estimated.	

Groups and Sub-groups	April 1956		March 1957		April 1957	
	1956		1957		1957	
I Food Articles:	360.9	402.7(R)	408.3		408.3	
Cereals	461	528	536*		536*	
Pulses	357	440	418		418	
Others	234	243(R)	249		249	
II Industrial Raw Materials:	472.3	518.1(R)	514.7		514.7	
Fibres	459	505	508		508	
Oilseeds	529	559(R)	555		555	
Minerals	446	552	512		512	
Others	394*	414(R)	416		416	
III Semi-Manufactures:	377.4	403.3	400.0		400.0	
Leather	409	410	398		398	
Mineral oils	208	210	211		211	
Vegetable oils	528	577	567		567	
Cotton yarn	457	484	483		483	
Metals	282	328	328		328	
Oil cakes	419	419	409		409	
Others	362	385	375		375	
IV Manufactures:	375.8	384.1	384.3		384.3	
Textiles	409	410	410*		410*	
Jute	398	412	416		416	
Cotton	408*	414*	412*		412*	
Rayon and silk	502*	442*	442		442	
Woollen	246	266	266		266	
Metal products	371	392	392		392	
Others	286	302	305		305	
V Miscellaneous:	496.7	569.6(R)	567.1(R)		567.1(R)	
All Commodities	391.3	421.3(R)	422.1(R)		422.1(R)	
R=Revised.			*=Estimated.			



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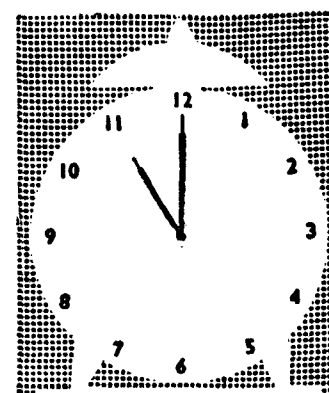
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BOMBAY—1

Authorised Capital	Rs. 6,30,00,000
Subscribed Capital	Rs. 5,76,66,125
Paid-up Capital	Rs. 3,14,54,250
Reserve Fund and other Reserves	Rs. 4,02,77,122
Deposits as at 31-12-56	Rs. 1,39,01,90,571

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Sir Homi Mody, K.B.E. (Chairman), Cooverji Hormusji Bhambhani, Esq. (Vice-Chairman), Dushay D. Rorer, Esq., Dharamdas Mulraj Khatun, Esq., Mamohandas Madhavdas Amersey, Esq., C. P. Wadia, Esq., Chimanlal B. Parikh, Esq., Frankrose J. Gaudar, Esq., Sir Jamsetji Jejeebhoy Bart. His Highness Sir Jivajirao Madhavrao Scindia, G.C.S.I., G.C.I.E., Maharaja of Gwalior, Mr. N. K. Karanjia, General Manager.

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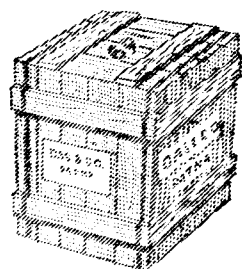


At 11
this morning
break for
a refreshing
cup of tea



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(b) The dividend, if declared, will be paid on or after 11th July, 1957, to those Shareholders so entitled whose names appear in the Company's books on the 4th July, 1957, or to their mandatees. No application for Dividend Warrants will be necessary.

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

Year of Issue	NAMES	Amount	Rate per cent	Paid-up per Share	Market Quotations		Year of Issue	NAMES	Amount	Rate per cent	Paid-up per Share	Market Quotations	
		Rs.			Rs.	Rs.			A year ago Rs.			Rs.	Rs.	Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	108/50	131 1/2	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	70/00	77 1/2
COAL.													
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85/00	100	1935-39	Bombay Steam Navigation (July)	15.00	6 1/2	250	14/00	15 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	99/50	117	1918	Britannia Biscuit (Feb. Aug.)	7.50	6	10	9/00	10 1/2
1901-20	Burrakur (June Dec.)	22.98	7	100	112/00	111 1/2	1909-11	British India Corporation (Feb.)	81.00	8	100	106/00	124 1/2
1946	Burrakur (June Dec.)	4.50	6 1/2	10	17/5	62	1937	Burn Eng (1st & 2nd) (Feb. Aug.)	13.00	7	100	128/00	140 1/2
1905	Equitable (May Nov.)	4.00	6	100	99/00	110	1906	Burn Engineering (Feb. Aug.)	15.00	6	100	109/00	124 1/2
1931	Khas Kajora (Mar. Sept.)	1.93	3	100	3/19	3 1/2	1938	Calcutta Electric Supply (Mar. Sept.)	21.900	5	100	94/00	95 1/2
1901	New Beerboom (Jan. July)	2.00	7	10	11/00	12 1/2	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55/00	11 1/2
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	104/00	113	1938	Calcutta Tramways (Jan. July)	2.250	5 1/2	100	7/75	8 1/2
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	108/75	110	1945	Carew & Co (January)	3.00	6 1/2	100	99/00	106
1884	Bangalore (Jan. July)	6.00	6	100	120/00	128 1/2	1946	Cawnpore Sugar Works (Feb. Aug.)	30.00	8	100	110/00	144
1938	Basanti (Oct.)	5.00	6 1/2	10	7/56	7	1940	Chrestine Mica Industries Ltd.	10.00	3.00	51 1/2	55/00	60
1890	Bengal-Nagpur (Apr. Oct.)	3.00	7	100	98/00	110	1937	Dacca Electric Supply (July)	6.00	6	100	94/50	103 1/2
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	125/50	134	1935	Dalmia Cement (Bharat)	2.372	6	40	34/00	41
1920	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	63/50	72	1946	Dalmia Cement (Bharat)	90	7 1/2	100	101/00	133 1/2
1900	Bradbury "B" (Jan. Dec.)	14.75	7	250	324/37	324 1/2	1916	Delhi Flour Mills (Oct.)	16.00	5	100	91/00	104
1923	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	142/75	133 1/2	1946	Deshwara Power Supply "A" (Jan.)	12.00	4 1/2	100	94/00	95 1/2
1920	Cambodia (July)	1.00	7	100	115/00	125	1946	Deshwara Power Supply "B" (Jan.)	45.00	6	100	98/00	125
1912	Central India (Apr. Oct.)	50.00	5	500	531/25	531 1/2	1948	Duncan Brothers & Co Ltd.	12.00	4	100	119/00	129 1/2
1921	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20/00	20	1926	Dunlop Rubber "First" (Jan. July)	40.00	6 1/2	100	88/50	99 1/2
1913	Elgin (May Nov.)	11.00	8	100	124/75	135	1928-29	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	88/50	99 1/2
1943	Elgin "B"	4.20	5	10	9/00	9	1928	East India Distilleries (Jan. July)	2.200	7	100	17/00	17 1/2
1943	Elphinstone (May Nov.)	25.00	7 1/2	100	90/00	87 1/2	1897	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100	...	...
1909	Kesoram (June Dec.)	20.00	7	100	116/00	134	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	70/00	76
1923	Khatu Makani (Nov.)	12.00	6	100	79/00	88	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	61/00	66
1937	Kothari (Nov.)	12.00	6	10	10/12	10 1/2	1946	Gillanders Arbuthnot (Apr. Oct.)	2.500	5 1/2	100	60/00	71 1/2
1909	Muir (Feb. Aug.)	30.00	6	100	83/00	85	1947	Gladstone Lyall & Co Ltd.	15.00	5 1/2	100	67/00	68
1913	New Great Eastern (Mar.)	3.00	6 1/2	200	180/00	185	1948	Gladstone Lyall & Co Ltd.	15.00	5 1/2	100	67/00	68
1920	New Victoria (Apr. Oct.)	26.05	6	5	4/81	4 1/2	1946	Goadroy Phillips India Ltd.	3.00	7	100	67/00	69
1933	Palani Andavar (Apr. Oct.)	15.00	5	100	105/00	115	1940	Gowdgar Sugar (Dec.)	50.00	7	100	67/00	69
1923	Swadeshi (Bombay) (May)	15.00	5	100	105/00	115	1940	Humayan Properties Ltd. (Nov.)	12.00	6	10	9/06	10
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90/00	89	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	64/00	80
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	100	111/25	120	1945	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	97/00	108
1908	Vishnu (Apr.)	16.00	7	500	557/50	550	1917	Indian Cable Co (Nov.)	2.244	6	10	30/00	31
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	99/00	118	1923	Indian Standard Wagon (Aug or Sept.)	1.968	7	100	127/50	140
1905	Alexandra (Feb. Aug.)	9.00	7	100	98/00	98	1936	Indian Iron & Steel	2,69.95	5	100	99/00	106 1/2
1896	Alliance (Mar. Sept.)	15.00	6	100	79/00	93	1936	Investment and Finance (Feb. Aug.)	2.00	5	100	70/00	70 1/2
1917	Anglo-India (May Nov.)	40.00	7	100	100/00	115	1945	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	61/00	66
1908	Auckland (July Jan.)	10.00	5 1/2	100	78/00	95 1/2	1945	James Wright (Jan. July)	1.30	6	50	36/00	40
1945	Auckland (July Jan.)	15.00	5 1/2	100	57/50	74	1937	Jardine Henderson Ltd.	10.00	5 1/2	100	59/50	77
1918	Bally (Jan. July)	20.00	7	100	103/00	106	1946	Jessop & Co.	50.00	5	100	89/00	105
1896	Barnagore (Oct. Dec.)	22.00	5 1/2	100	39/50	44	1945	Kuparidubi General Insurance (Sept.)	4.99	6 1/2	10	...	...
1906	Belvedere (Jan. July)	7.00	7	100	101/00	119	1916	Kumardhubi Engineering (June)	12.00	5	100	100/00	102
1940	Bengal (June Dec.)	10.00	5 1/2	100	77/00	96	1915	Do Fireclay & Silica (June)	2.00	7	100	115/00	116
1919	Birla (June Dec.)	23.64	7 1/2	100	96/00	103	1915	Martin Burn Ltd.	30.00	5	100	98/00	105
1896	Budge Budge (May Nov.)	9.00	7	100	98/50	119	1946	McLeod & Co.	10.00	6 1/2	100	56/00	67
1934	Calcutta (Jan. July)	5.00	6 1/2	100	78/00	90	1946	McLeod & Co.	10.00	6 1/2	100	56/00	67
1919	Caledonian (June Dec.)	10.00	7	100	100/00	112 1/2	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50	98 1/2
1919	Cheviot (June Dec.)	10.00	7	100	100/00	112 1/2	1946	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50	98 1/2
1928	Chitavalah (Mar. Dec.)	5.00	7	100	101/00	115	1946	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50	98 1/2
1900	Clive (First) (May Dec.)	8.00	6	100	71/00	91	1946	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50	98 1/2
1900	Clive "A" (Second) (May Dec.)	8.00	7	100	81/00	101	1930	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50	98 1/2
1903-12	Dalhousie (July Jan.)	15.00	7	100	90/00	105	1942	National Insulated Cable	18.00	5 1/2	100	...	...
1917	Delta (June Dec.)	5.00	5	100	82/50	115	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1912	Empire (Jan. July)	10.00	7	100	98/00	118	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1890-98	Fort Gloster (Jan. July)	14.00	7	100	103/50	118	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1948	Fort Gloster (2nd)	7.00	5	100	69/50	118	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1911	Fort William (May Nov.)	10.00	7	100	102/00	130	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1916	Ganges (June Dec.)	6.00	8	100	113/00	114	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1900	Gouropore (June Dec.)	26.50	6	100	79/00	99	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1935	Hastings (Aug. Feb.)	25.00	6	100	85/00	109	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1913	Hoghtly (July)	11.00	10 1/2	100	102/00	113 1/2	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1903-06	Howrah "A" (Jan. July)	17.50	7	100	102/00	113 1/2	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1890	Howrah "A" (Jan. July)	17.50	7	100	102/00	113 1/2	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1919	Hukumchand (June Dec.)	40.00	7	100	104/00	109	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1908-04	Kamarkhaty (Apr. Oct.)	16.00	6	100	83/00	106	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1900	Kankarnath (Apr. Oct.)	10.00	6	100	84/00	103	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1933	Kedarnath (Jan. July)	2.00	7	100	68/00	85	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1907	Kelvin (Mar. Sept.)	10.00	7	100	103/00	113 1/2	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1895-09	Khardah (May Nov.)	9.00	6	100	86/00	100	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1900-13	Kinnison (July Jan.)	15.00	7	100	102/00	112	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1910	Lansdowne (July Jan.)	15.00	7	100	99/00	113	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1912	Lawrence "A" (July Jan.)	5.00	7	100	102/00	113	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	58/50	95	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1905	Naihati (July Jan.)	7.50	7	100	88/00	123	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1945	Naihati (July Jan.)	10.00	4 1/2	100	69/00	78	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1917	National (May Nov.)	5.00	7	100	104/00	119	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1939	Nellmaria (Apr. Oct.)	5.00	6	100	91/00	108	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1909-09	New Central (Jan. July)	33.00	7	100	103/00	112	1946	National Insulated Cable	18.00	5 1/2	100	...	...
1935	Northbrook (July Jan.)	7.00	6	100	76/00	86	1946	National Insulated Cable	18.0				

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds (P, F, Dd)	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	5-6-57 29-5-57 A year ago
25,50,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,390	28,610	32-5 61-7 5	10	15/93 15/93 22 1/2
1,09,00,000	1,96,15,288	1,49,49,223	18,85,659	Bengal P.	4-10	2	26,18,929	7,31,563	71-7 83-8 1	100	213/00 215/00 536 1/2
4,49,350	3,08,193	10,000	2,24,300	Bengal Bhatdee	6-12	2	18,19,448	4,951	11-1 11-1	10	6/00 6/00 6 1/2
2,25,000	2,48,198	5,30,054	3,64,478	Bengal Nagpur P.	6-12	2	-50,558	-1,07,984	Nil-Nil Nil-Nil	10	15/00 15/00 16 1/2
15,97,000	14,16,661	6,91,475	12,32,767	Bhagalpur	6-12	2	8,13,899	39,978	Nil-Nil Nil-Nil	10	4/75 4/75 5 1/2
40,06,000	68,01,474	20,23,235	32,65,326	Bharat Collieries P.	6-12	106	-20,310	-1,87,443	Nil-Nil Nil-Nil	10	5/94 5/94 5 1/2
7,15,000	13,63,291	14,29,043	68,704	Bhulanbararee	6-12	106	-20,310	-1,87,443	Nil-Nil Nil-Nil	10	13/62 13/62 13 1/2
16,30,000	38,87,275	16,18,633	7,185	Bokaro & Ramgar	6-12	315	1,21,936	-79,196	Nil-Nil Nil-Nil	10	13/62 13/62 13 1/2
7,50,000	18,56,889	24,29,026	11,80,000	Borra P.	6-12	106	2,14,682	84,207	10-10 10-10	10	16/81 16/81 16 1/2
99,92,480	2,39,17,614	1,75,02,136	28,93,839	Burakur P.	6-12	21	7,43,659	36,168	21-3 31-3 34-1	10	22/15 22/15 23 1/2
49,97,000	34,53,430	750	3,95,960	Central India	3	166	2,45,759	9,927	21 21 5	10	5/91 5/91 7 1/2
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P.	6-12	323	34,743	82,768	21 21 5	10	12/50 12/50 12 1/2
6,00,000	14,33,676	7,32,536	1,43,676	Churulia	6-12	106	-6,374	2,129	Nil-Nil Nil-Nil	10	12/50 12/50 12 1/2
16,00,000	24,00,426	Nil	50,509	Dhem, Main	6-12	19	-60,039	-1,83,318	Nil-Nil Nil-Nil	10	5/75 5/75 5 1/2
2,240,000	2,239,112	2,213,125	2,140,348	East Indian	3	123	2,96,155	4,58,922	18 22 18 1/2	10	24/00 24/00 33 1/2
29,85,500	1,15,25,112	83,35,049	24,17,699	Equitable P.	6-12	19	8,87,453	32,379	71-7 71-7 71-7 1/2	10	24/25 24/25 25 1/2
10,00,000	6,74,708	2,07,486	3,32,973	Ghusick & Muslia	6-12	307	12,879	24,844	Nil-Nil Nil-Nil	10	15/75 15/75 17 1/2
6,50,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	2,40,159	2,401	Nil-Nil Nil-Nil	10	1/50 1/50 1 1/2
8,00,000	2,17,780	7,25,000	7,92,425	Hurraladh	6-12	19	2,70,524	45,985	71-10 121-12 121-12 1/2	10	22/12 22/12 22 1/2
3,50,000	6,31,200	5,66,816	1,407	Kalapahat	2-8	2	1,38,130	-2,21,237	Nil-Nil Nil-Nil	10	20/00 20/00 20 1/2
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,339	Nil-Nil Nil-10 Nil-10 Nil-10	100	12/50 12/50 25 1/2
20,00,000	21,00,896	1,77,175	26,907	Karanpura Collieries P.	2	21	2,26,982	6,965	Nil 21 5	100	88/50 88/50 118 1/2
50,00,000	10,29,548	16,60,000	11,23,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28 25-30 35	10	54/62 54/62 54 1/2
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P.	6-12	326	49,776	1,919	3/75 3/75	10	3/75 3/75 3 1/2
5,65,750	19,84,977	85,000	9,563	Mundulpur	6-12	326	-79,868	-79,868	Nil-Nil Nil-Nil	10	2/25 2/25 3 1/2
7,48,240	3,46,939	2,09,400	10,14,803	Nazari	12	347	92,547	31,201	5 5 5	10	6/81 6/81 6 1/2
7,00,000	5,13,418	26,617	61,641	New Bandedpur	3-9	5	59,011	6,071	31-7 71-7 71-7 1/2	10	10/00 10/00 10 1/2
17,76,230	31,15,787	20,01,763	3,78,538	New Beerboom P.	4-10	2	2,64,711	94,383	31-7 31-7 31-7 1/2	10	14/37 14/37 14 1/2
6,00,000	1,11,646	75,000	46,381	New Manbhoom	3	202	44,101	70,222	Nil-Nil Nil-Nil	10	9/00 9/00 9 1/2
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,354	-32,184	Nil-Nil Nil-Nil	10	0/94 0/94 0 1/2
1,50,000	4,42,488	2,85,192	1,52,246	North West	3-9	2	51,429	15,950	Nil-Nil Nil-Nil	10	19/25 19/25 19 1/2
7,50,000	1,20,000	12,19,367	23,26,757	Ondal P.	6-12	106	22,197	56,646	5-5 5-5 5-5	10	15/50 15/50 15 1/2
8,34,000	9,21,242	10,862	4,36,015	Parasara P.	6-12	207	1,98,075	3,734	81-7 81-7 81-7 1/2	10	13/87 13/87 13 1/2
15,75,000	13,39,442	16,50,000	13,39,442	Pench Valley	3-9	236	2,48,261	3,734	31-3 31-3 31-3 1/2	10	14/50 14/50 14 1/2
2,50,000	2,62,406	7,500	11,539	Pure Sitapur	6-12	5	2,008	-18,561	71-7 71-7 71-7 1/2	10	6/87 6/87 6 1/2
25,30,800	36,99,424	20,17,106	67,398	Ranagunge	3-9	79	3,67,448	23,183	21-21 21-21 21-21 1/2	10	11/37 11/37 11 1/2
8,88,001	10,45,113	15,51,501	14,29,643	Rewa	6-12	236	1,44,394	15,613	71-6 81-12 71-12 1/2	10	19/87 19/87 19 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Sandia	12	48	1,80,660	31,543	71 71 71	10	12/31 12/31 12 1/2
2,50,000	1,36,194	11,364	11,364	Searsale	1	334	83,000	11,978	25 30 15	21	5/19 5/19 5 1/2
2,80,000	10,92,193	6,36,582	7,87,722	Seebore P.	6-12	106	2,42,112	49,239	12/7-14 2/7 14/2-7 14/2-7 1/2	10	28/87 28/87 28 1/2
8,00,000	5,29,246	6,32,757	6,32,757	Sendra	6-12	106	-4,008	7,583	Nil-11 11-11 11-11 1/2	10	9/00 9/00 9 1/2
17,30,000	22,79,273	10,39,694	25,008	South Karanpura	8	21	73,000	10,407	Nil-11 11-11 11-11 1/2	10	8/12 8/12 8 1/2
6,00,000	1,42,069	14,01,054	23,80,817	Standard	12	106	70,093	17,411	71-7 71-7 71-7 1/2	10	19/87 19/87 19 1/2
10,00,000	15,58,085	15,075	3,910	Talcher	9	277	22,689	-3,85,056	Nil Nil Nil	21	1/56 1/56 1 1/2
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	279	54,009	-9,659	5-21 21-Nil Nil-Nil	10	15/25 15/25 15 1/2
49,98,000	33,66,550	50,000	21,164	Western Bengal	3	166	4,09,468	7,262	31 31 5	10	5/12 5/12 5 1/2
7,00,000	32,65,172	21,569	17,460	West Jamuria	6-12	19	-2,72,772	-1,46,657	Nil-Nil Nil-Nil	10	13/06 13/06 8/59

N=Nominal.

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Number of Looms	Net Block Account	Reserve & other Funds (P, F, Dd)	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	5-6-57 29-5-57 A year ago
15,00,000	14,108	356	14,62,919	1,73,478	11,90,000	Basanti P.	12	49	1,97,268	41,227	.. ..	10	5/31 5/31 5 1/2
32,72,340	22,197	305	27,69,676	23,18,909	24,551	Bonares P.	12	49	1,97,268	41,227	.. ..	10	5/31 5/31 5 1/2
7,11,280	36,000	912	17,17,120	2,20,369	30,842	Bengal Laxmi	3-9	129	-1,27,187	-4,79,347	.. ..	10	0/87 0/87 0 1/2
27,00,000	31,476	624	23,53,000	15,50,000	3,84,224	Bengal Nagpur P.	3	27	3,66,176	47,819	.. ..	40	40/00 40/00 40 1/2
15,30,000	85,764	992	28,31,201	83,45,583	31,24,417	Birla Cotton	6-12	236	-5,23,389	18,199	Nil ..	10	7/31 7/31 7 1/2
6,00,000	42,672	641	37,54,142	22,72,588	1,44,948	Boreea P.	3	22	16,69,225	2,76,936	30 30 15	100	28/00 35/00 35 1/2
3,27,02,900	1,01,808	2,762	9,94,631	2,74,48,393	2,94,83,302	Cawnpore Textiles	6-12	138	64,028	-23,47,373	Nil-Nil Nil-Nil	100	112/00 112/00 5/81 15 1/2
1,00,533	42,944	518	9,94,631	2,74,48,393	2,94,83,302	Delhi Cloth & Genl. P.	3	25	6,73,253	36,767	10 Nil-5	5	5/59 37/75 31 1/2
19,00,000	42,944	518	34,12,181	25,71,925	1,53,894	Dunbar	6-12	136	1,81,41,278	82,759	9 9	25	37/75 31 1/2 31 1/2
63,00,000	54,000	1,200	18,99,926	93,47,056	71,13,555	Elgin P.	6-12	136	9,92,376	1,37,951	Nil-Nil Nil-21	100	167/00 176/00 27 1/2
1,20,00,000	39,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesaram P.	9	25	45,81,868	78,754	10 10 12 1/2	100	18/50 20/25 18 1/2
6,00,000	85,864	864	17,48,143	9,75,679	74,08,655	Mohini P.	3	22	37,41,719	2,45,435	81 81	20	13/09 13/31 13 1/2
33,90,000	88,000	1,825	47,44,543	52,19,601	92,65,055	Muir P.	12	45	9,53,318	5,156	.. ..	10	 21 1/2
22,89,832	78,848	1,367	43,25,577	26,90,968	1,45,701	New Victoria P.	12	208	-18,77,941	-7,77,290	.. ..	100	73/50 73/50 73 1/2
3,07,095	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	.. ..	10	16/25 16/25 16 1/2
19,47,750	1,14,826	2,077	2,83,77,683	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P.	12	333	43,71,858	7,09,029	71 71 11 1/2	100	12/50 12/50 12 1/2
5,00,000	48,754	1,310	91,16,610	2,50,15,667	32,18,646	Bangalore W. C. Silk P.	12	26	57,38,582	2,82,947	30 30 30	100	170/00 168/00 168 1/2
1,78,47,800	1,20,012	2,779	3,22,27,119	2,77,73,212	14,62,272	Buckingham Carnatic P.	12	26	63,48,892	2,28,220	10 10 10	100	166/00 166/00 166 1/2
20,00,000	23,000	..	18,03,003	20,32,074	11,26,239	Cambodia P.	12	210	1,96,274	2,75,937	Nil 5	10	12/00 12/00 12 1/2
12,00,000	23,864	..	6,41,035	9,00,000	36,53,505	Coimbatore Cotton	12	188	6,53,750	27,593	.. ..	10	158/00 158/00 158 1/2
20,76,000	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg. & Wvg. Kaleswarar	6	46	-7,52,342	-10,23,343	.. ..	100	35/00 35/00 35 1/2
6,50,000	50,640	295	12,25,505	19,50,000	58,77,436	Kothari Textile P.	6	141	6,24,550	7,672	.. ..	100	13/00 13/00 13 1/2
24,00,000	30,512	209	60,83,326	19,25,000	4,09,960	Lakshmi	12	186	31,44,249	2,209	.. ..	50	135/00 139/00 215 1/2
23,34,000	48,754	..	15,01,051	21,70,200	78,050	Madura	12	108	95,70,251	32,44,130	20 20 20	15	40/62 40/62 40 1/2
1,75,02,480	4,65,324	..	2,06,03,942	4,13,81,873	1,14,98,962	Malabar Spg. & Wvg.	12	240	85,102	-84,039	.. ..	200	109/00 109/00 109 1/2
12,00,000	24,252	603	8,43,189	5,85,383	10,32,893	Mettur Industries	12	240	1,19,91,753	45,835	35 42 1/2	100	320/00 392/

TEA COMPANIES

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

Paid-up Capital: Ordinary	Net Block Account	Reserve & other Funds	Accumulated Profit	Outturn and Average Price per lb	Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including Taxation	Dividends per cent	Share	Latest Market Quotations as available until
Rs	Rs	Rs	Rs	1954 As F	1955 As F				Rs	1954 1955		5-6-57, 22-5-57, 1 year ago
CACHAR												
3,00,000	5,40,887	1,75,600	862	2,89,040	39-11	..	..	..	..	..	..	12/00
4,00,000	2,26,259	49,878	465	..	..	..	..	..	..	..	..	12/00
10,00,000	18,22,881	5,88,800	1,484	3,90,263	40-10	8,40,392	32-4	8,13,447	..	..	..	10/50
2,00,000	37,753	Nil	794	1,00,450	4-2-27	1,07,748	4-0	7,44,000	..	..	..	10/50
7,00,000	7,07,190	11,000	645	5,91,520	38-4	3,91,440	28-6	4,40,000	..	..	..	10/50
12,00,000	17,92,487	11,50,000	2,152	17,99,921	35-0	16,36,400	24-1	16,00,000	..	..	..	10/50
4,50,000	2,49,307	1,65,222	582	..	..	..	..	..	..	..	..	10/50
3,60,000	3,12,914	3,24,391	603	1,40,507	46-6	3,48,445	27-6	3,36,000	..	..	..	10/50
7,00,000	1,20,000	5,50,000	1,368	1,33,267	47-4	7,88,038	26-7	..	..	..	..	10/50
2,50,000	1,18,000	Nil	300	3,68,960	38-0	1,86,080	33-11	8,00,000	..	..	..	10/50
7,00,000	4,34,315	3,56,592	518	3,04,220	36-4-47	6,76,240	25-11	6,40,000	..	..	..	10/50
5,20,000	8,87,291	10,42,956	688	5,76,400	41-11	7,25,980	29-3	6,00,000	..	..	..	10/50
4,00,000	5,88,816	5,82,313	667	4,49,336	36-7-11	..	..	..	..	..	..	10/50
3,75,000	5,02,307	4,31,237	1,056	5,63,321	..	..	..	..	..	..	..	10/50
DARJEELING												
3,99,750	7,05,059	6,936	562	1,14,311	29-11	1,31,680	30-11	..	..	..	..	12/00
2,19,000	3,07,500	1,29,000	407	1,41,174	32-0	1,44,772	46-8-3	1,76,000	..	..	..	12/00
3,75,000	1,10,900	4,11,928	491	..	..	..	..	..	..	..	..	12/00
2,00,000	1,84,414	1,62,639	488	1,35,760	32-0	1,27,760	38-9	1,28,000	..	..	..	12/00
7,00,000	5,08,900	3,44,549	900	2,84,204	49-1	2,35,761	23-9	2,64,000	..	..	..	12/00
2,00,000	6,69,000	2,60,770	1,049	6,53,440	48-3	6,18,736	42-3	6,72,300	..	..	..	12/00
10,00,000	1,31,576	1,11,111	761	3,26,515	48-8	..	..	..	..	..	..	12/00
10,00,000	3,12,081	4,00,225	816	3,39,040	37-11	4,53,520	36-7	3,68,000	..	..	..	12/00
1,50,000	2,06,710	5,30,239	652	1,82,000	32-4	1,65,440	50-6	1,84,000	..	..	..	12/00
2,89,000	3,67,500	2,95,000	908	4,35,016	33-4	4,34,342	36-0-3	4,40,000	..	..	..	12/00
1,00,000	2,32,710	97,647	300	1,81,152	55-3	1,68,126	38-4	1,30,000	..	..	..	12/00
3,00,000	4,02,000	2,61,118	776	1,68,897	30-8	1,64,824	37-11	1,70,000	..	..	..	12/00
3,00,000	4,83,067	4,09,567	508	1,58,441	38-8	1,27,341	35-11	1,60,000	..	..	..	12/00
2,05,000	1,30,000	2,07,813	570	1,58,141	38-8	1,27,341	35-11	1,60,000	..	..	..	12/00
1,40,000	1,69,082	4,65,633	341	1,50,720	38-4	1,67,840	41-4	1,76,000	..	..	..	12/00
3,00,000	3,33,322	1,86,462	389	1,77,704	33-3	1,59,385	35-0	1,68,000	..	..	..	12/00
6,20,000	3,39,413	1,43,395	745	2,05,335	47-4	..	..	..	..	..	..	12/00
9,00,000	9,08,557	1,54,418	583	2,64,994	30-4	..	..	..	..	..	..	12/00
3,00,000	3,24,400	4,10,000	554	2,89,738	39-9	2,90,650	41-11	2,96,000	..	..	..	12/00
6,20,000	12,36,873	5,74,587	332	1,76,300	42-3	1,76,300	42-3	1,76,300	..	..	..	12/00
3,20,000	4,70,000	10,86,284	7184	4,40,347	48-8	3,70,473	41-11-3	3,84,000	..	..	..	12/00
8,01,350	11,54,000	2,62,417	1,666	7,11,945	50-5	7,09,403	34-4	8,80,000	..	..	..	12/00
DUARS												
27,00,000	19,11,197	24,25,000	4,540	30,81,680	51-2	30,69,397	31-9	33,20,000	..	..	..	12/00
6,00,000	20,30,782	19,29,000	1,102	13,91,320	43-1	13,92,132	32-1	14,00,000	..	..	..	12/00
9,00,000	9,80,500	16,53,306	1,112	14,15,840	41-10	14,18,240	29-8	14,00,000	..	..	..	12/00
9,00,000	14,32,896	11,61,304	1,367	11,96,687	52-0	11,04,658	32-3	12,80,000	..	..	..	12/00
6,00,000	8,48,764	1,74,651	300	5,04,104	38-10	6,10,033	29-7	5,60,000	..	..	..	12/00
6,00,000	9,31,678	10,30,000	903	10,58,381	49-4	10,82,881	31-11	11,60,000	..	..	..	12/00
3,00,000	4,47,806	3,00,102	500	4,01,294	43-2	3,84,267	30-7	4,48,000	..	..	..	12/00
1,20,000	1,95,171	4,64,000	265	2,24,604	49-1	2,12,726	26-9	2,40,000	..	..	..	12/00
3,50,000	5,70,433	3,00,000	447	1,74,441	49-1	1,65,428	30-3	2,40,000	..	..	..	12/00
5,00,000	7,87,046	6,00,000	1,253	6,72,721	47-4	6,73,206	35-0	5,40,000	..	..	..	12/00
10,00,000	17,49,302	22,55,502	1,022	12,26,097	47-11	12,20,167	27-11	12,00,000	..	..	..	12/00
24,00,000	37,35,327	49,07,736	4,424	30,88,871	44-1	27,90,541	29-0	31,20,000	..	..	..	12/00
8,00,000	33,66,829	49,28,281	4,672	33,71,277	41-11	60,72,776	36-2-3	62,56,000	..	..	..	12/00
8,20,000	10,98,000	17,14,718	1,452	16,07,368	42-2	17,67,246	26-11	17,20,000	..	..	..	12/00
7,00,000	11,80,000	15,10,000	507	12,59,526	34-2	12,62,400	28-7	12,00,000	..	..	..	12/00
2,00,000	2,12,000	1,50,000	826	1,73,435	45-1	1,20,632	30-10	1,00,000	..	..	..	12/00
9,00,000	15,71,567	18,15,032	1,122	16,98,538	44-4	17,98,988	28-1	10,00,000	..	..	..	12/00
14,00,000	3,81,962	18,40,000	1,163	15,52,401	49-2	16,35,521	31-2	16,00,000	..	..	..	12/00
3,20,000	6,26,920	10,00,000	378	3,29,201	44-2	3,65,680	27-1	6,40,000	..	..	..	12/00
2,20,000	4,14,364	4,59,080	348	2,56,097	42-4	2,38,935	28-5	2,36,000	..	..	..	12/00
7,00,000	5,29,497	6,31,354	764	10,69,520	47-11	10,14,720	39-11	11,08,000	..	..	..	12/00
7,85,000	8,77,189	11,43,550	1,631	19,10,000	48-8	20,30,155	35-11	20,00,000	..	..	..	12/00
7,46,000	22,86,485	31,30,000	1,766	4,01,920	46-4	..	..	..	..	..	..	12/00
3,46,400	5,45,381	6,97,500	663	..	..	..	..	..	..	..	..	12/00
FERRAI												
4,50,000	10,63,145	1,64,521	607	3,95,840	44-4	..	..	..	..	..	..	12/00
2,00,000	1,59,000	10,44,047	450	1,23,811	29-8	1,17,643	25-3	4,00,000	..	..	..	12/00
8,40,000	14,86,549	18,07,795	1,389	13,20,702	48-8	12,79,861	28-0	14,24,000	..	..	..	12/00
5,00,000	5,69,200	9,98,794	524	4,25,457	49-1	4,15,634	29-7	4,80,000	..	..	..	12/00
3,00,000	3,89,676	7,66,500	509	4,30,541	49-1	4,63,382	28-5	5,20,000	..	..	..	12/00
4,50,000	4,50,000	5,50,000	972	..	..	..	..	..	..	..	..	12/00
1,00,000	2,06,191	3,98,145	376	..	..	..	..	..	..	..	..	12/00
1,00,000	1,30,000	1,84,733	263	1,35,179	38-4	..	..	..	..	..	..	12/00
2,20,000	5,17,592	7,09,250	549	5,69,286	42-2	5,86,806	30-11	6,40,000	..	..	..	12/00
CHITTAGONG												
1,25,000	1,25,000	1,59,950	473	..	..	..	..	..	..	..	..	12/00
2,40,000	2,40,000	2,59,892	537	..	..	..	..	..	..	..	..	12/00
2,00,000	2,00,000	51,366	448	..	..	..	..	..	..	..	..	12/00
SYLHET												
3,00,000	6,47,608	6,45,000	614	6,23,840	39-4	6,09,890	33-0	5,40,000	..	..	..	12/00
6,00,000	6,23,439	6,44,551	344	6,13,868	36-4	6,53,371	36-2	1,16,000	..	..	..	12/00
2,40,000	2,70,701	Nil	437	3,16,400	37-8	2,78,641	32-3	2,80,000	..	..	..	12/00
4,00,000	7,28,046	4,76,185	1,154	7,35,288	37-4	9,71,125	35-0	..	..	..	..	12/00
5,63,398	5,87,633	37,895	550	5,35,121	39-4	3,69,206	20-9	3,60,000	..	..	..	12/00
4,00,000	3,20,000	10,00,000	594	10,13,200	31-4	9,79,298	14-10	9,20,000	..	..	..	12/00
38,00,000	21,66,377	32,61,728	4,000	13,00,000	39-8	10,20						

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including Taxation	Carry forward	Dividends per cent			Paid up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956		5-6-57	29-5-57	A year ago
SUGAR BREWERIES ETC.															
11.00.000	5,45,722	3,75,300	10,90,561	New Savan Sugar and Gur	3	140	95,437	52,205	..	..	..	10	5/50	5/50	6 1/4
9,00,000	12,45,157	19,64,817	1,62,880	Portabur Sugar P.	10	25	2,94,625	20,705	..	..	..	10	17/62	17/62	14 1/2
16,39,820	26,52,127	30,00,000	1,84,700	Rammugger Cane & Sugar P.	3	1	18,11,304	20,350	15	20	..	10	25/18	25/18	28
19,99,600	25,62,562	39,38,218	13,92,315	Raza Sugar	10	92	10,78,193	3,144	..	..	..	10	..	..	..
8,00,000	6,07,233	7,72,778	3,77,846	Ryan Sugar P.	3	25	4,21,492	13,204	5	Nil	17 1/2	10	21/50	21/50	20 1/2
11,39,000	21,07,973	19,42,074	40,572	Samastapur Central Sugar	3	25	3,35,558	3,554	..	..	..	10	11/50	11/50	13 1/2
40,00,000	72,49,554	19,00,000	11,24,777	Shree Krishna Jyvnodaya Sugar P	1	335	8,85,387	16,381	15	17 1/2	10	10	9/94	10/06	13 1/2
7,94,500	13,54,458	11,85,172	11,15,968	Shree Sitaran Sugar	3	140	1,90,765	7,991	..	..	..	10	13/00	13/00	15 1/2
9,99,950	14,69,227	26,825	75,569	Sitalpore Sugar	3	94	77,391	4,25,477	Nil	Nil	Nil	10	4/37	4/37	4 1/2
16,30,000	6,07,894	7,99,778	4,22,572	United Provinces	3	341	4,23,880	39,361	12 1/2	..	..	10	13/50	13/50	20 1/2
8,00,000	47,67,069	29,24,348	3,58,383	Upper Ganges Sugar P.	3	316	12,95,211	32,829	25	25	30	10	70/00	70/00	94 1/2
14,00,000	14,24,740	23,74,426	10,72,324	Upper India Sugar	3	302	16,80,396	86,393	15	20	..	100AL 121BC	280/00	280/00	280
7,00,000	..	..	..	..	..	..	..	..	..	..	..	..	28/50	28/50	28 1/2
MISCELLANEOUS															
8,00,000	2,20,232	1,56,296	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4/19	4/19	4 1/2
1,50,00,000	1,40,80,394	8,21,715	51,361	Air India Ltd.	12	269	6,02,788	14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,38,39,654	68,01,534	50,022	Air India International Ltd.	12	322	10,51,340	30,205	..	..	..	100	..	..	..
47,50,000	3,08,51,605	17,00,000	16,26,711	Aluminium Corp P.	3	132	25,21,116	1,16,199	Nil	Nil	5	100	8/87	8/87	10
2,50,000	..	..	..	..	..	..	..	..	..	..	..	100	4/50	4/50	2 1/2
20,00,000	42,38,502	14,90,000	54,97,530	Anderson Wright Ltd P.	12	..	..	18,284	7 1/2	Nil	..	10	11/50	11/50	11 1/2
30,00,000	11,39,552	39,18,823	14,94,091	Angelec Bros.	3	268	15,15,199	3,35,874	12 1/2	20	20	10	17/62	17/62	21 1/2
30,00,000	18,62,280	15,70,000	98,451	Assam Match	12	274	10,24,474	1,72,873	12 1/2	12 1/2	12 1/2	10	20/37	20/37	19 1/2
13,99,998	21,25,615	28,30,285	64,182	Assam Saw Mills & Timber	3	21	..	5,14,537	Nil	Nil	..	3	2/25	2/25	7 1/2
20,00,000	61,61,597	23,00,000	61,84,697	Associated Hotels of India P.	3	204	8,82,993	32,682	2	4	12	10	10/75	10/75	10 1/2
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	143/50	145/00	168
12,00,000	2,55,604	8,49,890	4,52,019	Bararee Coke	3-9	128	2,19,700	45,399	7 1/2	7 1/2	6	100	16/25	16/25	19 1/2
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	3	128	6,43,164	1,19,103	10 1/2	..	..	100	41/00	41/00	44
50,00,000	19,53,822	7,25,715	68,69,359	Bharat Airways Ltd.	3	22	3,19,589	3,19,229	..	..	..	10	5/25	5/25	4 1/2
20,00,000	76,85,085	31,11,814	20,476	Brands Investments P.	3	160	4,59,013	37,312	12 1/2	12 1/2	10	10	13/87	13/87	17 1/2
45,97,020	13,98,796	43,18,775	3,98,479	Britannia Biscuit P.	3	50	1,84,261	1,79,277	10	10	10	10	13/12	13/12	15 1/2
22,50,000	59,89,738	1,18,00,524	2,50,83,650	British Ceylon Corporation P.	12	33	27,75,295	1,85,855	..	..	..	7 1/2	9/37	9/37	11 1/2
3,25,00,000	..	..	..	British India Corporation P.	12	33	30,23,983	27,36,584	..	..	..	5	5/85	6/40	11 1/2
32,50,000	2,16,659	3,24,161	6,46,589	Calcutta Gas Co (Propr.) Ltd P	3	235	60,996	1,550	5	6	5	10A	6/69	6/69	8 1/2
32,50,000	5,92,780	2,40,684	1,02,376	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	..	10B	4/12	4/12	4 1/2
90,00,000	17,81,146	80,09,268	2,06,11,689	Duncan Brothers & Co Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	100/00	100/00	121 1/2
1,60,00,000	3,06,30,528	3,40,86,174	35,55,133	Dunlop Rubber Co (India) P.	12	96	1,02,44,557	13,24,595	15	15	15	100	18/80	18/80	30 1/2
51,26,000	14,10,811	1,72,19,436	54,10,811	Eastern Investments Ltd P.	12	21	11,20,054	3,27,916	9	9	9	100	105/00	105/00	148
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Osier (India) Ltd P.	3	84	4,26,249	5,26,954	..	..	..	10	5/87	5/87	11 1/2
30,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	3	51	8,97,594	1,26,755	12 1/2	12 1/2	..	20	21/87	21/87	20 1/2
14,00,000	14,92,000	10,02,000	11,394	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	..	100	107/50	107/50	179
2,25,000	..	..	..	General Investments Trust P.	3	357	18,384	12,435	2 1/2	2 1/2	3 1/2	75	43/00	43/00	13 1/2
65,00,000	33,54,049	53,17,330	1,08,48,711	Jillanders Arbuthnot & Co Ltd P	3	105	30,03,640	89,541	7 1/2	14	16	10	11/37	11/37	10
20,00,000	27,68,045	5,00,324	12,84,357	Gladstone Lyall & Co Ltd P	12	209	1,02,792	34,255	..	..	..	10	..	..	..
40,00,000	31,09,479	8,87,000	1,18,929	Godfrey Phillips (India) Ltd P	12	310	2,23,734	13,04,513	..	..	..	10	23/50	23/50	23 1/2
30,00,000	32,90,010	17,22,203	6,22,424	Great Eastern Hotel	3	225	5,30,579	16,373	..	..	..	250	226/00	226/00	240
10,00,000	17,38,764	1,61,173	9,221	Hindusthan Ice & Cold Storage	3	..	43,377	24,274	..	..	..	5	1/25	1/25	1 1/2
35,30,000	30,42,899	20,00,000	19,08,953	Hoare Miller & Co Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	7/56	7/56	6 1/2
15,16,000	7,42,66,399	1,88,86,788	5,50,42,187	Imperial Tobacco	3	325	3,66,59,515	24,94,274	6	8	8	10	14/12	14/12	14 1/2
2,01,10,000	2,83,61,126	55,27,500	8,39,214	Indian Aluminium Co. Ltd P.	12	293	42,79,225	7,97,410	Nil	9	10	10	12/87	13/00	22 1/2
1,52,89,220	1,27,87,878	1,37,00,000	11,88,408	Indian Cable P.	3	34	1,21,59,493	32,04,214	10	12 1/2	15	10	22/87	22/75	22 1/2
5,00,000	..	..	..	..	..	..	..	..	..	..	..	10	8/12	6/75	5 1/2
83,75,000	22,07,260	2,21,282	11,69,467	Indian National Airways	12	93	36,302	12,62,971	..	..	..	10PO	6/75	6/75	5 1/2
1,25,00,000	..	..	..	..	..	..	..	..	..	..	..	10	00/50	00/50	13 1/2
8,27,970	7,44,398	5,38,000	17,07,876	Indian Rubber Manufacturers P	3	173	1,79,618	32,616	5	5	..	10	27/00	27/00	13 1/2
20,30,000	4,64,735	18,15,487	10,03,705	Indian Wood Products	3	88	17,28,038	2,76,619	2 1/2	30	..	10	38/50	38/50	38 1/2
5,00,000	..	..	..	..	..	..	..	..	..	..	..	10	65/00	65/00	65 1/2
2,40,000	15,362	4,46,244	3,20,757	Investments and Finance P.	2-8	21	27,880	51,001	2 1/2	3 1/2	3 1/2	100	2/50	2/50	2 1/2
5,87,500	..	..	..	Ivan Jones Ltd.	3	194	1,39,321	36,496	..	..	..	2	2/50	2/50	2 1/2
1,17,50,000	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	5	..	50	3/12	3/12	4 1/2
2,00,00,000	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd P.	3	39	31,24,445	5,11,852	..	..	..	100	00/62	00/62	10 1/2
5,34,000	3,17,367	6,02,958	3,21,617	Macfarlane & Co.	3	133	..	..	..	..	..	100	75/00	75/00	2 1/2
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd P.	3	334	52,06,340	6,31,124	7 1/2	7 1/2	11	100	00/46	00/56	25 1/2
1,43,96,500	25,89,193	69,82,796	2,07,03,941	Martin Burn Ltd P.	3	309	93,42,590	2,70,207	13 1/2	18 1/2	21 1/2	100	22/75	22/63	240
40,00,000	37,46,252	80,86,909	2,72,14,736												

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.
				CEMENT								
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8½	10	10	100
				ELECTRIC LTG POWER								
8,74,72,300	11,00,30,916	80,06,632	22,44,291	Ahmedabad Electricity	9	146	60,49,803	440	6½	5	6½	100
2,92,83,500	4,18,62,350	62,34,507	65,30,399	Andhra Valley Power Supply P.	6	267	46,19,171	25,735	7½	7½	..	1,000
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100
38,08,200	17,49,053	4,75,32*	14,87,557	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100
1,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power Sup. P.	6	267	37,75,587	21,171	7½	7½	..	100
5,02,78,753	8,98,37,403	1,41,56,378	1,29,22,519	Tata Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000
				ENGINEERING & METAL								
33,42,200	17,06,292	44,16,374	1,54,08,311*	Alcock Ashdown	12	268	8,79,666	1,35,820	12½	..	..	100
6,00,000	29,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	5	50
40,00,000	11,28,513	10,00,000	9,74,064	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	100
40,95,100	81,25,752	2,02,500	49,033	Machinery Mfgs. Corpn Ltd P.	3	330	2,02,006	64,676	Nil	Nil	..	100A
1,10,00,000	15,00,978	16,66,194	7,06,268	McKenzie	7	281	1,49,083	64,938	..	..	..	100
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/8	28 1/3	..	300
1,31,250F	5,90,52,365	1,17,73,382	23,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	100
4,20,00,000	32,44,07,755	16,63,05,536	12,34,83,310	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750
				INSURANCE COMPANIES								
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,695	..	..	..	10
5,15,000	..	11,04,84,087	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100
8,46,120	..	36,33,999	46,38,805	Indian Mercantile	12	75	..	1,13,109	..	..	..	100
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,851	4,65,316	Nil	..	..	15
1,06,81,590	..	1,68,81,793	27,25,19,952	New India	12	179	43,58,653	71,250	16 2/3	..	..	15
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	200
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	16
				MISCELLANEOUS								
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50
42,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125
45,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50
5,57,00,000	3,51,93,434	1,03,93,754	98,20,769	Hindustan Lever	12	91	2,23,86,720	94,17,000	..	..	12½	100
99,99,250	3,085	19,47,386	1,29,40,891	Industrial Investment Trust	12	299	6,81,909	2,83,136	4½	4½	..	100
11,99,900	13,82,957	7,34,142	14,95,223*	Kemp (Chemists)	3	87	68,232	16,942	6	..	..	200
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corpn.	12	352	53,19,604	5,72,076	10	..	..	200
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	12	198	38,40,982	5,62,020	2½	2½	5	20
1,00,000	36,65,283	70,25,000	29,63,149	Shivrajpur Synd. (Manganese)	11	146	38,67,824	9,483	80	80	10	17
1,39,95,900	2,25,39,547	13,22,272	4,37,391	Tata Chemicals P.	6	269	18,84,488	24,423	Nil	9	12	10
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	269	3,00,461	11,453	9	8	12	25
2,75,00,000	1,55,25,785	1,35,45,629	1,27,74,419	Western India Match	12	274	67,12,394	5,02,236	11	11	11	100

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry Forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until		
								1964	1956	1956		5-6-57.	29-5-57	A year ago
Rs.	Rs.	Rs.									Rs.	Rs.	Rs.	
CALCUTTA														
17,24,000	20,71,727	2,24,692	Ahmedpur Kutwa S.S.G.	3	165	99,888								
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3	3-3	3½	100	60/00	60/00	
34,00,000	41,30,202	3,11,043	Bankura Damodar River S.S.G.	3	165	46,607		2½	2½	..	100	67/50	67/50	
											100	58/75	58/75	
19,00,000	25,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10/03	10/00	
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839		2½	2½	..	100	59/00	59/00	
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1½-1½	1½-1	..	100	51/00	51/00	
4,75,000	3,20,040	4,75,000	Cherra Chhatrak Ropeway	3	88	7,071	9,917	5-..	Nil	..	5	4/88	4/88	
2,47,650	2,75,015	65,025	Darjeeling Ropeway	3	101	18,097	4,549	2½-..	2½	..	10	5/87	6/08	
22,50,000	62,20,813	13,32,600	Dehri Rohtas	3	335	6,42,311	37,814	7½	10-..	12½	10	11/25	12½	
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	5,917	5,917	99-1	1-1	..	100	63/37	63/37	
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	..	100	51/00	51/00	
6,00,000	13,87,138	4,43,410	Howrah Sheakhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	..	100	65/00	65/00	
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	..	100	58/00	58/00	
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	5	..	..	100	72/00	72/00	
15,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	..	100	115/09	115/00	
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P.	3-9	165	—43,574	5,944	..	..	..	100	..	..	

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

0 F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329 Sri G. D. Bhagat—15, Shilp Thakur Lane Calcutta	330 M. G. Investment Corpn., Ltd.—127, Mahatma Gandhi Road Fort Bombay.	349 Chandmull Batia—7, Canning Street, Calcutta.
1 F. C. Williams—14, Old Court House St. Calcutta	330 Lahindra & Mahindra Ltd.—Gateway Building Apollo Bunder Bombay.	340 K. O. Cheryan—Travancore.	350 K. & Agarwal—Empire House, Borealis Road Fort. Bombay.
2 Messrs Tata Sons Ltd.—New India Assurance Buildings Mahatma Gandhi Rd. Fort. Bombay-1.	331 N. L. Roy & Sons—Canning St., Calcutta.	341 James Finlay & Co. Ltd.—2, Netaji Subhas Road Calcutta.	351 L. & T. (Management) Private Ltd., J. C. Building, Douglas Road, Borealis Road Fort. Bombay.
3 Anderson Wright & Co.—7, Wellesley Place, Calcutta.	332 M. Paspatti—21, Ravelin Street, Fort. Bombay.	342 U. N. Chatterjee—2 Royal Exchange Place Calcutta.	352 C. G. Mahant—Ewart House, Borealis Road Fort. Bombay.
4 Indo Corporation Private Ltd.—5, Swincoe St. Calcutta-19.	333 Jaipuria Bros. Ltd.—33 Netaji Subhas Road Calcutta.	343 Eastern Smelting & Refining Co., Ltd.—10 Clive Row, Calcutta.	353 N. K. Jha—14, Netaji Subhas Road, Calcutta.
5 John Rutherford Blackie—Virginia House 7, Chowringhee Calcutta	334 B. Latimer—2 Fairlie Place, Calcutta.	344 V. L. Pillai—Victoria Bunder Colaba.	354 L. C. Kanol—P. S. Mission Row, Borealis Road Fort. Bombay.
6 Berwala Bros.—53 Netaji Subhas Rd., Calcutta.	335 Sahu Jain Ltd.—Daimanagar.	345 The National Res. Corporation—130, Cotton Street Calcutta.	355 G. G. Robertson—18, Strand Road, Calcutta.
7 Marwar Textiles (Agency), Ltd.—Waudhy Road, Fort. Bombay-1.	336 P. S. Das—Kilachand—Scindia House, Douglas Road Bombay.	346 Seethasayer Brothers (Travancore), Ltd.—Eloor Factory, Alwaye.	356 B. Bajoria—10, Clive Row, Calcutta.
8 John Taylor & Sons (India) Ltd.—Mysore Gorgam South India.	337 Berwala & Co.—63 Netaji Subhas Road Calcutta.	347 Associated Commercial Co. Ltd.—151/1 Harrison Road Calcutta.	357 D. P. Dunderdale—Chartered Bank Building, Calcutta.
	338 B. R. Sona, Ltd.—Hornby Road, Fort. Bombay.	348 Sahu Jain, Ltd.—11, Clive Row, Calcutta.	358 L. P. Goenka—14, Old Court House, Calcutta-1.

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A SUPERANNUATION SCHEME FROM
THE BRITISH LABOUR PARTYPOSSIBLE EFFECTS ON INVESTMENT
TRENDS

THERE has been much hostile criticism, as well as some grudging admiration, of the British Labour Party's superannuation scheme. The insurance community admits that it did not expect from that source a scheme so sound in basic principle—the principle that a superannuation fund must be accumulated from savings exacted for that specific purpose, and so used that it will help the economy to produce enough to keep retired people in comfort. But U.K. life offices are shocked by the main implication of the scheme, as it affects themselves, that many private pension schemes would have to be abandoned because they would be inferior to the national scheme. When it was known that the political parties were drawing up plans for much-enlarged pension schemes, the life offices remained confident that their services would still be needed to supplement any national scheme. After studying the Labour Party's document, *National Superannuation*, they can envisage circumstances in which much of their business would be transferred to the State; and this threat, being indirect, is not so easily counteracted as the earlier threat of direct nationalisation.

The Labour Party is not at present in power; and the Party's own conference may pull the scheme to pieces—for in its promises for the next few years it is much too cautious to satisfy more ardent socialists. But the plan has, undeniably, introduced a new element of uncertainty into life assurance in Britain. Any changes brought about by criticism within the Party are likely to make the scheme less sound in itself rather than less damaging to private life assurance. Indeed, since a striking feature of this scheme is that it is planned to take effect only gradually (the final stage, where everyone receives the pension deemed appropriate, is deferred until the year 2030!), it must be assumed that changes intended to make it politically more attractive would hasten its adverse effects on private business. The broad idea of this scheme is that, ultimately, people would retire on half-pay, having contributed commensurately—that is, according to their earnings. The full benefits would not accrue to anyone born before 1965, and for some years, the pension fund would be building up rapidly. The annual excess of income over outgo would be, initially, about £400 million and the fund would soon swell to thousands of millions of pounds, even after absorbing the deficits of the scheme that it superseded. These huge resources would be in the hands of trustees appointed by the Government; and they would be authorised to ignore the conventional trustee lists and to invest in ordinary shares.

In a preliminary statement on the scheme, the Life Offices Association and the Associated Scottish Life Offices, referring to the trustees, remarked: "There is no assurance that their primary objective would always be to invest the money in the interests of the contributors. If the money were used for the piecemeal acquisition of controlling interests in industry" (a reference to another plan evolving in the Labour Party) "it would introduce a new and politically controversial factor into the field of pensions." The statement objected, too, to the principle of using contributions not only to build up the superannuation fund but also to pay the growing annual deficit on flat-rate pensions—said the flat rate, both for immediate pensions and for minimum pensions under the new scheme, would be raised from the present £2 to £3 a week. Even so, there would be a big increase in compulsory saving in the early years—bigger, perhaps, than the economy could comfortably accommodate. The later trend of savings is much more problematical. Mr. H. J. Twigg, an authority on superannuation, writing in *Co-operative News* (the co-operative movement has its own big insurance society), commented: "If, with the prospect of more or less adequate pensions on retirement, those who now

save in a variety of ways...decide that with a universal pension scheme they need not bother and can start to spend their full current incomes, the reaction on the total supply of savings, on investment policy and the future standard of living, may be very drastic indeed."

Industrial and commercial companies and individuals in Britain are nowadays tending to invest more in equities. Sometimes they see prospects of substantial recovery in Government stock prices and come into the market as buyers; but as every rise is quickly lost it becomes more difficult to restore confidence in fixed income stocks. In recent weeks, many investors have abandoned faith and transferred their money into ordinary shares. Essentially, this disillusion results from inflation. Only when inflation seems to be losing its strength, and there is a reasonable possibility of stable prices, is faith in fixed incomes temporarily restored; but the mood soon changes again, as inflation appears to be a permanent condition of this era of economic development. In Britain this year, wages have been rising strongly, demand for goods and services, hesitant last year, has revived; the atmosphere favours the kind of investment that can respond to trading activity and offer some protection against depreciation of the value of money. Another important factor in the weakening of British Government stocks and comparable securities this year has been the flow of new issues; and the market knows that many other intending borrowers are awaiting their turn. Whenever the market is reasonably receptive more stock is offered. The most numerous borrowers are municipalities, but it is known that public bodies, such as the Electricity Authority, must borrow on a very big scale in the coming years.

The demand for capital, in the form of long-dated stock, is not only a reason for the market's weakness but also a reason for strengthening the market, for restoring confidence in this form of investment. It is a major problem for the British Government, how to finance the huge programme of national investment in power (especially nuclear power) and transport and other services while investors, large and small, are unwilling to hold fixed income stock. The authorities can restrict the flow of capital into private industry by restricting new issues of ordinary shares, but the effect of such a policy is rather to inflate the value of existing shares than to divert savings into gilt-edged. It is against this background that the U.K. Treasury's recent financing policy has been criticised. The authorities have been properly concerned with the increase in the cost of servicing the

TOO MANY MOUTHS

MARKXISTS and Malthusians have between them created an atmosphere in which it has become exceedingly difficult to bring to the discussion of the world's population problem that minimal degree of detachment without which useful conclusions are impossible to reach. For the former, until recently the problem did not exist at all; the spectre of an overpopulated world was a capitalist invention to deceive the workers of the world. But as China is beginning to discover, it is not all a chimera. For the Malthusians, the problem acquired an exaggerated urgency, which so far remains unfulfilled in actual experience. Now there is an increasing realisation among them that it is self-defeating to present the population problem as one of tomorrow—when, in fact, it is probably of the day after tomorrow. Whether it is bred by Marxism or fatalism, the complacency prevalent in many countries is clearly at variance with the very real nature of the danger. Even in India, where the Government takes part in

national debt that has resulted from the rise in interest rates. They have also been properly concerned with the need to restrict the issue of Treasury bills, so that the finances of the business community (especially of the banks) shall not become (or remain) excessively liquid. They have tended, therefore, to satisfy their current needs by issuing short-term bonds, with a "life" not exceeding five years. There is still a firm demand for this kind of investment, and by thus borrowing on relatively favourable terms the Treasury has effected considerable economies in the servicing of the national debt.

Preparation for this phase of financing began nearly a year ago, when the rate of discount on Treasury bills began, with the authorities' assistance, to diminish; later the lowering of Bank rate added impetus to the downward trend of short-term interest rates. An abnormal divergence appeared between short-term and long-term rates, and the authorities made it appear that they intended to keep long-term rates high—and the value of long-dated Government stocks low—indeinitely. But even shorter-dated stocks have more recently suffered selling by the banks as the shortage of Treasury bills has required action to maintain liquidity ratios. Many in the City feel that the U.K. Government is mismanaging its long-term financing, and that it will soon have to resort to inflationary financing by Treasury bills unless it can restore the public's faith in Government securities. Stopping inflation would restore it.

An important feature of the Labour Party's plan is that it proposes the establishment of a National Pensions Fund, with authority to invest some of its immense resources in ordinary shares. A much more conservative body, Lloyd's, has broken with tradition already by authorising investment of underwriters' reserves in ordinary shares. The insurance companies have been gradually increasing the proportion of their assets held in this form. Investment trusts have shown a similar inclination. It has been suggested that even the banks should do likewise. But the Labour Party's acceptance of equity investment for the nation's superannuation fund is the most important development of all (though, of course, tentative as yet), because the £400 million of investible resources estimated to be available to the fund in its first year is approximately equal to the annual increase in the investible resources of all the "institutional" investors combined. Sir Oscar Hobson, a leading authority on the finances of the City of London, has calculated that the holdings of marketable securities of the "institutions"—insurance companies, pension funds, banks, building societies, investment trusts—aggregate approximately £8,670 million, of which £3,500 million is attributable to the insurance companies and £1,950 million to the clearing banks. In terms of annual increase in holdings, the biggest investing group is the insurance companies, disposing of some £200 million a year, followed by private pension funds, £120 million a year. Both these categories would presumably be reduced considerably if the Labour Party's plan, or anything similar, were put into effect, and if the national fund tended towards equity investment more than do the resources of the "institutions", there would be a large-scale diversion of capital into ordinary shares.

popularising family planning, the problem receives no sustained attention. The Prime Minister's views on the subject are known to be realistic, but he certainly has not accorded to it the priority it deserves, if only because without a more determined attack on the basic question of population control all other planning is sure to go awry. It is only of limited academic interest that the United States' rate of growth is not lower than India's or that Belgium has a higher density of population than some Asian countries. In the final analysis, it is a problem confronting entire mankind; its solution, however, will have to be sought on a national basis, and Indian apathy is perceptibly producing not merely a larger population than

million, as a result of a very marked reduction in the death rate all over the world while the birth rate has remained almost unchanged, it is not surprising that anxiety centres on whether food supplies can keep pace with so rapid an advance. U.N. experts estimate the world birth rate in 1955 to be in the neighbourhood of 34 births a 1000 persons each year, while the death rate is now about 18. This leaves a net gain of 1.6 percent a year—an increase calculated to double the world's population by the end of the century. These statistics are presented in the U.N. *Demographic Yearbook* for 1956, which records and analyses the census results of almost 200 separate areas of the world. One-tenth of the world's annual increase in population occurs in Latin America, at the rate of 2.6 percent or 4.4 million persons a year, while Africa, south-west Asia and Oceania are growing almost as rapidly, with rates of some 2 percent. North America and Russia are growing at almost the same rate, namely, 1.7 percent a year—just above the world's average—while Europe is growing least of all, with rates varying from 0.6 to 1 percent. Besides the fast rate of increase, Asia can also lay claim to more than half the population of the world and accounts for the largest absolute addition to the world's population—an increase of some 24 million persons a year. Asia's distinction is also indicative of the fact that countries with high rates of population increase are experiencing an acceleration of their growth.

These observations indicate a need for urgent consideration of how programmes for economic and social development can keep pace with expanding population trends, caused by birth rates varying between a high of 45 a 1,000 in Africa, middle America and south-east Asia (India) and a low of 18 to 21 for Europe, coupled with falling death rates. Almost without exception, the study shows that death rates for 1950-54 were lower than those for 1945-49, and countries with the highest rates in the earlier period (Africa and Asia) experienced the greatest reduction. This phenomenal decline in mortality is the most significant demographic event of the last decade; its impact is only now beginning to be felt and its implications for the future understood. The decline may be attributed in the main to progress in environmental sanitation and disease control through the application of medical and public health techniques. The revolutionary decline in mortality has also been reflected in increased life expectancy at birth. The country which now records one of the lowest crude death rates, the Netherlands, records also the highest average expectation of life at birth for males and females, namely, 71 and 73 years, respectively. The shortest average life expectancy in a major country is found in India, where the records show 32 years for males and females.

Age distribution is an important economic factor. It is estimated that on the average 34 percent of the world's population is under 15 years of age, 58 percent aged 15 to 59, and 8 percent over 60 years of age. By far the largest proportion of the populations in Africa, middle America and south-east Asia are children. In these areas, more than 40 percent of the population is under 15 years of age, while in Europe and north America the corresponding proportion is less than 30. There is, of course, a corresponding reversal in the proportion of the population of working age in these areas. Africa, middle America and south-east Asia have slightly over 50 percent in the ages 15 to 59, while north America, Oceania and Europe have over 60 percent at working ages. Presumably because of better health conditions, north America, Oceania and Europe also have a larger proportion of their population living to the age of 60. The age distribution of population naturally determines in part how many persons will be in the "working population" or, as shown in the *Yearbook*, the "economically active". The percentage of the total male population reported as economically active normally reflects the industrialisation of a nation's economy. It also indicates the proportion of the population which essentially bears the responsibility of supporting the rest. The statisticians point out that in Europe, males in the working population, i.e., in the "productive ages", almost invariably exceed 60 percent of the total, while in Latin American and Asian countries the percentages fall in the 50's, as does that for the United States, which is 58. It will be noted that there is little variation by age in the percentage of the population in the labour force until the upper ages are reached. At ages 60 and over, there begins to be evidence of the retirement of men in western European countries, Australia, New Zealand, the United States and Canada, as indicated by the drop in the percentage of males in the labour force.

The participation of women in the economy of various countries is brought out in figures showing percentages of women of all ages reported as "economically active", although these figures are admittedly affected by many irrelevant factors. This percentage varies from a high of 54 for Haiti, Turkey and Bulgaria, to a low of 4 in

Pakistan. Percentages of 7, 4 and 2 are also shown for Asian populations in Africa. Many of the Latin American countries show percentages of 9 and 10. The majority of European countries fall between 20 and 40 percent. The United States has 22 percent and Canada 17 percent. The United Kingdom has the largest percentage of its school-age population attending school. At the time of the last census, 97 percent of the population between the ages of 5 and 14 was in school in Scotland, 95 percent in England and Wales, and 91 percent in Northern Ireland. Percentages above 80 are found in Japan and the United States, but they fall as low as 41 in Portugal, 34 in the Dominican Republic, 28 in Bolivia, and 27 in Turkey. These low percentages are perhaps the reason for the high proportion of the population reported as economically active in these countries.

Behind these statistics lies the stark fact that with no commensurate increase in the means of subsistence the population of the world is increasing at a rate that must be considered alarming. If science has seen to it that infant mortality is now negligible and that more and more diseases will come off the list of "incurables," it is to science that we must look for an answer to the problem the twin facts have given rise to. The time has come to stop discussing the various ways of birth control, for some of them have proved to be frankly useless and must now be discarded. A bolder approach, which in this country is made possible by the absence of religious objections to the adoption of scientific methods, is now clearly indicated. The vastness of the country and the illiteracy of the masses make it difficult to carry the message of family planning where it is most needed, but it is only one more challenge for the Government of India. There are other means of communication besides the written word. It is not known that the medium of broadcasting has been exploited much for the propagation of family planning, or the cinema—both accessible to the unlettered. What has been lacking is a vigorous approach on the part of authority, in part a victim of both Marxism and fatalism. Unless, however, this problem of population is tackled urgently, it will soon be found that efforts in all other direc-

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tions have not only resulted in no progress but that the standard of living, already sadly low, has in fact fallen further.

WEALTH TAX ON COMPANIES

CONCESSIONS MINOR AND INADEQUATE

THE concessions announced by the Finance Minister, Mr. T. T. Krishnamachari, in applying the wealth tax to companies—the five year tax holiday for new industrial undertakings and the exclusion of investment by one company in another in inter-corporate existence—are welcome. But the fundamental objection, that the application of the tax to companies involves a violation of fiscal equity, remains valid. So far, the Finance Minister has refused to change his views and the prospects of any substantial modification at the stage of consideration by the select committee are not bright. Yet the issue is basic. The wealth tax on individuals has been defended on the ground that it is necessary in order to overcome the limitations in taking income as a measure of the ability to pay, though there may be reservations about the wisdom of imposing the tax in an under-developed economy where capital formation is already slow. But there is not a shred of theoretical justification for extending the tax to companies. The argument that certain other countries have done so is hollow, because in those countries companies enjoy many compensating benefits. "The peculiar structure of India" which, according to the Budget speech, necessitated bringing companies within the purview of the tax, is a vague phrase which has not been elucidated.

The small mercy in the case of inter-company investment will prevent triple (or more than triple) taxation of the same assets, but the charge of double taxation remains. The incidence of double taxation of this sort may not be extensive, it is said, because most shareholders will be outside the scope of the wealth tax. The Bombay Shareholders Association places the figure for non-

financial companies at as much as 75 percent. Here there is no question of double taxation, but the imposition of the wealth tax on companies amounts to an indirect extension of the tax to a class of persons who are ostensibly outside its range and whose inclusion does not in any way contribute to the Government's egalitarian aims. The levy on companies is not really a tax on the wealthy, as the Rs. 2 lakh exemption limit for individuals seems to suggest. It is a tax on all those who invest in companies, whether the investors are wealthy or otherwise. The socialist quality of this tax, of which so much has been heard, thus appears largely illusory. Objections along similar lines may be made to the income tax on companies, were it not for the provision that individual shareholders can claim a refund on their personal income tax for dividends on shares, since the company has already paid income tax on that income. No similar provision exists for the wealth tax. To remedy this, it has been suggested that companies should issue wealth tax payment certificates to shareholders, by the use of which those shareholders who are not liable to the wealth tax could claim a refund, and those who are liable could claim a credit for the tax already paid by the company on their holding.

Exemption from the wealth tax of new industrial concerns for five years removes one of the principal defects of the original scheme, but it is unfortunate that companies will remain liable to the tax in good years as well as bad. In the case of individuals, wealth will be assessed to tax, irrespective of the income which it yields. This may encourage people to keep their wealth in the form of assets which yield a bigger income. But for a company, the same argument hardly applies. It cannot be assumed that because a company will have to pay the wealth tax, whether it earns profits or not, it will be induced to earn the highest possible profits. A business enterprise does it to need the spur of a wealth tax to encourage it to make profits. But as a result of circumstances beyond its control, such as the Budget proposals of the Finance Minister or a depression resulting from an ambitious plan being foisted on the economy, a company may find its profits declining or even disappearing while its wealth tax liability remains constant.

The rate fixed for the wealth tax on companies, half percent on net assets in excess of Rs. 5 lakhs, may not be too onerous in times of prosperity. It is estimated that for the Indian Iron and Steel Company the liability on this account will amount to Rs. 13.25 lakhs and for the Tata Iron and Steel Company Rs. 21 lakhs. In these cases, dividend prospects are not likely to be adversely affected. But these concerns have also to carry an increased income tax on companies and corporation tax which raises the total liability arising from the wealth and corporate taxes together by Rs. 66.25 lakhs for Indian Iron and Rs. 79 lakhs for Tata Steel. Moreover, investors have an uneasy feeling that the rates are unlikely to remain at the present levels for long. Such fears will inhibit investment.

CURRENT COIN

U.S. Export-Import Bank Mission.—The U.S. Export-Import Bank and the International Monetary Fund will be sending two separate missions to India next October. The mission from the International Monetary Fund will be of a routine nature. This will, however, be the first time that the U.S. Export-Import Bank will be sending a mission to appraise India's credit-worthiness and credit needs. The World Bank is sending a two-man mission to help India prepare a long-term transport plan.

West Bengal Budget.—The Budget which Dr. B. C. Roy presented last week to the West Bengal Legislature as "final demands for grants and appropriations" for 1957-58 was substantially the same as the one presented last March for "vote on account". Revenue receipts, it is now estimated, will be slightly higher at Rs. 61.89 crores, but expenditure under "capital" heads is also expected to increase. The net result, therefore, is a large deficit of Rs. 10.29 crores on revenue account and Rs. 1.88 crores outside it, making an overall deficit of Rs. 12.17 crores. This will be partly offset by the year's opening balance of Rs. 8.75 crores, and thus it will close with a negative balance of Rs. 3.42 crores. For some years, deficit budgets have been usual in this State, but the reasons are understandable. Refugees, over-population and the housing and law and order problems in urban areas, together with educated unemployment, claim a large proportion of resources. In defending his Budget, Dr. Roy says that development needs claim a large share of the State's revenue. In accordance with the Central Government's suggestion, West Bengal has been trying to raise funds for the plan out of its own resources. It has executed the "first five year plan in full". For the second plan, it will have to make bigger

efforts. The outlay on the second plan for the State is Rs. 153.7 crores. Under the original arrangement, the resources which West Bengal could raise itself were estimated at Rs. 29.5 crores; the balance of Rs. 124.2 crores was to come from the Centre. The arrangement has now been changed. The State's share has been "pushed up" to Rs. 64.4 crores, and the Centre's share reduced to Rs. 89.3 crores. In spite of the reduction, Dr. Roy appears to complain, the Central aid so far available falls short of what the State has been led to expect. During the second year, the estimated expenditure on the plan is Rs. 33.41 crores. Although no definite intimation was available at the time the Budget was framed on the amount of Central assistance that would be forthcoming this year, it has been estimated in the Budget at Rs. 15.56 crores, including Rs. 4.92 crores for the D.V.C. The State could find only Rs. 11.8 crores from its own resources, by a combination of devices consisting largely of taxation and borrowing. The State has to raise Rs. 14 crores by additional taxation during the second five year plan, and during the current financial year, Rs. 1.3 crores will have to be so raised. Also, the State Government, "subject to the advice of the Reserve Bank", proposes to raise a market loan of Rs. 5.5 crores during 1957-58. "We have been asked to raise a further amount of Rs. 3 crores in 1957-58 by additional taxation by special endeavour". Dr. Roy informed the House. His Budget speech, however, was notable for one omission—the need for economy in administrative expenditure which ought to go with the search for more revenue.

Higher Costs for Bombay Gas.—In his address to the shareholders of the Bombay Gas Co. Ltd. this week, Mr. B. L. Jalan, chairman, gives a fairly comprehensive account of its operations (a fuller version of his speech appears on a later page). Gas output over the decade since 1946 has increased by 37 percent, and the company has plans to expand supplies further. But a steep increase in the cost of production due to higher coal prices and higher freight rates could bring serious difficulties if the selling price of gas is not suitably revised. Mr. Jalan says that although the production of gas in 1956, at 1,529.2 million cubic feet, was higher than the previous year's 1,511.8 million cubic feet, the financial results of 1956 are "rather disappointing," compared with those of 1955. The surplus shown by the revenue account of the company has dropped to Rs. 1,16,227 from Rs. 10,98,667. Explaining this fall, he points out that the price of coal was raised by Rs. 3 a ton from July 1956, and on that account alone, the company had to spend extra Rs. 1,04,481 for the following six months of the year. "Another sum of Rs. 1,06,302 is accounted for by the increase in the surcharge in freight at Rs. 1-6 a ton of coal from April 1956, higher terminal tax at 12 annas a ton of coal from 15th October" and the change in the rate of employers' contribution to the employees' provident fund. Mr. Jalan thinks that further rises in the cost of production are in prospect. The company asked the Government in September last year to appoint a gas advisory committee to revise the price "in accordance with the recommendations of First Gas Advisory Committee." Only last month was an assurance received that such a committee would be appointed. But the matter has been complicated by the condition that the question of prices for the sludge gas which the company will be obtaining from the Municipal Corporation should be settled first. Mr. Jalan points out that this condition is irrelevant as the two matters are independent. Sludge gas is not likely to be available until next year, whereas the cost of producing the company's gas has gone up since last year.

Bigger Business for B.I.C.C.—In his statement to shareholders of the British Insulated Callender's Cables Ltd. (an extract from which appears on a later page), Mr. W. H. McFadzean, chairman, reviews the company's worldwide activities. It was entrusted with the task of installing submarine power cables connecting Vancouver island with the mainland of Columbia. "In the two and half years since we received this order, we had designed and built a new plant and manufactured, shipped and installed almost 100 miles of this unique cable, some in continuous lengths of 16 miles weighing 700 tons a length and all capable of operating at 138,000 volts 600 feet below water." The new factory in Pakistan, in the construction of which B.I.C.C. and some British companies have collaborated, has made a good start. Referring to the activities of the Indian Cable Company, the chairman says that it is one of the largest wire and cable concerns in Asia and "a works we would be proud to be associated with anywhere." But the introduction of certain new taxation measures by the Government of India in 1956 made it impracticable to retain financial control, though B.I.C.C. still has a substantial shareholding in the Indian Cable Company and is continuing as consulting engineers. B.I.C.C.'s overseas business in 1956 accounted for some 36 percent of the total sales compared with 33 percent in the previous year; of the total sales, some £82 million represented sales in Britain and the balance of £47,000

represented direct exports from that country plus the turnover of overseas subsidiaries.

Debenture Issue by Dunbar Mills.—On another page of this issue of *Capital* appear details of an offer of Rs. 25 lakhs of debenture stock, at par, by the Dunbar Mills Ltd., carrying interest at the rate of 6 percent per annum (taxable). Subscription lists for the stock will open on 17th June and subscriptions will be in Rs. 500 or multiples thereof. Interest will be payable on 30th June and 31st December each year for the half-yearly periods ending on those dates. Such part of the stock as has not been previously purchased or redeemed will mature for payment at par with accrued interest on 30th June, 1972. The company will, however, have the option to redeem the whole or any part (to be selected by drawings) of the stock on or any time after 30th June, 1967, at par plus accrued interest, on giving three months' previous notice to the stockholders. Following certain changes in the ownership of Kettlewell Bullen and Co. Ltd. in 1954, the results of the Dunbar Mills Limited have shown a steady improvement. Against a loss of Rs. 3,27,568 incurred for the half-year ended 31st December, 1953, which increased the debit balance in the profit and loss account to Rs. 12,51,654, the company earned a profit, after allowing Rs. 4,27,508 for depreciation, of Rs. 3,26,385 during the year ended 31st December, 1956. There is now a sum of Rs. 3,50,335 at the credit of the profit and loss account in the latest balance-sheet. The debenture loan is to be utilised for the purchase of modern machinery.

Expanding Co-operative Credit.—The Reserve Bank of India's monograph on statistical statements relating to the co-operative movement in India, 1955-56, speaks of a considerable expansion in the activities of the co-operative organisations. The number of co-operative societies of all types increased and they found an opportunity to play an important rôle as their working capital rose. The number of agricultural credit societies showed a larger increase, and "they represented numerically the most important single class of co-operative institutions." The membership of primary societies increased and the total amount of advances granted by them rose sharply. But the number of State co-operative banks remained unchanged. Efforts were made to strengthen the share capital structure of several apex banks by Government contributions and the total amount sanctioned for this purpose increased substantially. The working capital of the apex banks increased, and there was a rise in the quantum of financial accommodation provided by the Reserve Bank. The number of central banks and banking unions declined, mainly due to the policy of rationalisation of central financing agencies pursued in certain States, such as Himachal Pradesh and Jammu and Kashmir. The number of agricultural and non-agricultural credit societies increased; but the deposits of the former constituted an insignificant percentage of their working capital. "This indicates that the primary agricultural credit societies have laid inadequate emphasis on the promotion of thrift and savings." Fair progress was also recorded in the non-credit structure. The number of State non-credit societies rose and their business doubled during the year in question. Agricultural and non-agricultural non-credit societies showed a general rise in their number, membership and business. There may be reason for optimism about the progress of the movement, since there has been a general improvement in the profits of all types of societies. But greater efforts are necessary to attract deposits if they are to function as strong and economic units.

INDIA AND THE SUEZ CANAL

WRITING some weeks ago we observed that one of the most important events in the history of British India was the opening of the Suez Canal, and it may be interesting here to record the growth of the trade that has been carried on with India through it. The following figures give the value of the imports and exports since the opening of the Canal:

Year ended	Imports	Exports
31st March	Rs.	Rs.
1872	9,09,46,164	5,45,47,715
1882	17,66,78,928	14,82,15,984
1892	23,55,49,632	22,82,02,816
1897	28,44,81,516	30,69,57,570

It will be seen from the above how steadily the trade has increased, and that the proportion which the trade of Calcutta through the Canal bears to its total foreign trade was last year 76.9 percent. But from this total trade we must, for the purpose of comparison, deduct the trade with China, the Straits, Australia, Ceylon and Mauritius, which, of course, could not go through the Suez Canal. This amounts to 14.78, so that we have it that the proportion of trade via the Suez Canal to via the Cape is 76.9 out of a possible 85.24.

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1. Tender No. CON/COS/18/63-CS/Gb10 for supply of 50 Nos. Tent Field Officers Kabul Pal 10'x10'. Earnest money is Rs. 500/-.
2. Tender No. CON/COS/19/64-CS/Gb10 for supply of 100 Nos. Tent Shouldaries or servant Pal 10'x10'. Earnest money is Rs. 460/-.
3. Tender No. CON/COS/20/65-CS/Gb10 for supply of 5 Nos. Tent Swiss Cottage 14'x14'x11'. Earnest money is Rs. 220/-.

Tenders will be opened on 21. 6. 57 at 12.00 noon.

Tender forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23 on remittance of Rs. 2/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, S. E. Ry., Garden Reach by local firms.

The tenders should accompany a receipt from the Chief Cashier, S. E. Ry., Garden Reach for amounts towards earnest money as above with out which the tender is liable to be rejected. Approved contractors who have already made permanent deposit of Rs. 1,000/- with the Controller of Stores need not pay the earnest money.

Firms not on this Railway's list of approved contractors must enclose a valid Clearance Certificate with the tender.

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(FROM OUR LEGAL CORRESPONDENT)

ONE may be permitted to doubt whether, even in the minds of Scots readers other than graduates of the University of Edinburgh, the name of Robert Knox, M.D., will ring a bell. Yet he was the most famous, or shall we say notorious, professor of anatomy ever to lecture or demonstrate within the walls of the University, and his fame, with that of the two Irish gentlemen who were his coadjutors in the year 1828, became almost worldwide where the English language is spoken. Perhaps the bell will be rung when we mention the names of these two painstaking assistants. They were Messrs William Burke and William Hare. We are citing Dr. Knox's case with the legally undeserved smear on his reputation as illustrative of a fact which is often forgotten and even totally denied, that the law is not a code of ethics. It is not, as such, a science enforcing the principles of human morality, moral philosophy or morals. Those who think otherwise may be reminded of an incident before old Judge Sir Henry Hawkins (Enery Orkins, as he was affectionately styled by the hoodlums whom he sentenced), who demolished their whole theory in one sardonic sentence. Mr. Phillimore, Q.C. (afterwards Lord Justice), was a pious, sincerely religious man, much disliked for his smugness. It was of him that Lord Esher, Master of the Rolls, who on principle or by constitutional inability disregarded the aspirate, remarked to a colleague: "Ere comes that 'Oly old 'Umbug' umming one of his 'ymns. 'Ow I 'ate 'im." Mr. Phillimore was arguing before Hawkins J. that the criminal law was the embodiment of the Christian religion in practice. The cynical old judge leaned forward and asked him: "Mr. Phillimore, have you ever been instructed to draw up an indictment against a man for not loving his neighbour as himself?"

That is the whole point. I may have the bitterest hatred in my mind towards a man. The act I perform may be dictated by that hatred, may be morally indefensible and may, in accordance with the deliberate intention behind it, ruin the man. But if the act is not illegal, the law will not concern itself with it. And that brings us back to Dr. Knox diffusing surgical and anatomical

learning in Edinburgh University. To do so, the doctor needed cadavers; and from natural causes and operative dismemberment the stock-in-trade of the same was subject to rapid depreciation and needed constant replenishment. Messrs Burke and Hare did the replenishing, first more or less innocently by robbing graves of the newly interred, then by murdering the subjects, some 15 to 20 of the latter type. Dr. Knox bought the lot at prices dependent on the quality of the exhibits, ranging from £8 to £14 each. The two "honest tradesmen" would have been more prudent to have stuck to the original design, for a man dead and buried is not missed by relatives whereas a person murdered (in the last instance it was a beautiful and well-known *demi-mondaine*) is. It was for the murder of this girl by suffocation that Burke and Hare were at last arraigned. Hare was convicted and duly hanged. Burke, by turning "King's Evidence" or "approver", as we should style him in India, was let off scot free. To save him from the fury of the Scottish populace, who would have dismembered him as surely as if less scientifically than Dr. Knox did his victims, the authorities escorted him to the border and set him on the high road to London. Near Carlisle, he fell in with some labourers in a lime kiln and was recognised. They ended his career as a body snatcher by thoughtfully destroying his eyes, and years later he died in London a blind beggar.

The curious are referred to Robert Louis Stevenson's story *The Body Snatcher* for further enlightenment, and for the lighter style of the trade of Resurrection Man to the likeable Jerry Cruncher in Dickens's *Tale of Two Cities*, the original "Honest Tradesman". So much for Burke and Hare. But what about Dr. Knox? He could not be charged as an accessory to some 20 murders since there was not a particle of evidence that he knew there had been any. Nevertheless, though the learned professor was careful to ask no questions, he must have known that there was a public outcry in the city about the despoiling of graves, and that when a couple of drunken unemployed labourers brought him for sale a regular and continuous supply of every variety of newly dead bodies, such merchandise could not have been honestly come by. Why not then a charge against the doctor of receiving stolen property, to wit the corpses of X, Y and Z, well knowing the same to have been stolen? The answer is that in law there can be no "property" in a dead body and therefore it cannot be stolen. And the whole object of this note is to emphasise the fact that a citizen in arranging his acts and deeds is perfectly entitled, however great the moral opprobrium and just censure he may incur by so doing, to take advantage for his own profit or the loss of profit to others,

including the State, of any loophole in the law which will enable him to carry his intention into effect. Dr. Robert Knox, more than a century after his death may go down in history, and in fact he does in the *Encyclopaedia Britannica*, not as a famous anatomist but as the callous associate of two wholesale murderers; nevertheless he outwitted the law and demonstrated the truth that every one of us is entitled to do the same—if one can.

The principle is similar in civil law and we see it mainly in operation against the State to defeat the revenue. "It is trite law," said Viscount Sumner in an English case, "that His Majesty's subjects are free, if they can, to make their own arrangements so that their cases may fall outside the scope of the taxing Acts. They incur no legal penalties and, strictly speaking, no moral censure, if having considered the lines drawn by the legislature for the imposition of taxes, they make it their business to walk outside them." And the subjects of the republic of India can try, though the Finance Act, 1955, will take a lot of getting round, to "make it their business to walk outside them" too. Thus, Courtney-Terrell, C.J., in the Bombay High Court: "Needless to say, the mere fact that the transaction is a device to escape income tax ought not to prejudice the assessee. Any subject of the State is entitled to escape taxes, if he can devise a lawful method of doing so...."

But we now know—for the first time so far as the writer is aware—that much stricter standards than those applied to taxation laws are applied to attempts to evade the provisions of social legislation. That eminent commercial judge Chagla C.J. was dealing in the Bombay High Court with what his lordship described as "a rather glaring attempt at resorting to a subterfuge in order to defeat the law." A silk mill was run by a partnership consisting of a father and his son and was doing the business of manufacturing silk and dealing in silk yarn and silk cloth. On the death of the father, the son entered into partnership with his two major sons. This was in November 1951. Shortly before the coming into force of the Employees Provident Funds Act, "this partnership purported to close its business" on account of financial difficulties (*inter alia*). Subsequently, the machinery was leased to the members of the family owning the factory, including minor sons. The members made a show of carrying on the various processes as separate units. It was their contention that five separate units were started, doing manufacturing processes which were originally done by what we may term the "parent mills", i.e., the Standard Silk Mills. These units were said to be (1) Narayan Weaving Works; (2) Jayant Weaving Works; (3) Govind Throwing Works; (4) Tara Processing Works; and (5) Hemu Finishing and Dyeing Works.

The important point was this. If these five units were genuinely what they purported to be, separate units, then as the five factories came into existence on 4th November, 1953, they were what is known as "infant factories" and the Provident Funds Act not applying to them, the demand of the Commissioner for the contributions necessary under that Act was an illegal demand. We have not the space to go into the facts in more detail or into the very ingenious document leasing the various machinery to the members of the same family said to be owning the separate units though as a matter of curiosity, we may mention that the document contained a clause which to the writer is a rather unusual one solemnly stating that the parties were signing it without being intoxicated. The question was whether this was a *bona fide* real transaction or a mere subterfuge to avoid the liability of contribution under the Employees Provident Funds Act.

"A clever device or subterfuge," said the learned Chief Justice, "(which) does not bring about any change whatsoever in the conditions which prevailed before this lease was executed and subsequent to it. The five units which it is suggested constitute five separate factories are all run by constitute five separate factories are all run by the same members of one undivided family....The same machinery is being used for the same purpose. Instead of the Standard Silk Mills manufacturing silk by different processes, the silk is being manufactured by the very same processes, in the very same machinery by these five units artificially set up which are under a clear obligation to manufacture silk by various processes on behalf of what might be called the parent company...These five units are not independent units; they are clearly interdependent, and the processes are carried on for the benefit of the Standard Silk Mills and for no one else."

His lordship concluded with some trenchant and instructive observations which are worth careful note: "It is a well settled canon of taxation law that a subject is entitled to avoid paying tax if legally he can do so....but the Act that we are dealing with is not a taxation law. It is social legislation and the canon of construing social legislation is very different from the canon of construing a taxation law. The court must not construe any subterfuge which would defeat the provisions of social legislation and the court must even, if necessary, strain the language of the Act in order to achieve the purpose which the legislature had in placing this legislation on the statute book. Therefore, not only must the court disapprove all subterfuges to defeat a social legislation but must actively try to prevent such subterfuges succeeding in their object."

Plain and pungent speaking indeed!
(L.L.J. 1957. Vol. 1. 448.)

* 13. T. C. 486.

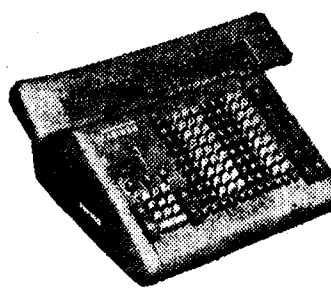
* Rajniti Prasad Singh, 4. I.T.C. (1930). 264.

THE effect of governmental efforts to improve the arts is almost always unfortunate; they distort the very nature of artistic creation, as is now admitted with varying degrees of frankness by writers in the Communist countries. There may, however, be an exception or two, and one such may be the proposal now before the Ministry of Commerce and Industry to restrict the length of Indian films. (What makes this good for art, of course, is the fact that the Government is not trying to improve the cinema at all but only to conserve foreign exchange.) To the film industry it should not be an altogether novel experience, for during the last war no Indian film could be longer than 11,000 feet. Some length, even at that ceiling, but the more important fact is that Indian producers then began to see virtue in conciseness and to learn the great art of leaving out what is better left out. I still remember the visitor from Europe who was being told the greatness of an Indian film in terms known to Wardour Street and now familiar in Indian filmdom—matchless, peerless, etcetera, etcetera. "And endless," said the visitor quietly. There are themes, classical ones, which must be treated at length. Even in three hours and forty minutes, only a part of the story of War and Peace could be told. But the "slice of life" theory of the literature of the 'twenties has now established itself in the world of the cinema too, and there seems no good reason why the principle should not be practised in this country where the increasing number of films under production has brought them out of the limited epic field of years gone by. It is a libel on the Indian public that it is never happy with fewer than three deaths, two marriages and a dozen songs.

Whatever the Government may or may not do about cutting imports of raw film, I sincerely hope that enough will be left for making cartoons. The performance given by Mr. B. M. Chinai, president of the Federation of Indian Chambers of Commerce and Industry, at the Import Advisory Council meeting last Thursday, it seems to me, might have been eminently suitable for such treatment. At a time when India is striving to maintain her credit abroad so that she can get the foreign exchange she urgently needs, there can be few ideas more perverse than Mr. Chinai's suggestion that a small cut be made in the profits which foreign firms remit to their home countries. Unlike some of her neighbours, India has so far had a fine record in this matter, and the Government has been wise in ignoring earlier Communist recommendations similar to Mr. Chinai's. What intrigues me is, if one believes the rumour that Mr. Chinai is acquainted with business working, how can he fail to understand the effect which a restriction on the remittance of profits will have on investment? One begins to wonder whether his subtle intention is, in fact, mainly to reduce the inflow of foreign investment, but that he hesitates to say so openly because the proposal would be regarded as merely foolish in India's present circumstances. It is only six months since Mr. T. T. Krishnamachari said in Calcutta that the greatest obstacle for the flow of foreign capital into this country is not the Government but the jealousy of Indian capital. It seems his words are truer than one might have thought at the time. I hear a "goodwill" delegation of Indian business men and industrialists will shortly be visiting America and Europe, under the auspices of the F.I.C.C.I., to discuss trade and investment possibilities. With Mr. Chinai as one of its members, I shall be more than usually interested to see just how much "goodwill" it is likely to spread.

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A DITCHER'S DIARY

Mr. Donald Soper, it must be admitted, has refuted pretty nearly every argument that has never been adduced seriously by critics of Prohibition, in India or elsewhere. There is, first, a basic difference between the problem in India and that in the countries cited by the former leader of Britain's Methodist Church. In India, the problem simply didn't exist, for it is on record that only a very small percentage of the people drink. Alcoholism as a disease, the only thing worth combating at an official level, has affected very few in this country. While it is all right for Mr Soper to "want a deal of convincing that there has not been a tremendous improvement in village life as a result of this enforced sobriety to set alongside (the) bad effects," anyone familiar with rural India knows that those parts of the population which used to drink continue to do so and those who did not drink are now paying for the farce of Prohibition. Rajkumar Amrit Kaur, whose statement in the Rajya Sabha appears to be Mr. Soper's immediate provocation, knew what she was saying when she invoked the name of the Mahatma in asking the Government to scrap Prohibition; that should dispose of the "moral" irrelevancies introduced in the argument by Mr. Soper. As for the effectiveness of legislation in making people good, he himself says, "Of course you can't." The malicious pleasure to be derived from making it harder for people to be bad—not as though I ever accepted these moral categories in the context of drinking—is something I want no part of. I stick to the economic argument. But, perhaps, I should not have discussed Prohibition at all. Mr. Soper does not conceal why he favours Prohibition. "The drink trade," says he, "is unadulterated capitalism." (Of course, there is no drink trade in the Communist countries.) He adds, "...drinking... dulls the revolutionary fervour of the exploited." There is, you will see, some political madness in Mr. Soper's methodism.

It is essential for a journalist to be able to write quickly; for most other people it is desirable that they should be able to read at speed. I believe the late Lord Passfield (Sidney Webb, the founder of Fabian Socialism) read a book a day for the greater part of his life. Some people think it might have been better for subsequent generations if he had read less. But how fast can you read? Tests and classes designed to improve speed in reading (without loss of comprehension of what is read) have recently become fashionable in Britain and America, particularly the latter. From some particulars that have come my way, I gather that if you read less than 250 words a minute you are classified as slow, while 250 to 350 words a minute is normal and above 350 words a minute is fast. The aim of the reading classes is to get you into the 350 words a minute category. The instructor times his pupils over a fairly stiff piece of reading, for example, an extract from Bertrand Russell or a Reith lecture, and then asks questions to test their understanding of what they have read. The idea is to widen the span of the eye and reduce the period of fixation, so as to take in a longer phrase in a shorter time. In Harvard, in America, films have been prepared as a mechanical aid to the reading courses. Reading passages are shown on the screen, moving at first by one-fifth of a line at a time. Then the span is widened and as the course progresses the films are speeded up. Most of one's bad reading habits are acquired in one's teens.

but the amount of reading the average business executive has to get through today is such that the slow and careless reader often wastes both his own energy and his firm's time.

Tatas opened a permanent establishment in the U.K. as long ago as 1907 and a London correspondent tells me that the jubilee of the London wing of this famous House was fittingly celebrated a few nights ago at a reception at the Dorchester. Mr. J. R. D. Tata and his wife, together with Sir Frederick James who looks after Tatas' affairs in Britain, received some three hundred guests who came to felicitate the company on the occasion. They included almost everyone who is prominent in Indo-British affairs and, in addition to a sprinkling of ministers and senior officials, the City and the U.K. steel and engineering industries were especially well represented. There were visitors from the Continent too, including a party from Western Germany who had made the air journey to London specially to attend the affair. As someone said, "a long way to travel for a drink", but a sign nonetheless of the importance which the Germans attach to their Indian business connections. At home and abroad, Tatas pay a good deal of attention to public relations, and in doing so they perform a considerable service to India. The London celebration was an appropriate reminder that the House of Tata is not only famous but also old established, and that its business origins go back a good deal further than the steel works with which it is chiefly associated in the public mind.

"Critic," of the *New Statesman and Nation*, recently attempted to write a piece for a "nature column" in his London Diary. His enterprise, as well as certain phenomena accompanying the recent weather, have inspired me to compose the following on a subject which, to my great dismay, is sadly neglected in Indian journalism: "Tuesday's pre-monsoon showers pleased the birds; they got wet and chirped. But the dogs were not pleased, presumably because the rain soaked their hair. A neighbour's Dachshund, which regularly barks outside my window at 6 a.m., woke up fifteen minutes earlier the following morning. His barking annoyed a hen, who started cackling. The cackling annoyed a duck, which was picking grass in the lawn; thereupon she ran away. In the distance, I saw a crow rise from a tree, and after flying around for a few minutes, alight on another (tree). The horses in the stables nearby neighed, and a cat thirteen yards away turned her head to see why. Puzzled, she looked up at the hedge, where the leaves seemed greener. Just then, a squirrel emerged from the foliage. The horse's neighed again, and the squirrel went back. On the other side of the hedge was a lizard; it had two eyes, but did not blink. The rain stopped, and there was a slight breeze. Then the breeze stopped, and there was a little rain. A bee, looking like a rather big fly (or perhaps a fly, looking like a rather small bee) came buzzing round the lizard. The lizard blinked, and moved towards the hen. The hen moved towards the duck, and the duck towards the dog. The dog looked at the crow, and barked. The crow looked back, and cawed. I came away, blissfully unaware of what happened thereafter." Ah, well, who cares anyway? I only hope the worthies who write on "Country Life" in the *Spectator*, for instance, or "Country Notebooks" for newspapers nearer here, will pardon my near-plagiarism of their literary efforts.

THE DITCHER.

The Teahouse of the December Moon

IT should have opened in August, but the tea didn't get there! You've heard about a slow boat to China; but there are some pretty slow ones from India, too. There's no future in a tea party without any tea, so the whole thing rather went to pot as you might say.

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Consent of the Central Government has been obtained to this issue by an order of which a complete copy is open for public inspection at the Head Office of the Company. It must be distinctly understood that in giving this consent the Government of India do not take any responsibility for the financial soundness of any schemes or for the correctness of any of the statements made or opinions expressed with regard to them.

Application will be made to the Stock Exchange at Calcutta for permission to deal in and for quotation for the whole of the Stock now being offered.

The Subscription list will open on the 17th day of June 1957, and will close at the discretion of the Directors.

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(Incorporated under the Indian Companies Act, 1882)

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50,00,000	Ordinary Shares of Rs. 100	19,00,000	
50,00,000		19,00,000	

LOAN CAPITAL

Rs. 25,00,000/- 6% Debenture Stock 1967/72 being the Stock now offered.

The Company has no mortgages, debentures or other loan capital outstanding other than the stock now offered and an overdraft with Lloyds Bank Ltd., secured by hypothecation of stocks of cotton, yarn, cloth and book debts and an overdraft with Didwana Industrial Bank Ltd., secured by hypothecation of stores and a second charge on stocks of cotton, yarn, cloth and book debts. As at 31st March 1957, such overdraft with Lloyds Bank Ltd., amounted to Rs. 74,06,346-10-2 and with Didwana Industrial Bank Ltd. to Rs. 10,00,000-0-0.

The amount of unsecured loans from the Managing Agents was Rs. 18,31,122-14-6 as at 31st March, 1957.

ISSUE OF

Rs. 25,00,000/- 6% Debenture Stock 1967/72 at par.

Directors:

RANG NATH BANGUR, Merchant, 21, Strand Road, Calcutta.
HENRY JOSHUA SILVERSTON, Solicitor, 29, Netaji Subhas Road, Calcutta.
AMRITLAL VANDRAVAN SHETH, Merchant, 8, Lyons Range, Calcutta.
PURUSHOTTAM DASS BANGUR, Merchant, 21, Strand Road, Calcutta.

Trustees for the Debenture Stockholders:

RANG NATH BANGUR, 21, Strand Road, Calcutta.
JAMES LESLIE ESPLEN, 6, Lyons Range, Calcutta.
DALHOUSIE HOLDINGS LIMITED, 4D, Garstin Place, Calcutta.

Registered Office:

21, Strand Road, Calcutta.

Managing Agents:

KETTLEWELL BULLEN & CO., LTD., 21, Strand Road, Calcutta.

Brokers:

PLACE, SIDDSONS & GOUGH, 6, Lyons Range, Calcutta.
HARKISHANDAS LAXMIDAS, 5, Hamam Street, Bombay.

Bankers:

LLOYDS BANK LIMITED, 29, Netaji Subhas Road, Calcutta.
THE DIDWANA INDUSTRIAL BANK LIMITED, Didwana.

Solicitors:

ORR, DIGNAM & CO., 29, Netaji Subhas Road, Calcutta.

Auditors:

PRICE, WATERHOUSE, PEAT & CO., Chartered Accountants,
B4, Clive Buildings, Calcutta.

The Rs. 25,00,000/- of Debenture Stock was created by a Resolution of the Board of Directors of the Company passed on the 29th January 1957 and will be secured by a Trust Deed in favour of Messrs. R. N. Bangur, J. L. Esplen and Dalhousie Holdings Ltd., as Trustees for the Stockholders. The following are the principal terms on which the Debenture Stock is being issued:—

- Interest:** Interest will be payable on the 30th June and the 31st December in each year in respect of the half-yearly periods ending on those dates. The first payment will be made on the 31st December 1957 in respect of the period from the date of receipt by the Company of the Application Form accompanied by a remittance for the amount due and will be at the rate of 6% per annum, income-tax being deducted at the appropriate rate.
- Security:**
 - Payment of principal and interest will be secured by a first fixed charge on the Company's immovable properties including fixed plant and machinery relating thereto and by a floating charge on the remainder of its undertaking and assets present and future excluding any uncalled capital such floating charge being subject as to the Company's Stocks of cotton, yarn, cloth and book debts Ltd. and as to the Company's Stores subject to the hypothecation in favour of Didwana Industrial Bank Ltd. In respect of not been obtained when the Trust Deed is executed, the charge affecting such property will not be of immediate effect but will be postponed until such consent has been obtained.
 - The Company may create mortgages or charges on its stocks of cotton, yarn, cloth, book debts and stores ranking in priority to or pari passu with the floating charge to secure sums borrowed from or obligations incurred by the Company in the ordinary course of business of the Company but save as stated the Company may not create any charge ranking in priority to or pari passu with the floating charge and/or the fixed charge.
- Redemption:**
 - Such part of the Stock as has not been previously purchased or redeemed will mature for payment at par plus accrued interest any time after the 30th June 1967 at par plus accrued interest on giving three calendar months' previous notice to the Stockholders.
 - A Sinking Fund will be created by which annual contributions will commence in 1963 with a contribution in respect of the year ending the 31st December 1962. Such contributions will be payable only out of the distributable profits of each year as defined in the Trust Deed and certified by the Company's Auditors. Where such profits exceed Rs. 2,50,000/- the Company shall contribute to the Fund a minimum of Rs. 2,50,000/- but the amount by which any contribution exceeds Rs. 2,50,000/- may be applied in reduction of the Company's obligations in any later year or years. In a year in which the Distributable profits are less than Rs. 2,50,000/- the amount of the Company's contribution in that year will be determined by its Directors unless it makes up the amount by which such profits fall short of Rs. 2,50,000/- in any subsequent year or out of any excess of a Fund may be utilized in the purchase of stock in the market at a price not exceeding par plus accrued interest or may be invested in trustee securities or deposited with a bank until required for purpose of redemption. Stock purchased or redeemed out of the Sinking Fund is not to be re-issued.
 - In addition to purchases out of the Sinking Fund the Company may at any time purchase any of the Stock at any price not exceeding par plus accrued interest or at a higher rate with the consent of the Trustees and the Company may re-issue any stock so purchased.

HISTORY AND BUSINESS:

The Company was incorporated on the 10th November 1896 and is one of the earliest cotton mills in West Bengal. Its mill is situated at Shannagur in the District of 24 Parganas and consists of 42,944 Spindles and 518 looms.

The Directors have in their contemplation a scheme for overall modernisation of the machinery comprised in the mills as the same had already become out of date and as it is necessary that the Company should maintain its position as one of the premier cotton mills in West Bengal. The first stage of modernisation will be taken in hand in pursuance of the above scheme and the cost of replacement and addition of certain machineries are estimated at Rs. 25,42,760/- approximately and the machineries to be purchased include Mercerising Range Reeling Machine, Dyeing plant, combing machines, drawing frames, Humidification plant, Drying Range, padding Mangle, Carding Engines and electric baling press, etc. The proceeds of this issue will almost entirely meet such cost and the balance will be met out of the Company's own funds. Orders for mill machinery to the value of Rs. 25,42,760/- have already been placed and out of the machinery ordered for a part of it worth Rs. 15,81,282/- will be imported from foreign countries. The Company has paid Rs. 17,69,930/-

as the price of certain plant and machinery; this amount was obtained by way of loan and is intended to be repaid out of the proceeds of this issue.

TRADING AND FUTURE PROSPECTS:

It is expected that the demand for cloth which shows signs of increase will further increase. Further the Government of India has announced its policy relating to cloth and the target for mills in India for 1961 has been raised to 8,400 million yards. The Directors are confident that with the replacement and addition of machinery of the mill the Company will be able to improve the quality of the cloth that will be manufactured and maintain the sale of cloth and other varieties and accordingly maintain its position.

The Report by the Auditors of the Company shows that at 31st December 1956, net assets (after deducting Bank Loans) amounted to Rs. 46,15,566-0-0. If to this is added the net proceeds of the present issue of Stock, the resulting sum of Rs. 70,40,566-0-0 will cover the total amount of this Stock.

MANAGING AGENTS:

The Company is under the Managing Agency of Kettlewell Bullen & Co., Ltd.

APPLICATION FOR DEBENTURE STOCK:

Application for the Stock (which must be for Rs. 500/- or multiples thereof and must be made on the Application Forms issued by the Company) should be sent to the Company's Bankers Lloyds Bank Limited at 29, Netaji Subhas Road, Calcutta, or at Dadabhai Naoroji Road, Bombay. The Didwana Industrial Bank Limited, Didwana, or to the Company's Brokers Messrs. Place, Siddons & Gough or Messrs. Harkishandas Laxmidas or to the Company's registered office. Cheque/Drafts must be crossed "Not Negotiable" and made payable to "The Dunbar Mills Limited or Order". Any alteration from "Bearer" to "Order" must be signed by the drawer. A separate cheque must accompany each Application Form. Cheques drawn on and presented in Calcutta, Bombay and Didwana need include no allowance for collection charges. All other cheques drawn must include commission at the rate of As. 4 per 100/-. Any non-resident person, firm or Company applying for Stock must first apply for and obtain the sanction of the Reserve Bank of India. Copies of the Prospectus and Application Forms may be obtained from the Registered Office of the Company and from the Company's Bankers and Brokers.

THE BOMBAY GAS COMPANY LIMITED

CHAIRMAN MR. B. L. JALAN'S REVIEW

Extracts from the speech delivered by the Chairman, Mr. B. L. Jalan at the Annual General Meeting of The Bombay Gas Company Limited held on the 11th June, 1957.

Since we assembled here last, the international relations have witnessed many convulsions. The nationalisation of the Suez Canal once threatened a large scale conflagration. Thanks to the efforts of our Prime Minister and President Eisenhower, a reassuring calm has returned. The Middle East, however, continues to be in turmoil at one centre or the other. The world tension has increased also with renewed activity in the development of nuclear weapons. A race for ever new achievements is under way, one power trying to outstrip the other. But let us hope that in a not very distant future, more lasting peace will be established.

Nearer home, the Kashmir question was revived. The Jarring Commission Report, which also referred to 'the changed context', is yet to be debated by the Security Council. In the meanwhile, it has brought about further deterioration in the relations with our neighbour and also affected our economic operations in that country. The visa problem between the two countries has worsened beyond recognition. Notwithstanding a lack of full realisation, it has been demonstrated once more that good and neighbourly relations are absolutely essential for mutual benefit of both the countries.

In the midst of these none-too-happy developments abroad, India has crossed another milestone in her advance towards more effective democracy by completing the second general elections.

The progress of industrial programmes during the last few years has been fairly encouraging. It is contemplated that the production of several important industries will be increased manifold during the second plan.

The fulfilment of the ambitious industrial programmes requires both economic stability and favourable investment climate. You will recall that last address to you, that I was afraid 'the investment potentialities and needs of the country have been exaggerated; the outlay in the public sector is far too excessive; and some real risks involved in the heavy doses of deficit financing have been ignored'. The first year of the Plan was out only last month and it appears that the new strains developed by the economy have not belied my fears.

Wholesale Prices

The Economic Advisors' general index of wholesale prices stood at 424.3 for the week ending 4th May, 1957. This represents an increase of about 8 per cent over the level a year ago. The rise has not been spread over uniformly on all groups of commodities so that new imbalances have been created, all of which are, unfortunately, unfavourable to the industrial sector. Between March, 1956 and March, 1957, the prices of raw materials increased by about 9 per cent and of food articles by 14.5 per cent but the increase of manufactured goods advanced only by 2.5 per cent. In other words, the costs of industry have increased without a corresponding increase in the revenues of industry.

A very serious deterioration in the balance of payments position has been a still more disquieting feature during the first year of the Second Plan. Our external payments suffered a deficit of Rs. 300 crores, which has to be maintained as minimum currency reserve. We have also drawn a credit of Rs. 60 crores from the International Monetary Fund and the solution of the problem is not yet in sight.

The money market appears to be passing through a drought of capital and the stock market through a crisis of confidence.

There is one stream of national income and savings from which both the sectors have to draw their gramine with undue emphasis on the State sector. The meagre resources have been left at the disposal of the private industry. The sources of revenues of the State are rigid and claim the first priority. Whether one likes or not, taxes have to be paid. The due of resources, and the means which it can employ are definitely voluntary. The entire brunt, therefore, of the inadequacy of resources to fulfil a given plan has to be borne by private industry.

Taxation

Heavy taxation is a two-fold evil. It dries up the capital fund available to industry. It creates disincentive for investment. The situation becomes worse if, as in the present case, taxation is levied beyond the taxable capacity of different sections of the people and the form of taxes is biased against savings and investments.

In the name of the Plans the last few budgets imposed several new and enhanced taxes. Some taxes were justified on grounds of restraining consumption, others on fighting inflation, reducing inequalities of incomes or foreign exchange deficits, and still others on raising adequate revenues for the Plan. The piecemeal approach to different items of taxation has not served the basic objectives of our economy as the one object offsets the other.

Since Taxation Enquiry Commission and Prof. Kallor reports have been published, the Government has found an easy pretext for several new taxes. In part reports naturally suggested such untapped resources but they made it unequivocally clear that these suggestions formed an integral part of their new tax pattern and any tax suggested by them lost all its merit if a system of reliefs and concessions recommended by them was not adopted. Whereas the Government have found it convenient to swear by these expert opinions, the second integral part of reliefs and concessions has been completely ignored.

I do not wish to dwell at length on individual budget proposals but I must observe that the wealth and expenditure taxes do not serve the interests of our planned economy. They are likely to increase the

harassment of the assesses and jeopardise the basis and privacy of our family life. The wealth tax will, of course, liquidate existing capital and act as disincentive to the formation of fresh capital, but even the expenditure tax will militate against the objective of increased savings and investments. The ultimate object of incomes is expenditure and if tax payer is effectively restrained from expenditure even in future, he will as well not save at all.

Those who still believe that some of the proposals of the budget will promote capital formation—as the highest rate of income tax—super tax has been reduced from 92% to 84%—must be squarely told that at certain levels of income the assesses will pay more than 100 per cent tax of their incomes by whatever name we will call it, income tax, super tax, expenditure tax, or wealth tax. One cannot understand how we can promote savings and investments if we must toll the assessee that if he earns 100 units of income we will take away, say, 105 units or even more. From this practical point of view one can easily follow how reduction in the income tax—super tax rates is only illusory.

The direct effect of expenditure tax will be that a car purchase at say, Rs. 20,000 will cost the assessee Rs. 40,000 (tax of Rs. 20,000 being payable in 5 years) if his spending exceeds a certain specified income, which is not very high either. This will also seriously distort the relationship between 'cost to producer' and 'price to consumer' and inter-commodity price relationship within the economy. Thus a radio priced at Rs. 500 will cost Rs. 500 to one man, Rs. 600, Rs. 700 or even Rs. 1,000 to others. These are far reaching changes in the basic pattern and economic life of our society and should not have been disposed off so lightly.

Savings

But this is only one side of the picture. It was contended that more savings will be placed on institutional and corporate savings than on individual savings in future. But the burden of taxes on companies has been increasing at no mean a pace. Thus the corporation and income taxes have been increased. Section 23A has been retained, excess dividend tax and bonus taxes have been imposed and wealth tax on companies has been introduced. To this array of taxes, has been added the new scheme for compulsory deposits of accumulated and retained profits and depreciation allowances.

In this connection I may suggest that the deposits of profits and depreciation should be constituted as a current fund for industry. The surplus funds should be lent to industry irrespective of the quantum of such deposits of individual units for legitimate industrial needs, medium and short term. This will at least check the loss of capital resources in a tight money market by this new scheme of deposits.

I will also suggest that the Government can introduce compulsory loans. Thus, the amount payable by the assesses in respect of expenditure tax and wealth tax may as well be collected in the form of loans. The basis of computation and collection will remain the same. That is, the assesses (including companies in case of wealth tax) will declare their expenditures and wealth and compute the tax payable on them. But they will pay this amount as loan subscribed to the Government against appropriate securities and not as tax.

This will have a tremendous psychological effect on the investment climate in the country. It will also give an opportunity to the tax-payers to borrow further capital against these securities and thus they will not be handicapped for lack of funds which is so essential for the fulfilment of the second plan.

Rise in Production

Coming to the affairs of the Company, as you will have seen, the working results of the company show that the steady improvement in production, which has been the keynote ever since this company came to the present management, has been maintained during the year under review. It has been raised to 1529.2 million cubic ft. from 1511.8 million cubic ft. in 1955 or an increase of 1.15%. The year's production was 27% higher than what it was in 1946. In order to refresh your memory, I would like to quote the yearly production statistics for 1946 and the recent years:—

Year	Total Gas Production (Cu. ft.)	Increase over 1946
1946	1,115,949,000	
1955	1,511,849,000	35.5%
1956	1,529,221,000	37.0%

Last year I had told you that the scheme for the expansion of the retort house had been taken in hand. I am now glad to report that this expansion has been completed within the scheduled period. Gas making on the new retort beds started in last December. With this increase in the capacity the production will reach a figure equal to about 60% higher than the production in 1946 after the new gas connections have been fully installed.

The Government were advised that the company was in a position to provide gas connections to additional 2,500 consumers. We have so far received sanction from the Government to give 960 connections as at 31st May, 1957.

In spite of this improvement in the working of the company, I am sorry to say that the financial results are rather disappointing. The surplus shown by the revenue account of the company has dropped to Rs. 1,16,227.00 from Rs. 10,98,667.00 in 1955. The main reasons for this steep fall in profits are not far to seek. The price of coal was raised by Rs. 3/- per ton from the 1st July 1956, which alone accounts for an increase in the expenditure by Rs. 1,04,481/- in six months. Another sum of Rs. 6,502/- is accounted for by the increase in the surcharge in freight at Rs. 1-6-0 per ton of coal from April, 1956, higher terminal tax at twelve annas per ton of coal from 15th October, 1956, and change in the rate of provident fund contribution under the Act passed by the Central Government from 81% on basic salary to 61% on basic salary and D.A. from October, 1956. Moreover, the company had to pay during 1956 bonus for the

years 1952 to 1955 and this took away another big slice of Rs. 3,92,331.00.

A major portion of the increase in the expenditure during 1956 is of recurring nature and its full impact will be reflected only in the accounts for the current year, as they have not been applicable to the full year in 1956. It has been estimated that the full effect of the additional burden on the yearly accounts when compared with the actuals in 1955 would amount to an approximate sum of Rs. 9,32,000.00.

Besides there would be additional expenditure on coal freight, diesel fuel, cement and sales tax on imports, estimated at about Rs. 1,80,990 annually, as a result of the budget proposals this year. A further increase in the price of coal at the rate of Rs. 2/- per ton is under active consideration on account of the impact of additional expenditure resulting from the Labour Appellate Tribunal's decision. The situation will, therefore, be all the more bleak for the current year, unless relief is granted to the company by a corresponding increase in the price of gas.

Revision of Price

We made an application to Government on the 12th September, 1956 for the appointment of a gas advisory committee to revise the price in accordance with the recommendations of First Gas Advisory Committee and in spite of our best endeavours it was not until the first week of May this year that we could get an assurance of the Government in the course of personal discussions at the highest state level that instructions had been issued to appoint the committee and the names of the personnel had been finalised. After about three weeks a complication has been brought in by making it a condition that the price at which we are prepared to accept the Sludge gas from the Municipal Corporation should be finalised. The question of Sludge gas has been under consideration and negotiation for a long time. The Sludge gas in the form, in which it is proposed to be supplied to us, will have to be reformed so that it can be mixed with the existing gas supply of the company. The capital investment involved is about 29 lakhs of rupees and this gas will be available to us partly by September, 1958 and fully not before December, 1960.

Gentlemen, the price of gas after the utilisation of Sludge gas and the price of gas as produced today are two different issues and cannot be mixed up at this stage, as the Sludge gas will not be available to us until late next year. While the price for Sludge gas is under negotiation, I am unable to see the correlation between the two, as our costs actually started going up about a year back. The appointment of the committee on our specific application against increase in costs, which cannot be disputed, ought to be a matter of routine, but it has already taken nine months. The committee itself has not yet been constituted and it may take a lot of time for such committee when appointed, to consider the issues before it and make the recommendations. This complication will further delay the whole matter for quite a considerable time and in the meantime the company will continue to lose heavily—loss which will not be compensated in any way as the gas price, when if revised, cannot possibly be put into effect retrospectively. We are continuing our efforts to make the Government agree to appoint the committee with instructions to recommend an interim increase in the price which is now overdue by about a year.

In the course of a meeting with the Minister in charge last year in February, 1956, we had been advised that the Company should undertake expansion and then the question of revision of price of gas would be considered. Apart from the fact that its costs have since increased tremendously through no fault of ours, we have also carried out the advice given to us last year. The revision of price, however, is still an issue and the matter is apparently being dealt with too lightly without consideration to the reasonable demands of the company and the effect on its finances resulting from their non-acceptance. This is evident from the fact that even the demand to appoint the Gas Advisory Committee to consider revision of price is not readily acceptable to the Government without attaching to it conditions which have no immediate relevance to the application of company for revision of price of gas on the increased costs which are being incurred for a year. I am really unable to understand the reasons for this. By having secured the control of the company, the Indian Management has caused no harm to anybody, but on the contrary it has saved an amount of Rs. 94,49,374/- which was remitted during the ten years immediately prior to the transfer of control to India and which, in fact, would have now amounted to a much higher figure.

The Oil refineries in Bombay are now selling Bursnah gas at an approximate price of Rs. 3.78 per therm as against Rs. 0.905 per therm which is the price of our gas. Thus on the one hand the Government of Bombay are so cautious and in fact extremely reluctant to revise our price in relation to the actual costs, they appear to have no objection to allow others to sell the gas at practically four times the prices allowed to us which in its turn is today lower than the price in 1926. Besides, the marketing of Bursnah is being allowed in spite of tremendous foreign exchange cost of the cylinders, at a time when foreign exchange is so scarce that it is not being made available even for the urgent needs of capital equipment for various industries.

I sincerely hope that the Government would take all these factors into account and now appoint the Gas Advisory Committee and revise the price in relation to costs so as to save this company from serious financial losses and thereby not retard its further development.

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BRITISH INSULATED CALLENDER'S CABLES LIMITED

GROUP SALES £129 MILLION

MR. W. H. McFADZEAN'S REVIEW OF WORLD-WIDE ACTIVITIES

The Twelfth Annual General Meeting of British Insulated Callender's Cables, Limited will be held on 25th June, 1957 in London, England.

The following is an extract from the circulated statement by the Chairman and Managing Director, Mr. W. H. McFadzean, C.A., Companion I.E.E.:

Last December we appointed Mr. H. F. Akehurst to the Board and to the executive position of Director (Overseas Operations). This appointment not only emphasises the importance we place on our overseas activities, but is also a well-deserved recognition of Mr. Akehurst's ability and the outstanding services he has rendered to our Group, mainly overseas, over the last 27 years.

Profit on Trading at £9,322,544 shows a decrease of £2,530,308, but some £560,000 of this is due to the inclusion in the 1955 figures of the Trading Profit of the Indian Cable Company which ceased to be a subsidiary in 1956. On a strictly comparable basis Profit on Trading for 1956 is thus some £2,000,000 less than 1955 which was a year of exceptionally favourable

trading conditions we did not anticipate would be repeated in 1956.

The main reasons for the fall in Profit have been our inability to recover in full the substantial increases we have had to bear in salaries, wages, transport, fuel and many other costs and the intensified competition being experienced both at home and abroad. These adverse factors have to some degree been offset by the benefits being obtained from recent capital expenditure and by an increase in sales but, on balance, profit rates are appreciably lower.

The Balance Sheet is a strong one with Assets shown at very conservative figures and Reserves now totalling over £29,000,000.

Total Sales

Of the total Sales, some £82,000,000 (last year £79,000,000) represented sales in this country, and the balance of £47,000,000 (last year £40,000,000) represented direct exports from this country plus the turnover of our Overseas Subsidiaries. A further

feature of these figures is that our Overseas business in 1956 accounted for some 36 per cent. of our total sales as compared with 33 per cent. in 1955.

One of the main features of home business has been the work we have carried out on railway electrification. Stockholders will already be aware of the very large contracts entrusted to the B.I.C.C. Group by the British Transport Commission, and we are proud of the fact that we have been requested to prepare for the Commission the basic designs of the overhead equipment required. It is a tribute to our technical development work and to our reputation in the railway electrification field over more than forty years.

Notable overseas orders for oil-field cables have been received from British Columbia Electric Company for 230,000-volt cable; from the City of Bloemfontein for their first high-voltage pressure cable; and for 330,000-volt oil-filled cables for the Kariba Power Station in Rhodesia.

On the telecommunications side we have completed the installation of coaxial cable between Auckland and Hamilton to the entire satisfaction of the New Zealand Post Office.

Trading in 122 Countries

Our activities are certainly world-wide and during 1956 we traded in some 122 countries.

I was privileged last September to be present at the Official Opening in Victoria of the submarine power cables connecting Vancouver Island with the mainland of British Columbia. It was indeed a proud moment when the Premier of British Columbia, the Hon. W. A. C. Bennett, closed the switch, and the cables came officially into operation. For in the 2½ years since we received this order we had designed and built a new plant and manufactured, shipped and installed almost 100 miles of this unique cable, some in continuous lengths of 16 miles weighing 700 tons per length and all capable of operating at 138,000 volts 600 feet below water.

This is a job, like so many other jobs done overseas by other British Companies, of which Britain can be proud and can proclaim to the World.

In Pakistan I was glad to have the opportunity of seeing the new factory in which we and certain other Companies in this country, together with Pakistani Nationals, are interested. It is a fine unit which has made a good start.

During my stay in India I again visited the Indian Cable Company. This was a very small concern, the first of its kind in India—when we acquired control over 30 years ago, but, after several difficult years and the provision by us of much technique and human endeavour, it is today one of the largest wire and cable concerns in Asia with a good spread of activities and a Works we would be proud to be associated with anywhere.

Stockholders will thus readily appreciate the hard decision facing your Board before they decided in the early part of 1956 to reduce their holding, but the introduction of certain new Taxation Legislation by the Indian Government made it impracticable for us to retain financial control, both from our own aspect and in equity to the many Indian Shareholders who have been our partners, and our very satisfied partners, for many years.

We are, however, retaining a substantial shareholding in the Indian Cable Company, and are continuing as Consulting Engineers.

I was tremendously impressed on re-visiting Australia after only a few years to see the further developments.

Our largest investment and interest there continues to be in Metal Manufacturers Limited, a company in which we had the privilege to be one of the original five shareholders when it was formed in 1916 with an issued capital of £80,000. Today its issued capital is some A£5,600,000 and the long and close co-operation which has existed between B.I.C.C. and M.M. is one we value highly.

I particularly appreciated during my recent visit the meeting our Construction people engaged on the £5,500,000 contract for the electrification of the New South Wales Railway from Parramatta to Lithgow. The successful execution of this contract on time is a further great B.I.C.C. Group achievement with a very full tribute due both to our own personnel and to the splendid co-operation we have received from the New South Wales Railway Commissioner and his Staff.

In New Zealand I had most valuable talks with the Ministers and State Hydro-Electric officials on the Report we had just submitted at the request of Government on the possibility of a submarine power cable across Cook Strait to link the North and South Islands. The main conclusion of this Report is that such a cable link is thoroughly practicable but, as the matter is now under consideration by the New Zealand Government, no further comment can be made at this juncture.

Our own New Zealand Company, B.I.C.C. Construction (New Zealand) Limited, formed early last year, is already proving its value particularly through the close links and understanding it provides between our Representatives in New Zealand and our people at home.

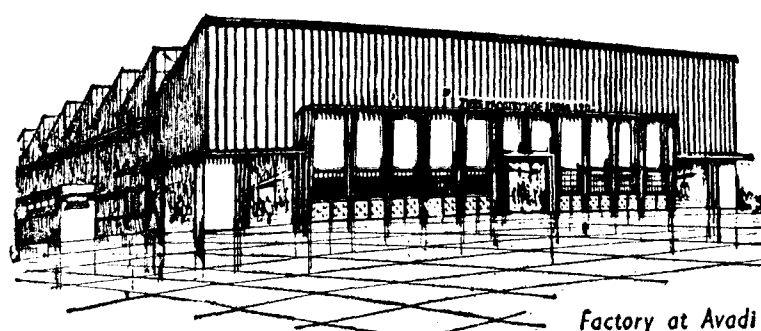
I have written at some length on the countries I have recently visited personally, but there are, of course, others in which your Group have important investments and in particular Rhodesia and South Africa.

The Outlook

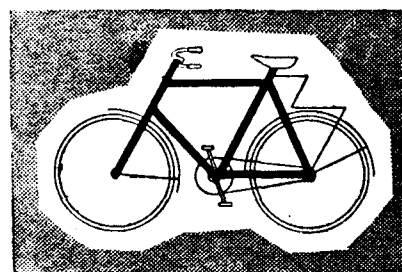
Having regard to the extremely disturbed conditions which have applied lately in this country and elsewhere, it is difficult to express definite views on 1957 prospects. All I feel I can say is that in total our orders received are up to our figures for the corresponding period last year: that the immediate trend of demand for some of our products is still uncertain; and that competition remains extremely keen.

From the longer term aspect I have every confidence.

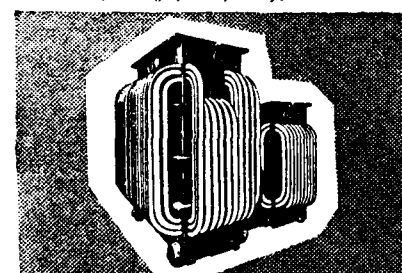
British Insulated Callender's Cables Ltd., BOMBAY, with branches at CALCUTTA & MADRAS. Representative: The Indian Cable Co. Ltd., CALCUTTA, with branches at Ahmedabad, Ambala Cantt., Bangalore, Bombay, Coimbatore, Kanpur, Madras, Nagpur, New Delhi, Secunderabad-Deccan.



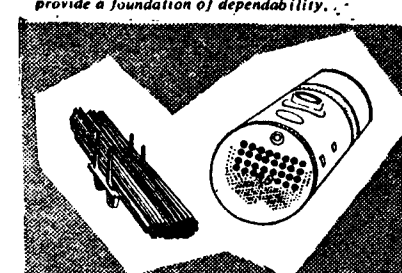
Factory at Avadi



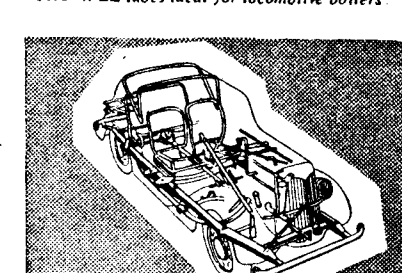
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Flawless accuracy and uniform finish make TRU-WEL tubes ideal for locomotive boilers.



TRU-WEL tubes are as essential as tyres to the modern motor vehicle. Their applications range from small tubes for radiator overflow pipes to outside tubes for rear axle casings.

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Finance in India and Abroad

THE CALCUTTA MONEY MARKET

SLIGHT FALL IN ADVANCES

Wednesday, 12th June.

ADVANCES have decreased a little in the Calcutta money market during the past week. Accommodation for sugar and for grains and seeds is almost unchanged, but jute credit has declined. Cotton funds are at a higher level. In the inter-bank market, the supply of funds is plentiful, but the call rate remains at 3½ percent.

In the exchange market, there have been a fair number of gunny bills and a few on account of tea. Remittance has been on a fair scale. Sterling is somewhat steadier against the dollar and Continental currencies.

Bullion was quiet on lack of demand in the face of large arrivals. Silver has declined from the previous week's level of Rs. 182.25 to Rs. 181, quoted today. The rate for forward delivery was quoted at Rs. 180.75. There has been no change in the quotation in London and New York.

Gold was quiet in sympathy with silver and the price fell from Rs. 108.50 to Rs. 106.75. The sovereign eased from Rs. 72 to Rs. 71.75.

During the week ended 7th June, 1957 Government of India Treasury bills for Rs. 56,43,00,000 were sold in favour of the Reserve Bank.

Increases of Rs. 17.94 crores to Rs. 1,587.94 crores in active notes and of Rs. 8.24 crores to Rs. 1,604 crores in the total note issue were notable features of the return of the Reserve Bank of India for the week ended 7th June, 1957. The currency expansion was covered by increasing rupee securities by Rs. 9.94 crores to Rs. 949.81 crores. Deposits of the Government of India improved by Rs. 1 crore to Rs. 54.65 crores, while other Government accounts were Rs. 5.42 crores lower at Rs. 1.41 crores. Balances of commercial banks at Rs. 68.62 crores showed a rise of Rs. 38 lakhs. Balances held abroad diminished further by Rs. 8.60 crores to Rs. 33.95 crores, while investments increased by Rs. 6.10 crores to Rs. 170.49 crores. Other loans and advances declined from Rs. 111.27 crores to Rs. 109.11 crores, of which advances to scheduled banks against usance bills amounted to Rs. 58.42 crores against Rs. 59.65 crores. Ways and means advances to Governments stood at Rs. 24.30 crores (Rs. 19.89 crores).

The return of the State Bank of India for the week ended 31st May, 1957, shows a rise of Rs. 2.81 crores in total deposits to Rs. 306.90 crores. Investments in Government securities are down by Rs. 1 lakh to Rs. 94.09 crores, while other authorised investments remain unchanged at Rs. 11.51 crores. Advances, including loans, cash credits, overdrafts, and bills discounted and purchased, have risen by Rs. 2 lakhs to Rs. 189.19 crores. Cash and balances are, in consequence, shown at Rs. 27.56 crores, or Rs. 3.88 crores higher.

The statement of the position of scheduled banks for the week ended 31st May, 1957, shows Demand and Time liabilities at Rs. 730.86 crores (Rs. 11.82 crores on account of borrowings from banks) and Rs. 523.03 crores (Rs. 3.33 crores), compared with Rs. 727.87 crores (Rs. 11.31 crores) and Rs. 519.81 crores (Rs. 3.07 crores), respectively, in the previous week. Cash has decreased by Rs. 45 lakhs to Rs. 39.41 crores, while balances with the Reserve Bank have increased by Rs. 4.89 crores to Rs. 59.63 crores. There is a drop of Rs. 2.71 crores in investments to Rs. 340.63 crores. Advances and bills discounted, at Rs. 932.43 crores, show a fall of Rs. 7.44 crores. The ratios to total liabilities of cash and balances, and of advances and discounts are, in consequence, shown at 7.9 percent and 74.4 percent, against 7.6 percent and 75.3 percent.

Provisional figures of foreign trade of India by all routes, that is, sea, air and land, on private and Government accounts, during March 1957, according to data so far available in the Department of Commercial Intelligence and Statistics, Calcutta, are as follows: Merchandise, excluding transit trade of Pakistan and other overland foreign countries, viz. Nepal, Tibet, Sikkim and Bhutan: Exports Rs. 5,060 lakhs, re-exports Rs. 41 lakhs, imports Rs. 7,951 lakhs; total trade Rs. 13,052 lakhs. Freight: Exports (including re-exports) of gold coins Rs. 36 lakhs, current coins (excluding gold coins) Rs. 1 lakh, others nil. Imports of others nil. Balance of Trade: The merchandise export figures are exclusive of the value of certain shipments of Government stores awaiting advertisement. Subject to this deficiency in import figures, the total value of exports (including re-exports) of merchandise and gold fell short of imports by Rs. 2,854 lakhs.

RESERVE BANK

	ISSUE DEPARTMENT (In 000's of Rupees)		
	7-6-57	31-5-57	8-6-56
Liabilities—			
Notes in Banking Dept.	16,29.58	25,99.82	9,45.41
Notes in Circulation	15,87.93.94	15,69.99.97	15,14.81.67
Total Notes issued	16,04.23.52	15,95.99.79	15,24.27.08
Assets—			
A Gold Coin and Bullion	1,17.76.03	1,17.76.03	40,91.71
Foreign Securities	4,12.51.91	4,12.51.91	6,36.54.10
Total of A	5,30.27.94	5,30.27.94	7,06.55.81
B Rupee Coin	1,24.14.52	1,23.84.54	1,04.05.23
Rupee Securities	9,49.81.06	9,39.87.31	7,13.66.04
Total	16,04.23.52	15,95.99.79	15,24.27.08
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
National Agricultural Credit (Long term) Fund	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	—
Deposits—			
(a) Central Govt.	54,65.45	53,61.53	52,46.82
(b) Other Govts.	1,40.57	6,82.69	4,93.14
(c) Banks	68,61.65	68,23.56	50,18.05
(d) Others	87,17.51	86,17.35	12,46.52
Bills Payable	13,30.14	13,51.36	7,61.08
Other Liabilities	1,21.20.53	120,15.86	38,68.60
Total	3,72,45.87	3,74,55.35	1,36,34.21
Assets—			
Notes	16,29.58	25,99.82	9,45.41
Rupee Coin	2.26	8.17	2.89
Subsidiary Coin	4.86	6.44	5.52
Bills Discounted Int.	—	—	25.10
Govt. of India Treasury Bills	4,64.16	2,27.14	8,78.57
Balances held abroad	33,95.10	42,55.15	33,10.60
Loans to Govt.	24,30.45	19,00.46	4,55.00
Other Loans, etc.	1,09,11.15	1,05,55.09	74,91.50
Investments	1,70,49.26	1,64,38.04	18,87.14
Other Assets	13,58.05	13,64.44	—
Total	3,72,45.87	3,74,55.35	1,36,34.21

SCHEDULED BANKS

	(In 000's of Rupees)		
	31-5-57	24-5-57	1-6-57
Demand Liabilities—			
(a) Borrowings from Banks	11,82.26	11,30.57	7,56.89
(b) Others	7,19.04.03	7,16,56.43	6,31,21.79
Time Liabilities—			
(a) Borrowings from Banks	3,33.00	3,07.00	3,21.30
(b) Others	5,19,70.41	5,16,73.93	4,38,00.97
Borrowing from State Bank—			
(i) Demand Liabilities	9,05.41	9,59.22	8,66.48
(ii) Time Liabilities	—	—	—
Borrowings from Reserve Bank	80,79.33	86,27.18	65,75.61
Cash	39,40.82	39,85.94	37,30.68
Balances with the Reserve Bank	59,63.45	54,73.55	50,07.42
Balances with other banks in current account	10,09.61	10,32.33	10,60.25
Money at call and short notice	22,40.84	20,88.40	9,65.38
Investments in Central and State Govt. Securities	3,40,62.95	3,43,34.08	3,49,67.53
Advances	7,42,69.72	7,43,43.03	6,14,90.23
Indian Bills purchased and discounted	1,31,75.91	1,31,10.44	1,04,91.67
Foreign Bills purchased and discounted	57,97.77	65,33.59	48,33.29

CLEARING HOUSE RETURNS

	Week ended	Rs (thousands)	
	31-5-57	Calcutta	Bombay
	24-5-57	48,08.46	72,34.43
	17-5-57	57,79.09	77,14.48

STATE BANK OF PAKISTAN

	ISSUE DEPARTMENT (In 000's of Rupees)		
	week ended	week ended	week ended
	24-5-57	17-5-57	17-5-57
Liabilities—			
Notes in Banking Department	15,05.23	11,75.69	11,75.69
Notes in Circulation	3,26,37.13	3,26,37.13	3,26,37.13
Total Notes issued	3,41,42.36	3,41,42.36	3,41,42.36
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	11,33.41
Approved Foreign Exchange	1,04,38.03	1,04,38.03	1,04,38.03
Government of India Securities	—	—	—
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30	43,02.30
B Rupee Coin	5,19.38	4,99.49	4,99.49
Govt. of Pakistan Securities	1,71,59.18	1,71,59.18	1,71,59.18
Held with Reserve Bank of India pending transfer to Pakistan	—	—	—
Gold Coin and Bullion	19.02	19.02	19.02
Sterling Securities	4,40.83	4,40.83	4,40.83
Govt. of India Securities	1,00.90	1,00.90	1,00.90
Rupee Coin	29.51	29.51	29.51
Total	3,41,42.36	3,41,42.36	3,41,42.36
BANKING DEPARTMENT			
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	3,00.00
Reserve Fund	3,00.00	3,00.00	3,00.00
Deposits—			
(a) Central Government	59,03.92	54,91.31	54,91.31
(b) Provincial Government	2,30.82	3,23.26	3,23.26
(c) Banks	14,86.80	13,73.23	13,73.23
(d) Others	9,61.82	8,98.65	8,98.65
Bills Payable	57.70	46.40	46.40
Other Liabilities	13,27.24	12,22.35	12,22.35
Assets—			
Notes	1,05,68.35	1,00,55.70	1,00,55.70
Rupee Coin	15,05.23	11,75.69	11,75.69
(a) Pakistan	17	17	17
Subsidiary Coin	15	15	15
(b) India	—	—	—
Bills Purchased and Discounted—			
(a) Internal	10.46	10.46	10.46
(c) Govt. Treasury Bills	26.00	26.00	26.00
Loans and Advances to Govt.	5,80.19	9,38.42	9,38.42
Provincial Govt. Debtor Balances	5,82.65	5,45.45	5,45.45
Investments	68,43.50	63,53.59	63,53.59
Other Assets	10,20.00	10,05.81	10,05.81
Total	1,05,68.35	1,00,55.70	1,00,55.70



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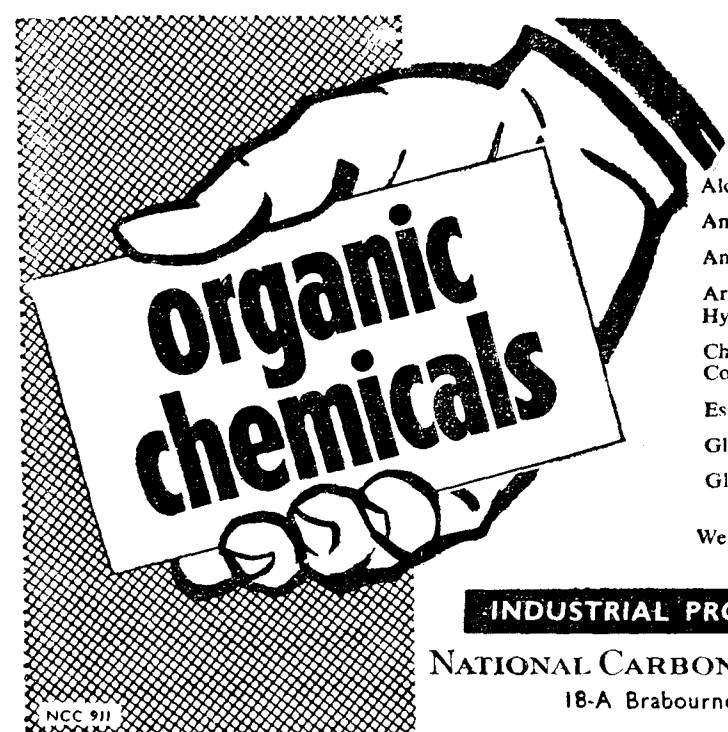
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MIXED TREND IN STOCK MARKETS

INDUSTRIALS FIRM: GOLD SHARES RISE

London, 12th June. THE stock markets gave a rather mixed display for the best part of last week. A firmer tendency developed prior to the week-end, and this was subsequently maintained. The outstanding development of the week was the revival of interest in South African gold shares, which advanced strongly on a broadening demand to record widespread and often substantial gains. Interest in this market came mainly from professional operators, but there were signs of public buying during the latter part of the week. The revival was touched off by the May returns, and gained momentum after the excellent development news from Saint Helena. Oil shares, after early irregularity, moved sharply ahead and Shell Transport reached a new peak. Gilt-edged securities remained rather depressed, and although there was not a great deal of selling, lack of support was responsible for a further deterioration in prices. The end-May gold reserve figures created some disappointment while the fall in sterling in the foreign exchange market was an adverse factor. The feature of foreign bonds was the strength of the Chinese issues on further consideration of the relaxation in trading restrictions with China. Other foreign bonds moved within narrow limits. Dollar stocks made an irregular showing. Americans were mostly lower in sympathy with Wall Street, but Canadian issues advanced on renewed buying. The industrial market showed early irregularity, but developed a firmer tendency later in the week, helped by a number of good dividend statements. Quieter but fairly steady conditions prevailed in the rubber share market and a number of good features developed. Among these were Banteng, which were prominent on eastern buying. Tea shares were dull and numerous small losses were recorded, but Dickwells were a firm exception on persistent buying.

The Money Market

In contrast to the recent stringency of credit, conditions in the money market last week were comfortable. War loan and other dividend monies helped swell the funds available to the market, and on most days of the week, borrowers were able to satisfy their requirements quite easily with the rate for day-to-day loans falling to 3½ percent, and afternoon balances obtained down to 3 percent. Business in bills was fair with August and "hots" at 3 13/16 percent. At the weekly tender, the average rate for the Treasury bills at £3 18s 5½d percent was slightly against the market.

Vegetable Oils Weaken

In spite of quiet trading conditions before the holidays, prices were inclined to soften in some sections of the vegetable oil market. Following the sale of 690,000 bushels of linseed by the United States C.C.C. at 241 to 244 cents f.o.b. Minneapolis-Duluth, offers of B.S.S. linseed oil ex-tank, U.K., were reduced further by £2 a ton, with June delivery sold at £299½ and £293 wanted for September onwards. £291½ for August and £291 for September onwards. It is understood that a further two million bushels are this week due to for tender. Lack of demand forced groundnut oil lower with Nigerian offered 30s cheaper at £120 June-July. Argentine oil was also reduced by \$2 to \$338 c.i.f. June-July. Sellers offered Nigerian groundnuts, July-August, to Rotterdam at £66½, but there were no buyers while Nigerian palm kernels sold August-September recently at £49 c.i.f. net terms, with sellers over. The Continent bought July-August British East African sunflowerseed at £38 c.i.f., but a reduction in Argentine semi-refined sunflowerseed of \$10 to \$320 June-July found little response. The Sudan-Gazira Board is offering at this week's auction 15,000 tons of black cottonseed, 25 percent oil, in 5,000-ton lots, but little is expected to be taken by the U.K. or the Continent. Egypt recently paid an equivalent of £37½ to 37½ a ton, c.i.f. U.K. or some 20s a ton over European buyers' ideas. Ceylon coconut oil was easier, but there was little enquiry. A steadier undertone was noticed in Philippine copra.

Revaluation of World Currencies

The Financial Times expressed the view that a general revaluation of world currencies is now necessary. "The disinclination to have money in London must still be felt by international bankers," it declared. "One probable answer is that the whole relationship of currencies in the world is now out of gear. The sterling-dollar rate seems to be approximately a correct one, but there are certain other currencies, of which the deutsche mark is the most obvious example, which are clearly undervalued. The speculator who now holds D-marks rather than sterling has no incentive to change his bank, particularly as Germany also offers high rates of interest. The general position is, therefore, somewhat difficult, but not seriously or gravely so. It is, of course, complicated. The position does contain reasons for some disquiet about the trend of the balance of trade. A general revaluation of world currencies has now become necessary, in which sterling and the dollar might maintain a constant relationship, but in which a number of other currencies would be readjusted, the paper added.

Stocks and Shares

SHARP FALL IN MUNDHRA GROUP OF SHARES

TRADING GENERALLY RESTRICTED: INVESTOR SUPPORT LACKING

Wednesday Evening.

THE stock market has been in a nervous condition since the week-end. The main feature has been a sharp fall in the Mundhra group of shares, and this has revived rumours about the possibility of payments difficulties. Each of the shares affected—Jesops, Richardson and Cruddas, and British India Corporation—has recovered a little towards the close, but they are still well below last week's levels, and it would be an exaggeration to say that market fears have abated. Because of the general economic uncertainties, trading has been very restricted. Almost no investment support is forthcoming, although yields in many cases must be considered attractive.

Coal shares have been dull as usual, except that the Union have risen sharply on interested support. Corporate news has depressed jutes further. In the case of engineering, although earlier price falls have been partially recovered, the undertone remains hesitant. Miscellaneous industrials have mostly suffered. Gilt-edged are quiet.

Details of the week's trading follow.

The gilt-edged market remained quiet and the prices of medium and long-dated loans were marked back further. The 3% Conversion Loan 1966 reacted from Rs. 73.15 to Rs. 73, with sellers over, and there were no buyers of 3% Non-terminable Paper even at Rs. 73. In contrast, short-dated loans continued to meet with fair support and prices were maintained. The 3% 1957 was asked for at Rs. 99.75, while 3% 1958 was traded at Rs. 99.68; 3% 1959-61 changed hands at around 21½, 1961 was in demand at Rs. 93.50, as was 2½% 1960 at Rs. 96.50. In medium-dated loans, 2½% 1962 improved slightly to Rs. 93.84, but 3% 1963-65 eased to Rs. 93.80, as did 3% 1964 to Rs. 93.95. Both 3½% 1964 and 1965 met with sustained selling pressure and were marked back to Rs. 97.95 in each case, while 3½% 1967 closed easier at Rs. 98.35. There were virtually no buyers of long-dated loans and both 3% 1966-68 and 1970-75 were quoted lower at Rs. 91.50 and Rs. 86.65 respectively. The 3½% 1974 was marked down to Rs. 98.40.

Once again, very little business was reported in State loans but there was a slight recovery in one or two issues. For example, 4% Madras 1968 was better at Rs. 96.45 and 4% U.P. 1968 at Rs. 97.30. Among other provincials, 4% U.P. 1964 was marked at Rs. 98.75 and 4% U.P. 1967 changed hands at Rs. 97.94.

Preference shares continued to suffer from lack of support and business was on a very restricted scale. In the miscellaneous group, Associated Hotels were crossed at Rs. 60.25 and a small lot of Bharat Collieries at Rs. 51. British Ceylon Corporation were taken at Rs. 9.50 and India General Navigation were reported at Rs. 68. Indian Iron and Steel changed hands freely at around Rs. 99. Richardson and Cruddas were shaded at Rs. 96. R. and S. Industries "B" at Rs. 62.50. In jute, Mills changed hands at Rs. 56.50 and Hooghly were offered at Rs. 101, as were New Central at the lower rate of Rs. 98. Kinnison were sold at Rs. 98 and Northbrook around Rs. 72.

Bank shares were fairly steady, though little business was reported. Punjab National were quoted at their previous rate of Rs. 54 and United Commercial were taken at Rs. 54. United Bank of India "D" shares came to hand at Rs. 4.19.

In the railways section, Bankura-Damodar and Eastwah-Islampur registered a sharp decline following a forced sale, with the price of the former dropping from Rs. 57 to Rs. 31.75 and the latter from Rs. 52 to Rs. 31.75.

Cotton shares were dull with sellers over. Bengal Nagpur were reported at Rs. 7.12 against Rs. 7.30 and Bowreah at Rs. 105 against a previous quotation of Rs. 111. Cawnpore Textiles were asked at the lower rate of Rs. 5, as were Elgin Mills at Rs. 17 and Kesoram at Rs. 12.50.

There were few price changes to report in the section. The outstanding feature once again was support, which continued to meet with interest, and the price advanced further from Rs. 18.50 to Rs. 21.25. Bengal were fairly steady at Rs. 204 and Bhalgora were slightly better at Rs. 4.69. New Beerbhoom were marked at Rs. 22.25. There were no other price changes in the section.

The disappointing results recently published by the companies caused a fresh wave of selling, and in the absence of support prices continued to fall away. Here is a chart showing representative price movements:

tive price movements:

	Opening 6th June, 1957 Rs.	Closing 12th June, 1957 Rs.
Agarpara	7.75	7.25
Anglo-India	134	130
Auckland	78	73.50
Belvedere	80	75
Cheviot	120	115
Chandpary	112	102
Howrah	14	13.50
National	19.70	19.75
Northbrook	20	18.75

Only two shares changed hands in the electric supply section. Calcutta around Rs. 12.19 and Mirzapur at Rs. 7.25.

Sugar shares met with selling pressure and prices tended to lower levels. Here is a chart showing representative price movements:

	Opening 6th June, 1957 Rs.	Closing 12th June, 1957 Rs.
Balrampur	5.25	5
Belsund	10.37	10.06
Cawnpore	14	13.50
Champanan	16.50	14.75
Durbhanga	22.50	21.25
Purtapore	15	14
Samastipur	10.50	9.50
Ramnugger Cane	25	23.75

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Engineering shares moved in sympathy with the general trend of the market. Indian Irons dropped at one time to Rs. 18, against an opening quotation of Rs. 18.64; tonight's closing quotation is Rs. 18.36. Weak features were Jessops and Richardson and Cruddas which were marked down from Rs. 21.75 to Rs. 19.50 and Rs. 13 to Rs. 11.50 on nervous selling; covering purchases at the close brought a recovery to Rs. 22 and Rs. 12.75 respectively. Profit-taking at the higher level brought down the price of Guest, Keen, Williams from Rs. 28 to Rs. 26.50. Textile Machinery receded from Rs. 17.40 to Rs. 16.80. Braithwaite was shaded at Rs. 14.75, as were Bhartiya Steel at Rs. 14.75.

Paper shares were extremely quiet, the worst sufferer being Orient which dropped from Rs. 25.65 to Rs. 23.40. India Paper Pulp eased to Rs. 20.50 as did Titachur to Rs. 31.50. In contrast, Shree Gopal were fairly steady at Rs. 14.25. In cement, Assam Bengal were lower at Rs. 5.06, as were Dalmia at Rs. 11.25. Some Valley were almost unchanged at Rs. 5.69.

In insurance, Indian Trade and General changed hands after a long interval at Rs. 23.50 and Rubv General were reported at their previous level of Rs. 5.50. In shipping, Calcutta Steam Navigation closed at Rs. 9.84. Port Shipping were unchanged were marked at Rs. 17.50 and India Steamship were at Rs. 16.37.

Among miscellaneous industrials, Alkali and Chemical recovered further to Rs. 13.87 and Bengal Flour improved from Rs. 24.25 x.d. to Rs. 25. Elsewhere losses were widespread over the week, as will be seen from the following table:

Opening 6th June, 1957	Closing 12th June, 1957
Angelo Bros.	17.44
Assam Saws	2.31
Balmer Lawrie	14.4
Bararee Coke	16
B. I. Corpn.	5.55
Indian Cables	22.87
Dunlop Rubber	18.50
Indo-Burma Petroleum	26.25
Metal Box	24.60

National Carbon	23.50	22.50
Rohtas Industries	17.37	16.25

Mining issues were more or less unchanged, with the exception of Indian Copper, which reacted on profit-taking from Rs. 3.40 to Rs. 3.30. Karanpara Development were shaded at Rs. 11, as were Orissa Minerals at Rs. 19.

Market operators were extremely disappointed with the results of the first tea export sale of the new season and in the absence of support, tea shares drifted to even lower levels. Tukvar had sellers at Rs. 11.37, as did Jayshree at Rs. 9.06 and Birpara at Rs. 10.4. Bishnauth and Brooke Bond were somewhat better at Rs. 18.68 and Rs. 17, while Gohpur improved to Rs. 21. Lackatooah were traded at Rs. 20 and small lots of Patrakola and Gunearam were dealt in at Rs. 144 and Rs. 150 respectively. Banarhat changed hands at Rs. 265 but Hasimara suffered selling pressure and fell further to Rs. 19.50. Jaybirpara were done at Rs. 22.25 and Rydak were quoted at Rs. 33.50.

Providing Rs. 5.70 lakhs (Rs. 7.25 lakhs) for taxation and Rs. 2.29 lakhs (Rs. 3 lakhs) for depreciation, the profit of the RAMNUGGER CEMENT AND SUGAR CO. LTD. has amounted to Rs. 11.25 lakhs against Rs. 10.87 lakhs. Brining in Rs. 20,350, there is Rs. 11.44.858. The ordinary dividend is the same at 20 percent. Replacement and extensions reserve is allocated Rs. 4 lakhs (Rs. 5 lakhs). General reserve receives Rs. 1 lakh (Rs. 2 lakhs). Additional taxation reserve gets Rs. 1.20 lakhs, leaving a carry-forward of Rs. 1.25,739. The amount of cane crushed increased from 2,345,409 maunds to 2,602,900 maunds, but the recovery declined from 10.99 percent to 10.46 percent.

Meeting all charges and writing off Rs. 60,740 on account of properties and land acquisition, a loss of Rs. 57,521 has been incurred by the PUNJAB MINERALS CO. LTD. for the year ended last September. A debit balance of Rs. 1,34,821 is carried forward. There is again no dividend.

The BUDGE-BUDGE JUTE MILLS COMPANY has incurred a loss of Rs. 4.41 lakhs for the half-year ended last October, against a loss of Rs. 2.47 lakhs

in the previous half-years. There is again no ordinary dividend, but the usual preference dividends have been paid. Writing back provisions no longer required for anticipated losses on jute, transferring certain amounts from reserves and making other adjustments, there is Rs. 4,154 carried forward, against Rs. 1,336 brought in.

The profit of the NATIONAL COMPANY LTD. (jute) has declined from Rs. 1.91 lakhs to Rs. 22,302 for the half-year ended last October. Writing back provisions for anticipated loss on jute made during the previous half-year, there is a balance of Rs. 1.58 lakhs. Taxation provision is Rs. 35,600. Transferring Rs. 25,000 from dividend equalisation reserve and Rs. 14,600 from excess provision for taxation made in the previous half-year, the available balance is Rs. 1,62,410. The ordinary dividend has been declared at 37p a share against 6 annas a share. The carry-forward is Rs. 17,339, compared with Rs. 1,929 brought in.

Messrs. Tata Industries Private Limited, managing agents for the Tata Iron and Steel Company Limited, report that the total production of iron and steel at the steel works in Jamshedpur during May was:

Pig iron	...	...	91,300
Steel ingots	...	...	86,600
Saleable steel:	(Tons)		
Semis	...	16,200	
Finished	...	48,900	65,100

Bombay Market

HESITANT UNDERTONE IN SHARES

PROSPECT OF IMPORT CUT WORRIES OPERATORS

Wednesday Evening.

THERE were irregular fluctuations in the Bombay stock market during the past week. After the last named equity prices declined on selling pressure induced by slow trading in the piecegoods

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market. The declaration of a lower dividend by Simplex acted as an important restraining factor. Fears of an increase in agricultural income tax tended to depress the price of Bombay-Burmah in particular. Steel shares were, however, relatively steady on institutional support, although they temporarily weakened on Monday because of strong selling pressure from Calcutta interests.

The undertone was hesitant and operators were cautious as the economic outlook was considered uncertain. A drastic reduction in imports in coming months, it was feared, might adversely affect industrial expansion.

Tata Steels recovered to Rs. 157.75 and Indian Irons were higher at Rs. 18.25. Tata Locomotive were transacted at Rs. 137.50, while Alcock Ash-down declined to Rs. 263.78 on selling pressure. Automobile shares lacked interest, and Premier Motors were talked around Rs. 8.75 without attracting support. Larsen and Toubro were done at Rs. 15.50. Premier Construction were shaded at Rs. 143.

Mill group shares showed losses all round and operators were not inclined to lengthen commitments. Bombay Dyeing fell to Rs. 512.50 and Kohinoor were sold down to Rs. 372. Century reacted to Rs. 880.50 and Simplex lost heavily at Rs. 155.50 on the declaration of a lower dividend. Svadeshi came to hand at Rs. 173.50 and India United Ordinary were placed around Rs. 9.25.

In the miscellaneous group, cement shares were steady, and Associated Cement improved to Rs. 153.50 on the belief that the company's collaboration with Vickers would be helpful. Digvijay Cement realised Rs. 141.50. Sugar shares were quiet on fears that a portion of the increased excise duty might have to be borne by the industry itself. Belapur Sugar were transacted at Rs. 214. Mining shares were soft, and Shivrampur Syndicate came to hand at Rs. 76.75. Long liquidation reduced Scindia Steam to Rs. 17.50, while Great Eastern Shipping were steady at Rs. 19.20. Bombay-Burmah backed away to Rs. 524.50 on fears of an increase in agricultural income tax. National Ravon fell to Rs. 211 and Tata Chemicals were idle at Rs. 16.15. Wimco were sold at Rs. 153.

Scattered interest was taken in banking shares. Bank of India were taken at Rs. 137 and United Commercial Bank were done at Rs. 54. There was little interest in insurance shares, and New India Assurance were quoted at Rs. 43.75.

Among electricity supply shares, Ahmedabad Electric were fractionally higher at Rs. 93 and Tata Power were done at Rs. 1.205.

THE WEEK'S TRANSACTIONS

In the following list of stocks and shares in which transactions have taken place during the past week, the figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations. Quotations for the Corresponding Closing Date a Year Ago, the last named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Nais Paisa.

GOVERNMENT SECURITIES

2½% Loan (1962)	Rs. 93/75—93/75—93/75—93/75.
3% " (1970-75)	Rs. 86/97—86/97—86/97—86/50.
3% " (1986)	Rs. 72/81—72/81—72/15—72/81.
3% " (1963-65)	Rs. 93/65 s.t.—93/65 s.t.—93/65 s.t.—93/65 s.t.
3% " (1964)	Rs. 93/65—93/65—93/65—93/65.
3½% " (1965)	Rs. 97/97—97/97—97/97—97/97.
3½% " (1964)	Rs. 97/80—97/80—97/80—97/80.
3½% " (1974)	Rs. 98/45—98/45—98/40—98/40.
4% U.P. Loan (1968)	Rs. 97/40—97/40—97/25—97/25.
4% Loan (1960-70)	Rs. 100/80—100/80—100/80—100/80.
4% U.P. (1964)	Rs. 98/71—98/71—98/71—98/71.
4% U.P. (1967)	Rs. 97/94—97/94—97/94—97/90.
4% Orissa (1968)	Rs. 97/62—97/62—97/62—97/62.

RAILWAYS

Bankura Damodar River	Rs. 31/50—31/75—31/50—31/75—(57-8).
Futwah Islampur	Rs. 31/50—31/75—31/50—31/75—(56-8).

BANKS

United Bank of India ('D' share)	Rs. 4/09—4/19—4/09—4/12—(4-10).
United Commercial	Rs. 53/75—54/00—53/75—53/75—(51).

COTTONS

Boreah	Rs. 104/00—107/00—104/00—107/00—(155).
Dunbar	Rs. 151/00—151/00—151/00—151/00—(312).
Birla	Rs. 30/00—30/00—30/00—30/00—(312).
Elgins	Rs. 17/75—17/75—17/75—17/75—(28-3).
Jayshree Textiles	Rs. 5/75—5/94—5/75—5/94.
Kesoram	Rs. 13/06—13/12—12/87—12/87—(18-11).
New Victoria	Rs. 1/65—1/65—1/69—1/65—(1-15).

COALS

Bokaro & Ramgarh	Rs. 10/00—10/25—10/00—10/25—(12-1).
Bengal	Rs. 203/00—205/00—203/00—205/00—(538).
Burakur	Rs. 22/15—22/25—22/00—22/25—(13-9).
Bhulanbararee	Rs. 13/50—13/50—13/50—13/50—(13-4).
Central India	Rs. 5/94—6/06—5/87—5/87—(7-3).
Kuardi	Rs. 2/35—2/35—2/35—2/35—(2-3).
New Beerbhoom	Rs. 13/69—13/69—13/56—13/56—(19-1).
Union	Rs. 20/25—21/25—20/25—21/25—(12-4).

JUTES

Auckland (Pref.)	Rs. 76/00—76/00—76/00—76/00—(95-12).
Do. (Ord.)	Rs. 74/00—74/00—73/00—73/00—(120).
Do. (2nd Pref.)	Rs. 56/50—56/50—56/50—56/50—(74).
Agarpara	Rs. 7/50—7/62—7/37—7/37—(12-8).
Birba	Rs. 12/75—12/94—12/75—12/94.

Barnagore	Rs. 80/00—80/00—78/00—79/00—(148).
Champdany	Rs. 105/00—105/00—104/00—104/00—(163-4).
Ganges	Rs. 47/00—48/00—47/50—47/00—(73).
Hooghly (Pref.)	Rs. 7/50—7/50—7/50—7/50—(13-13).
Hukumchand (Pref.)	Rs. 101/00—101/00—101/00—101/00—(109).
Howrah	Rs. 13/87—13/87—13/62—13/87—(24-3).
Kinnison (Pref.)	Rs. 97/50—97/50—96/00—96/00—(112).
Megna	Rs. 65/50—66/50—64/50—66/50—(89).
Naihati	Rs. 49/50—49/50—49/50—49/50.
National	Rs. 19/80—19/80—19/50—19/75—(25-2).
New Central	Rs. 11/19—11/37—11/19—11/19—(17-14).
Do. (Pref.)	Rs. 98/00—98/00—97/00—97/00—(112).
Northbrook (Pref.)	Rs. 72/50—73/00—71/50—71/50—(86).
Do. (Ord.)	Rs. 19/37—19/37—18/75—18/75—(24).
Nuddea	Rs. 32/00—32/25—31/00—31/75—(40-8).
Presidency	Rs. 3/37—3/37—3/37—3/37.
Reliance	Rs. 6/31—6/37—6/31—6/37—(11-2).
Standard	Rs. 51/00—51/00—51/00—51/00—(61-00).
Union	Rs. 101/00—101/00—101/00—101/00—(154-00).

MININGS

Burma Mines	Rs. 2/33—2/33—2/28—2/33—(4-1).
Indian Copper	Rs. 3/41—3/42—3/29—3/30—(7-1).
Karanpara Development	Rs. 11/12—11/12—10/50—10/50—(24-8).
Metal Corpn	Rs. 7/75—7/81—7/37—7/37—(10-14).
Orissa Minerals	Rs. 19/56—19/62—19/56—19/62—(27-2).
Tavoy Tin	Rs. 0/53—0/53—0/53—0/53—(As. 14).

CEMENTS

Assam Bengal	Rs. 5/25—5/25—5/06—5/19—(7-15).
Dalmia Cement (Bharat)	Rs. 11/25—11/37—11/25—11/37.
Do. (Pref.)	Rs. 87/50—88/00—87/50—88/00—(103-3).
Jaipur Udyog	Rs. 10/94—11/00—10/94—11/00.
Orissa	Rs. 13/00—13/00—12/90—12/96.
Sone Valley	Rs. 5/75—5/68—5/65—5/65—(8-15).

CHEMICALS

Alkali & Chemical	Rs. 13/87—13/87—13/31—13/87—(21-7).
Do. (Right Share)	Rs. 6/32—6/32—6/37—6/37.
Bathgate & Co.	Rs. 1/50—1/50—1/50—1/50—(2-1).

ELECTRICS

Calcutta Electric	Rs. 12/12—12/19—12/05—12/06—(13-6).
Do. (Pref.)	Rs. 9/06—9/12—9/06—9/12.
Mirzapore	Rs. 7/00—7/23—7/00—7/25—(9).

ENGINEERINGS

Britannia	Rs. 13/30—13/40—13/25—13/25—(18).
Bhartia Elect. Steel	Rs. 14/81—14/81—14/69—14/75—(17).
Braithwaite & Co.	Rs. 24/87—24/87—24/87—24/87—(28-8).
Guest, Keen, Williams	Rs. 27/62—28/50—27/25—27/31.
Indian Galvanizing	Rs. 20/12—20/12—19/94—19/94—(24-12).
Indian Iron	Rs. 18/87—19/08—18/18—18/36—(37-6).
Do. (New)	Rs. 17/57—17/75—16/82—17/36.
Do. (Pref.)	Rs. 99/50—99/50—99/50—99/50—(106-8).
Indian Standard Wagon	Rs. 160/00—161/00—160/00—161/00—(182).
Indian Steel & Wire Products	Rs. 54/50—54/50—54/37—54/50—(75-8).
Jessop & Co.	Rs. 22/87—22/87—19/75—21/87—(35).
Kumardhubi	Rs. 8/62—8/69—8/62—8/69—(10-9).
Marshall's	Rs. 4/62—4/65—4/62—4/65—(6-11).
National Iron & Steel	Rs. 7/19—7/19—7/19—7/19—(8-2).
Richardson & Cruddas	Rs. 13/75—13/80—11/75—12/69.
Do. (Pref.)	Rs. 64/50—65/50—62/00—64/00.
Textile Machinery	Rs. 17/53—17/65—16/60—16/80—(24-00).

SAW MILL

Assam Saw	Rs. 2/22—2/25—2/21—2/21—(4-6).
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INSURANCES

India Trade & General	Rs. 23/50—23/50—23/50—23/50—23/50.
New Asiatic	Rs. 3/81—3/84—3/78—3/84—(4-1).
Ruby General	Rs. 5/50—5/56—5/50—5/56—(6).

MISCELLANEOUS

Aluminium Corporation	Rs. 8/62—8/69—8/56—8/69—(10-6).
Angelo Bros.	Rs. 17/19—17/25—16/75—16/81—(21-6).
Associated Hotels (Pref.)	Rs. 60/25—60/25—60/25—60/25—(65).
British Ceylon Corpn. (Pref.)	Rs. 9/43—9/50—9/43—9/50—(10).
Balmer Lawrie	Rs. 141/00—143/00—141/00—142/00—(167).
Bararee Coke	Rs. 14/69—14/87—14/69—14/87—(19-8).
Britannia Biscuits	Rs. 13/19—13/19—13/00—13/06—(15-2).
Birds Investment (Pref.)	Rs. 66/38—66/38—66/38—66/38—(66/38).
B. I. Corporation	Rs. 5/80—5/80—4/93—5/45—(11-5).
Clive Row Investment	Rs. 9/81—9/75—9/81—9/81.
Calcutta Gas	Rs. 6/44—6/50—6/44—6/50—(8-8).
Dunlop Rubber	Rs. 18/62—18/62—17/62—17/62—(30-8).
Do. (Pref.)	Rs. 119/00—119/00—119/00—119/00—(129).
Eastern Investments	Rs. 103/50—103/50—103/00—103/00—(147-8).
F. & C. Osler	Rs. 4/06—4/06—4/06—4/06—(11-4).
Gillanders Arbuthnot	Rs. 11/37—11/37—11/25—11/31—(13-12).
Ganges Rope	Rs. 104/00—104/00—104/00—104/00—(179).
Imperial Tobacco	Rs. 14/12—14/12—14/00—14/00—(14-11).
Indian Cables	Rs. 22/94—22/94—21/69—21/69—(22-14).
Indian Wood Products	Rs. 38/50—38/50—38/50—38/50—(38-2).
Indian Aluminium	Rs. 12/94—13/06—12/75—12/75.
James Wright	Rs. 3/12—3/12—3/06—3/12—(4-13).
Jardine Henderson	Rs. 72/50—74/50—72/50—74/50—(102-8).
Martin Burn	Rs. 23/12—23/12—22/62—22/75—(24-13).
Metal Box	Rs. 24/25—24/37—24/25—24/37—(28-12).
National Carbon	Rs. 23/35—23/37—23/19—23/19.
National Insulated Cable	Rs. 19/94—20/25—19/87—20/00—(24-7).

National Tobacco	Rs. 9/87—9/87—9/75—9/75—(13-2).
Do. (Pref.)	Rs. 69/50—69/50—69/50—69/50—(89).
Oster Elec. Lamp	Rs. 2/76—2/78—2/76—2/78.
Rohtas Industries (B. Pref.)	Rs. 62/50—62/50—62/50—62/50—(64).
Do. (Ord.)	Rs. 16/44—16/50—16/15—16/43—(24-11).
Shaw Wallace	Rs. 11/19—11/31—11/19—11/31—(15-6).
Western Stockholders Investment	Rs. 0/91—0/93—0/91—0/91.

OILS

British Burma Petroleum	Rs. 2/40—2/40—2/36—2/36—(4-1).
Indo-Burma Petroleum (Pref.)	Rs. 96/00—96/00—96/00—96/00—(108).

PAPER MILLS

India Paper Pulp	Rs. 20/37—20/62—20/37—20/
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INDUSTRIAL TRENDS IN THE UNITED KINGDOM

REDUNDANCY OF LABOUR EXCHANGE STAFF

(FROM A SPECIAL CORRESPONDENT)

NO fresh event of outstanding importance has occurred in the British industrial situation since the last despatch was written a month ago, which is not to say that the period has lacked interest. The industrialist has welcomed the Government's steps to deal with the redundancy in the civil service, as, for example, of the labour exchanges, and also the promises of more reductions in armament expenditures, with a consequent lowering of taxes. The defence for a civil service of the present magnitude is mainly political, namely, that the goal being an increasingly socialist State, not one bulwark of nationalisation alone attained should be surrendered. But that argument appeals to the average trade unionist only when a specifically industrial prize is at stake. Therefore, no enthusiastic response has been forthcoming from the ranks of the wage-earners to the claim that drawers of salaries in the labour exchange administration should be allowed to continue undisturbed. The most extreme instance of the respectable practice of idleness is that of an exchange which has one unemployed person registered on its books and a staff of 30 to look after his welfare. But the overstaffing of exchanges of their superfluity is plain everywhere. Indeed, having regard to their declared function, this was inescapable in a long period of full employment. It could rightly be said that were unemployment to develop on only a moderate scale, the experience and organisation of the exchanges would be found valuable. But as the situation is at present, that potential virtue could not be accepted by any Chancellor of the Exchequer bent on economy as a convincing argument for keeping the exchanges wholly intact. There must be a closing down of some of them, and the official attitude to many allowed to remain open will have to be that of keeping them on a care and maintenance basis.

It is noteworthy that both the first and the last speeches at the annual conference of the Textile Institute were delivered by representatives of great multiple stores. The emphasis in each case was upon quality control. A few years ago, the British textile industry would not have tolerated these representatives at their gatherings; indeed, the insistence upon adherence to certain specifications in textile manufacturing standards which Marks and Spencer laid down were strongly resented in a number of quarters. But there is now a general recognition that the policy which this firm has pursued in raising the standards of value obtainable by the masses in return for moderate outlays has played a big part in lessening irrational factors in home consumption of goods. The policy, of course, has been helped to success by the continuity of wage levels made possible through the absence of spells of unemployment—so chronic in the prewar days. Nevertheless, wages would have been unwisely spent in many directions without the safeguarding of the consumers' interests that some of the leading stores have provided. Marks and Spencer maintain their own extensive research and testing departments, which check the quality of their own productions and also that of their own purchases for retail distribution. Moreover, any complaint made by a customer is immediately subjected to expert investigation. The textile industry is now prepared to concede that the multiple store at its best is a great exponent of scientific marketing, knowing every turn and phase of consumer demand and capable of leading it to the highest level. Consultations between representatives of the stores and those of the textile and other industries have become, in fact, an accepted feature of economic life. The interchange of views thus made helps to bring both order and mobility into the people's spending.

Electronics and Automation

The Electronics and Automation Exhibition yielded few surprises on the inventive side, most of the exhibits relating to counting or measuring devices already known, or to their logical further application. The complaint was heard that indus-

try is not responding sufficiently to what can be offered. It has to be borne in mind, as bearing upon this, that the charges for these innovations are often very high at present. To this, no doubt, the reply would be forthcoming that if the demand is increased, then the cost can be lowered, which is a familiar story of ancient lineage and in various directions. That there is anxiety on this point is understandable; for the exhibition revealed that some 200 firms have already entered the electronics or allied fields. If this area be divided into three, the immediate future of two of them seems assured.

Those who can definitely connect their activities with nuclear expansion can be certain of Government support, if necessary. Those who are out to supply shops and factories with the smaller types of counting machine or "computer" have a considerable market ready to hand which only requires exploiting by the usual methods of salesmanship. A step forward in this matter has been taken by Elliot Brothers Ltd., one of the first firms to engage in electronics, which has appointed the National Cash Register Company to foster the use of its machines among tradesmen—a task for which the company is uniquely well qualified. Electronics firms doing pioneering work in other than the spheres mentioned seem to have the prospect of limited, or, at any rate fluctuating fortunes, over some years ahead. This path is clearly one which would be left for pursuance by firms having a diversity of interests and who will not be wholly dependent upon revenues from a comparatively new industry.

Unused Inventions

The Mather Lecture in Manchester delivered this year by a prominent chemist, Mr. J. T. Marsh, raised once again the question of the apparently enormous extent to which man's inventive fertility, measured by the number of unused patent registrations, outruns his capacity to use them. It is undeniable that the number of patent registrations which are allowed to lapse is formidable. But whether the whole truth about them can be easily told, or even discerned, is not clear. A patent, although, so to speak, it never comes to life, has the possibility of surviving, if not in its own right, then in that of somebody else. Patents provide literary material for the study of ideas which, although not realisable in the form originally presented, may be modified to become so at near or far remove; they sometimes provide stimuli that lead to entirely new and better conceptions. Patentees who complain that their notions have been imitated or pilfered are a numerous race, and, admittedly some of them have a fair measure of justification for their grievances. But often whatever fault there is lies more in the nature of things than in the unscrupulousness of a person or company.

When looking at the lengthy patent lists one has to think not merely of inventors, but of the spirit of invention as a whole, whose engendering is from many sources, including these registration records. The invention which finds enduring and increasing expression is becoming much more than formerly the product of a number of minds acting in proclaimed or tacit co-operation through the medium of directed research. This may be in obedience to a law governing the form of industrial evolution in our own time. On the other hand, there may be scientific or technological problems for industry which only the flash of genius can illumine. To be able to believe in this latter, one must agree, would help the individual to be less despairing of his own worth.

Rubber in Engineering

The proceedings of the "Rubber in Engineering" conference have now been issued and can be obtained free of charge from the Natural Rubber Development Board, London. A volume of 160 pages, it is worth securing by those who have cause to be interested in the subject. The engineering use of rubber so far has been mainly empirical and developed, based, that is to say, upon trial and error rather than upon scientific design. The error position is now changing and new vistas for exploration are coming into view. The contents of the book range from a preface on using rubber correctly in manufacturing, through such matters as questions of the effect of strain and fatigue upon the raw material, to rubber in heavy engineering and in agriculture. The section on rubber in heavy engineering is the longest and refers particularly to ships and jetties, general engineering (including building) and railway engineering. The history of the use of rubber in these directions goes only about 20 years back, but has latterly become a full one.

It may be recalled that during the last two years, rubber bonded to metal seals has been used in the construction of a supersonic wind tunnel by the Royal Aeronautical Establishment. This engineering feat attracted considerable attention by reason of the new problems involved. It is obvious, as a result of the large-scale demands of modern civilisation that rubber will be called upon to fulfil an increasing task in the reduction of vibration. Rubber springs can now be made to carry up to 100 tons a spring, and double this amount for testing purposes. The speaker on rubber in agriculture observed that, without rubber, farm mechanisation would be unthinkable, contributing so much as it did to tractive power generally, to means of sowing and harvesting and to mechanised milking. A seemingly slight problem made progress in the last named direction much slower than was anticipated. This was in the provision of the teat cup which has taken nearly 50 years for efficient design.

June 13, 1957.

New Delhi

HIGHER MINIMUM PRICES FOR AGRICULTURAL PRODUCTS DISCUSSED

ECONOMIC TRENDS DURING FIRST YEAR OF PLAN REVIEWED

(FROM A NEW DELHI CORRESPONDENT)

A REVIEW of the economic situation issued by the Planning Commission formed the principal basis of the discussions at last week's meeting of the National Development Council. It is pointed out in the review that the increase in national income in the last two or three years has averaged only 2 percent to 2½ percent, mainly because agricultural output has not shown any substantial rise. While industrial production has increased steadily at the rate of about 8 percent annually in recent years, no such steady upward trend has been seen in agricultural output. In 1956-57, the production of rice is expected to be around 28 million tons, or 1.2 million tons higher than in 1955-56; and that of wheat will be about 8.6 million tons, as against 8.3 million tons in 1955-56. The output of coarse grains and pulses is not expected to show any material change. The production of cotton, it is estimated, has increased by 20 percent, from 4 million bales to 4.8 million bales, of groundnuts by about 6 percent, and of sugarcane by about 17 percent. The output of jute is fractionally higher at 4,221,000 bales, as compared with 4,197,000 bales in the previous year.

On the whole, it is thought, domestic agricultural production in 1956-57, taken together with the large imports that have already been arranged for, should be adequate for stopping a rise in prices. But difficult conditions prevail in parts of some States, and it is clear that the food situation in the course of the year will need to be watched carefully. Even in the case of industrial production, it has to be remembered that the increase which has taken place in recent years has added significantly to the pressure on the balance of payments, by necessitating larger imports of raw material and component parts. In view of the foreign exchange shortage, a cut in these imports is inescapable. Considering the large imports made during the last 12 months or so, there will be no immediate setback to industrial production, but the situation will have to be watched. The overall supply, in other words, taking agricultural and industrial production together, is one which will require the utmost attention during the rest of the plan period.

Expansionary Factors

While domestic supplies have shown only a moderate improvement, there has been a steady increase in the tempo of development expenditure in recent years. The outlay in the first year of the second plan is likely to have been of the order of Rs. 750 crores. A separate note on the first year's plan points out that although the outlay on the plan for 1956-57 was proposed by the Planning Commission in consultation with the Ministry of Finance at about Rs. 800 crores, the Central Ministries and State Governments budgeted for a total outlay of Rs. 830 crores. The proposed outlay at the Centre, after taking into account the supplementary grants of last August, was Rs. 394 crores, while the States budgeted for an outlay of Rs. 436 crores. However, the States were induced subsequently to cut their outlay down to Rs. 391 crores, inclusive of Union territories, while the revised estimates of the Central Ministries amounted to Rs. 370 crores, making a total of Rs. 761 crores for 1956-57.

The plan outlay during 1957-58, it was agreed at the last meeting of the National Development Council in December, should be around Rs. 900 crores. Actually, the Centre has budgeted for an outlay of Rs. 530.9 crores and the States for Rs. 434.6 crores, making a total of Rs. 965.5 crores. Simultaneously, expenditure outside the plan, particularly on defence, has been increasing. A considerable proportion of the additional revenues raised by fresh taxation last year and in the current year is expected to be offset by increases in non-plan expenditure. There has also been little increase in the volume of private savings mobilised by the Government. Collections under small savings, at Rs. 61 crores, in 1956-57 were about Rs. 7 crores smaller than in 1955-56, and were significantly below the target of an annual average of Rs. 100 crores mentioned in the second plan.

The net proceeds of market loans floated by the Centre and the States in 1956-57 amounted to Rs. 140.5 crores, as against Rs. 82 crores in 1955-56 and Rs. 111 crores in 1954-55. But a large part of the new loans floated in 1956-57 was not absorbed by the public and represented, in effect, a type of deficit financing. (Net borrowings of the Central Government from the market in 1956-57 were estimated at Rs. 78.1 crores. Gross receipts from the loans floated during the year exceeded the Budget estimate of Rs. 100.6 crores by about Rs. 57 crores, but because of the option given for conversion of the loan maturing in 1957-58, the cash subscriptions turned out to be considerably lower than the Budget estimate.) For the Centre alone, floating debt and the variations in cash balances, increased from Rs. 160 crores in 1955-56 to Rs. 216

ed to amount to Rs. 275 crores in 1957-58 (Budget estimates).

Private Investment

Developments in the private sector have contributed to the growing pressure of demand in the economy. Although precise estimates of private investment are not available, it is clear that savings have not increased in line with private investment, with the result that there has been a sharp increase in bank credit to the private sector. The credit advanced by scheduled banks rose during 1956 by Rs. 153 crores to a record level of Rs. 788 crores, and in the first four months of this year it has risen by another Rs. 119 crores. The deposit resources of banks have not gone up to a corresponding extent.

The growth of expansionary forces in the economy has also been reflected in monetary trends over the past year. During the year to 3rd May, 1957, money supply increased by Rs. 139 crores. Over the same period, the rupee securities held by the Reserve Bank increased by Rs. 314 crores—a factor which is clearly expansionary and which is largely in response to increased Government borrowing from the Reserve Bank. During the same period, scheduled bank credit increased by Rs. 161 crores, giving an indication of the extent of bank finance provided for private investment. The somewhat smaller increase in money supply in relation to the increase in bank borrowing by the Government and the private sector is explained by the fact that the large decline of Rs. 225 crores in the foreign assets held by the Reserve Bank during the period had a considerable disinflationary effect. The imbalance on external account, however, cannot continue for long on this scale. The pressure of additional demand on the economy, therefore, would be even greater in the months to come unless the flow of savings to the public and private sectors is increased.

The growing pressure of demand in the economy, combined with only a moderate improvement in production, has brought about a significant rise in prices. The overall index of wholesale prices (year ended August 1939=100) in recent weeks has been around 425 to 430, which is an increase of nearly 10 percent over the past year. Rice prices, at around 660, and wheat prices, at around 550, are nearly 20 percent higher than a year ago, whereas prices of manufactured products such as sugar and cotton textiles are only slightly above the levels reached last year. The indices for vegetable oils and cotton, at around 530 and 500, respectively, also show increases of 6 percent or 7 percent over the levels of a year ago. It is clear that the upward pressure on prices has been felt particularly in the case of foodgrains. In recent weeks, while wheat prices have eased somewhat on the arrival of the new crop in the market, rice prices have advanced a little and cotton and oil-seeds prices have maintained a firm tone.

Balance of Payments

The major impact of the expansionary trends in the economy has been on the balance of payments. For 1956-57, the deficit on current account (exclusive of official donations) is expected to be of the order of Rs. 345 crores, as against the plan estimate of Rs. 147 crores. During the 14 months ended May 1957, the draft on the foreign assets held by the Reserve Bank has been of the order of Rs. 335 crores. Since, during this period, a credit of Rs. 60.7 crores was obtained from the International Monetary Fund, the fall in the Reserve Bank's holdings has amounted to about Rs. 275 crores. In the first plan period as a whole, the corresponding decline in reserves was of the order of Rs. 138 crores.

The present level of reserves at around Rs. 470 crores, provides only a small margin considering the need to maintain the statutory minimum of Rs. 400 crores plus a working balance. Even if the requirements of a working balance are put at only Rs. 40 crores or so, our spendable foreign exchange reserves are now negligible. The standby credit of Rs. 34.5 crores obtained from the I.M.F., which is yet to be utilised, can provide only a brief relief. As against a decline in reserves of some Rs. 5 crores to Rs. 6 crores a week in February, March and April this year, the decline in May was at the rate of Rs. 9 crores a week.

The main factor responsible for the heavy strain on the balance of payments has been the phenomenal increase in imports—to some Rs. 1,000 crores in 1956-57. Exports, on the other hand, have remained virtually steady at around Rs. 650 crores for the year. The increase in imports is accounted for almost entirely by machinery, iron and steel and the raw materials and components required for sustaining the increase in industrial production. This, by itself, should provide some strength to the balance of payments in the months to come. But the immediate position is one which calls for the strongest efforts to be made to

remedial measures have already been taken. Briefly monetary policy has been tightened selectively so as to curtail inessential and speculative demands for credit while permitting expansion in essential sectors. A moderate increase in interest rates, including those on small savings, has been permitted so as to promote savings. In the field of fiscal policy, substantial measures of additional taxation have been introduced, and an attempt made to change the tax structure so as to make it more responsive to increases in national income. The import policy is also being tightened further. Finally, efforts are being made to obtain larger credits from abroad for investment in both the public and the private sectors.

Outlook for the Plan

Thus, the strain on resources, both internal and external, is great and there are clear indications that the fulfilment of the targets laid down in the plan requires: (a) considerably greater effort at raising domestic resources and (b) external assistance on a much larger scale than what has hitherto been in sight. The actual expenditure on the plan in the first two years is not likely to exceed Rs. 1,600 crores or so (allowing for shortfalls relating to both the revised estimate of Rs. 761 crores for 1956-57 and the Budget estimates of Rs. 965.5 crores for 1957-58). This is roughly one-third of the original outlay of Rs. 4,800 crores proposed in the second plan. A considerable increase in the outlay would thus be required in the years to come if the total of Rs. 4,900 crores is to be realised. At the same time, there has been an increase in costs all round and it has become necessary to make a substantially larger provision for defence. The combined effect of these two factors is to raise the demands on the Exchequer substantially. On the resources side, the indications are that the targets for market borrowing will be difficult to realise, and that it will be prudent to limit deficit financing to well below the level of Rs. 1,200 crores mentioned in the plan.

Drastic Cut in Imports

The foreign exchange situation in relation to the plan is under constant review. The position, as it appears at present, is that even if current imports are drastically cut and new foreign exchange commitments restricted to capital goods required for the "core" of the plan, i.e., the iron and steel projects, coal, transport and ancillary power, external assistance of about Rs. 600 crores beyond what has so far been promised would be required. This scale of assistance might or might not be forthcoming fully, nor can one be certain that it will materialise in time. It follows also that no fresh commitments of foreign exchange resources, on projects which are outside the "core" and against which no external assistance is forthcoming, can be made until the situation improves markedly. To carry through the projects in the "core" also, an all-out effort will have to be made to secure external resources. The steps to be taken from now onwards, apart from a continued watch over monetary and credit trends and increased efforts at raising foodgrains and other production, include mainly a greater fiscal effort at the States' level and further measures to protect the balance of payments. The import policy will need to be tightened considerably, and exports will have to be stepped up even at the cost of a reduction in domestic supplies.

Rising Prices

The National Development Council last week discussed the problems of rising prices and State's resources, while the foreign exchange shortage dominated the proceedings of the Import and Export Advisory Councils which met later. Curious as it might seem, the National Development Council's consideration of the rise in food prices resulted in a decision favouring the fixation of minimum prices. Members of the Council were evidently impressed by the argument of the Food and Agriculture Ministry, in a note urging the guarantee of minimum prices, that "the fact that the current level of prices is relatively high should strengthen rather than weaken the case for fixing minimum prices. It is when prices and costs are higher that the farmers are most apprehensive of the risk of a sharp fall, and require an assurance against undue loss".

The Food Ministry's case was that since agriculture is the largest part of the private sector in the economy, it is on the decisions of innumerable small producers that the volume of agricultural output depends. These decisions are influenced mostly by the incentives that are offered and insurance against risks that are provided. While the provision of technical aid and promotion of credit and marketing facilities enhance productivity and income from farming, and thereby induce the cultivator to adopt improved methods of cultivation, they are not a guarantee against fluctuations in farm incomes arising from fluctuations in farm prices. The very adoption of improved methods increases costs, and hence also the risk of loss, and is therefore largely conditioned by reasonable returns from farming. Agricultural price support is in the nature of an insurance measure analogous to unemployment insurance and minimum wages in industry, and as such has great economic and psychological value. No better example need be cited than that of cotton and sugarcane, where the guarantee of minimum prices has led to a substantial increase in production. On the other hand, in the case of a commodity like jute where there is no guaranteed minimum price, production has varied sharply with variations in prices.

Principle Accepted

The principle that minimum prices should be

"...and an aluminium house we'll build"

Aluminium houses are so light and easy to erect...no wonder our young friends feel that even they could do it.

Prefabricated aluminium houses and aluminium building materials are rapidly gaining popularity in India because they are light, strong, durable and

require no maintenance.

At Hirakud in Orissa, close to large resources of hydro-electric power and bauxite, Indian Aluminium Company is installing a new 10,000-ton smelter which will make more aluminium available for our homes, farms and factories.



Building a future in aluminium

Indian Aluminium Company Limited

A Canadian-Indian Enterprise

These were, however, fixed at a very low level with a view to avoiding extreme distress at a time of sharply falling prices. The prices fixed then have now become quite unrealistic, as will be seen from a comparison of the minimum prices fixed in 1954-55 with the minimum market prices in May 1957: rice, Rs. 11, Rs. 15; wheat, Rs. 10, Rs. 13.37; jowar, Rs. 5.50, Rs. 10; maize, Rs. 5.50, Rs. 12.12; and baira, Rs. 6, Rs. 11. The fact that the Government could purchase only 75,000 tons of wheat, negligible quantities of coarse grains and no rice at all at those prices even in 1954-55 shows that these minimum prices were too low. Since 1954-55, costs as well as prices have increased very considerably, and these minimum prices have become even more unrealistic. It is therefore proposed that minimum prices should now be fixed at reasonable levels.

Apart from foodgrains, minimum prices are at present being fixed for cotton and sugarcane. They will no doubt continue to be fixed, but when they are revised in future their inter-relationship with the minimum prices for the competing foodgrains, as proposed above, should be borne in mind. At present, no minimum prices are being fixed for two important crops, jute and groundnut. These crops are among the most important foreign exchange earners, and a high priority has been given in the plan for their production. If minimum prices are fixed for rice and jowar, which compete with jute and groundnut respectively, it seems essential that minimum prices for the latter should also be fixed at a suitable parity. Another point on which the views of the N.D.C. have been sought is whether there should be only one minimum price for the whole country or whether minimum prices should be fixed separately for different States or regions.

Groundnuts and Jute

It is understood that the members of the Council ruled out the fixation of a minimum price

for groundnuts, but were divided in their views on the question of a guaranteed price for jute. While some pressed for a floor price for jute in order to stimulate its production, others felt that the time had not yet come for such action. As for foodgrains, it is gathered that while a notional figure will be fixed as the national minimum price for various grains, the guaranteed price to be offered in each region will vary in accordance with the normal local prices. These are now being discussed with the different State Governments, and an announcement of the minimum prices is expected shortly.

Appointment of Committee

It has been decided to appoint a high-powered committee to examine what measures can be taken, consistent with the interests of the agriculturists and agricultural production, to arrest the rise in prices, if not to bring about a reduction. If it is desired, certain measures could, in the meantime, be considered, particularly to reduce hoarding by traders. In the course of discussion by the N.D.C. it was pointed out that prices had risen in recent months even in States which were normally surplus in foodgrains, because substantial quantities were being exported to deficit areas. This, many members said, called for appropriate action. The partiality for some measure of control in a period of shortages was illustrated by the virtually unanimous suggestion that a system of family identity cards should be introduced if the purpose of the fair price shops, which sell imported food at subsidised prices, is not to be defeated by traders.

The problem of States' resources for implementing the plan was considered by the N.D.C. in the light of their performance during 1956-57. Whereas the Central Government realised Rs. 53 crores from additional taxation imposed during 1956-57 and raised a total of Rs. 102 crores from current revenues—exclusive of the railways' con-

tribution of Rs. 42 crores—to meet the outlay (revised estimate) of Rs. 370 crores on the first annual plan in the Central sector, the States taken together raised only Rs. 6.9 crores from their current revenues towards the plan outlay of Rs. 391 crores in the State sphere. An increase in non-plan expenditure led to this result although otherwise the States realised Rs. 11.3 crores from additional taxation and secured Rs. 1.7 crores as their share of additional taxation by the Centre. Not receipts from market borrowings by the States amounted to about Rs. 62 crores. This compares favourably with the target of Rs. 265 crores for States' borrowing over the plan period, but their loan programme strained the market considerably and several State loans were quoted at sizeable discounts. Some of the State Governments had to renounce their own securities. (In view of this, the Reserve Bank has recently advised the State Governments against floating any open market loans this year.) All in all, the contribution of the State Governments towards their first annual plans works out to Rs. 100.5 crores. Central assistance for the State plans, and amount given as ways and means loans, are estimated at Rs. 235.5 crores. The remaining outlay of Rs. 55 crores appears to have been financed by drawings on cash balances, sale of securities held in reserve, and increase in floating debt (other than ways and means loans from the Centre).

State Finances in Current Year

For the second year's plan, amounting to a total of Rs. 434.6 crores according to the Budgets, the States have taken credit for Rs. 280.5 crores by way of Central assistance, whereas this is now expected not to exceed Rs. 265 crores. The States have also assumed a total of Rs. 53.5 crores as the net receipts from their market borrowings during 1957-58. Such borrowing will now either not take place at all or will be of only half that size. On the other hand, the likely receipts from additional taxation during this year by the States are now estimated at much less than the figure of Rs. 40 crores to Rs. 50 crores which was mentioned at the December meeting of the N.D.C. It is doubted whether the States will raise more than two-thirds of even the total additional taxation of Rs. 31 crores which they agreed to during the discussions on the second annual plan with the Planning Commission's Programme Advisers. Even taking into account the States' share of Rs. 15 crores out of the recent taxation at the Centre, it is obvious that the revenue deficit totalling Rs. 70 crores will not be filled. The urgency of the problem is evident from the fact that, since last year, several States have been running substantial overdrafts with the Reserve Bank for long periods, in spite of Central assistance for development schemes, assistance for scarcity areas, and ways and means assistance to cover the lag between expenditure and the collection of revenue. The overdrafts with the Reserve Bank are regarded by the Planning Commission as indicating a basic insufficiency of resources to meet the budgeted expenditure, rather than short-term difficulties.

Money for State Loans

At last week's meeting of the N.D.C., Dr. B. C. Roy, Chief Minister of West Bengal, blamed the difficulties experienced by the States in market borrowing on the directive issued by the Centre to the Employees' State Insurance Corporation, as well as to private limited companies coming under the employees' provident fund scheme, not to invest in State Government securities. He also said that the nationalisation of life insurance meant that the Centre had monopolised another source of money for State Government loans. Whatever the reasons might be for the poor outlook for market borrowing by the State Governments, the Centre has now offered a compensatory revision of the scheme for the distribution of small savings collections. Under the original formula, evolved at the Finance Ministers' Conference in 1952, targets were laid down for individual States and the Centre retained Rs. 45 crores. Although liberalised from time to time during the first plan period in the interest of the States, the formula, with its targets based on the trend of collections in 1951-52 and 1952-53, proved anomalous and inequitable.

For the second plan period, a revised formula was adopted under which the States were allowed 25 percent of their average collection during the three years ended 1955-56 and 50 percent of the excess. From about Rs. 2 crores in 1953-54, the States' share of small savings under this formula increased to Rs. 19 crores in 1956-57. But even the revised formula has not found universal favour since some States have received less than they would have under the original scheme. To meet this problem, as well as to stimulate during collections which dropped by Rs. 7 crores in the 1956-57 from the figure of Rs. 68 crores in the previous year, it was suggested to the Ministers of States at last week's meeting of the N.D.C. that each State should, in future, be allowed two-thirds of the amount collected within its territory on the understanding that the State would spend not less than 50 percent of its share of the collection from each district or other appropriate unit in that district or unit. The Chief Ministers were appreciative of the new formula, but did not want to give up market borrowing altogether this year. The size of the State Governments' borrowing, and the rate of interest to be offered by them, will be decided after an informal conference which the Union Finance Minister will hold with his State counterparts towards the end of the month.

London

WAGE CLAIMS BY U.K. LABOUR

RELATIONSHIP BETWEEN INCOME AND OUTPUT

(FROM OUR LONDON CORRESPONDENT)

Indeed, as is contended by the Opposition in Parliament and in its Press, the Government has forfeited its claim to an understanding attitude on the part of the trade unions by failing to stabilise prices and by passing social legislation to which they are strongly opposed, the economic outlook for the U.K. is indeed grim. It is certainly a fact that unless the inflationary spiral is stopped, and that soon, the brighter prospects which the relevant statistics suggest are "just around the corner" will eventually turn out to be rather bitter fruit. The attitude of the politicians is perhaps understandable, though even in their case the country's interests should come first; but if the trade union leaders are not to decide for themselves but only to follow a party line, the outlook is even grimmer. From this point of view, and in the face of the Prime Minister's recent warning—that full employment demanded a sense of responsibility, a measure of reasonable restraint, a recognition by all of the basic fact that to give oneself more money without producing more was to give nothing of any real or lasting value—the speeches and resolutions at the current round of union conferences just do not make sense. The shipping dispute still drags on, the engineers' holiday just accepted a wage increase "with strings" are already planning a fresh claim, other workers are seeking extra paid holidays or a shorter working week with no loss of earnings, and so it goes on.

On the other hand, the cost of living index at least remains steady in spite of individual price rises here and there. Retail sales are moving upwards as are sales of cars, television sets and other luxuries. During the first quarter of 1957, national expenditure on alcoholic drink rose to £196 million and on tobacco to £229 million, from £187 million and £214 million in 1956, while spending on beer is up from £112 million to £121 million. These facts and figures hardly justify the contention that living standards are being threatened by the Government's actions and that a class struggle is necessary. The Bank of International Settlements, which can at least claim some measure of objectivity, has recently warned Europe, with the U.K. receiving special mention, that the real danger to its recovery lies in wage-inspired inflation.

Incomes and Output

So far as the U.K. is concerned, the position has been succinctly stated by a writer in the latest *Bulletin for Industry* issued by the Treasury, who points out that the course of U.K. prices this year—and that forms the basis of trade union argument—will depend mainly on what happens to the relation between incomes and output, which last year was plainly inflationary. About nine-tenths of the rise in prices during 1956 was the result of increased home costs, a unit of output, caused by money incomes outpacing the growth of national output. Labour costs a unit of output rose by 7 percent compared with 3 percent for gross profits a unit of output. While output expanded by only 1½ percent, wages and salaries increased by 9 percent—about six times as fast—and gross profits by 4 percent—about three times as fast. Secondly, (the argument goes on), unit home costs rose faster last year than in 1955 (5 percent against 3 percent). This was because of a more rapid advance in wages and salaries a unit of output (7 percent against 6 percent), while the rise of 3 percent in gross profits was about the same as in 1955. The trend, as a whole, was even more marked in manufacturing industry.

Looking ahead, without attempting any definite predictions, the article says that no major change in the average cost of imports seems likely in the months ahead, while commodity prices and shipping freights have fallen back after Suez. The evidence of the last month or two suggests that a strong revival of production may be imminent. On the other hand, the recent wage negotiations make it likely that incomes will continue to rise vigorously. The *Bulletin* points out that wages have risen relatively slowly in recent months: from October to March, the index of wage rates rose by just under 1 percent, compared with 5½ percent in the same period of 1955-56, and nearly 4 percent in 1954-55. This slowing down has not lasted long, and the speed-up is not yet over. In a comparison of labour costs a unit of output in the United Kingdom, Western Germany and the United States, the *Bulletin* shows that between 1953 and 1956 these rose faster in the U.K. than in the other two countries.

This is the background against which the Chancellor of the Exchequer and the Minister of Labour are endeavouring to ascertain the views of both sides of industry to the establishment of a possibly impartial tribunal which could supervise "price stabilisation, productivity, and the standard of living." Two representatives each of the Federation of British Industries and the British Employers' Confederation last week met the Ministers and their Permanent Secretaries at the Treasury, and later two further meetings took place, first with the chairmen of the nationalised industries and then with the Chairman and General Secretary of the Trades Union Congress. The Government hopes that the talks will prepare the way for more practical discussions later about the establishment of an impartial body which could in effect keep an eye on the cost of living. Whether such a body

will come into being rests on the reception which will be accorded to these preliminary talks by the various parties concerned.

The idea was first put forward by a court of enquiry into a labour dispute in 1954, and was again suggested by the recent court of enquiry into the engineering and shipbuilding disputes, but it is believed that the discussions now proceeding are concerned with some original thoughts on the subject which the Government has been considering for a long time. The Government has its own ideas about how the suggested committee should do its work, but would like to hear what suggestions industry itself can make and whether there could be greater co-operation to ensure a larger measure of success. The only reaction so far is Sir Thomas Williamson's remark that he was sure the trade union movement would co-operate in anything that would keep prices down.

Poor Month for the Reserves

The welcome decision to extend the £100 travel allowance to North America, followed by increases in business dollar allowances, suggests that the Government does not feel particularly anxious about the immediate outlook for sterling. This confidence is all the more encouraging seeing that it is hardly justified by the small rise of \$25 million in the gold reserves during May, particularly as that was due entirely to the favourable E.P.U. balance of \$31 million in April; in that quarter the position is back to a deficit for May, and will probably continue that way for the period of the tourist season. The Treasury's announcement of the \$25 million rise to bring the sterling area's gold and dollar reserves at the end of May to \$2,345 million described it as "not very good but not specially bad." If account is taken of the \$34 million received from the April E.P.U. settlement, \$3 million paid to E.P.U. creditors in bilateral settlements, and \$1 million in U.S. defence aid (now so insignificant a factor as not to receive specific mention separately), the May residual figure was a deficit of \$7 million. This compares with a comparable surplus in April of \$14 million. The April surplus of £16 million with the E.P.U. has given place to a deficit of £7 million in May. This was due partly to further official clawing back of French commercial banks' balances abroad, but on the face of it, last month's trend was rather adverse to the sterling area unless, of course, there was a reduction in sterling liabilities.

Curiously enough, the foreign exchange market was unaffected by the announcement. It would seem that the position here for many months has not been good enough to attract new balances that might turn away; nor has it been bad enough to attract adverse speculation. Meanwhile, the U.K.

balance of payments in May was still burdened by heavy dollar oil imports, though not quite as heavily as before. It is some consolation that there was still no need to draw on either the Export-Import Bank loan or the stand-by credit from the International Monetary Fund.

Plantation Companies and Take-over Bids

Take-over bids for companies with large cash reserves have become so regular a feature of the operations of financiers that their less satisfactory effects are apt to be overlooked. This is not the case in the plantation industries, apparently, for Mr. K. W. Warren, chairman of James Warren and Company, has disclosed that both the Malayan and Indian Governments are to take steps to combat the "menace" so far as rubber and tea companies are concerned so as to "make such transactions unprofitable." The disturbance to both labour and managerial staff is the immediate difficulty, but industrial development is also hampered.

The problem was put into perspective by Sir John Hay in his statement to United Siam Betong stockholders the other day. Past disappointments and current political risks no doubt combine to induce caution, he says, but such considerations can hardly warrant share prices which are far remote from asset values and earnings. It is the continuance of this state which offers to the take-over bidder the opportunity for a quick profit, the realisation of which too often results in the disruption of an enterprise carefully developed for many years. In support of his argument, Sir John cited the case of an associated company whose £1 shares once commanded a market price of £15 on a 10 percent dividend. That company has since built up a strong financial position and pays dividends of 20 percent, yet its stock can be bought in the market at around par. "Past disappointments and present political risks" are spectacularly reflected in the movement of the yield basis from 4 percent to over 20 percent.

Whiteaway, Laidlaw Mystery

Steady buying of the £1 ordinary shares of Whiteaway, Laidlaw, drapers and merchants, has lifted the price from 24s to 30s 6d during the past 10 days, and is exciting a good deal of interest in the City. Jobbers report, and the company confirms, that there is a persistent buyer in the market who has forced up the price. On the other hand, an executive director of the company has said that the board has not been approached by the buyer, nor were they so far aware of any intention to acquire control. In each of the past five years, the company has paid a 10 percent dividend on the ordinary shares, but since 1954 the cover has been

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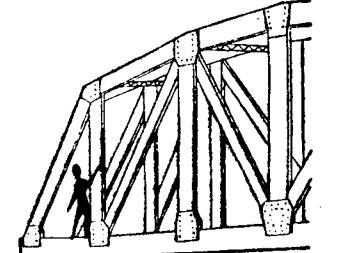
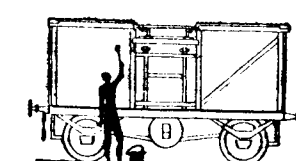
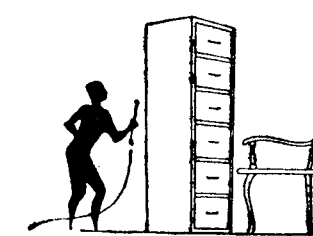
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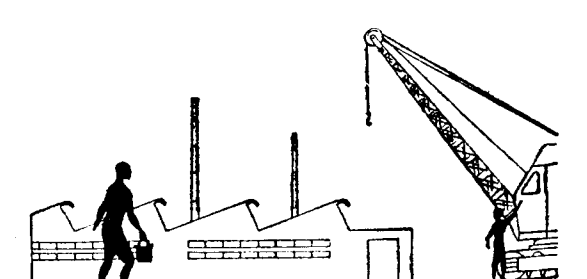
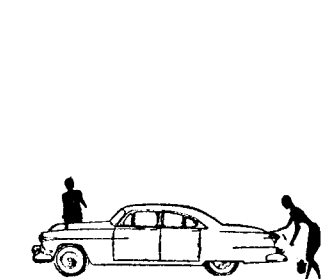
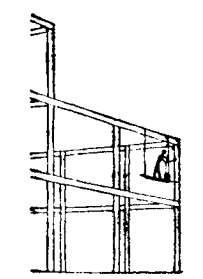
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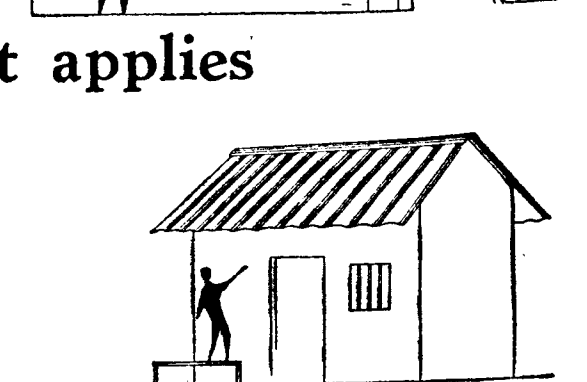
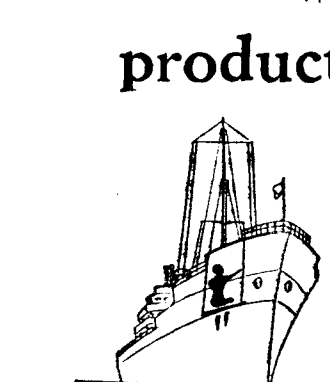
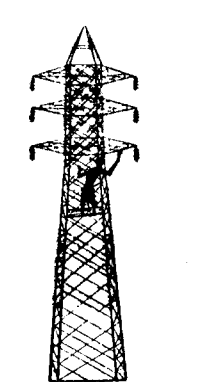
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slender. Under the chairmanship of Sir Harold Gillett the balance-sheet position has been gradually strengthened, some of the overseas properties having been sold. At 29th February, 1956, the balance sheet showed net liquid assets of just over £1 million. Fixed assets, apart from goodwill, were carried at a written-down figure of about £380,000. Allowing for the heavy preference capital, however, of £650,000, the attractions of the ordinary shares at the present price, which puts a value of £870,000 on the equity capital, are not readily discernible unless there has been a material improvement in the position during the past year.

Brevities

Although the outlook in the U.K. jute trade is described as "confused and difficult" in the annual report of Law and Bonar of Dundee, this jute and flax group did sufficiently well in the engineering division, particularly in Canada and South Africa, to show an increased profit, maintain its 13½ per cent distribution (covered nearly three times) and give shareholders a special cash distribution of 2½ per cent tax free.

Holders of more than 90 percent of the British Celanese capital having accepted the offer from Courtaulds, the merger plans have succeeded to make the group undisputed leaders of the rayon industry at home with valuable overseas interests as well as offshoots in plastics and chemicals.

A White Paper making a minor modification in the U. S. loan agreement, published last Thursday, extends indefinitely the provision, hitherto subject to time-limit, by which the U.S. Government can take up to \$50 million (£17,840,000) of the U. K.'s repayments in sterling. This will be a convenience to the U. S. Government in meeting payments for which sterling is required. It will also ease slightly the strain on the U.K.'s gold and dollar reserves.

The first premium bonds draw took place recently, when winning numbers for 96 prizes of £1,000 and 192 prizes of £500 were announced. The draw for the remaining 22,854 prizes, ranging from £250 to £25, continued over the next three days, and all winners were notified by post last week-end.

The Iron and Steel Realisation Agency has completed the sale to John S. Tregoning, in conjunction with Ductile Steels and Robert Benson, Lonsdale and Co., of all the issued share capital of the Bynea Steel Works, Swansea, for £680,000. Tregoning were large shareholders in Bynea before the company was nationalised in 1951.

A scheme of travel fellowships within the Commonwealth has been prepared by the Commonwealth Press Union's committee for the training and education of journalists. Its object is to enable young newspaper men to obtain first-hand knowledge of some part of the Commonwealth other than their home countries.

Bombay

SUPPORT FOR NEW OFFICIAL LOANS INVESTMENT OF LIFE INSURANCE FUNDS

(FROM OUR BOMBAY CORRESPONDENT)

THE Life Insurance Corporation is preparing to support the Government's forthcoming borrowing programme, according to authoritative sources. It is believed that substantial funds have been diverted to short-term deposits which will enable the Corporation to mobilise them when new Government loans are floated. The Corporation helped maintain the tone of the Bombay stock market immediately after the Central Budget proposals were announced. Some sections of the money market fear that if the Corporation were to support the new loans, it might mean that it will have to liquidate its industrial holdings. But authoritative circles point out that it will not be necessary to withdraw support from industry in order to subscribe to new official loans. The basis of such a conclusion is not clear, but it would seem that the Corporation's ability to support both industry and Government borrowing depends on its expected gross revenue over the year. The Corporation seems to believe that the average business of Rs. 5 crores a week will be maintained in 1957.

Based on this estimate of new business, it is computed that the Corporation will have an investible surplus of Rs. 30 crores to Rs. 40 crores a year. Of this, about Rs. 7 crores to Rs. 8 crores will be available for industry. It has been suggested that the Corporation may attempt to secure a hand in the working of companies in which it invests. But this has been refuted and it is pointed out that assurance has already been given that no such attempt will be made. It will perhaps be wise for the Corporation to make a further categorical statement to this effect.

Railway Overcrowding

The Central Railway Minister, Mr. Jagjivan Ram, in a speech here last Sunday, said he would request the Planning Commission to increase the railway allotment to Rs. 1,400 crores which is the sum the Railway Minister had originally asked for. Declaring Bombay's new Churchgate railway station open to traffic, Mr. Jagjivan Ram said: "I have been trying to secure more allocation from the Planning Commission and I have succeeded to some extent. I have been able to secure Rs. 200 crores more. I am sure that if we are in a position to utilise that money, we will be able to persuade and convince the Planning Commission to make more allotments to the railway. But the real difficulty today is the shortage of materials that are required for the railways. The materials are iron and steel and perhaps you are aware that we have sent a mission to the Continent for securing rails, sleepers and other steel materials. I am not quite sure how far we will succeed. All our development plans depend on the procurement of basic materials. So we are trying to increase our capacity as far as we can."

The Railway Minister emphasised that his Ministry would increasingly concentrate on expanding goods traffic facilities and warned that the country could expect no relief in passenger traffic congestion. He said: "I know that the allotment to the railways by the Planning Commission for creating additional capacity for passenger traffic is too meagre. I know that even if the original demand of the railways for which I am trying with the Planning Commission is restored, we will not be in a position to create capacity for passenger traffic to the extent which will reduce overcrowding in any appreciable measure, because with all the developmental works in the country and the extra money that is going to be injected into the pockets of the general public and the requirements of the public to travel more and more, we will not be able to create that capacity which will be commensurate with the demands of the general public. Therefore, the railways have never said that during the second plan period or at the end of it we will relieve overcrowding. As a matter of fact, I am not revealing a secret when I say that when I go into the statistics, I find perhaps that at the end of the second five year plan, we will be adding something to the overcrowding instead of reducing it."

INDIAN OWNED TONNAGE IN OVERSEAS TRADE INCREASES

Indian-owned tonnage employed in various overseas trades consisted of 43 vessels of a total g.r.t. of 289,273 on 31st March, 1957, against 36 vessels with an aggregate of 239,953 g.r.t. on 31st March, 1956. The freight and passenger earnings of Indian shipping companies in the overseas trade showed an increase in 1955-56, the figures being Rs. 10.49 crores in 1954-55 and Rs. 13.41 crores in 1955-56. On the India-U.K. continental trade, Scindias and India steamships employed by the end of March 1957, 30 ships of about 208,329 g.r.t. against 25 ships of about 173,000 g.r.t. employed at the same time in 1956. The Eastern Shipping Corporation was able to ply two ships in the India-East Asia-Japan trade against one ship employed by it during the previous year. The Indian-owned tonnage employed on the coast as on 21st March, this year consisted of 81 vessels of a total g.r.t. of 232,167. The net provision for shipping is only Rs. 37 crores in the second plan for shipping.

Madras

FOOD SHORTAGE IN MADRAS

PROBLEMS OF SECURING RICE SURPLUS FROM ANDHRA

(FROM OUR MADRAS CORRESPONDENT)

AN influenza epidemic has spread far and wide in the State. It has reached Cochin and industrial centres of Madras and Coimbatore. Absenteeism in factories and offices has increased and so have delays in the port. State health insurance facilities are strained. The Corporation has attempted to deal with the epidemic by mobile clinics and by the location of isolation hospitals well outside the city. The epidemic has proved that precautions are of little avail. Experiments in Coonoor on the virus have been stimulated and a new vaccine has been prepared, but the influenza epidemic should make it plain that the country needs modern medicines and a drastic cut in imports will leave it vulnerable to disease.

The food problem in Madras can be solved if the surplus from Andhra is procured for it. That will lead to more adequate distribution and a fall in prices. The supply of rice to Kerala by the Central Government from its imported stocks will reduce the demand from that State. The rise in prices has been checked, but hoarding by big traders cannot be checked by a mere directive to banks against advances on paddy. Only the power to take over stocks can provide a salutary measure. Madras is practically self-sufficient even after the transfer of Malabar, although supplies to Pondicherry impose a new strain. Mr. Jain's talks with the trade during the past week contained an assurance against procurement and rationing, but the new food subsidy will help only Kerala which has procured all its supplies from the summer harvest from Madras as well as Andhra. Prices for paddy and rice in more and more districts have been firming up.

Minimum Price

The minimum price of Rs. 15 a maund prescribed by the Union Government is widely viewed as a move to depress food prices after the Central Budget had forced them up. Mr. Jain during his visit pleaded for free trade in the zone, but only when the Zonal Council meets next month will it be possible to take concrete steps in the matter. The purchase tax in Andhra is raising the price, and putting merchants and millers in difficulties as ryots in Nellore are able to sell directly to Madras. The price now charged includes the tax of 3 nP in the rupee. Madras has put in a plea for an extra supply from imports. If part of the advance in prices reflects inflation, transport shortages are no less important a factor. Higher charges for carriage by road are reflected in prices. Supplies from fair price shops have made little difference to the ruling market rates. Great store is set by a report that prices in Andhra are now falling on account of the Government's measures against hoarding.

Tube Products of India Factory

While the opening of the factory of Tube Products of India in Avadi, the Maharaja of Mysore applauded the step taken to provide steel tubes of many types for export as well as for home consumption. The old Malayan emigration camp acquired by the company provides a large setting for the modern factory in which Tube Investments of Birmingham has a substantial interest. Association with T.I. is taken as a guarantee of efficient management, and security for the Indian capital invested. Sir A. Ramaswami Mudaliar acknowledged the help given for starting the tube factory which will make Avadi a real town. Mr. P. G. Carew, a visiting director of T. I., said that progress at the site had been rapid and Indian labour was proving adaptable to modern methods. The factory is viewed as a sign of faith in India's industrial future and a landmark in engineering expansion.

Depression of Shares

It is generally expected that Madras and Mysore will copy Kerala by raising agricultural income tax and super tax although the levy of a wealth tax on land is unlikely. The effect of lower dividends will be reflected in lower prices for shares. The selling pressure that developed last week is expected to continue. Minimum prices have been fixed again to arrest the fall in shares. The general retreat in textiles was due to the 20 percent dividend from Mettur. The lower dividend, the directors have pointed out, is the result of power cuts on production and higher excise which have naturally cut into the profit margins. In production occurred in Kerala and Mysore State, and has been attributed generally to the unfavourable weather conditions during the flowering and growing period of the crop.

BLACK PEPPER ACREAGE INCREASES BUT PRODUCTION FALLS

According to the Central Directorate of Economic and Statistics, Ministry of Food and Agriculture, the all-India final estimate of black pepper, 3,600 acres and 31,600 tons, against the partially revised estimate of 232,500 acres and 32,100 tons for 1955-56. This shows an increase of 1,100 acres or 0.5 per cent in area and a decline of 500 tons or 1.6 per cent in production over last year. The increase in area during the current year has been reported mainly by Kerala State. In spite of an increase in area, there has been an overall decline in the production of black pepper. The decrease

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The General Manager, South Eastern Railway, Garden Reach, Calcutta-23, invites sealed tenders for supply of the following materials:

Tender No. CON/GM/20/65-CS/B for supply of 50 Nos. Officers Push Trolley B. G. complete. Earnest money is Rs. 1,000/-.

Tenders will be opened on June 27, 1957 at 12.00 noon.

Tender forms are obtainable from the Controller of Stores (Construction Section), Garden Reach, Calcutta-23 on remittance of Rs. 5/- (not refundable) per copy by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, S. E. Rly., Garden Reach by local firms.

The tenders should be accompanied by a receipt from the Chief Cashier, S. E. Rly., Garden Reach, for amounts towards earnest money as above without which the tender is liable to be rejected. Approved Contractors who have already made a permanent deposit of Rs. 1,000/- with the Controller of Stores need not pay the Earnest Money.

Firms not on this Railway's list of approved Contractors must enclose a valid Income Tax Clearance Certificate with the tender.

GENERAL MANAGER

CAT

MOTOR GRADERS

All over India on the big construction projects with municipalities; state farms; and with the leading contractors, you can see Caterpillar Motor Graders hard at work.

Building or maintaining existing roads, ditches, shaping banks, there is no tool like the profit making Caterpillar Motor Grader.

All over India, and throughout the world successful contractors and project engineers give Caterpillar their first choice. The main reasons for this preference are the proved low cost, high production and long-lived performance of these famous machines.

Ensure the job gets done to time by using a Caterpillar Motor Grader. There are three models the No. 12, 112 and 212. One of these, or more, is the answer to your problem.

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*Caterpillar and Cat are registered trademarks of Caterpillar Tractor Co., U.S.A.

CAT MOTOR GRADER SPECIFICATIONS

	No. 12	No. 112	No. 212
Engine	Diesel, four-stroke cycle		
Blade range:	16"	15½"	14½"
Lift above ground	40"	36"	33½"
Side shift (right or left)	...	...	...
Maximum bank cutting angle	90°	90°	90°
Maximum shoulder reach (measured outside rear wheels)	7'4"	6'5"	5'

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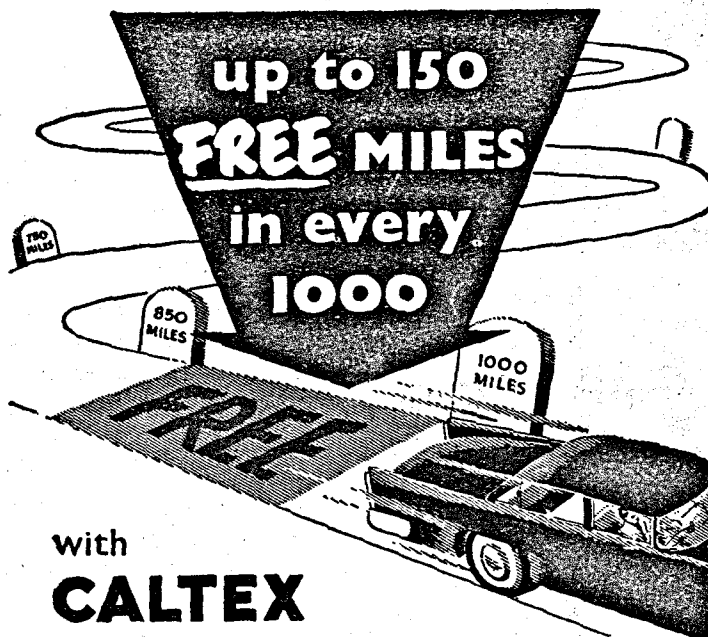
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This motor oil combines all the properties of SAE grades 20, 30 and 40 in one power-producing, money-saving oil that saves up to 15% of petrol and 33% of oil... HERE'S HOW IT WORKS:

for easier starting

Every time you start, your engine needs a light, quick-flowing SAE 20 oil. Bearings are then instantly protected... petrol is saved and battery life conserved because there is less "drag" than with heavier oils.

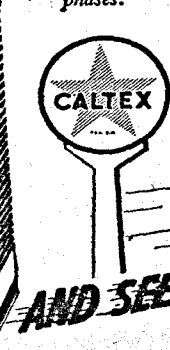
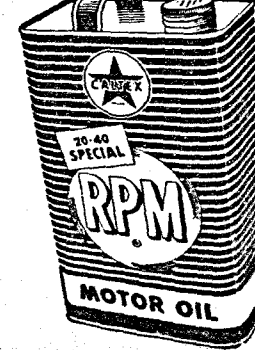
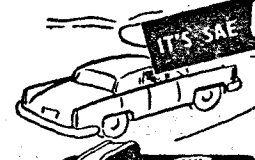
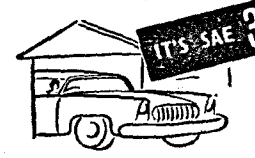
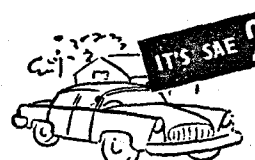
as you drive off

As your engine warms up it needs an oil with more body — SAE 30 — to resist the increase in engine temperature. RPM 20-40 SPECIAL gives you SAE 30 oil performance when you need it.

for the open road

When your engine reaches correct operating temperature, it needs the full-bodied protection of an SAE 40 oil. This new RPM motor oil meets all engine requirements during all driving phases.

change to
CALTEX
RPM 20-40 SPECIAL



AND SEE HOW SHE GOES!

quantities of yarns and cloth are being bought to meet urgent needs. Mill Firsts were reduced by about £2 to £122, Mill Lightnings to £116, Mill Hearts to £112 and grade Hearts to £105, while grade Tossa-2½ was quoted at £120 and grade Tossa-4 at £115 and good Daissee-2/3 at £115 and grade at £112, c.i.f., U.K., June-July. New crop was tentatively offered at £104 for Mill Lightnings and £100 for Mill Hearts, September-October, c.i.f.

The Calcutta goods market is steadier, too, and the report comes from India that production of jute goods has been seriously affected in many of the jute mills as a result of an influenza epidemic. The Indian mills have been doing very well recently in the disposal of their output of cloth and bags, but dividend results are still considered disappointing. It is being hinted here often enough that Pakistan wants to create a monopoly of the whole industry, from the raw material to the finished article, but so long as jute goods are produced in India, Pakistan will not get away with very much. She is taking a short-term outlook of the situation to keep up prices for raw jute as high as they are. Many people are bound to turn to substitutes, of which there are many nowadays, if the cost of jute packaging becomes too dear.

Prices for local yarns and cloth are all very firmly maintained, although conditions are really dull and short time and unemployment are increasing alarmingly. Consumers of jute goods in the U.K. are complaining bitterly about local manufactures being so dear in comparison with imported goods. Some announcement is expected by the Board of Trade, but some time may elapse before it is known what is in store for the industry in this country.

Calcutta goods are rather firmer at 65s 6d for 40in. 10oz. hessian and 49s 6d for 7½oz., June, 65s 3d and 49s 9d July and 66s and 50s for August-September, with B Twills at 178s 6d, 179s and 178s 6d for the respective positions of shipment, all f.o.b., Calcutta.

PAKISTAN TO HELP BUILD NEW LEBANESE JUTE MILL

The Pakistan Industrial Development Corporation has entered into an agreement with the Lebanese firm of Jute National Industries, S.A.L., to expand the latter's mill of 50 looms to 100 looms, it is learnt. The P.I.D.C., in collaboration with the Jute National Industries, will also set up a new unit for the manufacture of jute goods which will incorporate preparatory, spinning and weaving machinery. The agreement has been ratified by the Governments of both Pakistan and the Lebanon. The total cost of the mill is estimated at £340,000 of which the P.I.D.C. will contribute 25 percent (£85,000) to be paid in the form of raw jute. The P.I.D.C. will also render technical assistance in the preparation of plans, purchase of machinery and its installation. Mr. F. Jabre, a leading Lebanese industrialist representing the Jute National Industries S.A.L., visited Karachi in March last, and discussed the proposals with the P.I.D.C. Then the scheme was submitted to the Governments.

SOUTH EASTERN RAILWAY TENDERS.

The Controller of Stores, Garden Reach, Calcutta-23 invites tender No. PB/5/57/COS/87/52/TLR (56) for supply of 1088 Nos. of Bracket Body as per item A of Drg. 525 C&W/KPA. Tender forms are obtainable from his office (P. B. Section) on remittance of Rs. 2/- per copy (not refundable) by Money Order to him direct in the case of outside firms and on production of Cash Receipt from the Chief Cashier, Garden Reach, Calcutta, by local firms. Closing date is 9. 7. 57 at 12 noon. Firms not on the Railway's list of approved contractors must deposit Rs. 250/- in cash as Earnest Money with the Chief Cashier, Garden Reach, Calcutta, and enclose his Receipt together with a valid Income Tax Clearance Certificate with the tender.

Commodity Markets

RECORD RICE PRODUCTION EXPECTED IN INDIA

THE final estimate of India's rice production for 1955-57 indicates that a record will be achieved of 28,142,000 tons of milled rice (41,385,000 tons of paddy). At the same time, the crop in Pakistan is believed to be the largest since 1953-54. The Commonwealth Economic Committee's Rice Bulletin for May, just published in London, in reporting these trends, comments that world rice production promises to reach a high level in the current season. World trade during the first quarter of 1957 was at a high level, shipments from Burma being maintained while those from Thailand and the U. S. A. showed an increase. The estimated record output from India is well above the high turnout of 40,837,000 tons of paddy in 1953-54. The acreage under rice in India is 78.2 million acres. Pakistan's estimate of paddy production is 12,834,000 tons, and the area under cultivation has increased to nearly 22 million acres.

Crop Prospects in South-East Asia

In Cambodia, the main crop has been gathered in spite of some damage caused by unseasonable weather in December. Estimates are less hopeful than formerly, but outturn is still expected to exceed 1.2 million tons of paddy, the level reached in 1955-56. In Malaya, the preliminary estimate for 1956-57 of 643,000 tons of paddy is a little below the total for the previous year, in spite of the larger area planted. A larger sown area has been indicated for Australia for 1956-57, and an overall increase of some 10 percent is said to be probable in spite of such adverse factors as the depredations of bird pests. In the western hemisphere, the prospects for the crop being harvested in Argentina are now reported good as are also those reported from Mexico. In Peru, the rice crop has suffered from an extreme shortage of water, and the original estimates from Uruguay have now been revised downward. In Africa, reports from Nyasaland indicate that the northern Province has suffered from drought, while the southern province crop ranges from fair to good. An overall surplus production of 5,000 tons of paddy is expected. In Sierra Leone, the harvesting of upland rice has been completed, and yields appear good.

WHOLESALE PRICE INDEX RISES

THE official wholesale price index (base: year ended August 1939=100) advanced further by 0.6 percent to 437.3 during the week ended 25th May, 1957, compared with 434.7 (revised) for the earlier week. The index was higher by 3.3 percent and 11.8 percent, respectively when compared with the corresponding week of the previous month and that of a year ago. The average for May 1957, worked out to 430.9 compared with 422.1 for April 1957, and 390.3 for May 1956. The index for Food Articles advanced by 1.7 percent to 430.9 due to the higher rate for sugar supported by an increase in the prices of gram (+3%) and wheat (+2%) both in Hapur in spite of a fall in the prices of coffee—Native Flat—in Mangalore (-8%) and rice in Calcutta and wheat in Amritsar (-1%, each). Lower prices of manganese ore (average export price) (-3%), linseed and raw hides (-2%, each) and raw jute and rapeseed (-1% each) brought down the index for Industrial Raw Materials by 0.3 percent to 539.2, although the prices of castor-seed, gingellyseed and copra (+3% each), lac (+2%) and groundnuts (+1%) witnessed advances. The index for Semi-Manufactures went up by 0.6 percent to 412.3. Items which showed noticeable variations were: kerosene oil (+10%), zinc (+7%), castor oil in Madras (+6%), coconut oil in Cochin and mustard oil in Calcutta (+3%, each), groundnut oil in Bombay (+2%), linseed oil and groundnut cake (-3%, each) and castor oil in Calcutta (-2%). An increase in the price of jute manufactures (+1%) raised the index for Manufactures from 390.4 (revised) to 390.7; the price of glass (-1%) was, however, marked down. The index for the Miscellaneous group moved down by 0.2 percent to 571.6 (estimated) compared with 572.9 (estimated) for the earlier week as a result of a fall in the price of turmeric in Calcutta (-9%) in spite of an increase in the prices of betelnuts and vanaspathi (dalda) (+3% each) and cashew-nuts in Quilon (+1%).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-Groups	25-5-57	Week Ended 18-5-57	27-4-57	26-5-57
I Food Articles :	430.9	423.7	411.6	348.2
Cereals	555*	558*	538*	453
Pulses	408	401	407	355
Others	278*	263*	255	216
II Industrial Raw Materials :	539.2	540.6	514.0	484.3
Fibres	533	535	507	459
Oilseeds	582	579	557	558
Minerals	559	568	503	460
Others	403	406	415	431
III Semi-Manufactures :	412.3	410.0	401.4	386.9
Leather	414	414	408	404
Mineral oils	230	218	211	208
Vegetable oils	600	597	576	559
Cotton yarn	477*	478	482	480*
Metals	348	346	328	279
Oilcakes	415*	428	404	424
Others	374	374	374	361
IV Manufactures :	390.7	390.4(R)	374.7(R)	377.8
Textiles	412	411	410	411
Jute	433	429	418	386
Cotton	412*	412*	412*	416*
Rayon and Silk	424*	424*	442*(R)	485*
Woolen	281	281(R)	266	264
Metal products	407	407	392	371
Others	316	316	305	266
V Miscellaneous :	571.6*	572.9*	567.8(R)	508.2
All Commodities :	437.3	434.7(R)	423.4(R)	391.1

R=Revised.

* = Estimated.

Groups and Sub-Groups	May 1957	Monthly Average April 1957	May 1956
I Food Articles :	418.7	408.3	350.5
Cereals	550*	536*	449
Pulses	407	418	358
Others	250	249	224
II Industrial Raw Materials :	536.3	514.7	478.0
Fibres	528	508	455
Oilseeds	578	555	550
Minerals	564	512	451
Others	408	416	413
III Semi-Manufactures :	406.5	400.0	384.1
Leather	414	398	404
Mineral oils	216	211	208
Vegetable oils	591	567	557
Cotton yarn	478	483	480
Metals	337	328	406
Oilcakes	421	409	361
Others	374	375	376.9
IV Manufactures :	387.6	384.3	411
Textiles	411	410	390
Jute	428	416	414*
Cotton	412*	412*	416*
Rayon and Silk	424*	442*(R)	493*
Woolen	276	266	264
Metal products	399	392	371
Others	310	305	286
V Miscellaneous :	572.3*	567.1(R)	501.8
All Commodities	430.9	422.1	390.3

* = Estimated.

R=Revised.

U.S.-DEVELOPED LOOM TO PRODUCE WATER AND WIND RESISTANT COTTON FABRIC

The U.S. Agriculture Department recently announced the development of a new loom device which will produce wind and water resistant cotton fabric. The resistance will last for the life of the fabric. The new development has been described as a boon to cotton growers and textile manufacturers since it has opened a whole field of new uses for cotton textiles. The new process will make possible the manufacture of a cotton fabric which will keep the wearer dry in the heaviest rain while, at the same time, he will remain comfortably cool since the fabric is porous enough to permit cooling air to circulate through it. Water resistance in the cotton fabric, the authorities say, cannot wear off because the resistance is due to the cloth's tight weave and not to external treatments which clog fabric pores and make the cloth uncomfortable in humid weather.

Engineering and Transport

STARTING NEW INDUSTRIES WITH FOREIGN HELP

ACTIVITIES OF N.I.D.C. REVIEWED

NEGOTIATIONS between the National Industrial Development Corporation and several foreign firms for their collaboration in major industrial projects in India have reached an advanced stage. The Corporation has completed the technical and economic examination of a large number of these projects which are designed to develop new lines of production. With the approval of the Government, it proposes to concentrate on projects relating to (a) the manufacture of industrial machinery, (b) production of the primary intermediates required by the drugs, dyestuffs and plastics industries and (c) some crucial raw materials such as aluminium and synthetic rubber.

Heavy Machinery

Detailed project reports have been received from four firms—one each from Czechoslovakia and the United Kingdom and two from Western Germany—for the manufacture of heavy castings and forgings required for the manufacture of heavy machinery. After the recommendations of the Russian team of experts and the British Heavy Engineering Mission were received, the Government recently decided to execute the following heavy machinery projects: a heavy machine building plant, a foundry forge project, a heavy plate and vessels and heavy structural work, a heavy machine tool works, and a mining machinery plant.

Negotiations are in progress with overseas firms, who have offered collaboration in the execution of the project for the manufacture of the more important intermediates, including primary intermediates required for the organic chemical industries like drugs, dyestuffs, plastics, etcetera. It is expected that a final agreement with one of them will be reached within the next few months. Most of the organic chemical industries in the country depend on imported intermediates. With the expansion of the steel industry, it has become possible to manufacture most of these intermediates by utilising the coke oven by-products and the coal tar available from steel plants. The Corporation has received preliminary reports for a project to produce special alloy and stainless steels required for the manufacture of industrial plant and machinery. These reports have been prepared by firms in Czechoslovakia, France, Italy and the U.K. Discussions are now in progress over the size of the project and the method of its implementation.

Aluminium Plant

Exports from a well-known metal corporation in the United States have prepared a report on the technical and economic aspects of a 10,000-ton aluminium plant. Based on this report, negotiations are now going on with a number of important manufacturing groups. The consumption of aluminium has been steadily rising and by the end of 1960-61, there will be a gap of 15,000 to 20,000 tons a year between production and demand. The country has abundant supplies of bauxite and cheap power will be available from hydro-electric projects.

An expert team sent by four well-known American firms has prepared a report indicating the technical feasibility of a project for making 20,000 tons of synthetic rubber a year. Negotiations are in progress with firms interested in collaborating with the N.I.D.C. in this field. Although efforts are being made to expand the production of natural rubber, there will remain a gap which can be filled by producing synthetic rubber, which is superior to natural rubber in many applications. The production of synthetic rubber will also offer an economic outlet for industrial alcohol.

Raw Film Project

For the project for manufacturing cinema films, X-ray films and photographic papers, negotiations are now being held. A team of experts invited from Eastern Germany has prepared a preliminary report on the technical and economic aspects of the scheme. The demand of the Indian film industry for cinema films is likely to increase from 300 million feet a year at present to 400 million feet a year by the end of the second plan.

Loan to Jute and Cotton Mills

For the rehabilitation and modernisation of the jute and cotton textile industries, the Corporation has so far sanctioned about Rs. 1.95 crores to six cotton textile mills and Rs. 55 lakhs to two jute mills. The loans given by the Corporation bear interest at 4½ percent a year and are repayable in 15 annual instalments. Two advisory committees have been set up for the scrutiny of applications for loans—for jute in Calcutta and for cotton textiles in Bombay. Applications for loans from 30 more units in the cotton textile industry and 14 units in the jute industry are being surveyed and will be considered as soon as the surveys are completed. The loans granted by the N.I.D.C. are earmarked in each case for the procurement of modern machinery to replace old equipment, and thus strengthen the position of the industry in export and home markets by increasing productivity and reducing costs. Of the new machinery to be installed, Indian manufacturers are supplying a large portion.

The Board of Directors met recently under the chairmanship of Mr. Morarji Desai, Minister for Commerce and Industry. The Vice-Chairman of the Corporation and Minister of Industry, Mr. Manubhai Shah, Mr. Ramaswamy Mudaliar, Mr.

Kasturbhai Lalbhai, Mr. G. B. Kotak and other directors attended the meeting.

Review of Progress

Progress achieved in the investigation of projects came under review and the lines of future work were chalked out. These projects included the manufacture of newsprint from sugarcane bagasse, in a new factory to be started adjacent to the sugar mill in Shakkarnagar, in Andhra Pradesh. The mill is already the largest single unit in the sugar industry and is to be expanded further shortly. It is anticipated that the newsprint mill will be able to draw a supply of 50,000 tons of dry bagasse every year which will be necessary for the manufacture of 100 tons of newsprint every day. Though bagasse has been used in the past for producing experimental lots of newsprint, the process then used required the use of chemical pulp, which resulted in an increase in the cost. The new mill to be established by the N.I.D.C. will utilise a special process which does not call for the use of expensive chemical pulp. With an assured supply of bagasse as raw material, it is expected that the mill will help meet a substantial part of the growing demand for newsprint in the country equal to 30,000 tons a year.

An important material, tungsten carbide, which is used for the manufacture of cutting and mining tools, is to be made in India with the technical collaboration of an experienced foreign firm. Details are still being worked out, but certain tentative targets have been set for the production and the time schedule to be followed. Assistance for the development of Praga Tools, Hyderabad, was also discussed. The Board considered proposals for extending financial assistance to units of the machine tool industry for balancing their production capacity in different sections.

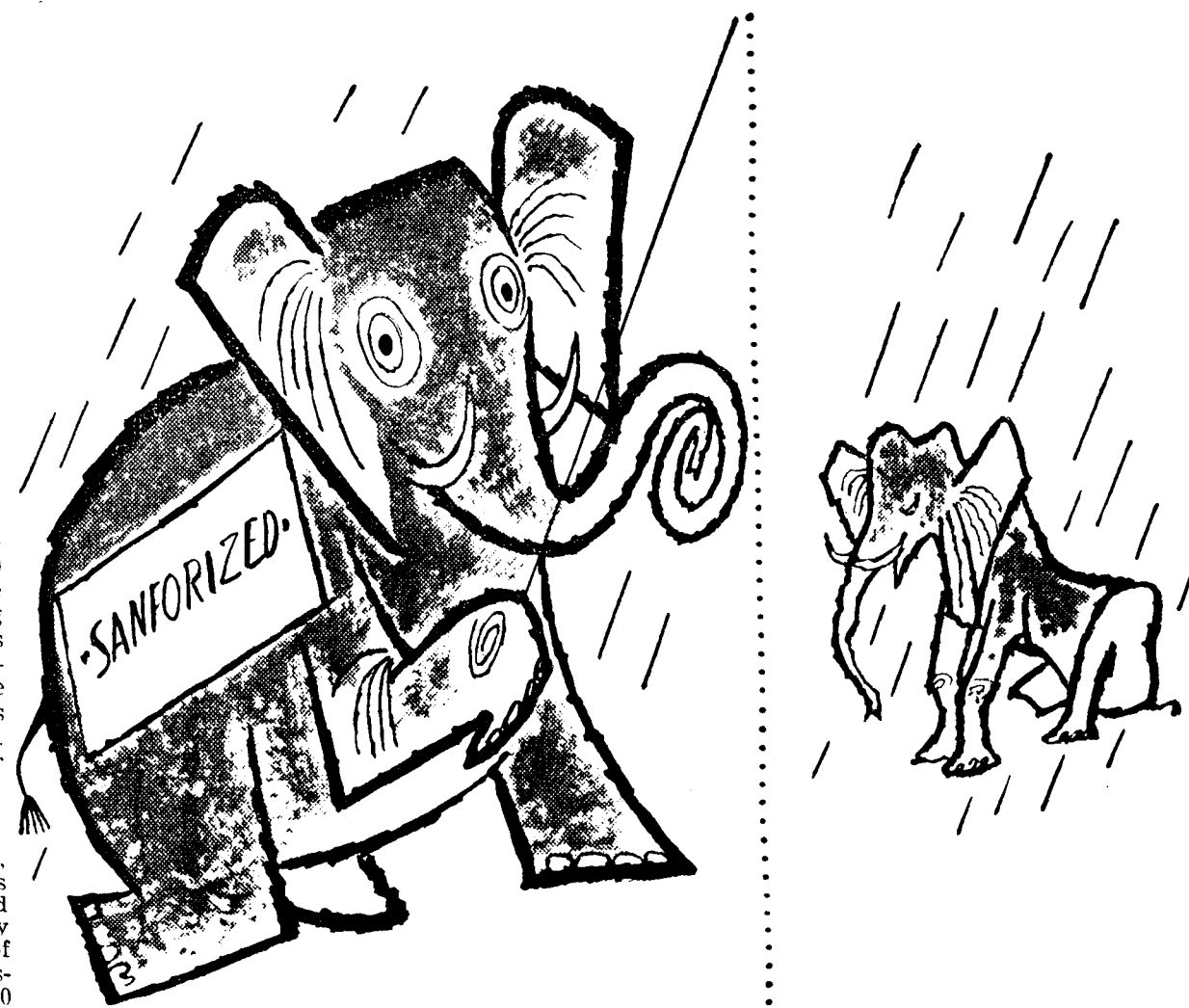
COAL WASHERY TO MEET FUEL NEEDS OF STATE STEEL PLANTS

The coal washery to be set up in Kargali at an estimated cost of Rs. 2.5 crores is expected to pro-

duce 550 tons of coal an hour. The washery will wash the entire annual output of nearly 2.2 million tons of coal in the Bokaro and Kargali collieries. The coal washed in Kargali will meet the major portion of coal requirements of Rourkela and Bhilai steel plants. A contract for the value of nearly Rs. 1.73 crores was placed with a firm for the supply, installation and commissioning of the washery by January 1958. One fourth of the plant and equipment has so far been received at the site and the remaining portion is expected to be received within the next few months. Fifty percent of the structural work has also been completed at the site. Japanese engineers and technicians have arrived in Kargali to supervise the work.

PROGRESS OF EASTERN SHIPPING CORPORATION

The working of the Eastern Shipping Corporation Ltd. in 1955-56 has shown a net profit of Rs. 31,71,038. Out of this, the Corporation has repaid to the Government of India a sum of Rs. 17.11 lakhs which it had borrowed during the previous year to cover its loss under the term of the indemnity agreement between it and the Government. One of the vessels, for which the Corporation had placed orders with the Hindustan Shipyard, was delivered during the year bringing the total number of the vessels of the Corporation's fleet to seven. This vessel, *The State of Kutch*, is the largest ship built in the shipyard so far. It has an overall length of 488 feet, a gross tonnage of 5,296 tons and a trial speed of 14.9 knots. *The State of Kutch* has been put on the India-East Asia-Japan route. The Eastern Shipping Corporation has also placed orders with the Hindustan Shipyard for three overseas vessels of 9,500 D.W.T. each and one cargo-cum-passenger vessel of about 4,000 D.W.T. The management of the second-hand passenger-cum-cargo ship *Nicobar*, acquired by the Ministry of Home Affairs, has been entrusted to the Eastern Shipping Corporation. The ship is employed on the India-Andamans route.



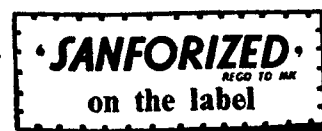
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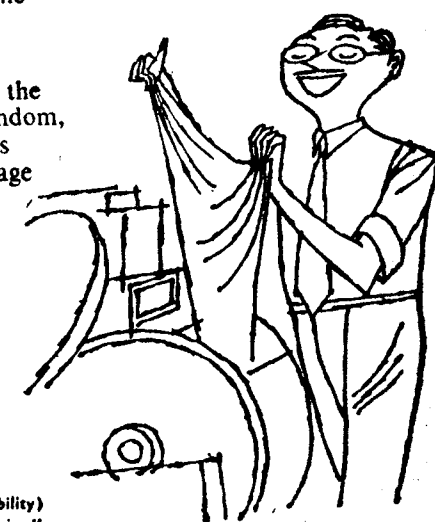
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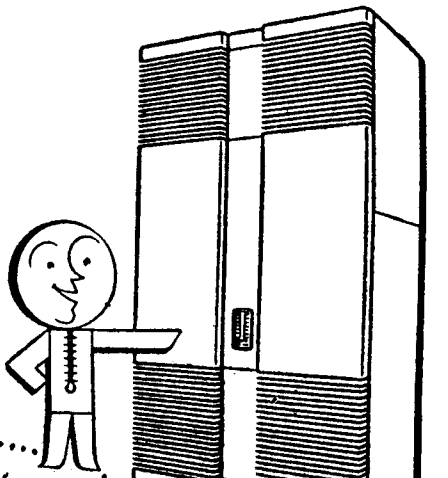
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POOR DEMAND AT TEA EXPORT SALE

DUST PRICES DECLINE

AT Sale No. 1, held on 10th and 11th June, offerings at the Export auction were 27,390 packages for which there was only a poor demand. The main support came from internal operators. Although a few exporters were active. Whole leaf and stylish B.P.'s were well supported and were the strongest feature of the Sale, and the few teas possessing early quality sold well. Buying was generally very selective, and teas without quality were difficult of sale. Fannings grades were neglected and withdrawals were heavy. The few flavoury Darjeelings on offer sold well, but the more ordinary kinds from this district followed the general trend of the market.

Quotation

Plain B.P. Rs. 1.75 (Nominal).

Because of the lack of representative teas, further quotations are not given.

At the Internal Sale, Dust offerings amounted to 19,782 chests of which 6,116 chests were of new season's manufacture. The quality of the old season's teas continued to be of an ordinary description and with rather less demand than in last week's sale, the majority of descriptions showed a decline. The very few new season's Darjeelings on offer and the best C.T.C. Assams sold well, but the remaining new season's teas generally sold below valuations.

Quotation

Medium Doors Dust Rs. 1.45 to 1.50 (nominal)

Leaf on offer amounted to 228 chests, of which 141 chests were of new season's manufacture. The market was irregular, but generally easier.

IRREGULAR TREND IN FREIGHT MARKETS

ONLY a very moderate amount of business was concluded in the freight markets last week. The general trend was difficult to discern. Trans-Atlantic coal fixtures were arranged at the unchanged rate of 47s. but an extra 6d was conceded towards the end of the week. Grain from the River Plate to Continent showed an improvement at 100s as did sugar from Cuba to the U.K. at 115s. In the Far East, however, conditions were very dull and rates to most destinations were reduced further. Dungun-Japan ore was done at 41s 6d, for Vizagapatam-Northern Range at \$(U.S.)14 for August loading. Mormugao-Holland was lower at 82s 9d on gross terms. Wheat from North Pacific to Bombay was fixed at \$(U.S.)17 for a 22,000-ton tanker while a Liberty type accepted 25s 6d for three to four months' American trading.

SUGAR STEADIER

During the week ended 12th June, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 2,000 bags and stocks totalled 80,000 bags. Rates for ready sugar, ex-Kantapur delivery, were Rs. 35-10 for ordinary grain and Rs. 36-4 for big grain. The market was steadier.

LINSEED MAINTAINED

Little change has been recorded during the past week. Crushers have been reserved. Arrivals have been poor, but despite a lack of buying support, prices were well maintained as sellers were rather reserved. The oil section has been very dull, and activity has been restricted to small local sales; overseas prices have continued to decline. Latest quotations were as follows: Ready-June Rs. 22-2 a maund; June-July Rs. 22-8 a maund and July-August Rs. 22-14 a maund.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 4th June and 10th June, 1957)

Cowhides: Wet salted (Ord.) 20,000 pcs. on the basis of Rs. 7/75 to Rs. 8/50; Wet salted (Slaughtered) 21,600 pcs. on the basis of Rs. 13 to Rs. 21.

Goatskins: Wet salted (Daissee, Killed) 59,100 pcs. on the basis of Rs. 285 to Rs. 300. Rs. 325 to Rs. 350 and Rs. 385 to Rs. 400; Assam-Dinajpur-Murshidabad 7,100 pcs. on the basis of Rs. 285 to Rs. 350; Purneah-Kissenganj 1,200 pcs. on the basis of Rs. 310.

Bazaar Stocks

(10th June, 1957)

Cowhides: Wet salted 1,61,000 pcs.
Goatskins: Wet salted (Daissee, Killed) 6,000 pcs.; Assam-Dinajpur-Murshidabad-16,000 pcs.; Muzafferpur-Patna-Pakur-Purneah-Kissenganj 30,000

COMPANY AND PUBLIC NOTICES

SWADESHI COTTON MILLS COMPANY LIMITED, KANPUR

NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the shareholders of the Swadeshi Cotton Mills Company Limited will be held at the Registered Office of the Company at Swadeshi House, Civil Lines, Kanpur on 24th day of June, 1957 at 3 p.m. to transact the following business:—

1. To receive and consider the Audited Profit & Loss Account for the year ended 31st December, 1956 and the Balance Sheet as on that date, and Reports of the Directors and of the Auditors thereon.

2. To elect a Director in the place of Mr. G. D. Kehmani who retires by rotation but who offers himself for re-election, and to consider and if thought fit to pass the following resolution as a Special Resolution in respect of which a Special Notice has been received by the Company, as required by Section 261 of the Companies Act, 1956. (The reasons making the resolution necessary are being set out in the explanatory statement under Section 173 of the Companies Act annexed hereto).

RESOLVED that Sri G. D. Kehmani who retires by rotation from his office as a Director and who is an Associate of the Managing Agents, Messrs. Jaipuria Bros. Limited, be and is hereby appointed a Director of the Company.

3. To appoint Auditors in place of those retiring and to fix their remuneration.

4. To sanction the declaration of dividend.

SPECIAL BUSINESS

5. To approve pursuant to Section 261 of the Companies Act, 1956, the continued appointment as a Director of Shri M. L. Bazaz who was appointed a Director at the Ordinary General Meeting held on 30th September, 1955 and to consider and if thought fit to pass the following resolution as a Special Resolution in respect of which a Special Notice as required by Section 261 of the said Act has been received by the Company. (The reasons making the Resolution necessary are being set out in the explanatory statement under Section 173 of the Companies Act annexed hereto.)

RESOLVED that pursuant to the provisions of Section 261 of the Companies Act, 1956, the continued appointment of Shri M. L. Bazaz, as a Director of the Company who is also an associate of the Managing Agents of the Company be and is hereby approved.

6. To approve pursuant to Section 261 of the Companies Act, 1956, the continued appointment as a Director of Shri S. Jaipuria who was appointed a Director at the Ordinary General Meeting held on 30th September, 1954 and to consider and if thought fit to pass the following resolution as a Special Resolution in respect of which a Special Notice as required by Section 261 of the said Act has been received by the Company. (The reasons making the resolution necessary are being set out in the explanatory statement under Section 173 of the Companies Act annexed hereto.)

RESOLVED that pursuant to the provisions of the Section 261 of the Companies Act, the continued appointment of Shri S. Jaipuria as a Director of the Company who is also an associate of the Managing Agents of the Company be and is hereby approved.

7. To consider, and if thought fit approve the draft new articles which will be submitted to the meeting and in the event of the approval thereof, with or without modifications to consider and if thought fit to pass the following resolution as a Special Resolution:—

RESOLVED that pursuant to Section 31 of the Companies Act, 1956, the new articles as already approved by this meeting and for the purpose of identification subscribed by the Chairman thereof, be and is hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association thereof.

8. To consider and if thought fit to pass the following resolution with or without modification as a Special Resolution:—

RESOLVED that pursuant to Section 16(3) of the Companies Act, 1956, the Memorandum of Association of the Company be and is hereby altered in the manner following:—

"Clause 5 of the said Memorandum of Association be deleted and the following be approved and adopted as clause 5 in substitution for and to the exclusion of the existing clause 5:—

"The capital of the Company is Rs. 2,10,00,000/- divided into:—

(a) Preference Share Capital: 35,000 Preference Shares of Rs. 100/- each, 15,75,000 Preferred Ordinary Shares of Rs. 10/- each.

(b) Equity Share Capital: 1,75,000 Ordinary Shares of Rs. 10/- each,

with power to increase and reduce the Capital of the Company and to divide the same into different classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be deter-

mined by or be in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or concessions in such manner as may for the time being be provided by the regulations of the Company".

Notice is also hereby given that the Transfer Books and the Register of Members of the Company will be closed from the 17th June to the 24th June, 1957, both days inclusive.

By Order of the Board.

F. JAIPURIA BROS. LIMITED,
MUNGTURAM JAIPURIA,

Director,

Managing Agents.

Kanpur.

25th May, 1957.

Note:—(a) The relative Explanatory statements, pursuant to Section 173 of the Companies Act, 1956 are annexed hereto.

(b) A shareholder entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.

For special attention of:—

1. Mr. Francis Talbot Cragg,
C/o. The Midland Bank Limited,
Charing Cross Branch,
449, Strand,
London W.C.2.

2. Mr. Norman Hamilton,
2 Ravelston Terrace,
Edinburgh-4,
Scotland.

3. Dr. P. D. Kapur,
40 Lullington Garth,
Woodside Park,
London N. 12.

4. Mr. John Leach,
Riverside Villa, Riverside,
Ramsay
Isle of Man.

5. Col. Mohammad Junaid Quraishi.

M.B.E.

C/o. Travelogue, Green House,
M-Leod Road,
Karachi-1.

ANNEXURE TO THE NOTICE DATED 25TH MAY, 1957 CONVENING THE 36TH ANNUAL GENERAL MEETING ON 24TH JUNE, 1957.

EXPLANATORY STATEMENTS AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956.

1. Re: Item No. 2: Shri G. D. Kehmani retires by rotation from the office as a Director of the Company but offers himself for re-election. As Mr. G. D. Kehmani is an Associate of the Managing Agents, he can be appointed a Director only by means of a Special Resolution under Section 261 and, accordingly the Special Resolution under item 2 above, of which special notice has been received by the Company, is recommended for acceptance. Shri Kehmani has been long associated with this Company and is a businessman of repute. It is desirable that the Company should continue to be benefited by his experience and knowledge.

2. Re: Item No. 6: Shri S. Jaipuria is an Associate of the Managing Agents of the Company. His appointment as a Director can only be continued by a Special Resolution of the Company under the provisions of Section 261. A Special Notice has been received by the Company as required by Section 261 of the Companies Act, 1956, proposing that the appointment of Shri S. Jaipuria as Director be approved in accordance with the provisions of the said Section. As it is in the interest of the Company that it should continue to receive the benefit of his valuable guidance it is desirable that his continuance as a Director be approved by a Special Resolution in accordance with the provisions of Section 261 of the Act.

3. Re: Item No. 5: Shri M. L. Bazaz is an Associate of the Managing Agents of the Company. His appointment as a Director can only be continued by a Special Resolution of the Company under the provisions of Section 261. A Special Notice has been received by the Company as required by Section 261 of the Companies Act, 1956, proposing that the appointment of Shri M. L. Bazaz as Director be approved in accordance with the provisions of the said Section. As it is in the interest of the Company that it should continue to receive the benefit of his valuable guidance it is desirable that his continuance as a Director be approved by a Special Resolution in accordance with the provisions of Section 261 of the Act.

4. Re: Item No. 7: The existing Articles of Association of the Company were adopted at the time of the incorporation of the Company and from time to time have been amended in certain respects by special resolutions. The Companies Act, 1956 (hereinafter called the new Act) came into force as from 1st April, 1956, and has effected considerable changes in the law and procedure relating to companies. Reference to the Act herein made are to the Companies Act, 1956.

Several of the charges which came into force as a result of the new Act override or affect various

provisions in the present Articles of Association of the Company which consequently require amendment to bring them into line with the amended provisions of the new Act, and certain new provisions in the Act for the regulation of companies, need to be incorporated in the Articles.

As the alterations are numerous, it has been considered desirable to substitute a new set of Articles for the present Articles of Association of the Company. The proposed alterations fall into the following categories:—

- alterations made to comply with the provisions of the new Act where the present Articles are in direct conflict with such provisions.
- alterations which, though not essential for removal of a conflict between the present Articles and the provisions of the new Act, have been rendered necessary or desirable as a result of or to comply with such provisions.
- alterations resulting in either improvement of language used, or made with a view to bringing existing Articles into line with modern practice.
- deletion of obsolete Articles, and
- a few alterations not falling under any of the above categories but considered desirable.

5. Re: Item No. 8: The change in clause 5 of the Memorandum of Association with respect to Capital has become necessary because of the existing capital structure of the Company.

Draft of the proposed new Articles of Association initiated by the Chairman and a copy of the existing Articles of Association may be inspected at the Registered Office of the Company between the hours of 2 p.m. to 4 p.m. on any working day.

THE GANGES MANUFACTURING CO. LTD.

NOTICE is hereby given for general information that the Company's Registered Office so long situated at 2, Fairlie Place, Calcutta has been shifted to 7, Council House Street, Calcutta, with effect from 8th June 1957.

All correspondence should henceforth be addressed to the Company at its Registered Office at 7, Council House Street, Calcutta.

LAKSHMIPAT SINGHANIA,
Chairman.

Calcutta,
The 7th June, 1957.

THE EQUITABLE COAL CO. LTD.

NOTICE is hereby given that the payment of Interest for the period from 1st January to 30th June 1957, on the 5½% Registered Debenture Stock 1953/68 of the Company will be made to those Stockholders whose names appear on the Company's Register on the 30th June, 1957 or in accordance with their instructions.

For THE EQUITABLE COAL CO. LTD.,
MACNEILL & BARRY LTD.,

J. H. G. WHITFIELD,

Acting Secretary,

Managing Agents.

2, Fairlie Place,

Calcutta-1, 10th June, 1957.

THE SALEM-ERODE ELECTRICITY DISTRIBUTION CO. LTD.

NOTICE is hereby given that the Preference Share Register of the Company will be closed from 22nd June, 1957 to 28th June, 1957, both days inclusive.

A dividend at the rate of 6½% per annum free of Income Tax on the Preference Share Capital of the Company for the half-year ended 30th June, 1957 has been declared payable on 1st July, 1957.

OCTAVIUS STEEL & CO. LTD.

A. H. GALLOWAY,

Managing Director,

Managing Agents.

Calcutta, 12th June, 1957.

THE TINNEVELLY-TUTICORIN ELECTRICITY SUPPLY CO. LTD.

NOTICE is hereby given that the Preference Share Register of the Company will be closed from 22nd June, 1957 to 28th June, 1957, both days inclusive.

A dividend at the rate of 6½% per annum free of Income Tax on the Preference Share Capital of the Company for the half-year ended 30th June, 1957 has been declared payable on 1st July, 1957.

OCTAVIUS STEEL & CO. LTD.

A. H. GALLOWAY,

Managing Director,

Managing Agents.

Calcutta, 12th June, 1957.

Prompt service and moderate terms.
SMITH STANISTREET & CO., LTD.
CALCUTTA-14.

FOR ESTIMATES AND FURTHER DETAILS
apply to
KILBURN & CO., PRIVATE LTD
Managing Agents
4, Fairlie Place.
CALCUTTA.

BRANCHES THROUGHOUT THE SOUTH
AND IN THE MAJOR CITIES OF INDIA,
CEYLON AND MALAYA.



JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in 1957	Rate per Share	Market Quotations 12-6-57	Year of Issue	NAMES	Amount Issued in 1957	Rate per Share	Market Quotations 12-6-57
		Rs.		Rs.			Rs.		Rs.
	BANK.								
1901	Allahabad Bank (May Nov.)	15.00	6	108/50	1920	Birds Investments (Dec.)	24.00	5 1/2	66/38
	COAL.				1918	Bombay Steam Navigation (July)	15.00	6 1/2	250
1903	Bengal Nagpur (Feb. Aug.)	11.25	7	85/00	1918	British Ceylon Corporation (Feb. Aug.)	15	8	14/00
1896-97	Borrea (June Dec.)	4.00	6 1/2	99/50	1918	British India Corporation (Feb.)	7.50	6	5
1901-20	Burrakur (June Dec.)	22.98	7	112/00	1918	Burn Eng. (1st & 2nd) (Feb. Aug.)	81.00	8	106/00
1946	Burrakur (June Dec.)	4.50	6 1/2	7/75	1918	Burn Engineering (Feb. Aug.)	13.00	6	109/00
1895	Equitable (May Nov.)	4.00	6	99/00	1918	Calcutta Electric Supply (Mar. Sept.)	15.00	5	9/12
1931	Khas Kajora (Mar. Sept.)	1.33	5	3/13	1918	Calcutta Silk Manufacturing (July Jan.)	2.00	6	55/00
1920	New Beerboom (Jan. July)	2.00	7	11/00	1918	Calcutta Tramways (Jan. July)	22.50	5 1/2	7/75
1898-99	Ondal (June Dec.)	2.00	6 1/2	104/00	1918	Carew & Co. (January)	8.00	6 1/2	99/00
	COTTON MILLS.				1918	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	110/00
1900	Ahmedabad Advance (Apr. Oct.)	10.00	5	108/75	1918	Chrestien Mica Industries Ltd.	30.00	5 1/2	55/00
1938	Bangalore (Jan. July)	6.00	6	120/00	1918	Dacca Electric Supply (July)	3.00	6	10
1938	Basanti (Oct.)	5.00	6 1/2	7/56	1918	Dalmia Cement (Bharat)	3.50	6	38/00
1890	Bengal-Nagpur (Apr. Oct.)	3.00	7	98/00	1918	Dalmia Flour Mills (Oct.)	2.372	6	40
1900	Bowreah "A" (Apr. Oct.)	6.00	8	125/50	1918	Delhi Flour Mills (Oct.)	90	7 1/2	101/00
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	63/50	1918	Deshbharat Power Supply "A" (Jan.)	12.00	4 1/2	34/00
1919	Bradbury "B" (Jan. Dec.)	14.75	7	324/75	1918	Deshbharat Power Supply "B" (Jan.)	12.00	4 1/2	34/00
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	142/75	1918	Duncan Brothers & Co. Ltd.	45.00	6	119/00
1928	Cambodia (July)	1.00	7	115/00	1918	Dunlop Rubber "First" (Jan. July)	30.00	6	119/00
1912	Central India (Apr. Oct.)	5.00	5	531/25	1918	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	180
	Delhi Cloth & General (Oct.)	20.00	4 1/2	20/00	1918	East India Distilleries (Jan. July)	22.00	7	17/00
	Elgin (May Nov.)	11.00	8	124/75	1918	Eastern Investments Ltd. (Apr.)	2.500	5 1/2	100
1912	Elphinstone (May Nov.)	25.00	7 1/2	9/00	1918	General Investment & Trust (Feb. Aug.)	1.00	5	70/00
1919	Kesoram (June Dec.)	20.00	7	90/00	1918	Gillanders Arbuthnot (Apr. Oct.)	2.500	6 1/2	61/00
1925	Khatu Makani (Nov.)	10.00	6	79/00	1918	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	61/00
1937	Kothari (Nov.)	12.00	6	10/12	1918	Godfrey Phillips India Ltd.	30.00	5 1/2	62/00
1909	Muir (Feb. Aug.)	30.00	6	83/00	1918	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	67/00
1913	New Great Eastern (Mar.)	3.00	5 1/2	180/00	1918	Gwalior Sugar (Dec.)	5.00	7	67/00
1920	New Victoria (Apr. Oct.)	26.00	7	4/81	1918	Humayun Properties Ltd. (Nov.)	12.00	6	10/00
1933	Palani Andavar (Mar.)	2.00	6	58/50	1918	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	64/00
1935	Swadeshi (Bombay) (May)	15.00	5	105/00	1918	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	106/00
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	90/00	1918	Indian General Navy & Railways	22.44	6	68/00
1931	Vasanta (Apr. Oct.)	3.00	6 1/2	111/25	1918	Indian Cable Co. (Nov.)	12.88	6	30/00
1903	Vishnu (Apr.)	16.00	7	557/50	1918	Indian Standard Wagon (Aug. or Sept.)	1.966	7	127/50
	JUTE MILLS.				1918	Indian Iron & Steel	26.995	5	99/00
1927	Agarpara (Jan. July)	10.00	7	99/00	1918	Investment and Finance (Feb. Aug.)	2.00	6 1/2	70/00
1903	Alexandra (Feb. Aug.)	9.00	7	98/00	1918	Investment and Finance (Feb. Aug.)	2.00	6 1/2	70/00
1896	Alliance (Mar. Sept.)	15.00	6	98/00	1918	James Wright (Jan. July)	1.30	6	36/00
1917	Anglo-India (May Nov.)	40.00	7	100/00	1918	Jardine Henderson Ltd.	50.00	5 1/2	59/50
1908	Auckland (July Jan.)	10.00	6 1/2	76/00	1918	Jessop & Co.	10.00	5	89/00
1945	Auckland (July Jan.)	15.00	5 1/2	56/50	1918	Jupiter General Insurance (Sept.)	4.99	6 1/2	100
1919	Bally (Jan. July)	20.00	7	103/00	1918	Kumardhubi Engineering (June)	12.00	5	100/00
1896	Barnagore (Oct. Dec.)	7.00	5 1/2	30/50	1918	Do Fireclay & Silica (June)	2.00	7	115/00
1906	Belvedere (Jan. July)	10.00	5 1/2	101/00	1918	Martin Burn Ltd.	30.00	5	98/00
1940	Bengal (June Dec.)	10.00	5 1/2	77/00	1918	McLeod & Co.	10.00	5 1/2	60/00
1919	Birga (June Dec.)	23.64	7 1/2	96/00	1918	McLeod & Co.	40.00	5	68/50
1896	Bude Budge (May Nov.)	9.00	7	98/00	1918	Mettur Chemical & Industrial (Sept.)	20.00	6	97/50
1934	Calcutta (Jan. July)	6.00	6 1/2	98/50	1918	Metal Box Co. of India Ltd.	30.00	6 1/2	91/50
1919	Caledonian (June Dec.)	10.00	7	100/00	1918	Midnapore Zemindary (Feb.)	8.76	5	91/50
1919	Cheviot (June Dec.)	10.00	7	100/00	1918	Mysore Chemical Mfg. (Sept.)	2.00	5	9/59
1928	Chitavalah (Mar. Dec.)	10.00	7	100/00	1918	National Insulated Cable	10.00	5 1/2	100
1900	Clive (First) (May Dec.)	5.00	7	101/00	1918	National Tobacco (June Dec.)	25.00	5	69/50
1905	Clive "A" (Second) (May Dec.)	8.00	6	71/00	1918	National Tobacco (Jan. Dec.)	20.00	4 1/2	61/00
	Dalhousie (July Jan.)	15.00	7	100	1918	Northern India Oil (Jan. July)	2.00	6	40/00
1897	Delta (June Dec.)	5.00	5	82/50	1918	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	111/25
1912	Empire (Jan. July)	10.00	7	98/00	1918	Premier Construction "First" (Apr.)	10.00	6 1/2	94/00
1890-98	Fort Gloster (Jan. July)	14.00	7	103/50	1918	Premier Construction "Second" (Apr.)	15.00	6 1/2	99/75
1948	Fort Gloster (2nd)	14.00	7	103/50	1918	Purtapore (Sugar) (Oct.)	6.00	10	14/25
1911	Fort William (May Nov.)	10.00	5	69/50	1918	Rammugger Cane & Sugar (Aug.)	4.00	6	100/00
1915	Ganges (June Dec.)	6.00	8	102/00	1918	Rohas Industries (April)	20.00	7	122/50
1895-96	Gourepore (June Dec.)	26.50	6	79/00	1918	Rohas Industries "B" (Apr.)	86.00	4 1/2	62/50
1913	Hastings (Aug. Feb.)	25.00	6	85/00	1918	Shaw Wallace & Co. Ltd.	75.00	6 1/2	68/00
1913	Hoozhy (Jan. July)	11.00	10	7/56	1918	Shree Gopal Paper	7.50	6	116/00
1890	Howrah (Jan. July)	8.75	7	102/00	1918	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	8	87/00
1903-06	Howrah "A" (Jan. July)	15.00	7	102/00	1918	Shree Krishna Gyanodaya Sugar "B" (Oct.)	6.00	8	87/00
1919	Kumuchand (June Dec.)	40.00	7	101/00	1918	Shree Krishna Gyanodaya Sugar "C" (Oct.)	6.00	8	87/00
1898-04	Kamarhatti (Apr. Oct.)	16.00	6	104/00	1918	Shree Stanistreet (Chemists) (Nov.)	5.00	10	74/00
1900	Kankannarrah (Apr. Oct.)	10.00	6	83/00	1918	South Behar Sugar (Oct.)	5.00	7	36/00
1935	Kedarnath (Jan. July)	2.00	7	84/00	1918	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	9/00
1907	Kelvin (Mar. Sept.)	10.00	6	103/00	1918	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	5	10/37
1895-09	Khardah (May Nov.)	10.00	7	103/00	1918	Star Paper (Apr. Oct.)	10.00	5	74/00
1900-13	Kininsion (July Jan.)	15.00	7	102/00	1918	Surat Electricity (Apr.)	5.00	6 1/2	115/00
1910	Landsowne (July Jan.)	15.00	7	102/00	1918	Tata Chemicals (Nov.)	60.00	5	98/50
1912	Lawrence "A" (July Jan.)	15.00	7	102/00	1918	Tata Hydro Electric Power (Sept. Mar.)	75.00	6 1/2	110/00
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	58/50	1918	Tata Iron & Steel (First) (Nov.)	75.00	6 1/2	155/00
1905	Naihati (July Jan.)	7.50	7	88/00	1918	Tata Iron & Steel (Second) (May)	63.82	7 1/2	118/50
1945	Naihati (July Jan.)	10.00	4 1/2	100/00	1918	Tata Power (May Nov.)	86.97	7 1/2	1140/00
1917	Nellimarla (Apr. Oct.)	5.00	7	100/00	1918	Tezpur-Balipara Tram (1) (June Dec.)	2.25	6	100
1939	New Central (Jan. July)	5.00	6	97/00	1918	Titagur Paper Mills (Mar. Sept.)	11.50	8	135/50
1908-09	Northbrook (Jan. July)	15.00	7	102/00	1918	Titagur Paper Mills "2nd" (Mar. Sept.)	15.00	4 1/2	90/00
1935	Rameshwara (Jan. July)	7.00	6 1/2	71/50	1918	Vellore Electric (Sept. Mar.)	1.25	6	81/19
1906-12	Reliance (Jan. July)	7.00	7	100/00	1918	Vizagapatam Electric Supply (July)	1.00	6 1/2	82/50
1901	Sammugger (Feb. Aug.)	21.50	8	79/00	1918	TEA.			
1928	Shree Ambica (Mar. Sept.)	11.70	7 1/2	sh 21/6	1918	Amluckie (May Nov.)	75	7	100
1920	Standard (July Jan.)	10.00	7	100/00	1918	Banarhat (Jan.)	4.00	8 1/2	119/00
1895-01	Titagur (Feb. Aug.)	9.00	6	70/00	1918	Birpara (Jan.)	1.00	8	115/00
1897	Union (July Jan.)	7.00	6	71/00	1918	Broom Bond Estate India Ltd.	35.00	6 1/2	84/50
1901-02	Victoria (Feb. Aug.)	21.50	8	sh 21/6	1918	Choonabhatti (Jan.)	2.00	6 1/2	120/00
1898	Waverley (Mar. Sept.)	750	5	45/00	1918	Dimakus (June Dec.)	70	8	12/50
	MISCELLANEOUS.				1918	Dhunerji	119	8	2/75
1938	Alkali & Chemical (Mar. Sept.)	31.00	5	96/00	1918	Gielle (Sept.)	2.00	6	82/50
1938	Aluminium Corp. (Oct.)	20.00	5	94/00	1918	Hantapara (Jan.)	50	8	127/00
1944	Alumina Elec. (Belgaum) (Oct.)	20.00	5	74/00	1918	Hasimara (Mar.)	3.00	7	125/00
1936	Anderson Wright (Dec.)	20.00	4 1/2	101/50	1918	Kingsley Golaghat (Dec.)	2.40	6	100/00
1949	Andhra Valley Power (May Nov.)	49.34	7 1/2	1092/50	1918	Moheems (Jan.)	2.00	6 1/2	100/00
1917	Arthur Butler (Mar.)	1.30	7	10	1918	New Samanbagh (Nov.)	2.00	8	100/00
1919	Asst. Hotels of India (Mar. Sept.)	21.67	7 1/2	60/25	1918	Nilgiri Neerugundi (Jan. July)	1.50	7	75/50
1895	Bengal Assam Steamship (Nov.)	3.00	7	75/00	1918	Okayti (Dec.)	50	8	104/00
1898	Bengal Chemical (Aug.)	2.00	7 1/2	13/00	1918	Pathemara	75	6	10
1889	Bengal Paper Mill (Mar. Sept.)	2.00	4	82/00	1918	Patrakola (May Nov.)	12.00	6	101/00
1928	Bengal Paper Mill "A" (Mar. Sept.)	3.00	7	128/50	1918	Peemada (July)	1.50	5	105/50
1928	Bengal Timber Trading (Oct.)	4.00	8	33/50	1918	Possimbi (Jan.)	2.05	7	101/00
1897	Bharat Sugar Mill (Dec.)	5.00	5 1/2	..	1918	Sunni River (May)	2.66	8	12/25
1936					1918	Tezpur (Jan.)	1.00	10	14/50

T=Dividend Taxable.

BANKS

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

Paid-up Capital Ordinary	Reserve & other Funds	Cash and Investments	NAMES	Accounts closed	Net Profits including taxation	Carry forward	Dividend: per cent			Paid-up per Share	Latest Market Quotations as available until		
							195-	195-	195-		12-6-57 rs	3-6-57 rs	1 year ago rs
Rs.	Rs.	Rs.			Rs.	Rs.				Rs.			
16,00,000 14,50,000H 1,00,00,000H 5,00,00,000H 15,00,075N 50,00,000	1,06,00,000 1,28,00,000 3,02,00,000 27,00,000 84,00,000	15,14,41,302 15,47,18,001 26,53,06,567 2,84,34,127 4,92,88,462	Allahabad Bank P. Bank of Baroda Bank of India Bank of Indore Bank of Mysore	12 12 12 12 6-12	15,61,784 28,31,911 92,03,294 4,00,342 20,59,730	12,42,655 2,70,300 15,54,924 64,700 5,91,911	18 12 14 6-6 3-4	18 .. 16 16 3-4	 18 .. 3-8	100 50 50 50 100	347/00 180/00 102/00 138/25 246/50	347/00 180/00 102/00 138/25 246/50	366 159 99 163 243
2,62,11,875H 52,42,375	4,01,81,217	72,31,72,307	Central Bank of India	6-12	77,75,970	18,40,350	3-4	3-4	..	25	51/50	51/50	52
23,50,000	23,00,000	118,387,761	Chartered Bank	12	2982,465*	2405,370	15	15	..	21	35/7 1/2	35/7 1/2	36/7 1/2
21,00,000H	21,50,000	229,064,632	Eastern Bank	12	12129,940*	2111,596	8	8	8	22	26 1/2	26 1/2	27 1/2
2,000,000 50,00,000H 1,25,00,000H 50,00,000B	7,50,000 26,00,000 15,43,000 1,75,000	35,491,082 2,42,93,269 3,45,31,078 1,21,08,411	Habib Bank Ltd Hind Bank Hindusthan Commercial Hindusthan Mercantile	12 12 12 12	1,367,076 12,10,668 1,61,940 71,191	146,911 1,61,940 16,911 1,515	15	17 1/2 6 9 ..	5 6 5 ..	20 20 20 20	89/50 32/75 9/75 11/62	89/50 32/75 9/75 11/62	89 1/2 33 15 9
HK\$25,000,000 21,52,500 or 24,00,000 17,00,000 16,00,000 49,05,075 2,25,000A 3,50,000B 10,00,000C 5,00,000	28,000,000 76,50,000 30,00,000 5,41,083 15,06,075	2143,692,832 16,04,77,414 7,62,24,682 77,14,495 2,18,15,069	Hong Kong & Shanghai Indian Bank Indian Overseas Bank Indo-Commercial Bank Industrial Finance Corpn	12 6-12 12 5-12 6	HK\$20,580,320 13,93,697 16,55,722 1,21,610 22,18,630	HK\$10,606,668 130,787 2,28,295 490 ..	25 1/2 12 6 .. 2 1/2	25 1/2 .. 7 1/2	 100A 25B 50C 50.00	HS\$12 1/2 135/00 145/00 100 100 100	295/0 1/2 145/00 145/00 42/50 10/50 16/50	295 1/2 145/00 145/00 42/50 10/50 16/50	291 1/2 182 100 124 11 26 1/2
218,565,070	217,500,000	2858,862,421	Lloyds Bank	12	22,541,793	2712,060	15	12	10	21	22-6-6	22-5-3	22-12-1
2375,000H 2375,000H 2720,000	21,750,000	231,185,482	Mercantile Bank of India	12	2235,423*	2219,372	14	14	..	22A 22B 21C	24-7-0 24-7-6 22	24-7-6 24-7-6 22	24-0-0 24-0-0 22
22,851,563H 87,50,000 40,00,000 2,66,55,625 2,00,00,000	23,104,687 1,076,358,201 30,00,000 74,10,000 1,15,00,000	269,115,030 80,69,33,271 10,68,66,396 18,17,19,110 26,94,05,235	National Bank of India Punjab National Bank Union Bank of India United Bank of India United Commercial Bank	12 12 12 12 12	2614,622* 87,85,164 6,75,644 15,58,020 56,51,659	2354,046 6,29,272 1,75,874 1,73,148 29,420	15 12 6 1/2 3 5	15 14 .. 3 5 1/2	15 16 .. 3 7	12 1/2 25 .. 10 50	21/09 54/50 6/06 4/12 53/75	21/3 54/50 6/06 4/25 54/00	20 58 6 48 51

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up Capital Ordinary	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	12-5-57 5-6-57 A year ago
25,50,000	27,30,536	25,05,090	3,60,797	Amalgamated	3-9	236	2,93,390	28,610	3 1/2 - 5	10	15/93 15/93 22 1/2
1,00,00,000	1,90,42,914	1,60,23,785	27,23,399	Bengal P.	10	2	48,29,869	9,44,657	7 1/2 - 7 1/2	100	205/00 213/00 538
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	1 1/2 - 1 1/2	100	6/00 6/00 6 1/2
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P.	6-12	2	-50,568	-1,07,984	Nil-Nil	100	15/00 15/00 16
15,97,000	14,16,065	6,91,475	13,52,076	Bhalgorah	9	132	8,13,899	29,978	..	10	4/75 4/75 5 1/2
40,00,000	68,01,474	20,23,225	32,65,320	Bharat Collieries P.	6	335	-2,52,221	27,433	6 1/2	10	5/94 5/94 7 1/2
7,13,000	15,61,291	14,29,045	68,704	Bhulanbararee	6-12	106	-30,819	-1,87,443	Nil-Nil	10	13/50 13/50 19 1/2
16,00,000	38,97,275	16,18,635	7,105	Bokaro & Ramgur	6-12	315	1,21,936	-79,196	..	10	10/25 12/50 12 1/2
7,50,000	12,56,889	24,29,026	11,60,065	Borera P.	6-12	105	2,14,682	84,207	10 - 10	10	16/81 16/81 23 1/2
99,92,480	2,39,17,614	1,75,02,136	28,93,839	Burrakur P.	6-12	21	7,43,659	36,168	2 1/2 - 3 1/2	10	22/25 22/15 13 1/2
49,97,000	34,53,430	750	3,65,960	Central India	3	166	2,45,758	9,927	2 1/2	10	5/87 5/91 7 1/2
8,00,000	16,67,573	13,30,519	15,752	Central Kurkud P.	6-12	323	34,743	82,768	..	10	12/50 12/50 11
6,00,000	1,43,676	7,32,536	1,43,676	Chaurita	6-12	106	-5,374	2,129	1 1/2 - 1 1/2	10	1/94 1/94 2 1/2
16,00,000	24,00,428	Nil	50,309	Dheme Main	6-12	19	-60,639	-1,83,318	Nil-Nil	10	5/75 5/75 8 1/2
4,240,000	4,239,115	4,313,125	4,140,348	East Indian	3	128	4,96,155	4,58,923	18 1/2	10	24/00 24/00 23 1/2
29,63,760	1,15,25,712	83,55,049	24,17,690	Equitable P.	5	12	8,87,453	82,379	7 1/2 - 7 1/2	10	15/75 15/75 17 1/2
10,00,000	6,74,708	2,07,486	3,32,973	Ghusiek & Mustia	3	307	12,979	24,844	..	10	1/50 1/50 1 1/2
6,50,000	5,06,856	33,135	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401	..	10	22/12 22/12 22 1/2
8,00,000	3,17,789	7,25,000	7,92,425	Hattulohi	6-12	19	2,79,524	45,985	7 1/2 - 10	10	20/00 20/00 20 1/2
3,50,000	6,31,209	5,56,819	1,497	Kalapahar	2-8	2	1,38,139	-2,21,237	Nil-Nil	10	10/50 10/50 10 1/2
15,00,000	31,71,936	24,32,396	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	100	10/50 12/50 24 1/2
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P.	2	21	2,26,982	6,965	Nil-Nil	100	88/50 88/50 118
5,00,000	10,29,548	16,90,000	11,23,332	Katras Jherrihi	1-7	2	5,92,347	1,33,473	28 - 28	100	54/52 54/52 60 1/2
1,38,400	6,75,000	95,000	11,80,291	Khas Kajora P.	6-12	326	49,776	1,913	..	10	3/75 3/75 9 1/2
5,65,750	10,84,977	85,000	9,560	Mundulpur	6-12	326	-79,868	-79,868	Nil-5	10	2/25 2/25 3 1/2
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	12	347	92,517	31,201	3 - 5	10	6/81 6/81 7
7,00,000	5,13,418	26,617	61,641	New Bandedpur	3-9	5	59,011	6,071	3 1/2 - 7 1/2	10	10/00 10/00 10 1/2
17,76,230	31,15,187	20,01,763	3,78,538	New Beerbhoom P.	4-10	2	2,64,713	94,383	3 1/2 - 3 1/2	10	13/56 14/37 19 1/2
6,00,000	11,11,644	75,000	46,381	New Manbhoom	3	202	46,201	70,222	Nil-Nil	100	9/00 9/00 10 1/2
2,50,000	7,69,623	1,78,500	10,12,916	North Damuda	1-7	306	7,954	-32,184	..	2 1/2	0/94 0/94 2 1/2
1,15,000	4,42,488	2,85,192	1,53,246	North West	3-9	2	51,429	15,950	Nil-Nil	10	19/25 19/25 19 1/2
7,50,000	1,20,000	12,19,387	23,26,757	Ondal P.	6-12	106	22,197	56,646	5 - 5	10	15/50 15/50 15 1/2
8,34,000	9,21,342	10,862	4,50,015	Parasara P.	6-12	207	1,08,075	8,010	3 1/2 - 3 1/2	10	13/87 13/87 14 1/2
15,75,000	13,39,445	16,50,000	13,39,443	Pench Valley	3-9	236	2,48,261	33,734	8 1/2 - 7 1/2	10	15/50 14/50 22
2,50,000	2,62,405	7,500	11,350	Pure Shalpur	6-12	5	2,098	-18,561	..	10	6/87 6/87 6 1/2
23,39,500	36,99,424	20,17,105	67,898	Raneegunge	3-9	79	3,07,448	23,188	2 1/2 - 2 1/2	10	11/37 11/37 10 1/2
8,88,001	10,45,115	15,51,501	14,29,643	Rewa	6-12	236	1,44,394	15,614	7 1/2 - 6 1/2	10	19/87 19/87 22 1/2
20,00,000	23,74,261	7,52,027	1,01,427	Samia	12	48	1,80,669	31,543	7 1/2	10	12/31 12/31 14 1/2
2,50,000	1,56,194	1,34,274	1,13,556	Searsale	1	353	88,009	11,078	25	15	5/19 5/19 6 1/2
2,80,000	10,92,193	6,50,502	7,87,726	Sceepore P.	6-12	2	2,42,112	49,299	14 1/2 - 14 1/2	10	28/87 28/87 34
8,00,000	23,624	5,23,306	32,32,778	Senra	6-12	106	-4,098	7,503	Nil-1 1/2	10	7/00 7/00 10 1/2
17,50,000	22,79,233	10,89,693	25,20,008	South Karanpura	8	21	73,600	10,407	Nil-1 1/2	10	8/12 8/12 9 1/2
5,00,000	1,42,060	14,01,053	23,30,817	Standard	12	106	70,093	17,411	7 1/2 - 7 1/2	10	19/87 19/87 25 1/2
10,00,000	15,58,063	15,075	3,910	Talcher	9	277	22,688	-3,45,056	Nil	2 1/2	1/56 1/56 3 1/2
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	279	-54,889	-9,659	5 - 2 1/2	10	21/25 15/25 12 1/2
49,38,000	33,66,540	50,000	2,17,104	Western Bengal	3	166	4,09,468	7,292	2 1/2 - 3 1/2	10	5/24 5/24 7
7,00,000	32,65,173	21,569	61,460	West Jamuria	6-12	19	-2,72,772	-1,46,655	Nil-Nil	10	8/50 13/06 11 1/2

N=Nominal.

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up Capital per share	Latest Market Quotations as available until		
	Spindle	Looms									Rs.	Rs.	Rs.		1954	1955	1956
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.	Rs.
15,00,000	14,108	356	14,62,919	1,73,478	11,90,000	Basanti P	12	49	1,97,268	41,227							
32,72,340	22,197	395	27,69,676	23,18,909	24,551	Benares P	3-9	120	-1,27,187	-4,79,547	..	..	..	10	5/31	5/31	5 1/2
7,11,280	36,000	932	17,17,120	2,20,369	30,342	Bengal Luxmi	3	27	3,66,176	47,818	10	..	..	10	0/87	0/87	9 1/2
27,00,000	31,470	624	23,53,099	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	-5,23,389	18,199	Nil	..	..	40	40/00	40/00	38
15,00,000	38,704	992	28,31,209	88,48,588	31,22,417	Birla Cotton	3	22	16,69,225	2,76,936	30	30	15	10	7/37	7/31	95
6,00,000	42,872	641	37,54,142	22,72,588	1,44,948	Bowrea P	6-12	134	64,028	-23,47,373	Nil-Nil	Nil-Nil	..	100	107/00	112/00	155
30,00,000	22,000	510	8,43,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	10	Nil-5	..	5	5/50	5/50	100
3,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P	6	238	1,81,41,278	82,759	9	9	..	5	37/75	37/75	38
1,00,533	42,944	518	40,48,361	26,17,431	1,44,223	Dunbar	12	136	3,26,584	3,50,335	Nil-Nil	Nil-21	6	100	151/00	167/00	312 1/2
19,00,000	54,000	1,209	18,99,926	34,47,056	71,15,535	Elgin P	9	25	45,81,868	78,754	10	10	12	10	17/95	18/50	28 1/2
63,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	8 1/2	8 1/2	..	20	12/87	13/00	18 1/2
33,96,288	85,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	..	25	..	..	..
30,00,000	88,000	1,825	47,44,549	52,19,601	92,65,055	Muir P	12	208	-18,77,941	-7,77,290	..	..	..	100	73/50	73/50	84
22,89,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473	..	..	..	100	1/76	1/65	2 1/2
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	6 1/2	10	..	11d	1/65	1/94	1 1/2
5,00,000	1,14,836	2,077	2,83,77,686	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,808	7,09,029	7 1/2	7 1/2	..	100	12/50	12/50	10 1/2
1,57,50,000											11 1/2	11 1/2	..	100	12/31	12/31	11 1/2
40,50,000	48,754	1,310	91,16,610	2,50,15,667	32,18,646	Bangalore W. C. Silk P	12	26	57,38,582	2,82,947	30	30	30	100	170/00	170/00	..
1,78,47,800	12,012	2,779	3,22,27,119	2,77,73,212	14,62,272	Buckingham Carnatic P	12	26	63,48,883	2,28,220	10	10	10	100	166/00	166/00	194
2,20,000	23,864	..	6,41,058	9,00,000	36,53,505	Cambodia P	12	210	1,96,274	27,593	Nil	5	..	10	12/00	12/00	12 1/2
20,76,900	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Cotton	12	188	6,53,750	61,494	..	..	..	100	154/00	154/00	106
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Coimbatore Spg. & Wvg.	6	46	-7,52,342	-10,23,340	..	..	..	50	85/00	85/00	33 1/2
24,00,000	30,512	209	60,83,320	19,25,000	4,09,960	Kothari Textile P	6	141	6,24,500	42,942	5	10	10	100	335/00	335/00	17 1/2
23,64,000	48,750	..	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,44,243	2,209	..	..	..	50	135/00	135/00	220
1,75,02,480	4,65,324	..	2,06,03,942	4,13,81,878	1,14,98,962	Madura	12	108	95,70,251	32,44,130	20	20	17 1/2	15	40/62	40/62	51
12,00,000	21,858	..	8,43,189	10,32,898	10,32,898	Malabar Spg. & Wvg.	12	240	-85,193	-84,039	..	..	..	200	109/00	109/00	115
60,00,000	24,252	603	20,49,893	69,00,000	1,19,91,755	Mettur Industries	3	29	48,44,863	45,835	35	42 1/2	..	100	320/00	320/00	300
13,61,780	6,000	..	14,15,992	9,06,279	1,34,663	Mysore Spun Silk	3	142	1,753	3,985	Nil	..	..	10	7/80	7/80	168
4,00,000	20,137	Nil	8,36,608	6,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	..	..	..	50	147/00	147/00	78 1/2
7,97,700	15,540	416	5,42,118	2,43,421	3,65,911	Sitaram Spg. & Wvg	3	164	87,724	3,083	..	..	..	60	289/00	289/00	300
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	..	..	100	289/00	289/00	300

TEA COMPANIES

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

Paid-up Capital Ordinary		Net Block Account	Reserve & other Funds	Accrue under Income	Dividend		Average Price per lb. realised for crop		Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent			Paid-up Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.	Rs.	1954	As P	1955	1956					Rs.	1953	1954	1955	Rs.	12-6-57	5-6-57	1-1-58
CACHAR																				
3,00,000	4,40,887	1,75,000	862	2,89,040	39-11	..	..	..	..	..	12	38	1,72,877	Nil	Nil	..	10	12/00	12/00	12
4,00,000	4,26,259	19,878	485	..	..	..	..	..	..	..	12	35	43,007	Nil	..	..	10	10/50	10/50	100
10,00,000	18,22,881	5,88,800	1,436	4,90,263	10-10	32-4	8,13,443	8,13,443	12	128	2,28,292	Nil	74	Nil	100	65/75	65/75	116	116	
2,50,000	57,753	Nil	194	1,00,450	4-2-2-5	7,07,748	7,44,000	7,44,000	12	128	..	Nil	Nil	4	100	77/00	77/00	116	116	
7,00,000	1,07,190	11,300	949	1,91,326	38-6	3,91,440	4,40,000	4,40,000	12	202	44,000	Nil	Nil	Nil	10	9/81	9/81	214	214	
12,00,000	17,92,497	11,50,000	1,155	17,59,921	35-0	16,36,400	16,00,000	16,00,000	12	202	2,46,355	25	40	74	100	12/50	16/50	114	114	
4,50,000	2,97,100	1,65,222	386	..	..	..	..	..	..	..	12	313	31,071	Nil	15	..	100	102/00	102/00	11
3,50,000	1,12,514	3,24,391	1,303	3,40,507	16-2	3,48,445	27-6	3,35,000	12	35	33,915	Nil	274	Nil	100	10/12	10/12	264	264	
7,00,000	4,26,048	5,50,000	1,309	1,33,267	17-6	7,86,038	8,00,000	8,00,000	12	53	3,68,195	Nil	20	15	100	264/00	264/00	14	14	
2,50,000	3,18,608	Nil	300	..	..	..	..	..	..	..	12	202	2,494	Nil	Nil	Nil	10	9/06	9/06	224
2,00,000	4,34,515	3,56,592	518	3,04,100	96-4-1-7	6,76,240	6,40,000	6,40,000	12	165	1,16,999	Nil	10	15	100	22/00	27/00	102	102	
5,25,000	8,87,291	10,42,956	888	7,76,800	41-11	7,25,980	8,00,000	8,00,000	12	53	2,98,825	20	15	20	50	97/00	97/00	191	191	
4,00,000	5,88,316	5,52,313	662	4,49,338	36-7-1-2	..	..	..	..	..	12	14	1,73,877	Nil	124	..	10	11/87	11/87	101
3,75,000	5,02,307	4,31,257	1,052	6,63,320	..	..	..	..	..	..	12	35	5,22,870	Nil	20	..	10	12/00	12/00	101
DARJEELING																				
3,99,750	7,05,059	6,936	567	1,14,311	29-11	1,31,680	30-11	..	..	..	12	101	-99,904	Nil	Nil	Nil	10	2/00	2/00	311
2,79,300	3,07,500	1,25,000	1072	1,41,114	32-6	1,44,772	46-8-3	1,76,000	12	279	..	279	-40,551	Nil	20	Nil	10	15/12	15/12	170
3,75,000	1,75,904	1,11,926	991	1,35,760	52-5	1,27,760	38-9	1,28,000	12	306	1,13,895	Nil	40	..	100	131/00	131/00	170	170	
2,00,000	1,45,414	1,62,839	486	1,35,760	52-5	1,27,760	38-9	1,28,000	12	306	1,13,895	Nil	40	..	100	131/00	131/00	170	170	
2,00,000	3,08,300	3,44,549	590	2,84,204	19-1-8	2,35,761	13-9-2	2,64,000	12	306	-27,865	Nil	21	Nil	100	190/00	190/00	434	434	
7,00,000	6,59,000	2,60,770	1,049	2,84,204	19-1-8	2,35,761	13-9-2	2,64,000	12	306	-27,865	Nil	21	Nil	100	190/00	190/00	434	434	
10,32,000	1,51,716	1,11,31	761	1,26,515	18-8-3	6,18,730	42-3-1	6,72,300	12	279	1,32,945	20	25	Nil	10	25/00	25/00	304	304	
4,00,000	3,12,081	4,00,225	316	3,39,040	57-11	3,53,520	36-7	3,68,000	12	35	3,04,422	10	20	..	100	11/56	11/56	171	171	
1,50,000	2,06,770	3,50,239	163	1,82,381	32-4	1,65,443	50-6	1,84,300	12	165	-36,658	Nil	30	Nil	100	16/50	16/50	380	380	
2,99,000	3,67,500	2,95,000	889	3,35,016	33-4-4	4,34,342	36-0-3	4,40,000	12	279	91,100	10	40	15	100	255/00	255/00	284	284	
1,00,000	1,95,171	2,64,000	265	2,24,806	49-4	2,12,720	26-9	2,40,000	12	43	1,28,962	224	25	74	100	166/00	166/00	368	368	
3,50,000	5,70,483	3,00,000	447	4,75,441	49-4	4,65,428	30-3	4,50,000	12	43	1,28,962	224	25	74	100	166/00	166/00	368	368	
5,00,000	7,87,040	3,02,050	1,253	7,62,721	47-4	8,75,280	35-8	8,75,280	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
10,50,000	17,49,350	22,55,303	1,022	12,26,091	47-11	12,26,167	27-11	12,26,167	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
24,00,000	37,95,327	49,07,736	4,327	30,88,542	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
32,00,000	53,65,929	64,68,285	2,336	30,88,542	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
8,25,000	10,98,000	17,14,718	1,452	10,98,000	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
7,00,000	5,18,809	5,15,000	807	4,86,400	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
2,00,000	12,59,526	13,23,848	937	11,46,814	39-4	10,26,832	30-10	10,26,832	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
9,60,000	5,14,000	1,50,000	620	4,73,838	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
14,00,000	15,71,067	18,15,032	1,125	1,69,538	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
3,20,000	6,29,920	3,80,000	578	2,56,907	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
2,50,000	4,14,964	3,59,080	348	2,56,907	44-11	27,90,541	29-0	27,90,541	12	354	-59,763	Nil	50	Nil	100	15/81	12/81	332	332	
6,00,000	5,29,191	1,01,034	764	10,69,520	47-11	10,14,720	39-11	10,14,720	12	165	4,69,155	15	15	10	100	16/37	19/37	27	27	
7,65,000	8,77,189	11,43,550	1,635	10,69,520	47-11	10,14,720	39-11	10,14,720	12	165	4,69,155	15	15	10	100	16/37	19/37	27	27	
7,45,000	22,86,485	31,30,000	1,768	19,10,000	48-6	20,30,155	35-14	20,30,155	12	128	2,66,987	Nil	30	15	100	16/37	19/37	27	27	
3,46,400	5,45,381	6,97,500	665	5,01,920	48-6	20,30,155	35-14	20,30,155	12	128	2,66,987	Nil	30	15	100	16/37	19/37	27	27	
TERAI																				
4,50,000	10,63,145	1,64,527	607	3,99,840	44-7	4,17,643	25-3	4,00,000	12	101	5,20,393	Nil	15	..	100	6/62	6/62	55	55	
2,50,000	1,59,000	10,44,545	450	1,23,510	29-8	1,17,643	25-3	4,00,000	12	345	3,55,487	Nil	40	100	100	62/50	62/50	221	221	
8,40,000	14,86,540	18,07,793	1,589	13,20,702	19-7	12,79,861	28-0	14,24,000	12	345	3,55,487	Nil	40	100	100	62/50	62/50	221	221	
5,00,000	3,69,205	9,98,794	524	2,45,455	19-7	4,15,634	29-4	4,80,000	12	345	3,55,487	Nil	40	100	100	62/50	62/50	221	221	
3,00,000	3,89,671	1,60,350	909	4,30,541	49-8	4,63,382	26-5	5,20,000	12	345	3,55,487	Nil	40	100	100	62/50	62/50	221	221	
4,50,000	1,50,000	10,44,545	450	1,23,510	29-8	1,17,643	25-3	4,00,000	12	101	5,20,393	Nil	15	..	100	6/62	6/62	55	55	
3,00,000	1,59,000	10,44,545	450	1,23,510	29-8	1,17,643	25-3	4,00,000	12	101	5,20,393	Nil	15	..	100	6/62	6/62	55	55	
8,40,000	14,86,540	18,07,793	1,589	13,20,702	19-7	12,79,861	28-0	14,24,000	12	345	3,55,487	Nil	40	100	100	62/50	62/50	221	221	
5,00,000	3,69,205	9,98,794	524	2,45,455	19-7	4,15,634	29-4	4,80,000	12	345	3,55,487	Nil	40	100	100	62/50	62/50	221	221	
3,00,000	3,89,671	1,60,350	909	4,30,541	49-8	4,63,382	26-5	5,20,000	12	345	3,55,487	Nil	40	100	100	62/50	62/50	221	221	
4,50,000	1,50,000	10,44,545	450	1,23,510	29-8	1,17,643	25-3	4,00,000	12	101	5,20,393	Nil	15	..	100					

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	12-6-57 5-6-57 A year ago
SUGAR BREWERIES ETC.											
11,00,000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	10	140	95,437	52,205	..	10	3/93 5/50 64
9,00,000	12,45,157	19,04,817	1,62,880	Purtapur Sugar P.	10	25	2,94,025	20,705	74 74 74	10	17/62 17/62 283
15,99,826	26,52,127	35,30,000	4,84,354	Ramnagar Cane & Sugar P.	10	1	18,11,004	20,350	15 20 ..	10	23/87 25/18 ..
9,00,000	13,92,315	39,88,218	13,92,315	Raza Sugar	10	92	10,78,193	3,144	..	10	.. 201 201
11,99,000	6,07,233	7,72,778	3,77,848	Ryan Sugar P.	10	25	4,21,492	13,264	5 Nil 174	10	21/50 21/50 133
40,00,000	21,07,973	19,42,074	49,572	Samarapur Central Sugar	10	35	33,350	3,554	5 Nil Nil	10	11/50 11/50 134
9,99,950	12,49,554	19,00,000	1,12,477	Shree Krishan Gyanoday Sugar P.	10	135	8,85,387	16,381	15 174	10	13/00 13/00 151
16,00,000	13,54,858	11,65,175	11,14,384	Shree Sitaram Sugar	10	146	1,90,067	7,991	..	10	4/37 4/37 101
9,99,950	14,69,227	26,825	75,569	Sitalpore Sugar	10	34	77,391	4,25,477	Nil Nil Nil	10	13/50 13/50 204
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	10	341	4,23,880	39,061	124 ..	10	13/50 13/50 943
9,00,000	47,67,060	29,24,348	3,58,383	Upper Ganges Sugar P.	10	316	12,95,211	32,829	25 25 30	10	70/00 70/00 280
14,00,000A	14,24,740	23,74,426	10,72,924	Upper India Sugar	10	302	16,80,986	86,393	15 20 ..	100AC 124BC	280/00 280/00 281
MISCELLANEOUS											
8,00,000	2,20,232	1,56,200	9,53,526	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	10	4/19 4/19 44
1,20,00,000	1,20,80,594	6,21,715	6,21,715	Air India Ltd.	12	269	-6,02,785	-14,30,401	..	100	 108
2,00,00,000	2,58,39,656	68,01,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	100	 108
47,50,000D	3,08,51,605	17,00,000	16,26,711	Aluminium Corp. P.	10	132	25,21,116	1,16,199	Nil Nil 5	100	8/69 8/69 24Dd
20,00,000	42,38,502	14,00,000	54,97,530	Anderson Wright Ltd. P.	12	12	-89,042	18,284	74 74 74	10	4/50 4/50 211
30,00,000	11,39,552	39,18,823	14,94,091	Angelo Bros.	10	268	15,15,199	3,35,874	124 ..	10	11/50 11/50 61
30,00,000	18,62,280	15,70,000	98,451	Assam Match	12	274	10,24,478	17,2,873	124 124 124	10	16/81 16/81 191
13,99,988	21,25,615	28,30,265	64,182	Assam Saw Mills & Timber	10	21	-97,045	-5,14,537	Nil Nil ..	3	2/25 2/25 74
80,00,000	61,61,507	23,00,000	61,84,997	Associated Hotels of India P.	10	204	8,82,993	32,687	2 4 12	10	10/75 10/75 114
80,01,400	33,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13 124 ..	100	142/00 143/50 167
12,00,000	2,55,604	8,49,890	4,52,019	Bararoe Co.	3-9	128	2,19,706	45,399	74-7 74-7 6-...	100	14/87 16/25 191
6,00,000	76,414	Nil	30,72,417	Bengal Timber Trading P.	3-9	128	-6,43,164	-1,19,102	..	100	41/00 41/00 61
50,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	10	22	-3,19,580	-3,19,580	..	100	5/25 5/25 151
20,00,000	76,08,080	7,25,715	66,68,996	Birds Investments P.	10	160	4,59,013	37,512	124 124 124	10	13/87 13/87 151
45,97,020	31,11,814	31,11,814	2,09,434	Britannia Biscuit P.	10	50	8,14,261	1,79,277	10 10 10	10	13/06 13/06 114
22,50,000	13,98,796	43,18,775	3,38,973	British Ceylon Corporation P.	12	3	27,75,295	1,85,955	..	74	9/00 9/00 114
3,25,00,000	59,89,738	1,18,60,524	2,50,83,650	British India Corporation P.	12	33	-30,23,938	-27,36,584	..	5	5/45 5/45 84
32,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	10	235	60,996	1,550	5 6 5	10A	6/50 6/50 84
32,50,000B	5,92,780	24,09,688	1,02,376	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	10B	4/12 4/12 121
90,00,000	17,81,146	80,00,000	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	4,93,864	4,97,914	12 11 ..	100	100/00 100/00 304
1,60,00,000	3,06,30,528	34,08,174	35,55,133	Dunlop Rubber Co. (India) P.	12	96	1,02,44,577	13,24,595	15 15 15	10	17/62 17/62 187
51,26,000	54,10,811	1,72,19,436	1,72,19,436	Eastern Investments Ltd. P.	12	21	11,20,034	3,27,916	9 9 9	100	102/00 105/00 114
75,00,000	13,79,357	43,83,226	1,02,21,271	F & C Oster (India) Ltd. P.	10	34	-4,26,249	-5,26,954	..	4	4/06 4/06 21
90,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	10	51	8,97,594	1,26,757	124 124 ..	20	21/87 21/87 114
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	99,871	107,500	74-7 74-7 31-24	100	104/00 107/50 179
2,25,000	33,54,499	53,17,330	5,34,882	General Investments Trust P.	3	357	18,384	12,435	24-24 24-24 31-24	75	43/00 43/00 131
65,00,000	27,68,043	5,00,324	1,08,48,711	Gillanders Arbuthnot & Co. Ltd. P.	10	105	30,03,640	69,541	14 16 16	10	11/31 11/31 231
20,00,000	31,09,479	8,87,000	1,18,929	Gladstone Lyall & Co. Ltd. P.	12	209	1,02,792	34,255	..	10	23/50 23/50 240
40,00,000	32,90,010	17,22,203	6,22,424	Godfrey Phillips (India) Ltd. P.	12	310	13,04,513	16,373	..	250	226/00 226/00 11
10,00,000	17,38,764	1,61,173	9,221	Hindustan Ice & Cold Storage	9	..	4,33,377	24,274	..	5	1/25 1/25 141
35,20,000	30,42,899	20,00,000	19,08,958	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	..	10	7/56 7/56 141
15,16,00,000	7,42,66,394	8,88,678	5,50,32,187	Imperial Tobacco	12	325	3,66,59,515	24,94,274	..	8	14/12 14/12 221
2,01,10,000	2,33,61,126	1,37,00,000	1,88,406	Indian Aluminium Co. Ltd. P.	12	293	42,73,225	7,97,410	..	10	12/75 12/75 221
1,52,89,220	1,27,87,878	1,37,00,000	11,88,406	Indian Cable P.	10	34	1,21,59,493	32,04,214	..	15	8/12 8/12 51
5,00,000D	22,07,280	2,21,286	11,69,467	Indian National Airways	12	93	36,302	-12,62,971	..	100	6/75 6/75 131
1,25,000D	7,44,398	5,38,000	17,67,876	Indian Rubber Manufacturers P.	3	173	1,79,618	32,616	..	10	00/50 00/50 281
8,27,970	4,64,735	18,15,487	10,03,708	Indian Wood Products	3	98	17,28,524	2,76,619	..	10	27/00 27/00 281
20,00,000	1,43,96,500	63,33,428	2,07,03,941	Investments and Finance P.	2-8	194	1,39,321	36,496	..	100	2/50 2/50 21
5,00,000	1,43,96,500	63,33,428	2,07,03,941	Ivan Jones Ltd.	9	194	1,39,321	36,496	..	2	2/50 2/50 41
5,87,500D	2,16,659	3,24,161	6,46,589	James Wright P.	12	281	90,996	1,550	..	5	3/12 3/12 101
1,17,500Dd	51,37,813	37,00,000	4,02,27,618	Jardine Henderson Ltd. P.	10	39	31,24,445	5,11,852	..	100	74/50 74/50 211
2,00,00,000	3,17,363	6,02,958	3,21,617	Macfarlane & Co.	3	133	-14,078	-4,849	..	50	3/06 3/06 241
6,34,000D	89,50,000	63,33,428	2,07,03,941	Macneil & Barry Ltd. P.	3	334	52,06,340	6,31,124	..	100	22/75 22/75 241
1,50,00,000	35,89,133	69,82,736	2,72,14,736	Martin Burn Ltd. P.	9	309	93,42,590	2,70,207	..	10	22/75 22/75 241
40,00,000D	37,46,252	80,86,909	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	..	100	240/00 240/00 281
1,15,00,000	1,10,37,201	69,74,249	7,33,589	Metal Box Co. of India Ltd. P.	12	167	62,82,608	16,24,249	..	10	24/37 24/37 241
20,00,000	1,30,38,010	78,15,503	15,24,841	National Carbon	10	301	90,42,727	21,19,752	..	15	23/19 23/19 91
40,00,000	22,27,953	74,50,000	7,78,529	National Insulated Cable P.	12	301	90,42,727	21,19,752	..	10	20/00 20/00 91
40,00,000	72,01,992	15,00,000	33,033	National Rolling & Steel Ropes	12	7	58,72,100	1,44,443	..	15	20/12 20/12 91
79,97,000	61,97,295	78,33,574	23,37,203	National Tobacco P.	12	7	3,79,123	75,726	..	10	9/37 9/37 61
23,32,100	2,322	5,11,187	29,55,297	New India Investment Corpn.	12	79	12,06,190	3,03,430	..	10	9/75 9/75 61
50,00,000	1,51,805	47,22,151	1,01,47,693	Octavius Steel & Co. Ltd.	12	321	29,59,170	1,25,910	..	75	53/00 53/00 121
1,86,300	2,36,658	2,10,439	2,89,433	Publicity Society of India	12	145	1,47,248	27,315	..	100	12/06 12/06 51
2,25,00,000	1,01,05,141	8,71,248	3,83,503	Rallis India Ltd. P.	10	332	13,16,241	-44,12,398	..	4	12/06 12/06 51
1,72,24,400	4,08,39,719	1,57,70,208	22,22,141	Rohas Industries P.	10	335	33,77,395	4,91,624	..	10	16/43 16/43 21
75,00,000	51,59,689	54,00,000	1,58,00,403	Shaw Wallace & Co. Ltd. P.	12	278	33,27,377	3,85,280	..	10	11/31 11/31 21
1,00,000	45,479	94,865	73,529	Spence's Hotel	5-12	111	-3,475	-64,650	..	2	1/87 1/87 21
2,10,200D	4,25,514	16,00,000	3,57,020	Walford Transport	12	195	41,625	1,34,493	..	10	1/87 1/87 21
8,40,800C	4,10,330	16,68,332	97,38,236	Bharat Fire & Genl. Ins. Ltd. P.	12	303	2,05,348	93,323	..	100D	 121
INSURANCE COMPANIES											
13,50,000	2,85,389	43,14,506	68,78,673	Concord of India	12	174	3,00,920	1,32,339	35 20 ..	5	11/12 11/12 28
10,00,000	27,708	11,15,446	24,97,522	Great Pyramid	12	296	1,29,230	36,611	..	2	3/75 3/75 28
24,00,000	53,498	58,38,611	1,06,31,066	Hercules	12	248	11,73,216	3,42,910	..	10	21/62 21/62 41
7,17,375	14,85,073	26,76,18,052	2,26,32,176	Hindustan Co-operative	12	11	4,98,559	1,83,375	124 124 124	25	3/81 3/81 6
20,00,000	5,68,807	17,75,869	3,25,24,386	New Asiatic	12	329	5,50,916	1,67,777	..	5	3/84 3/84 1703
32,00,000	3,95,335	57,92,430	76,98,245	Ruby General	12	38	3,23,422	38,770	..	5	5/56 5/56 1703
8,00,000	..	21,62,072	27,92,406	Standard General Assurance	12	37	51,898	12,24,241	..	10	5/12 5/12 1703
5,75,000	..	67,00,499	87,82,355	Triton	12	38	6,46,034	2,61,326	..	25	150/00 150/00 1703

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until:		
									1954	1955	1956		11-6-57	4-6-57	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8½	10	10	100	154/75	155/50	218
ELECTRIC LTG POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6½	5	6½	100	93/75	93/75	97½
2,92,83,500	4,18,62,358	62,34,507	65,30,599	Andhra Valley Power Supply P	6	267	46,19,171	25,735	7½	7½	..	1,000	1,200/00	1,200/00	1,220
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec Sup.	3	146	19,21,739	45	7	7	..	100	104/50	106/50	113½
38,08,200	17,49,053	4,75,325	14,87,557	Poona Electric Supply P	12	229	3,85,015	..	..	..	..	100	123/00	123/00	145
1,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec Power Sup P	6	267	37,15,387	21,171	7½	7½	..	100	121/50	122/00	131
5,02,78,750	8,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000	1,213/75	1,205/00	1,300
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12½	..	..	100	263/75	267/50	357½
6,00,000	29,341	4,43,904	59,338	Joist's Engineering	3	115	62,291	1,598	..	5	..	50	96/00	96/00	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10	10	10	10	15/10	15/10	13½
40,95,100	81,25,752	2,02,500	49,033	Machinery Mfgs Corpn Ltd P	3	330	2,02,006	64,676	Nil	Nil	..	100A	76/00	76/00	96½
1,10,00,000	15,00,978	16,66,194	7,06,267	McKenzie	7	283	1,49,085	64,938	..	..	..	100	143/00	142/00	185
2,50,000C	5,834	1,00,53,052	1,79,52,042	Premier Construction P	12	284	3,35,178	59,102	25 5/6	26 1/3	..	30C	137/00	142/00	152
1,31,250F	..	..	..	Tata Locomotive & Eng P.	3	264	1,09,79,942	1,29,979	Nil	Nil	6	100	156/75	158/25	196½
4,20,00,000	5,90,52,365	1,17,73,382	23,24,732	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	..	..	..
3,63,75,000	32,44,07,755	16,63,05,536	12,34,83,510	..	..	..	..	..	..	..	..	..	..	..	..
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	..	..	..	10	13/37	13/37	13½
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/00	350/00	715
8,46,120	..	36,33,999	46,38,803	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45/50	45/50	45½
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	35	36,951	4,63,316	Nil	..	..	7/00	7/00	7/00	91½
1,06,81,590	..	1,68,81,736	27,25,13,952	New India	12	179	43,38,653	71,250	16 2/3	..	..	15	43/75	45/00	43¼
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	293	..	..	..	..	..	200	775/00	3,775/00	1,900
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	10	15/60	15/60	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	335	15,61,405	37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	212/½	217/00	236
50,00,000C	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	536/50	536/50	656½
42,00,000	..	..	..	..	..	..	..	..	..	..	..	50	200/00	200/00	245
45,00,000	1,21,04,053	31,74,431	31,14,900	Bombay Steam Navigation P.	6	256	4,34,215	30,135	..	..	..	25	19/60	19/60	72
5,57,00,000	3,51,93,454	1,03,93,754	98,20,769	Hindustan Lever	91	91	2,23,86,720	94,17,000	..	..	12½	100	197/50	197/50	215
99,99,250	3,085	19,47,386	1,28,40,992	Industrial Investment Trust	12	299	6,81,909	2,83,136	4½	4½	..	100	187/50	197/50	215
11,99,900	13,82,957	7,34,142	14,05,223½	Kemp (Chemists)	3	87	68,232	16,942	6	..	..	20	215/50	216/00	213½
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corpn.	12	352	53,19,604	5,72,070	10	..	..	200	17/30	17/65	108
9,39,98,060	17,78,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,882	5,62,020	24	2½	5	20	76/75	78/00	101
7,00,000	..	..	29,63,145	Shivrajpur Synd (Manganese)	11	146	38,67,824	9,485	80	80	80	10	16/20	16/40	184½
1,39,95,990	2,25,39,547	13,22,272	4,37,391	Tata Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	7½	10	41/50	43/25	53½
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	259	3,00,461	11,453	9	8	12	25	153/00	156/00	189½
2,75,00,000	1,55,25,785	1,35,45,623	1,27,74,419	Western India Match	12	274	67,12,394	5,02,236	11	11	11	100	..	..	..

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry Forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until:		
								1954	1955	1956		12-6-57	5-6-57	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	Rs.
CALCUTTA														
17,24,000	20,71,727	2,24,692	Ahmedpur Kutwa S.S.G.	3	165	99,888	..	2½	2½	3½	100	60/00	60/00	58½
21,69,300	35,40,869	6,00,702	Arran Sasaram D.B.G.	3-9	32	2,57,670	33,735	3-3	3-3	..	100	67/50	67/50	73
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	..	100	31/75	59/75	57½
19,00,000	29,09,643	4,91,171	Barasat Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	..	..	100	10/00	10/00	10
17,80,000	21,78,786	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2½	2½	..	100	59/00	59/00	57½
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	1½-1½	1½-1½	..	100	51/00	51/00	53½
4,75,000	3,20,949	4,75,000	Cherra Chhatak Ropeway	3	98	9,917	7,071	3-..	Nil	..	100	4/88	4/88	7½
2,47,650	2,75,015	65,025	Darjeeling Ropeway	3	101	18,097	4,549	2½-..	2½	..	5	6/00	5/87	7½
22,50,000	62,20,813	13,52,600	Dehri Rohtas	3	335	6,42,311	37,814	7½	10-..	12½	10	11/25	11/25	13½
41,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	33,016	5,917	99-1	1-1	..	100	31/75	63/37	56½
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	..	100	51/00	51/00	72½
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3	3-3	..	100	65/00	65/00	51½
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	1,99,473	..	2½	2½	..	100	58/00	58/00	58½
8,91,100	15,16,175	10,551	Katakhal-Lala Bazar S.S.G.	3	165	31,257	..	5	..	..	100	72/00	72/00	73½
15,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	..	100	115/00	115/00	146½
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P.	3-9	165	43,574	5,944	..	..	..	100	..	..	..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15 Shih Thakur Lane, Calcutta.	339. M. G. Investment Corp., Ltd.—127, Mahatma Gandhi Road Fort Bombay, Calcutta.	349. Chandmull Batia—7, Canning Street, Calcutta.
331. G. C. Williams—14, Old Court House St., Calcutta.	330. Lahindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Cheriyan—Travancore.	350. K. & Agarwal—Empire House, Hornby Road, Fort Bombay.
332. Messrs. Tata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort Bombay-1.	331. N. C. Roy & Sons—Canning St., Calcutta.	341. James Finlay & Co., Ltd.—2 Netaji Subhas Road, Calcutta.	351. L. & T. (Management) Private Ltd., J. K. Building, Douglas Road, Ballard Estate, Bombay.
333. Anderson Wright & Co.—1, Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravelin Street, Fort, Bombay.	342. U. N. Chatterjee—2 Royal Exchange Place, Calcutta.	352. C. G. Mahant—Ewart House, Bruce Street, Fort Bombay.
334. Indo Corporation Private Ltd.—5, Swinhoe St., Calcutta-19.	333. Jaipuria Bros., Ltd.—33 Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co., Ltd.—10, Clive Row, Calcutta.	353. B. Bajoria—10, Clive Row, Calcutta.
335. John Rutherford & Stalkie—Virginia House, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. L. Pillai—Victoria Bunder, Colaba.	354. D. P. Dunderdale—Chartered Bank Buildings, Calcutta.
336. Berwals Bros.—53 Netaji Subhas Rd., Calcutta.	335. Sam Jain Ltd.—Dalmanagar.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	355. G. G. Robertson—16, Strand Road, Calcutta.
337. Marwar Textiles (Agency) Ltd.—Waudby Road, Fort Bombay-1.	336. Ruisada Kilachand—Scindia House, Douglas Road, Bombay.	346. Seshasayee Brothers (Travancore), Ltd.—Eloor Factory, Alwaye.	356. B. Bajoria—10, Clive Row, Calcutta.
338. John Taylor & Sons (India) Ltd.—Mysore, Oorgram, South India.	337. Berwals & Co.—63 Netaji Subhas Road, Calcutta.	347. Associated Commercial Co., Ltd.—151/1 Harrison Road, Calcutta.	357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta.
	338. B. & Sons, Ltd.—Hornby Road, Fort, Bombay.	348. Sahu Jain, Ltd.—11, Clive Row, Calcutta.	358. L. P. Goenka—14, Old Court House St., Calcutta-1.

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5, Fairlie Place, Calcutta.
THERMAL INSULATION ENGINEERS

THE CASE FOR INCREASING COAL PRICES

DIFFICULTIES IN ATTRACTING INVESTMENT HAMPER EXPANSION

THE coal industry has long been subject to an extraordinary degree of regulation and control. As a basic industry which is of vital importance to the rest of the economy, it presents a crucial aspect of the problem inseparable from any sort of price control, that of reconciling the interests of consumers with those of labour and investors. Since 1947, costs of production have risen steeply as a result of successive labour awards and the generally inflationary trend of prices. But the industry's efforts to secure an increase in selling prices have met with meagre success. In consequence, profit margins have been squeezed to the point where it is extremely difficult to attract the capital needed to produce the additional 10 million tons which private collieries are expected to raise under the second five year plan. On the Calcutta Stock Exchange, coal shares are almost completely neglected and prices have been steadily falling. The index number of variable dividend industrial securities (base year 1949-50 = 100) shows a decline in coal shares from 84.5 in January 1956 to 74.8 in January 1957 and 69.4 in mid-June 1957.

The industry's case for raising selling prices from their present levels is strong. Colliery working costs have been rising steeply, under almost every major

director of the International Monetary Fund. Dr. Per Jacobsson, has warned that drawings from the Fund in excess of 50 percent of the quota should be for the purpose of supporting a currency "at a realistic rate of exchange"; thereby implying that countries which persist in maintaining an unrealistic rate cannot rely on assistance from the Fund. The U.N. Economic Commission for Europe, discussing the European free trade plan, has pointed out that the present pattern of exchange rates will most improbably be appropriate to the new structure of trade, and that the scheme requires some understanding that countries in chronic deficit will devalue, while countries in chronic surplus will revalue, their currencies.

The European trading plan will evidently not begin operating as soon as its sponsors hoped, and rigid realignment of currencies before then would be unwise. It is doubtful, however, if a once-for-all adjustment would lead to the right result in any case. In London, at least, there is a strong body of opinion in favour of temporarily "floating" rates for those currencies which are in process of adjustment; and this process could last many months.

It is recognised that any departure from fixed rates may be unsettling and that the number of variable rate currencies should be kept to the practicable minimum, assuming that the principle itself is accepted. On that reasoning, the currencies which should be allowed temporarily to "float" are the West German mark and the French franc. From time to time, irrespective of any general realignment, there has been talk of "floating" rates for sterling, but in the City of London, and certainly in the British Treasury, no such arrangement is considered necessary at this time.

It should be emphasised that, whatever may be the opinion of sterling abroad, observers in London do not believe that the currency is fundamentally overvalued. Its periodical weakness is caused by transfers of capital rather than by deficits on current commercial account; it is psychological rather than material and tends, therefore, to correct itself. Self-correcting also are the "leads and lags"—acceleration of payments due and delaying of collection of money receivable, with the idea that more favourable exchange rates will prevail in the near future. A big "short" position in sterling has been built up in the period of uncertainty, but it will doubtless be covered when international speculators perceive the benefits to sterling of the resumption of traffic through the Suez Canal. It is considered questionable whether all of the currencies linked with sterling are realistically valued, but sterling itself seems to be, fundamentally, in approximate equilibrium. It is, therefore, suggested in London—for practical reasons, not from any sense of pride—that sterling might be taken as the focal point of a realignment of European currencies, some of them being raised, some lowered, in terms of sterling, while the sterling-dollar rate remained unaltered.

CURRENT COIN

Chartered and Eastern Banks.—The Chartered Bank proposes to make an offer to acquire the whole of the issued share capital of the Eastern Bank, according to an announcement made jointly by the directors of the two banks in London last week. This offer is on the basis of £9 fully paid stock of the Chartered Bank for every two shares of £10 each (£5 paid) of the Eastern Bank. Full particulars relating to the offer will be set out in a circular letter from the Chartered Bank to the shareholders of the Eastern Bank which will be sent by 22nd June 1957, under cover of a circular letter from the chairman of the Eastern Bank. The offer will be expressed as being conditional upon its acceptance by the holders of 90 percent of the issued shares of the Eastern Bank or of such smaller percentage as the Chartered Bank may agree to accept. The directors of the Eastern Bank intend to accept the offer for their own beneficial shareholdings and will unanimously recommend that shareholders of the Eastern Bank do the same. The main advantages expected to result from the proposed merger of the two banks are improved opportunities of expansion and the establishment of a combined organisation to operate throughout the Middle East and the Far East. The directors of the two banks emphasise particularly that the proposed merger will in no way adversely affect the conditions of service (including pension rights) of their staffs and is not expected to involve any redundancy.

Trends in U.S. Business.—The tone of business reports has improved somewhat during May, although the adjustment of inventories and production is still under way, according to the latest monthly letter of the First National City Bank of New York on U.S. business and economic conditions. Steel mills note a slight quickening of new orders, while textile markets have had their biggest flurry of forward buying since last October.

Stock markets have been strong and commodity markets steady to firm. Business men find encouraging reading in many corporate earnings reports, particularly when the squeeze on profits proves not as bad as many had feared. Corporations are maintaining their high rate of capital expenditures, and increases in investment programmes far outnumber decreases. Retail sales and employment are holding steady at high levels. Reports like these effectively counterbalance the well-known soft spots and the slight sag in industrial output, which primarily reflects inventory adjustment. In some cases, inventories are being reduced and almost everywhere the rate of accumulation has lessened. In April, the Federal Reserve Board's production index (seasonally adjusted, 1947-49=100) edged downward to 145 from the plateau of 146-147 which had been maintained since last October. If the sag in the index continued in May, it did not go far. The end of the Suez crisis removed a major stimulus to crude petroleum and coal production but by May, output had steadied at a reduced level. Steel mill operations continued their downward drift during April and reached a low of 84.2 percent of capacity in mid-May; subsequently they recovered slightly and were scheduled at 87.8 percent in the week ended 2nd June. Automobile production appears to have levelled off at about 150,000 cars and trucks a week in mid-April and is scheduled at the same pace through midyear, in contrast to the sharp cutbacks during the second quarter of last year. In general, the output of non-durable goods rose to a new record in April. From all signs, the situation is one of continuing but not deepening adjustment. Nowhere are there convincing indications of a major change of direction in economic activity—either up or down—in the near future. During the past year and a half, output of manufactured goods has fluctuated within a fairly narrow range. At 145 in April, the index of industrial production was two points below the record set in December 1956 and two points above the level first reached in October 1955. During this period manpower needs for manufacturing production have actually declined. The number of factory production workers has dropped somewhat more than 1 percent since the second half of 1955 and average hours worked a week have been reduced about 3 percent. The moderate increase in aggregate output has been made possible by a gradual rise in productivity attributable chiefly to heavy investments in new factories and better machinery. In employment, as in production, smooth offsetting adjustments have taken place. From the viewpoint of the economy as a whole, job openings in trade, finance, Government and other growing service industries have more than offset the lessened opportunities in direct production lines.

U.N. Technical Assistance Programme.—The practical value of the U.N. technical assistance programme is widely appreciated; but the demand for facilities is so great that even if increased resources are available, they would not be enough. The latest report of the U.N. Technical Assistance Board to the Technical Assistance Committee says that it might be advisable to consider concentrating on the development of the countries and territories which need help most. Some readjustments in the geographical distribution of technical assistance have already been made, and the countries which have recently gained independence have received more benefits. Among the latter are Viet-Nam, Cambodia, Laos, the Sudan, Tunisia, Morocco and Ghana. The total amount of aid to be given to these countries this year will almost be double that given in 1956. In many underdeveloped countries, help is being offered for the development of administrative and technical services, since "the ability of a country to develop its resources and to take full advantage of technical assistance in any of the specialised fields is closely related to the stage of development of its basic institutional framework and of its administrative machinery." The report says that the year 1956 witnessed the implementation of the first annual programme which had been planned and approved in accordance with the new procedures laid down by the U.N. Economic and Social Council. It was in fact the largest annual programme since the expanded scheme was started in 1950. Referring to the financial prospects, the Board says that the resources for the programme continue to expand at a modest rate. Although 80 countries have promised to contribute funds to the extent of \$30.8 million and 30 countries have increased their contributions, resources fall far short of what is needed to meet the increasing demands from underdeveloped countries. "The Technical Assistance Board envisaged a conservative expansion of the annual resources of the programme to \$50 million over a period of years. This modest goal could now be reached in five years if the annual increases in pledges (which have averaged \$2.4 million) could be brought to \$4 million a year," the report says.

Rising Cost of Pensions.—The amount British taxpayers will have to find to finance the "gap" in

the national insurance scheme will grow from £5 million this year to more than £400 million by 1979-80. Taking this estimate made by the Government Actuary, the life offices, in a booklet recently issued, deal with recent suggestions for an extension of State pensions. These, it points out, give rise to three main issues: (1) whether it is in the best interests of the country that the State scheme should be extended beyond the level of basic need; (2) if it is extended whether the country should incur the additional burden that would result from including in the scheme the present pensioners and the older workers, and so granting them additional pensions well beyond the amount that could be financed by their own and their employers' additional contributions; and (3) whether the methods used in financing the present basic pension would be suitable for the entirely different level of pensions contemplated. The pamphlet is a useful contribution to a much discussed but little understood question, for it clears many misconceptions and goes on to offer some interesting suggestions. The most controversial of the latter is that a minimum standard of supplementary pension provision for each employed person (in addition to the State pension) might also be introduced. It is suggested that this might possibly be in graded stages over a period of years, bearing in mind the question of cost to the employer. There should be a minimum of disturbance to existing pension schemes. The pamphlet suggests that it would be better to solve a number of problems "before embarking upon a scheme for a wide extension of State pensions involving an incalculable increase in the ultimate burden on future taxpayers." For instance, "would it not be desirable to explore the possibility of linking any further advances in the amount of the basic pension with the raising of the normal pension age—a change that, in the light of the growing number of persons at the advanced ages and of improving longevity, must assuredly come in the next decade or so?"

Industrial Uses for New Textiles.—One object of the Cotton Board's stand at the recent Industrial Textiles Trade Fair at the Royal Albert Hall in London was to uphold and demonstrate the position of the cotton fibre as the predominant partner in the field of industrial textiles, and it certainly fulfilled that, writes our London correspondent. Nearly three-quarters of the textile products used for industrial and mechanical purposes are made from cotton, but the "partnership" angle was demonstrated in several very interesting combinations with other fibres. The latest evidence of this co-operation, and its importance in the future, is apparent in the agreement recently reached between the British Rayon Research Association and the British Cotton Industry Research Association by which it is intended to avoid overlapping and secure maximum results and efficiency by consultation and collaboration. The increasing use of synthetic fibres, some coated with forms of plastics, affords the main "talking point" of the general exhibit, to which some 60 individual firms contributed. Terylene coated with p.v.c., for instance, makes tarpaulins which are rot-proof, resistant to acid and to sunlight, and half the weight of ordinary tarpaulins. It also makes protective suits for research workers on the new propellant, high test peroxide, now being used for rocket motors. Fishing nets in nylon and Terylene have increased catches, and the whaling fleets use Terylene rope. Asbestos is reinforced with a core of glass fibre, and there are developments in the fire-proofing of various fabrics, notably a pleasant-looking cotton viscose drill for factory overalls. Experimentally the same process is being applied to miners' clothing, since the death-roll in recent disasters has been quite as much due to clothing catching fire as to the direct result of the explosions. A tough boiler-suit in silicone-proofed sateen has been designed for television riggers. For wear at sea Dunlop is bringing out a plimsoll with nylon canvas top. Synthetics have not quite swept the field, however. The special suits for workers in refrigeration depôts employ nothing more surprising than thick, tough and cheap-quality pure wool.

Cotton Which Looks Like Silk.—Finishers play an important part in the new fabrics now being offered to the public, especially those combining natural with man-made fibres. One of the few instances of a new cotton fabric in which the special characteristics arise before the application of the finishing processes is provided by "Shan-su", now being produced by Haslams, of Manchester, a section of the Amalgamated Cotton Mills Trust Ltd. This fabric is woven in such a way as to give it the appearance of wild silk, the effect being completed by finishing with the lustre of silk. Long-stapled Sudan cotton is used for spinning the yarn, and in the weaving process a two-fold warp is employed with a singles weft which is spun in variable counts, producing a slub effect without, however, the weakness usually associated with slubs. Patent protection for the spinning process has been applied for. The fabric, which is available in plain colours and in printed designs, is fully-shrunk, crease- and dirt-resistant and

wrinkle-shedding. It is quick-drying—it can be drip-dried if necessary—and requires little ironing. The general effect of the cloth is very similar to the eye and to the touch to that of shantung silk, though it can take brighter and clearer colours than those usually seen on that material.

Interim Statements by Companies.—The case for interim company statements was put with great cogency by Sir Richard Yeabsey, President of the U.K. Society of Incorporated Accountants, at that body's recent annual meeting. He had little doubt that public opinion, as reflected in the Press "and possibly in time in the regulations of the Stock Exchange" would demand publication in at least certain cases of appropriate information as to the trend of trading and the changes in the financial position that have occurred at intervals much shorter than a year. He also thought that such figures should be published at a date not far distant from that of the end of the period in question. Addressing himself to the problems raised from the accountant's standpoint, Sir Richard went on to pose the questions: (a) how often; (b) what should be given, e.g., sales, orders, profit, net current assets, etcetera; (c) on whose authority; (d) should the auditors be concerned; (e) should the figures for the last period in the financial year be given or merged in the annual accounts; and (f) what steps should auditors take if they find that the information published was incorrect to a material extent? He thought that accountants should face up to these questions and give a clear lead.

U.K. Textile Machinery.—As markets for Lancashire's textile products have dwindled with the development of local industries, there has been a compensating improvement in the demand for British textile machinery. This trend has been particularly noticeable over the last few years, but current figures and the experience of manufacturers suggests that the demand is levelling off. In the first three months of this year, British exports of textile machinery were valued at £11,311,000 for 377,000 cwt., against £12,632,000 and 467,000 cwt. in the same quarter of last year, and £11,096,000 and 425,000 cwt. in 1955. India is still the principal importer, but her offtake this year was no more than 90,000 cwt. against 116,000 cwt. at the same time last year. Russia was the second largest importer in 1956, but this year she has dropped well down the list and been replaced by Pakistan, which increased her offtake to 33,000 cwt. from only 14,000 cwt. in the first quarter of last year, while Russia's fell from 42,000 cwt. to only 13,000 cwt. Another big drop was in shipments to Egypt, down to only 600 cwt. against last year's 18,000 cwt. Most of the countries of Europe maintained their normal demand, with France and Portugal recording increases from 13,000 cwt. to 21,000 cwt. and 9,000 cwt. to 12,000 cwt., respectively. The United States is another developing market with first quarter totals of 18,000 cwt. this year, compared with 16,000 cwt. last year and 13,000 cwt. the year before that. A breakdown into categories shows that machinery for processes preparatory to spinning fell from 123,000 cwt. in the first quarter of last year to 95,000 cwt. this year, and there was a drop to 58,000 cwt. from 84,000 cwt. in spinning and twisting machinery. Automatic looms accounted for 16,000 cwt. compared with 28,000 cwt. last year, and other looms for 21,000 cwt. compared with 39,000 cwt. The high quality of British production is not proving enough to overcome the search for self-sufficiency in producing countries with a strong bias towards nationalism, but the increasing research aimed at producing better machines may help restore the position.

CORRESPONDENCE

REMITTANCE OF PROFITS BY FOREIGN FIRMS

(TO THE EDITOR OF "CAPITAL")

Sir,

May I seek some space in your valuable columns to reply to the comments of the Ditcher which have appeared in the issue of *Capital* dated 13th June, 1957, on a couple of suggestions made by Mr. Babubhai M. Chinai at the last meeting of the Import Advisory Council? The suggestions which have come in for caustic comment relate to cuts in import of raw films and the possibility of seeking the co-operation of foreign enterprises operating in India to see as to whether they can reduce their remittances abroad. The Ditcher has chosen with his felicitous pen to give to the readers an undignified and absurd cartoon of the suggestions and of the author of the suggestions; and the drawing starts with the hope that enough raw film would be left for making a cinematographic picture of the performance of Mr. Chinai at the Council meeting! In the final make-up of his own drawing, the Ditcher likens the recommendations of Mr. Chinai to those of communists, disbelieves Mr. Chinai's acquaintance with business, working, sizes him up as acutely jealous of foreign capital and

finally figures that the industrial delegation, which is being sponsored by the Federation to visit Europe and America, of which Mr. Chinai is a member, will stimulate illwill rather than goodwill. Obviously, the edge to his writing has been provided by a sense of indignation. And when one becomes indignant, he either wittingly or unwittingly obscures issues by introducing irrelevancies, exciting ridicule and arousing prejudice. What else can be the explanation, if not the reason the Ditcher himself gives in a parallel column that "it is essential for a journalist to be able to write quickly"? If indignation is added to speed, there can be most unfortunate results.

The suggestion of the President of the Federation about inviting the co-operation of foreign enterprises operating in India to consider as to whether the remittances abroad could be reduced has to be viewed in the context of the present foreign exchange difficulties faced by India. It is wrong to infer therefrom that either Mr. Chinai or the Federation is against foreign capital or jealous of it. On the contrary, the Federation has made it clear from time to time that it is in broad agreement with the Government's liberal policy in respect of foreign investments as enunciated by the Prime Minister in April 1949, and the subsequent elucidation of this policy by the spokesmen of the Government. The Ditcher has done not only a great injustice to Mr. Chinai, but also to the readers of *Capital*, who, by and large, are also foreign investors operating in India. I am, however, confident that these foreign investors would want the Indian economy to be placed on an even keel as soon as possible. That is the surest way of safeguarding and promoting investments, whether foreign or Indian. If any temporary

"A SURVEY OF HEAVY INDUSTRIES IN INDIA"

With next week's edition of *CAPITAL*, dated 27th June, will be published a 96-page Survey of Heavy Industries in India, containing articles discussing the problems, prospects and possibilities of industrial enterprise in one of the most vital sectors of the economy of this country today. The supplement will be supplied free to registered subscribers and will be available to others at Rs. 5 a copy (postage extra). Enquiries may be addressed to the Manager, *CAPITAL*, 5, Mission Row, Calcutta 1.

restraint is to be exercised on a voluntary basis to secure larger and permanent advantage, a prudent investor, unlike the Ditcher, will not cavil at it. Anyway, what Mr. Chinai has suggested is not the freeing of profits or legislation in this behalf.

I wish to end with the earnest hope that the Ditcher will not succeed in ditching foreign interest and sentiment in my country.

Yours etcetera,

G. L. BANSAL

Secretary-General of the F.I.C.C.I.

Calcutta, 17th June.

EARTHQUAKE IN CALCUTTA

WE have to be very thankful that Calcutta, though severely damaged, did not encounter the full severity of the shock. The reports from Assam and Eastern Bengal show that the force of the shock there greatly exceeded what we experienced in Calcutta. Had the earthquakes been greater or more prolonged in Calcutta, the City of Palaces would have been a heap of ruins, and where we should have all found board and lodging is quite painful to think of. Whether such a severe shock as is reported to have occurred at Shillong, among many other places, would have destroyed our more substantial buildings, it is impossible to say. But what we have to notice particularly is that in Calcutta only those houses which have been built of inferior material or old houses which have been badly and cheaply repaired, have been rendered uninhabitable. We may be thankful if this undoubted fact prompts the appointment of an independent and thoroughly honest house surveyor. We are aware that the Municipality employs a surveyor who can be called in by any one residing in a house which shows signs of collapse. But, we think, that is insufficient. A house surveyor should be appointed by the Lieutenant-Governor of Bengal, and should not in any way be dependent on the Municipal authorities. His duty should be, not only to make a survey when he is sent for, but to make himself constantly acquainted with the condition and material of buildings throughout the city. More especially, he should inspect exhaustively the materials employed in new buildings and in the repairs of the old ones. Free trade is no doubt an excellent thing in many ways, but surely no principle of trade can include the barter of human life for profit.

FROM

CAPITAL

15th June, 1897.

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(FROM OUR LEGAL CORRESPONDENT)

WE present another batch of English decisions and other matters legal reported in the past six months in the English legal Press, and particularly in the pages of that most lively of all law journals, *Law Notes*. London. We will begin with one of the moots periodically set by the learned editors for the majority decision of law debating societies throughout England. The facts are quite simple, but let us say at once that the question involved is a regular teaser, full of snags and one on which, if the lay reader put it to a legal friend, he would find that the wary gentleman would refuse to give a definite answer. Here it is: "A month after Roland had lent Oliver £5, they met in the street and Roland asked Oliver to repay the loan. Oliver, who had been celebrating a good win at the local races, took a bundle of notes from his pocket and asked how much he owed. Roland replied '£5' and Oliver handed him five £1 notes saying, 'May they be...y well choke you.' Three months afterwards, Roland received a letter in a sealed envelope properly addressed to him. At once he recognised Oliver's handwriting and thinking that the letter was likely to be a request for another loan, he put it in his pocket unopened. When Roland three days later opened the letter he discovered for the first time that it contained five £1 notes and a letter from Oliver stating: 'Here's what I owe you'. Roland then and there decided to appropriate the money and spent it on himself.

Assuming Oliver completely forgot that he had previously repaid the loan, is Roland guilty of larceny (i.e., theft) of the money contained in the letter?"

The moot is obviously based on and intended to cause discussion in the debating societies as to the rightness or wrongness of a decision of a strong divisional court reported some months previously. In that case a servant, a builder's labourer, obtained an advance of £6 19s 6½d on his week's wages of £7 3s 4d. Some three days later, the wages clerk, not knowing of the advance, handed to the servant a wage packet containing his full week's pay of £7 3s 4d. The servant who was unaware of the mistake until he opened the packet at home later the same day decided dishonestly to appropriate and did appropriate the whole sum to his use. Could he be convicted of larceny of £6 19s 6½d? "No," said the divisional court (Lord Goddard L.C.J., Hilbery J., Stable J., dissenting). The grounds were highly technical. At common law, a thief must have *animus furandi* (the mind to steal) at the time when he takes the property. The workman did not know of the mistake when he took the money; the wage packet and the whole of the money in it were intended to be handed and paid to him. When he accepted them, he had no mind to steal, and the property in the money seems to have passed to him, though by mistake, when he received it. All very dubious reasoning, you may think; and so does the writer: and so did Stable J.

To return to Roland's loan of £5 to Oliver. Of the nine societies debating the moot, five decided that Roland was and four (two of them by the chairman's casting vote) that he was not guilty of larceny. Nottingham won and the second prize went to North Staffordshire. But the judgment in the wage packet case stands and the lesson is that it may pay not to open letters until a day or two after they have been received. As

Molière put it: "Unreasonable haste is the direct road to error".

The amazing increase in Britain of the annual number of divorces has become a matter of disquiet even to lawyers who profit most by them financially. It is within the writer's recent experience that a petitioner's legal costs and expenses in an undefended divorce suit may amount to round about £180 to £200. One remembers the time when even in a great city like Liverpool a divorce was a very rare occurrence indeed. Judicial separations were 20 or 30 of them every Wednesday before the stipendiary magistrate. But divorces no: at a guess one would say not more than half a dozen or so every year. Now, again at a guess, one might estimate several thousand from any area of similar size and population in the course of a year. The average lawyer is not a sentimentalist nor is he at all inclined to turn away a fee of a couple of hundred pounds or so and more in the case of a defended suit. Nevertheless, even the lawyers of England seem to think that the time has come to cry a halt to the ever-increasing grounds for divorce. "Even the lawyers," one has said. But not in any derogatory sense. On the contrary, as one who has completely veered round to the view that the opponents of divorce on any ground "save for fornication," as the scripture bluntly puts it, have turned out to be right and the "extensionists" wrong the writer is proud to record the stout views of lawyers in a sort of Gallup poll submitted to them on a question wherein it was all to their financial advantage to take the opposite side.

This was the question submitted for debate and decision by *Law Notes* to the societies referred to earlier in this note: "Though neither spouse has committed a recognised matrimonial offence, are you in favour of a proposal that either of them may apply to the court for dissolution of marriage on the grounds that they have lived separately for a period of not less than seven years immediately preceding the application and that the marriage has completely broken down and that the court shall pronounce a decree dissolving the marriage where these grounds are established?" By a majority of five societies to three, the new proposal was rejected, and it is worth noting as showing the deep feeling which this matter of divorce *ad lib* arouses that the secretary of one society reported that "members stayed away because of the religious issues involved".

One of the reasons why some of us have changed our views on easier divorce is the enormous increase in juvenile delinquency and depravity which have accompanied and have been caused by the wholesale break-up of homes. Take a recent example. What are things coming to when the time of a divorce court judge is occupied in considering whether a little girl of 12 can be guilty of adultery? It was a case in the Cardiff divorce court before Judge Temple-Morris, Q.C., sitting as Special Commissioner, in which a wife was petitioning for divorce on the ground of her husband's adultery with her own sister, aged 12. The legal point was this, "Can an infant girl of 12 years be found guilty of adultery?" And the answer is "No, she cannot." His lordship reached that conclusion after comparing and analysing other legal rulings concerning the age of consent. Consent is an essential part of the definition of adultery and in the eyes of the law such a young child is incapable of consenting. The wife had also petitioned for divorce on the ground of cruelty by the husband whose conduct (for which he had been convicted after a criminal trial) with the child was held by the judge to be also cruelty to the wife who was granted a divorce.

Another reason for disquiet over easier divorce is the deliberate distortion by the judiciary of the ordinary everyday meaning of essential words. A strong case can be made out, no doubt, for divorce on the ground of persistent cruelty or desertion. To be guilty of cruelty means in its dictionary and colloquial interpretation to be desirous of giving pain, to be merciless, fierce, unrelenting; and to desert means to leave, to abandon, to forsake, to run away from. That is clear enough. But what do you make of this? A husband persistently stayed out late at night at a time when his wife was pregnant. Remiss, no doubt, careless, selfish, inconsiderate, especially as the wife was nervous. But would you call it cruelty or desertion? "It was both," held the divisional court. "Cruelty and constructive desertion, as the husband knew of its effect on his wife." Well, well! Extend it on a par with some of the States of America. But why all this sham and hypocritical humbug of twisting words out of their real meaning? Make the law clear that divorces are to be upon the penny-in-the-slot principle and that solemn marriage oaths mean nothing.

There is a certain amount of humour about these divorce forms. A person applying for free legal aid has to fill up a questionnaire. One of the questions is whether the applicant for relief has himself or herself committed adultery. An applicant recently omitted to state whether he had committed adultery or not. His solicitors wrote to him about this and he replied: "With reference to adultery. None. Sorry that I overlooked this."

(To be continued)

¹ *Moynes v Cooper* (1956) 1. Q.B. 439. 75 *Law Notes*, 266.

² *Barnett v Barnett*, 1957. 101 S.J. 133.

³ *Cade v Cade*, 1957, 223 L.T. 132.

June 20, 1957.

THE empiricism of the British in politics has its inadequacies, but there are reasons to question the currently fashionable insistence on a definition of everything. There are things delicate enough to defy definition; to attempt to define them is often to distort their very nature, leading to a denial of their existence. The scholar who got a bursary to study the Commonwealth received his best advice from an old India hand: "For God's sake, don't talk too much about the Commonwealth—the thing might cease to be." The reasons given by *The Times*, no organ of subversion, for deferring the Commonwealth Prime Ministers' Conference due to meet on Wednesday next are not all invalid; absenteeism will be high and proxies not a few. But once it is remembered that these conferences are not for the taking of firm decisions—which fact does nothing to detract from their value—there should be no need to apprehend that the consultations will be valueless because of the absence of a few members. Ghana, whose Prime Minister attends the conference for the first time, would certainly have been disappointed by a postponement. Britain, still the eldest sister if no longer the mother of the Commonwealth, will be there. So will be India, whose Mr. Nehru has always played a prominent part in these deliberations and will now be the seniormost member. Mr. Suhrawardy, fresh from his triumph in East Pakistan, can be trusted to ensure liveliness in the talks both at the conference table and in the informal parleys. My only contribution to the speculation now in progress as to what will or will not be discussed is this: Egypt will generate very little heat. An Indian hostess in London last November announced to her guests, "Let us agree on one thing: nobody shall mention Suez and we will all enjoy the dinner." I can see Mr. Nehru being as gracious, although Mr. Suhrawardy will probably insist on being told that Kashmir is as forbidden a subject.

The manner in which Reuters cabled to this country the honours awarded by Her Majesty the Queen on her birthday—a few names one day and a few more the next—probably reflects a decline in India's interest in the list which can no longer contain Indian names. There have, however, been several awards of interest and the wide range of achievements recognised remains admirable. The Companion of Honour to Sir Thomas Beecham is deserved honour to the harmonies he produces and just disregard of the discords of his speeches on public men and affairs. "Is It Justice?" the Arthur Rank Organisation has been asking in huge advertisements, referring to the entertainment tax. Its chief becomes a Baron now, with justice, for few men have done so much for the British film industry. The knighthood for Geoffrey Crowther, until last year the editor of the *Economist*, will give especial pleasure to financial journalists and so active is he still in half-a-dozen different fields that this is unlikely to be the last such honour to come his way. A very different kind of journalism is honoured in the knighthood to W. E. Carr, chairman of the *News of the World*. Journalism, Isaiah Berlin becomes a knight too; those who have read his *The Hedgehog and the Fox* or heard his broadcasts from the B.B.C. know what an original thinker and brilliant controversialist he is. Among the names I have been able to spot which are of special interest here is Mrs. Joyce Helen Galloway's; she gets an M.B.E. (civil division) for her social work. The 300 awards conferred on soldiers who took part in the Suez campaign may or may not be an indirect admis-

A DITCHER'S DIARY

sion on the part of politicians that the former were not responsible for what went wrong.

In spite of the thoroughness with which American intellectuals always like to dissociate themselves from Hollywood as an exponent of the American way of life, I cannot think of American films as something divorced from the country of their origin. *The Rainmaker*, a stage success now filmed, appears to me to represent a latent aspect of American life which her intellectuals may well be reluctant to emphasise. The fact that so many thousands of Americans went to see the play or the film certainly invests the story with considerable sociological significance. The story is not bad at all; it concerns a fake with what must be called faith, and faith pays in the end. Plain Jane—Liza here, brilliantly played by Miss Katherine Hepburn—gets her man, and it rains. It is not too far-fetched to deduce that many will see in the film something more than a mildly amusing comedy. If there is any way of making rain, Calcutta at least has not found it yet, notwithstanding the invocations of the meteorological department. But the sort of thing we see in the film—beat a drum and it will rain and Jane will find her man—always seems to me a retreat from reason, a return to that famous story of Sir Lewis Namier's in which somebody in Lisbon was selling anti-earthquake pills on the plea that there was nothing to put in its place. A much more sophisticated play, *The Madwoman of Chailiot*, was widely interpreted as a prelude to Fascism, as well it might be, for it did ridicule the imperfections of a rational approach to the human condition in a manner that might easily be used by the advocates of that pernicious philosophy. Am I taking a trivial film too seriously, too literally? No. I am only afraid that too many other people might.

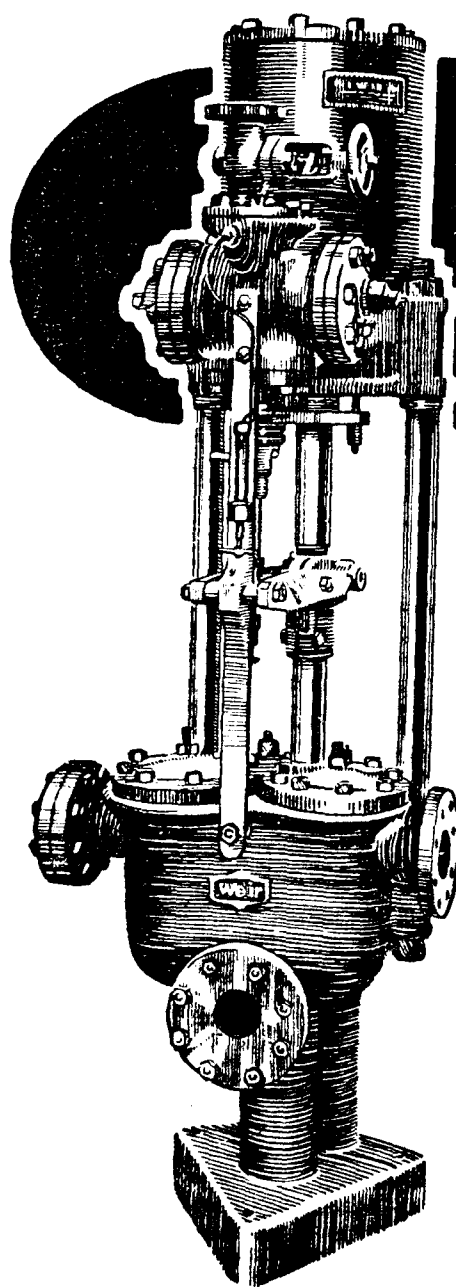
Mr. Morarji Desai's moralising before the meeting of the Indian Society of Advertisers in Bombay last week seems to me to have been rather wide of the mark. Certainly, in advertising, as in most other things in life, the acceptance of at least some ethical standards is necessary. But I would not say that the violation of those standards by advertisers in this country is so frequent as to deserve the greater part of a busy Minister's speech. On the contrary, such advertisements as are clearly in bad taste are so, I think, merely because of professional incompetence rather than any deliberate tendency towards lewdness. Mr. Desai's objections to the increasing use of the feminine form in advertisements make me shudder; to say that the intention in doing so is to appeal to the baser human instincts really no more than reflects one's own reactions, which may not necessarily be the same as those of everyone else. In spite of what one often hears, I do not believe that advertising has much to do with art; the purposes of the two are almost entirely different. But objections to the portrayal of the feminine form in the one could quite easily be applied to its portrayal in the other, with the result that a rather good case could then be built up for throwing a substantial part of the cultural heritage of this country (and of most others) into the sea for puritanical reasons. The real trouble with advertising, I feel, lies not in its sexy vulgarity, but in the fact that neither producers nor consumers have in it the confidence which it deserves. With some notable exceptions, most producers fail to realise that the greatest benefits can be derived from it only if it is sustained; as Mr. Dharamsey Khatau

pointed out in his address from the chair at the Indian Society of Advertisers meeting, it "is not something that can be turned off and on like a tap". It has to be regarded as an investment, and because the results from it are often intangible, they are not any the less real for that.

The unseemly controversy which Assam has revived over the proposal to locate the new oil refinery in Barauni, Bihar, is a strange commentary on the blatancy with which political pressure can be used in trying to upset what should be strictly economic decisions. In declaring that on its assessment of the economic and technical considerations involved the refinery should be located in Assam, the Shillong Government is laying claim to an acumen in oil technology which has so far remained jealously hidden from everybody except itself. Personally, I have no pretensions to a similar acumen, and would not say whether the refinery is best located in Calcutta, Barauni, Assam or anywhere else. But the real issue, I feel, is a simple one; it is that if the Central Government goes to the extent of appointing an expert committee, it has some measure of obligation to see that the committee's recommendations are given proper weight. To throw them overboard merely because a group of local politicians happen to protest is hardly the best demonstration of the virtues of democracy in action. Recent attempts to re-direct the location of industry have been quite extraordinary. The Production Ministry's proposal to equalise coal and steel prices throughout the country has been an especially peculiar example; despite its obvious demerits, I do not recall West Bengal or Bihar having started loud clamour of the sort which Assam has done in relation to the oil refinery. Today's attempts are to re-locate industry; perhaps it would not be entirely silly to visualise tomorrow's attempts as being to re-locate agriculture. Andhra might then want to grow some of the tea which Assam now produces, on the plea that it is "under-developed"; whereupon Rajasthan would probably ask why the mere fact of being a desert should discourage it from trying to grow jute.

The new mood of optimism born of Tuesday's meeting between Mr. T. T. Krishnamachari and some leading Indian industrialists has, I confess, left me cold and rather baffled. If a quiet exchange of courtesies and complaints was the sole aim of the meeting, it probably fulfilled its purpose. But in none of the published versions of the proceedings is there an indication that the Finance Minister went beyond what he has often said. Indeed, one would have hardly expected him to, considering that one session of Parliament only recently ended and another will soon begin. It is, I think, a rather sad commentary on the state of business confidence that the mere absence of rude remarks from the Government is these days taken as encouraging. The optimists on Lyons Range find reason for cheerfulness in the belief that the pattern of taxation for the next four or so years is now more or less settled. Personally, I should have thought that the pattern matters just a little bit less than the level of taxation, on which latter aspect there has been little that is reassuring from the Finance Minister. The possibility that the Bills concerning the wealth tax and the expenditure tax might be amended by select committees can hardly be counted as a major discovery in the third week of June. It makes one sad to think that such are the crumbs of consolation on which the wisecracks of Lyons Range are nowadays reduced to feasting themselves.

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IRREGULAR TREND IN STOCK MARKETS

INDUSTRIALS INACTIVE : GILT-EDGED FALL BACK

London, 19th June.

THE firm conditions which last week developed in the stock markets immediately after the Whitsun holiday were not fully maintained. Prices in most sections moved narrowly and irregularly in the absence of fresh incentives and in view of the approaching end of the account. In contrast, gilt-edged securities drifted lower immediately after the holiday and picked up later on small support, only to turn easier again and record very small price movements on the week. Renewed activity in South African gold shares at the beginning of the week was the main feature, although subsequent profit-taking in front of the end-of-account brought prices back, and this market was generally lower on balance. Gains in oil shares, established immediately after the holiday, were not fully maintained and considerably quieter conditions developed. Apart from a small amount of profit-taking in Chinese issues, there was no marked change in foreign bonds or rails. Dollar stocks were irregular with interest centred on Canadian issues. Only a modest business was transacted among industrials and price movements generally were limited to a few pence. Coppers were easier on the falling metal price. Other base metals were also lower. Rubber shares continued to respond to a selective demand and numerous firm spots developed. Eastern buying helped improvement. Indian tea shares were firm, but there were occasional dull spots among Ceylons.

The Money Market

After the previous week's comfortable conditions, short loan facilities in the London money

markets during last week became difficult again with the supply of funds uneven. The week was, of course, shortened by the Whitsun holiday; the displacement of funds caused by it and the absence of maturities resulted in a poor start for the market on the first day's operations. There was a spell of easy conditions on Wednesday of the week, but for the remaining period, supplies of credit were barely adequate. Even the repayment of Exchequer 5 percent and the funding of 23 percent War Loans failed to affect the credit situation, as only a very small proportion of the £400 and odd million was held outside Government departments. Besides the money which might have been available to the market was offset by oil payments. Day-to-day money generally ruled at 3 1/2 percent. Bill business was moderate with August and September bills changing hands at 3 13/16 percent, although on the reduction in Treasury bill rate on last Friday, the rate for September bills was 3 25/32 percent.

Activity on Wall Street

Long-term U.S. Government obligations continued to fall last week, partly reflecting selling by investors against purchases of higher yielding corporate and municipal issues. A couple of long-term issues reached new record lows, while others were near their lowest levels. Investment quality corporates and rails generally displayed a weak tendency on a small volume. Convertibles declined sharply at the outset following the news of President Eisenhower's illness but eventually rebounded with the stock market. Foreign dollar bonds were mixed. Italians added a point or so with Australians, Norwegians and German Nationals showing only minor changes either way. Greek 6 percents lost a point, while Poland 4 1/2 percents and 7 percent Serbs were unchanged. Japanese Government bonds were unchanged to a shade higher. Union of South Africa 4 1/2 percents dropped 3 1/2 points to 87 1/2 for a new low on the sale of five bonds. Chile 3 percents were shaded fractionally on the week to finish at 4 1/2.

Little Business in Vegetable Oils

Cilseed prices showed little change last week. Following overnight sales of only 200,000 bushels of U.S. C.C.C. linseed for export at 24 1/2 cents a bushel, ex-Duluth, out of the 2 million bushels tendered, Canadian linseed moved steadier for near positions, but lacked serious buying interest. News that U.S. linseed can now be shipped via St. Lawrence brought a weak tone to linseed oil on the Continent, although U.K. sellers were resisting declines for B.S.S. ex-tank oil with June at £103, July at £97 to £98 1/2 and August at £96 to £98 a ton. The Nigerian Board confirmed the sale of groundnuts to Italy and Northern Continent for prompt shipment to replenish run down, but stocks with only small tonnages still unsold, but full details were lacking. It is believed that 2,000 to 4,000 tons were sold for July-August at £65 1/2 c.i.f., or a shade less. Nigerian groundnut oil was offered 20s cheaper, July-August at £117 c.i.f., with bids invited at £115, but there was no response. Possible sellers of Straits bulk coconut oil were 5s cheaper at £39 1/2 July-August, but buyers were absent. In spite of a slight upturn at the origin, Indian B.S.S. castor oil dropped a further £2 a ton, with June-July at £156, drums, cost and freight, and commercial at £148. Further declines were anticipated. Philippine copra was sold at \$167 1/2 for June-August, but sellers were more reserved.

Rubber Prices Rise

Prices moved steadily upwards during the greater part of last week in the rubber market. A total advance of 1d a lb took values to their highest levels since March. Traders attributed the recovery to factory buying necessitated by depleted stocks. Buying orders revealed short positions among some dealers which had to be covered. New York and Singapore advices aided the firmer trend, and speculative interest was stimulated by the better market trend. Buying interest waned towards the close and cheaper offers emerged. There was a moderate volume of switching business and the inevitable profit-taking after the rise, but prices finished the week about 1d a lb higher on balance. Sole crepe continued to be a dull market with spot supplies slow to move. There was, however, a fair movement of afloat parcels to the Continent. Quotations were barely maintained on the basis of 39d a lb for 1/8 inch smooth No. 1, on the spot.

Withdrawal of Freight Surcharge

The East African Conference Lines have announced the withdrawal of the 5 percent freight surcharge on shipments between the U.K.-Continent and East African ports. This applies to ships at present loading, but cargoes loaded at previous loading ports will be subject to the surcharge. The Conference Lines loading outwards to Port Sudan have also removed their 5 percent Suez surcharge with effect from 17th June.

Aluminium Workers Strike

The strike at the Arvida smelter of the Aluminium Company of Canada Ltd. is costing the firm a production loss of 1 million tons of aluminium daily. The stoppage began on 17th May in support of the workers demands for higher wages and a master contract covering all the company's hourly paid workers in Quebec province. A company spokesman said that there had been no direct negotiations between the workers and the company since 17th May, but the Canadian Government mediation agency was mediating in the dispute and holding separate meeting with the management and workers.

Stocks and Shares

SUBSTANTIAL IMPROVEMENT IN MARKET SENTIMENT

LIFE INSURANCE CORPORATION CONTINUES TO BUY

Wednesday Evening.

SENTIMENT in the stock market has improved substantially during the past week. The proceedings at Tuesday's meeting between the Central Finance Minister, Mr. T. T. Krishnamachari, and a number of leading industrialists have been bullishly interpreted. From what has been published so far, it is hard to see why, considering that much of what was said by either side has often been said before. The market, however, takes the view that the reorientation of the taxation structure is now complete and that certain concessions are likely to be given in the case of wealth tax and the expenditure tax. The Life Insurance Corporation has made substantial purchases of various shares. This has improved the undertone of the market and the technical position is considered healthy.

Engineerings have been steady in sympathy with Indian Irons. Coals are neglected. In spite of the rise in gunny prices, jute shares are depressed because the trend in the fibre markets is firm. Teas have benefited from the better auction results obtained this week. Selected miscellaneous industrials have risen smartly, partly on investment buying and partly in sympathy with the general trend. Gilt-edged are mostly weaker.

* * * * *

The gilt-edged market ruled weak and prices of medium and long-dated issues suffered a further recession. However, the enquiry for short-dated loans continued and there were few sellers. Both 3% Conversion loan 1986 and Non-Terminable Paper were nominally quoted around Rs. 73. In short-dated issues, 3% 1957 was quoted at Rs. 99.75 and 3% 1958 was traded at Rs. 99.68; 2 1/2% 1961 changed hands at Rs. 93.50 and 2 1/2% 1960 was asked for at Rs. 96.50. The 3% 1959-61 changed hands around Rs. 97.75 but 3 1/2% 1961 was easier at Rs. 99.30. In medium-dated loans, 2 1/2% 1962 was steady at Rs. 93.84 but 3% 1963-65 was marked back further to Rs. 93.65 and 3% 1964 was quoted lower at Rs. 93.82 ex-voucher. Both 3 1/2% 1964 and 1965 weakened further under selling pressure to Rs. 97.70 and Rs. 97.75; 3 1/2% 1967 was quoted lower at Rs. 98.05. Long-dated loans were marked back in the absence of enquiry, with 3% 1966-68 at Rs. 91.40, 3% 1970-75 at Rs. 86.05 and 3 1/2% 1974 at Rs. 98.30. State loans were dull and trading was negligible.

Preference shares continued to suffer from lack of enquiry and transactions recorded were few and far between. Jute preference shares were externally difficult to sell and prices had to be lowered in order to attract buyers. Anglo-India were sold down to Rs. 95 and Gouropore were offered at Rs. 76. Hukumchand were reported at Rs. 95. In the miscellaneous group, Calcutta Electric were quoted at Rs. 9.03 and Indian Iron and Steel were taken at around Rs. 99. Richardson and Cruddas were sold down from Rs. 63 to Rs. 61 and Rohtas Industries "B" Preference changed hands at Rs. 63.

In the banking section, United Commercial were enquired for around Rs. 53.50 and Punjab National improved to Rs. 55. United Bank of India "D" shares were unchanged at Rs. 4.19.

No transactions were reported in railway shares.

Cotton shares were more or less unchanged. Basanti were reported at Rs. 5.31 and Bowreah were slightly better at Rs. 106. Kesoram were marked at Rs. 12.56 and New Victoria at Rs. 162.

In the coal section, Burrakur were quiet at Rs. 21.75. East Indian and Equitable, following forced sales, dropped from Rs. 22.50 and Rs. 22 to Rs. 21.25 and Rs. 20.50, respectively. Katras Jheriah were unchanged at Rs. 53.75 as were New Beerbhoom at Rs. 13.25. Union Coal continued to meet with interested support and improved further from Rs. 22 to Rs. 25. Bengal were comparatively steady at Rs. 204.

Jute shares stood at their lowest levels in the history of the industry. Sellers predominated and buying orders were practically impossible to execute. A further batch of disappointing reports was responsible for the apathy in this section. Here is a chart showing representative price movements:

	Opening 13th June Rs.	Closing 19th June Rs.
Agarpara	7.25	6.87
Anglo-India	130	127
Bally	135	130
Champdany	102	95
Cheviot	115	110
Delta	120	115
Lansdowne	70	60
National	19.70	19.70

Electric supply shares were once again a dull market with Agra dropping from Rs. 129 to Rs. 125. Calcutta were very quiet at Rs. 11.81, but Benares recovered slightly to Rs. 16.12. U.P. were unchanged at Rs. 130.

The outstanding feature in the sugar section was Champaran, which on cornering operations spurted from Rs. 14.75 to Rs. 20.75. Ramnugger were sold at Rs. 21.75 ex-dividend and Cawnpore were shaded at Rs. 13.25. Dyer Meakins Breweries were un-

changed at Rs. 6, without any business being reported.

In the engineering section, Indian Iron ruled steady throughout with the price at one stage improving to Rs. 19.16; tonight's closing quotation is Rs. 19.12. Braithwaite were easier at Rs. 24.75, as were Burn at Rs. 295. Guest, Keen, Williams recovered from Rs. 26 to Rs. 26.62. Jessop and Richardson and Cruddas were better at Rs. 23.12 and Rs. 13.37, respectively. Textile Machinery were steady at Rs. 16.90 ex-dividend and there were sellers of Indian Steel and Wire Products at Rs. 54 but no declared buyers.

The outstanding feature in the paper section was Orient, which recovered smartly from Rs. 22.30 to Rs. 24.80. Sibpur Paper were enquired for at Rs. 8.37 and Titaghar were slightly better at Rs. 32, as were India Paper Pulp at Rs. 20. Shree Gopal improved from Rs. 13.62 ex-dividend to Rs. 14.12 ex-dividend.

In cement, Dalmia were slightly better at Rs. 11.31 while Sone Valley were unchanged at Rs. 5.56. Jaipur Udyog were offered at Rs. 11.12 with few declared buyers, while Assam Bengal dropped further to Rs. 4.94.

In insurance, New Asiatic were lower at Rs. 3.75 while Ruby General were unchanged at Rs. 5.50.

In shipping, India Steamship recovered from Rs. 9.81 to Rs. 10.06 and India General Navigation were quoted at their previous rate of Rs. 65.

Among miscellaneous industrials, Alkali and Chemical continued to meet with enquiry and recovered further to Rs. 14. Angelo Brothers rose from Rs. 16.75 to Rs. 17.12 while Britannia Biscuits were shaded at Rs. 12.87. British Burma Petroleum were quoted at Rs. 2.25 and Clive Row were easier at Rs. 9.75. Dunlop Rubber were very steady at the higher rate of Rs. 19.75 and there were buyers of the "rights" at Rs. 4.75. Imperial Tobacco dropped from Rs. 14 to Rs. 13.75 while Indian Aluminium were better at Rs. 12.94. Indian Cables were better at Rs. 22.12, as were British India Corpora-

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Taxila

What looks like an oil pipeline is, in fact, part of a 9" earthenware pipe laid in Taxila sometime in the 2nd century B.C. It was originally encased in stone and appears to have been used for sewage disposal. The work of the unknown tubemakers of Taxila has withstood the ravages of time for over twenty centuries.

Indian Tube

The Indian Tube Company (1953) Limited
A Tata-Stewart & Lloyds Enterprise
41, Chowringhee Road, Calcutta-16

tion at Rs. 5.85. Indo-Burma Petroleum were quiet at Rs. 24 and there were sellers of National Insulated Cables at Rs. 20. National Carbon recovered from Rs. 22.50 to Rs. 23.50 and National Tobacco from Rs. 9.75 to Rs. 10. Rallis India dropped sharply from Rs. 34 to Rs. 32. Rohas Industries were quietly steady at Rs. 16.87.

In the mining section, Indian Copper were taken up at Rs. 3.44, while both Burma Mines and Western Stockholders Investment were unchanged at Rs. 2.30 and 94p respectively. Metal Corporation receded further to Rs. 6.75, while Kavanapura Development after going down to Rs. 10.31, closed at Rs. 10.50.

There was an improvement in sentiment in tea shares after the more encouraging auction prices this week. Tukvar were traded at Rs. 11.37 while Bateli eased to Rs. 24. Bishnauth were fractionally better at Rs. 18.75 and Brooke Bond were done around Rs. 18.50. Brahmaroobra and Dhe'akhat were quoted at Rs. 5 and Rs. 21.25 respectively, while a small lot of Tezpor were dealt in at Rs. 18.50. Hattikhira were crossed at Rs. 12.75, and a small lot of Patrakola were done at Rs. 130. Hansawa declined further to Rs. 24.50, but Jayshree improved to Rs. 6.50. Baradighi were traded at Rs. 92 as were Bhatkawa at Rs. 21.13 and Hasimara at Rs. 19. Small lots of Gokikhata and Nagasura were done at Rs. 160 and Rs. 144 respectively.

The results of the Andrew Yule group of jute mills for the half-year ended last November are published below. The CHEVIOT MILLS COMPANY made a loss of Rs. 2.20 lakhs against a loss of Rs. 1.81 lakhs. Transferring Rs. 50,000 from dividend equalisation reserve, bringing in Rs. 1,397 and making other adjustments, there is Rs. 75.465. The ordinary dividend has been declared at Rs. 2 a share against nil. The carry-forward is Rs. 8.565.

The loss of the DELTA JUTE MILLS rose from Rs. 1.39 lakhs to Rs. 1.58 lakhs. Transferring Rs. 20,000 from the dividend equalisation reserve,

bringing in Rs. 2,564 and making other adjustments, there is Rs. 1,57,047. An ordinary dividend of Rs. 5 a share has been declared, against nil, leaving a carry-forward of Rs. 4,547.

The ORIENT JUTE MILLS COMPANY incurred a loss of Rs. 1.07 lakhs (Rs. 1.03 lakhs). Making adjustments and bringing in Rs. 537, there is a balance of Rs. 60,918. The ordinary dividend has been doubled to Rs. 2 a share, leaving a carry-forward of Rs. 11,036.

The CALEDONIAN JUTE MILLS COMPANY made a loss of Rs. 2.30 lakhs (Rs. 1.93 lakhs). There is again no ordinary dividend. Bringing in Rs. 1,328 and making other adjustments, the usual preference dividends have been paid, leaving a carry-forward of Rs. 20,580. The directors state that hitherto half-yearly accounts have been issued by them but this is no longer practicable in view of the provisions of the Companies Act, 1956. So yearly accounts will be issued in future, commencing with those for the year ended 30th November, 1957. This will not preclude the payment of half-yearly dividends, subject to the companies' results permitting. It is the intention to consider the payment of interim dividends in the light of the companies' results up to 31st May each year.

Providing Rs. 18,000 (Rs. 20,000) for depreciation, the profit of the BARAREE COKE CO. LTD. has declined by Rs. 68,000 to Rs. 1.51 lakhs for the half-year ended last September. Bringing in Rs. 45,399 and making other adjustments, there is a balance of Rs. 2,31,236. The taxation provision is Rs. 80,000 (Rs. 1 lakh). The dividend is cut from 6 percent to 5 percent, leaving a carry-forward of Rs. 90,370. Coke output amounted to 29,481 tons (34,200 tons) and despatches totalled 30,538 tons (32,203 tons).

The estimated net profit of the BURMA CORPORATION (1951) LTD. has amounted to Rs. 6,421 for the quarter ended last March, making a total net

profit of Rs. 254,926 for the nine months ended last March. Gross revenue was shown at Rs. 2,066,018. The operating profit has totalled Rs. 669,428. The taxation provision is Rs. 363,517. Depreciation absorbs Rs. 50,985. The capital expenditure amounted to Rs. 93,413. The marketable products of the Corporation were as follows: refined lead 10,824 tons, refined antimony lead 157 tons, refined antimony silver 866,915 fine ozs., copper 321 tons, nickel 286 tons and zinc concentrates 10,641 tons.

Bombay Market

SHARE PRICES IMPROVE AT CLOSE

REPLACEMENT BUYING AT LOWER LEVELS

Wednesday Evening.

THE Bombay stock market closed steady after irregular fluctuations during the past week. At first, prices moved up or down on speculative manipulations. Slow trading in piecemeals caused a decline in share values. Later there was a smart recovery on short-covering and replacement buying. Substantial buying of selected scrip by the Life Insurance Corporation made the technical position healthier. The outcome of the conference between the Union Finance Minister and business men in Calcutta was interpreted bullishly. Operators thought that the prevailing prices were not justified by intrinsic values in the case of a number of scrip.

Tata Steels soared to Rs. 161.50 and Indian Irons were higher at Rs. 19.20 on strong support from Calcutta interests. Alcock Ashdown recovered to Rs. 262.50 and Premier Construction improved to Rs. 147 on buying from knowledgeable quarters. There was little interest in automobile shares. Premier Automobiles were transacted at Rs. 85 and

Hindusthan Motors were freely offered at Rs. 6.80. Tata Locomotive in the engineering section were a shade higher at Rs. 142 on replacement buying.

The mill group showed widespread gains on bear-covering. Bombay Dyeing improved to Rs. 525 and Century were higher at Rs. 391. Kohinoor were taken at Rs. 273 and Svadeshi came to hand at Rs. 179.50. Simplex rose to Rs. 157 and India United Ordinary were transacted at Rs. 9.25.

Miscellaneous industrials moved up in sympathy with the general trend. Associated Cement were higher at Rs. 156 and Digvijay Cement improved to Rs. 141. Sugar shares were selectively bought, and Belapur came to hand at Rs. 218. Renewed interest was taken in steamship shares, and Scindia Steam gained at Rs. 18.15. Great Eastern Shipping were maintained around Rs. 13.20. Mining shares attracted little attention, and Shivrampur Syndicate realised Rs. 78. Bombay-Burmah recovered to Rs. 544.50 on short-covering as it was believed that the increase in agricultural income tax might not affect the company as was feared some time ago. National Rayon were higher at Rs. 208 on short-covering and Tata Chemicals gained fractionally at Rs. 16.65. Wimco were done at Rs. 152 and Tata Oil realised Rs. 43.

Banking shares were steady. Bank of India were taken at Rs. 137.50 and United Commercial Bank were offered at Rs. 54. Routine business was done in insurance shares, and New India Assurance were transacted at Rs. 42.50.

Selective interest was taken in electricity supply companies. Ahmedabad Electric were a shade higher at Rs. 93.25 and Tata Power were taken at Rs. 1,203.75.

THE WEEK'S TRANSACTIONS

(In the following list of stocks and shares in which transactions have taken place during the past week figures indicate Opening Quotations, Highest for the week, Lowest for the week, Closing Quotations. Quotations for the Corresponding Closing Date a Year Ago, the last named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paisa).

GOVERNMENT SECURITIES	
2½% Loan (1961)—Rs.	93/50—93/56—93/50—93/56.
2½% " (1962)—Rs.	93/84—93/84—93/84—93/84.
2½% U. P. Zemindary Compensation Bond (Collected)—Rs.	39/62—39/62—39/62—39/62.
3% Govt. Paper—Rs.	72/50—72/50—72/50—72/50.
3% Loan (1956)—Rs.	72/50—73/00—72/50—72/84.
3% " (1958)—Rs.	93/90—94/06—93/90—94/06.
3% " (1958)—Rs.	93/70—93/71—93/70—93/71.
3% " (1963-65)—Rs.	93/80—93/80—93/80—93/80.
3% " (1970-75)—Rs.	85/80—85/80—85/80—85/80.
3% " (1957)—Rs.	99/72—99/72—99/72—99/72.
3% " (1959-61)—Rs.	97/50—97/50—97/50—97/50.
3½% " (1964)—Rs.	97/80—97/80—97/50—97/60.
3½% " (1962)—Rs.	97/45—97/45—97/45—97/45.
3½% " (1965)—Rs.	98/12—98/12—98/12—98/12.
3½% " (1974)—Rs.	98/45—98/45—98/30—98/30.
4% " (1968)—Rs.	100/85—100/85—100/85—100/85.
4% U. P. (1967)—Rs.	97/25—97/25—97/25—97/25.
4% " (1967)—Rs.	97/90—97/90—97/90—97/90.
4% Orissa (1986)—Rs.	97/25—97/75—97/25—97/69.

BANKS	
Allahabad—Rs.	364/00—364/00—364/00—(366).
Punjab National—Rs.	55/00—55/00—55/00—55/00.
United Bk. of India (D' Share)—Rs.	4/12—4/22—4/12—4/22—(4-7).
United Commercial—Rs.	53/62—54/00—53/25—53/75—(51-8).

RAILWAY	
Dehri Rohas—Rs.	9/50—9/50—9/25—9/37—(13-10).

COTTONS	
Basanti—Rs.	5/31—5/31—5/31—5/31—(6).
Bowreah—Rs.	105/00—105/00—105/00—105/00—(168).
Bigin (Pref.)—Rs.	113/00—113/00—112/00—112/00.
Jayashree Textiles—Rs.	5/87—5/87—5/87—5/87.
Kesoram—Rs.	12/50—12/56—12/50—12/56—(20).
New Victoria—Rs.	1/53—1/62—1/53—1/62—(2-11).

COALS	
Burrakur—Rs.	22/12—22/12—21/75—21/75—(14-5).
Bengal—Rs.	203/00—205/00—203/00—203/00—(559).
Bokaro & Ramgarh—Rs.	11/50—12/25—11/50—12/25—(12-1).
Bhalgora—Rs.	4/75—4/75—4/75—4/75.
Bharat (Pref.)—Rs.	49/00—49/00—49/00—49/00.
Bhulanbararee—Rs.	13/56—13/56—13/56—13/56.
East Indian—Rs.	20/37—20/37—20/06—20/25—(33-8).
Equitable—Rs.	19/75—20/12—19/75—20/12—(31-2).
Union—Rs.	23/50—24/87—23/50—24/87—(12-4).
Western Bengal—Rs.	5/00—5/12—5/00—5/00—(7-4).
West Lalidih—Rs.	1/75—1/75—1/75—1/75.

JUTES	
Auckland—Rs.	74/00—74/00—74/00—74/00—(130).
Anglo-India (Pref.)—Rs.	97/00—97/00—94/00—95/00.
Agarpara—Rs.	7/06—7/06—6/87—7/00—(12-2).
Barnagore—Rs.	74/00—75/00—74/00—75/00—(148).
Belvedere—Rs.	72/00—72/00—72/00—72/00—(165).
Birla—Rs.	12/87—12/87—12/69—12/69.
Chandpary—Rs.	95/00—95/00—95/00—96/00.
Ganges—Rs.	46/50—47/00—46/50—47/00—(73).
Gourepore—Rs.	227/00—228/00—227/00—228/00—(289).
Do (Pref.)—Rs.	75/50—77/00—75/50—76/00.
Hastings (Pref.)—Rs.	80/00—80/00—80/00—80/00.
Howrah—Rs.	13/43—13/62—13/25—13/62—(23-11).
Hukumchand (Pref.)—Rs.	95/00—95/00—95/00—95/00.
Lansdowne—Rs.	59/00—59/00—59/00—59/00—(116-8).
Lawrence—Rs.	79/50—79/50—79/50—79/50—(115).
Nalhati—Rs.	50/00—50/00—50/00—50/00.
National—Rs.	19/70—19/75—19/40—19/70—(24-14).
Nudea—Rs.	31/25—31/50—30/75—31/00—(40).
New Central—Rs.	11/00—11/25—11/00—11/25—(17-15).
Orient—Rs.	91/00—92/00—91/00—92/00—(163).
Standard—Rs.	58/50—59/00—58/50—59/00.

MININGS	
Burma Mines—Rs.	2/28—2/34—2/28—2/30—(4-1).
Consolidated Tin—Rs.	1/50—1/56—1/50—1/56—(2-10).
Indian Copper—Rs.	3/31—3/44—3/26—3/42—(7-7).
Karanpura Development—Rs.	10/31—10/44—10/31—10/44—(25-4).
Metal Corporation—Rs.	7/06—7/06—7/06—7/06—(10-14).

Orissa Miners—Rs. 19/12—19/18—19/12—19/12—(27-13). Tavoy Tin—n.p. 00/54—00/54—00/54—00/54—(As. 13).

CEMENTS	
Assam Bengal—Rs.	5/03—5/12—5/03—5/12—(6-1).
Bengal Potteries—Rs.	2/81—3/00—2/75—3/00—(4).
Dahmia (Bharat)—Rs.	11/25—11/31—11/25—11/31—(16-14).
Do (Defd.)—Rs.	2/25—2/31—2/25—2/31.
Jaipur Udyog—Rs.	11/37—11/75—11/25—11/75.
Kalyanpur Lime (2nd Pref.)—Rs.	100/00—100/00—100/00—(100-00).
Orissa Cement—Rs.	12/87—12/87—12/50—12/62.
Sone Valley—Rs.	3/62—5/69—5/50—5/60—(8-15).

CHEMICALS	
Alkali & Chemical—Rs.	14/00—14/06—14/00—14/06—(22-8).
Do. (Right Share)—Rs.	6/50—6/50—6/42—6/42.
Do. (Renunciation)—Rs.	6/56—6/56—6/44—6/44.

ELECTRICIS	
Benares—Rs.	16/12—16/75—16/12—16/75—(18).
Blagapur—Rs.	8/12—8/12—8/00—8/00—(8-8).
Calcutta Electric—Rs.	12/00—12/06—11/69—11/75—(13-8).
Do. (Pref.)—Rs.	9/12—9/15—9/03—9/09.
Mirzapore—Rs.	6/50—7/00—6/00—7/00—(9).

ENGINEERINGS	
Arthur Butler—Rs.	7/25—7/25—7/25—7/25—(7-7).
Bharatia Electric Steel—Rs.	13/50—13/50—13/50—13/50—(17-8).
Braithwaite & Co.—Rs.	24/75—24/87—24/62—24/62—(28-8).
Britannia Eng.—Rs.	13/20—13/25—13/20—13/25—(18-15).
British India Elec. Cons.—Rs.	7/50—7/50—7/50—7/50—(10-8).
Guest, Keen Williams—Rs.	26/50—26/56—25/94—26/50.
Indian Malleable Castings—Rs.	6/56—6/62—6/47—6/62—(7-10).
Indian Iron—Rs.	18/30—19/15—18/36—19/12—(38-2).
Do. (New)—Rs.	17/09—17/90—17/06—17/90.
Do. (Pref.)—Rs.	98/50—99/50—98/00—98/00.
Jessop & Co.—Rs.	21/50—23/25—21/37—23/25—(35-6).
Kumardhubi—Rs.	8/50—8/56—8/50—8/56.
Marshall's—Rs.	4/78—4/78—4/72—4/72—(6-10).
National Iron & Steel—Rs.	7/25—7/31—7/25—7/31—(8-2).
Richardson & Cruddas—Rs.	12/75—13/37—12/75—13/25.
Do. (Pref.)—Rs.	61/00—61/00—61/00—61/00.
Steel Products—n.p.	0/69—0/69—0/62—0/62.
Textile Machinery—Rs.	16/00—16/90—15/80—16/90—(24-6).

SAW MILL	
Assam Saw—Rs.	2/19—2/19—2/19—2/19.

INSURANCES	
Concord of India—Rs.	11/89—11/89—11/37—11/56—(12-8).
New Asiatic—Rs.	3/69—3/75—3/69—3/75—(4-1).
Standard General—Rs.	5/25—5/25—5/18—5/18—(3-14).

MISCELLANEOUS	
Aluminium Corp.—Rs.	8/50—8/62—8/50—8/50—(10-7).
Angelo Brothers—Rs.	17/00—17/00—16/81—16/87—(21-12).
Bharat Commerce & Industry—Rs.	3/25—3/37—3/25—3/37.
Britannia Biscuits—Rs.	13/12—13/12—12/87—13/00—(14-14).
Balmer Lawrie—Rs.	140/00—140/00—140/00—140/00—(167).
B. I. C.—Rs.	5/55—5/90—5/55—5/80—(11-4).
Clive Row Investment—Rs.	9/81—9/84—9/75—9/84.
Calcutta Tramways—Rs.	15/56—15/56—15/56—15/56—(16-14).
Dunlop Rubber—Rs.	17/50—19/75—17/25—19/75—(30-8).
Do. (2nd Pref.)—Rs.	86/50—86/50—86/50—86/50.
Do. (Renunciation Letter)—Rs.	2/87—3/12—2/25—3/12.
Duncan Brothers—Rs.	98/00—98/00—98/00—98/00—(121-3).
F & C Osler—Rs.	4/37—4/56—4/25—4/56.
Ganges Rope—Rs.	108/00—108/00—108/00—108/00—(179).

DEBENTURES	
4% (1914-74) Cal. Port Trust—Rs.	99/00—99/00—99/00—99/00.
3½% (1956-66) Howrah Bridge—Rs.	95/12—95/12—95/12—95/12.

Hoare Miller—Rs. 6/00—6/15—5/94—6/15—(7). Hindusthan Motor—Rs. 6/30—6/81—6/30—6/81. Imperial Tobacco—Rs. 14/00—14/00—13/75—13/75—(14-14).

Indian Aluminium—Rs.	12/75—12/75—12/50—13/00.
Indian Wood Pro.—Rs.	38/25—38/25—38/25—38/25—(38-2).
Indian Cables—Rs.	21/56—21/75—21/53—21/56—(22-14).
James Wright—Rs.	3/06—3/06—3/06—3/06—(4-13).
Jardine Henderson—Rs.	73/00—73/00—73/00—73/00—(100-8).
Martin Burn—Rs.	22/75—23/19—22/75—23/19—(14-13).
Macfarlane & Co.—Rs.	3/36—3/62—3/31—3/31—(2-13).
National Carbon—Rs.	22/44—23/25—20/12—23/25.
National Insulated Cable—Rs.	20/06—20/06—20/06—20/06—20/06.
National Tobacco—Rs.	9/31—10/00—9/81—9/87—(13-5).
Do. (Pref.)—Rs.	69/00—69/00—69/00—69/00.
Osler Electric Lamp—Rs.	2/81—2/87—2/81—2/87.
Rohas Industries—Rs.	16/50—17/00—16/44—17/00—(24-1).
Do. (B Pref.)—Rs.	63/00—63/00—63/00—63/00.
Rallis India—Rs.	32/00—32/00—30/75—31/50—(45-4).
Shaw Wallace—Rs.	11/12—11/37—11/12—11/37—(15-5).
Walford Transport—Rs.	2/00—2/06—2/00—2/06—(2-2).
Western Stockholders Invest.—n.p.	0/94—0/95—0/86—0/92.

OIL	
British Burma Petroleum—Rs.	2/19—2/28—2/19—2/27—(4-7).

REAL PROPERTIES	
Bengal Bonded Warehouse ("A" Share)—Rs.	770/00—770/00—770/00—770/00—(875).
Hindusthan Building—Rs.	4/56—4/62—4/56—4/56.

PAPER MILLS	
India Paper Pulp—Rs.	19/75—20/00—19/69—20/00—(26).
Orient Paper—Rs.	23/30—24/80—22/30—24/80—(39-6).
Do. (2nd Pref.)—Rs.	64/62—64/62—64/62—64/62.
Shree Gopal—Rs.	14/25—14/25—14/12—14/25—(19-12).
Star—Rs.	9/50—9/75—9/50—9/75.
Titagarh Paper—Rs.	31/00—31/62—31/00—31/56—(44-1).

SHIPPING	
Calcutta Steam Navigation—Rs.	18/25—18/25—18/25—18/25—(18-25).
India Steamship—Rs.	9/78—10/12—9/75—10/12—(9-6).
Port Shipping—Rs.	16/25—16/50—16/25—16/50.

SUGAR SHARES	
Belsund—Rs.	10/00—10/00—10/00—10/00—(11-10).
Champanar—Rs.	14/62—20/75—14/62—20/75—(30).
Carew & Co.—Rs.	7/00—7/00—7/00—7/00—(10-6).
Dyer Meakins Breweries—Rs.	6/00—6/00—6/00—6/00.
New Savan—Rs.	4/25—4/25—4/25—4/25—(6-5).
Upper Ganges—Rs.	60/00—60/00—60/00—60/00—(94-12).

TEA SHARES	
Baradighi—Rs.	22/12—22/12—21/12—21/12.
Bateli—Rs.	24/00—24/12—24/00—24/12—(41).
Bhatkawa—Rs.	20/43—20/43—20/43—20/43.
Bishnauth—Rs.	18/81—19/12—18/62—19/12—(26-8).
Brooke Bond—Rs.	17/12—18/50—17/12—18/50—(25).
Dhe'akhat—Rs.	21/62—21/62—21/25—21/37—(22-11).
Dhunerji (Pref.)—Rs.	2/37—2/44—2/31—2/44.
Grob ("A")—Rs.	23/50—23/50—23/37—23/37.
Gungaram—Rs.	144/00—144/00—144/00—144/00.
Hattikhira—Rs.	12/75—12/75—12/75—12/75.
Hansqua—Rs.	24/87—24/87—24/25—24/25.
Hasimara—Rs.	19/50—19/50—18/87—19/18.
Hoograjuli—Rs.	29/00—29/00—29/00—29/

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1955-56 compared with 53 percent in 1950-51. These expenditure trends, and the corresponding growth of public receipts, are summed up in the table below:

	1950-51 (Accts.)	1951-52 (Accts.)	1952-53 (Accts.)	1953-54 (Accts.)	1954-55 (Accts.)	1955-56 (R.E.)
(Figures in Rs. crores)						
Non-Developmental expenditure:	505	634	549	521	642	634
(a) Revenue	476	516	522	532	547	586
(b) Capital	29	118	27	(-) 11	95	48
Developmental expenditure:	455	506	527	601	747	1053
(a) Revenue	241	252	265	300	334	435
(b) Capital	214	254	262	301	413	618
Total expenditure	960	1140	1076	1122	1389	1687
(a) Revenue	717	768	787	832	881	1021
(b) Capital	243	372	289	290	508	666
Total receipts	1018	1148	994	1045	1295	1394
(a) Revenue*	780	907	829	837	903	967
(b) Capital	238	241	165	208	392	427

*In the base year 1950-51, the revenue receipts formed 8.1 percent of national income (6.6 percent being accounted for by tax revenue and 1.5 percent by non-tax revenue). By 1955-56, the propor-

tion of revenue receipts to national income rose to 10 percent (7.9 percent tax and 2.1 percent non-tax).

Deficit financing over the first four years of the plan amounted to Rs. 241 crores. For the final year, the revised estimates show an overall deficit of Rs. 233 crores, but the actual deficit is estimated at about Rs. 180 crores, making a total of about Rs. 420 crores over the plan period. This works out to about 21 percent of the estimated actual outlay of Rs. 1,960 crores on the plan. Taxation and the surpluses of the railways contributed Rs. 752 crores, or 38 percent. Whereas the Centre raised about Rs. 175 crores over the plan period from additional taxation, exclusive of export duties which in their nature are variable, and the railways realised Rs. 100 crores from increases in fares and freights, the additional taxation introduced by State Governments during the period was of the order of only Rs. 80 crores against their target of Rs. 230 crores. The rest of the plan outlay was financed as follows: market borrowings, Rs. 205 crores (10 percent); small savings and unfunded debt, Rs. 364 crores (16 percent); other capital receipts, Rs. 91 crores (5 percent); and external assistance, Rs. 188 crores (10 percent).

The Planning Commission has cautioned against wrong conclusions being drawn from the fact that in spite of the deficit financing (and the accompanying increase in money supply by 10 percent over the plan period from Rs. 1,979 crores to Rs. 2,184 crores), prices were 13 percent lower at the end of the plan. It is pointed out that although the wholesale price index came down from 450 in March 1951 (mainly because of the American wheat loan and the bumper crops of 1953-54 and 1954-55) prices, in fact, registered a rise of 14 percent from July 1955 till the end of the plan. Moreover, the balance of payments position over the plan period was far more satisfactory than had been expected. The sterling balances were actually drawn down by only Rs. 138 crores instead of Rs. 290 crores as envisaged.

The review says: "The improvement in the food situation in 1953-54 made it possible to abandon food controls, and the satisfactory balance of payments situation almost continuously since the

second year of the plan enabled the investment programmes both in the public and in the private sectors to go through without causing any significant strain on the system. While this was a welcome development in itself, it has to be recognised that, in a sense, this situation prevented any testing out of the techniques or instruments for planned development discussed in the report on the first plan. It would be wrong to conclude that these techniques or instruments are unnecessary for planning. These problems arise only when the investment effort becomes large relatively to the resources available, and it is in such circumstances that strategic controls at certain points in the economy, to supplement the overall financial and monetary discipline implied in a plan of development, can be of material assistance in overcoming transitional difficulties."

Price Support Scheme Abandoned

The steps taken last week by the Government for arresting the rise in prices and for restraining domestic and foreign exchange expenditure are thus explained. In the first place, the curious decision taken by the National Development Council early this month, in favour of fixing minimum prices for foodgrains as an antidote to high prices, has been abandoned. In a Press note issued last Friday, the Government held out a general assurance to agriculturists that the prices of foodgrains and other agricultural commodities would not be allowed to fall below economic levels, but said that "when prices are running high, as they are at present, it is not necessary to fix and announce economic prices." Secondly, zonal restrictions have been imposed on the movement of wheat so that prices do not rise unduly even in surplus States on account of unregulated exports to deficit areas. A similar scheme for the creation of rice zones is being considered. The Governments of the principally rice-consuming States have been urged by the Central Food Ministry to issue a certain amount of wheat compulsorily along with rice from fair price shops in order to conserve the limited supplies of imported rice. The Centre's

closing stock of rice was only 85,000 tons at the end of 1956, 800,000 tons having been issued during the year. The rice import programme for 1957 is for 700,000 tons. Considering that 50,000 to 100,000 tons have to remain in the pipeline for distribution, and that it will be prudent to hold an equal quantity to meet emergencies, it is obvious that the total availability will be less this year. The Central Food Ministry has pointed that imported rice necessarily involves the expenditure of scarce foreign exchange, unlike wheat which can be had from the U.S.A. on a deferred payment basis in rupees and that even the availability of rice in the world market is limited.

Ministerial Standards of Living

In response to the criticism voiced by Congressmen at the recent A.I.C.C. meeting, against Ministerial good living at a time when the common man is being heavily taxed in the name of the second plan, all members of the Central Government have agreed to a voluntary cut of 10 percent in their salaries and allowances. The Prime Minister is moving from his present residence into a smaller house which is to be specially constructed, though he told the A.I.C.C. that this might cost the Exchequer more. Similar austerity gestures are under consideration at other high places, and are also being urged on the not-so-high.

Increasing Trade Deficits

By drawing last week the stand-by credit of \$72.5 million from the International Monetary Fund, India exhausts the whole of the credit line of \$200 million from that source which was obtained last February. The ban that has been imposed on the allowance of foreign exchange for travel abroad for health reasons, except in the case of diseases for which there is no treatment available in India, might be followed by yet more severe curbs on foreign exchange expenditure. Addressing the Export Advisory Council, Mr. Morarji Desai, Minister for Commerce and Industry, stated that India's trade deficit amounted to Rs. 210 crores during 1956 (or a monthly average of Rs. 17½ crores). This rate had now increased to a monthly average of Rs. 20 crores during January and February this year in spite of a higher level of exports. Since then, it has been announced that the excess of imports over exports during March rose further to Rs. 28.54 crores.

Indo-Afghan Trade

The reference to mutual advantage in the exchange of letters on the trade arrangement between India and Afghanistan concluded last week, is more than a courteous formality. Due to the shortage of foreign exchange, India has lately had to limit the quota of imports from Afghanistan, which amounted to Rs. 4.4 crores in value during 1955-56 and Rs. 2.9 crores between April and December 1956. The offer of facilities for the import of fruits (dry and fresh) and asafoetida to the value of Rs. 3.35 crores during 1957-58 assures Afghanistan of the Indian market for these products. India in turn stands to benefit from Afghanistan's acceptance of payment in rupees, which will be utilised for the purchase of a wide range of Indian products including light machinery and equipment. This should help increase Indian exports to Afghanistan, which amounted to only Rs. 2.1 crores during 1955-56 and Rs. 1.3 crores during April-December 1956. The arrangement closely resembles that concluded with Egypt some time ago.

London

DISCUSSIONS ON FORMATION OF ECONOMIC ADVISORY BODY

HIGH LEVEL OF U.K. EXPORTS

(FROM OUR LONDON CORRESPONDENT)

THE Government's proposals for setting up a high-level economic advisory body, about which it had discussions recently with representatives of employers, the T.U.C. and the heads of nationalised industries, were presented early last week to the representatives of the National Union of Manufacturers. That completed what was referred to as the "first round" of discussions. When the second round will take place has not yet been decided, but last week the T.U.C. Economic Committee considered the report submitted by its representatives for about three hours, and apparently came very near to rejecting the idea. Some members of the Committee, however, felt that because of their responsible positions they should give it further consideration, so it was agreed that further information should be sought from the Government on the functions, purposes and composition of the body, if and when it is appointed. The T.U.C. is far from enthusiastic, which does not promise much success for the Government's efforts.

Nevertheless, the Government's confidence in the economic outlook shows no signs of wavering, so it is instructive to examine the relevant indicators for some justification. Of one thing there can be no doubt whatever, and that is that production is again on the upgrade after the recent levelling-off period. Coal output showed a slight fall in the first week of June compared with the previous week's record, but this year's total is holding up well compared with last year. Steel output in May, on the other hand, reached the record figure of 443,200 tons a week against the previous best of 432,100 tons a week achieved in February. Over the first five months of the year, production is running at 4 percent above 1956. U.K. steel consumption in the first quarter of 1957 rose above that for the latter part of 1956, but is still 2.5 percent below the peak rate reached in the first quarter of 1956. This factor, together with a slower build-up of stocks, has enabled a substantial increase in the net export of steel to be achieved. The recent revival of unemployment has also been reversed and once again, unfilled vacancies at 233,000 are only slightly outnumbered by the wholly unemployed at 294,000. Unemployment is no more than 1.5 percent.

Trade Booming

The May trade and navigation accounts from the Board of Trade offer some encouragement as well as a warning. Exports reached the highest total ever recorded, exceeding the £300 million mark for the first time. Imports also were extremely high, and would have been a record but for the January "bunching" of ships diverted via the Cape which inflated the figures for that month. May exports, valued f.o.b., were £302,900,000 and well up on the £272,200,000 of April. The Board of Trade points out that the average for these two months is 3 percent more than the average for the first quarter, and 61 percent more than the average for April-May, 1956. But while exports have been growing at a pace that is respectable, the growth of imports has been alarming. May imports (valued c.i.f.) were £374,400,000, against £349,700,000 in April. The average for the two months is 23 percent more than the average for the first quarter, and 11 percent more than the average for April-May 1956. Thus the comparison of these two months in 1956 and 1957 shows that exports have increased by 6 percent and imports by 11 percent.

Re-exports in May were £11.8 million, leaving a trade gap of £59.7 million. This is better than the £68.9 million gap in April, but the average for the two months is still higher than the average for the first quarter, and is £21.5 million higher than the average for April-May, 1956. This is a measure of the deterioration in the visible trade position over the past year. There is some consolation in that exports to the United States and Canada continue at a high level, although the rate of increase seems to have slackened. The total to these two markets in May was £38.8 million against £44.1 million in April, and an average of £33.9 million in the first quarter.

Disappointing Stock Position

The deterioration in the visible trade balance is understandable at a time when production is rising, for imports must rise to meet stockpile requirements and do not find their way into exports until some time later. It is felt, moreover, that the balance of payments after allowing for invisibles on roughly the same basis as last year—and the position might well be even better—will show a steady credit. Some concern is being expressed on the other hand, about the rather curious features displayed by the present restocking process. Stocks in the hands of manufacturers have risen a little, but not by much. Their stocks of material and fuel, it is thought, are 1 percent higher in the first quarter, stocks of work in progress 3½ percent higher, and stocks of finished goods 6 percent higher. The increases were larger at this time of the year in both 1955 and 1956. It is disquieting that the improvement is confined to stocks in the hands of manufacturers and largely confined to stocks of finished goods and to work in progress. Stocks other than foodstuffs and fuel

held by importers and merchants fell, according to the official figures, by 13 percent in the first quarter of this year. To judge by the stagnation in the commodity markets lately, they may have fallen further since.

Capital Investment

Information from manufacturing industry received by the Board of Trade indicates that total expenditure on fixed assets during the first quarter of this year was about 10 percent higher than during the same quarter of 1956. This is a smaller increase than that during the final quarter of 1956, when fixed capital outlay was 17 percent higher than in the final quarter of 1955. Manufacturing capital outlay in 1956 was about 20 percent above 1955, and it has been forecast that the amount spent during the whole of 1957 will be about the same as in 1956. More detailed estimates will be published by the Board of Trade about the middle of next month. Expenditure on building work was nearly 25 percent higher during the first quarter of 1956. Outlay on plant and machinery was up by a little less than 10 percent, while expenditure on vehicles was about 10 percent down. It has been reported from other sources that industrial building activity is now at a record rate, because a moderate decline in contracts has made a speeding up of actual work possible.

Banks Ease the Credit Squeeze

A rise of £78 million to £2,078 million is shown in the latest quarterly analysis of bank advances. This compares with a figure of £2,189 million when Mr. Butler introduced the credit squeeze two years ago, and of £1,930 million to which it had been reduced by the banks themselves towards the end of last year. In which directions has the squeeze been eased and to what extent does it affect inflation? Between February and May, bank loans to the food, drink and tobacco industries rose by £18.3 million to £170.2 million and to the retail trade from £163.8 million to £174 million. Advances to engineering rose by £11 million to £240.8 million. After dropping during the preceding quarter from £30.6 million to £28.3 million, bank loans to hire-purchase finance companies have risen by £5.7 million to £33.9 million. Loans in the personal and professional group, the largest single category, were practically unchanged at £325.3 million, against £324.1 million. Farmers, badly hit by the squeeze, have borrowed another £10 million over the past six months to raise their outstanding loans figure to £325 million. Apart from the advances to engineering, and also to the iron and steel industry and to some extent the textile industry, both of which have raised their outtake but may be financing exports thereby, the other increases mentioned above are undoubtedly adding to the inflationary spiral to some extent. On the other hand, the banks must lose since have tired of saying "no" to potential borrowers.

Defence Bonds Conversion

Holders of 2½ percent Defence Bonds purchased between October 1947, and 31st March 1948, and which mature during the six months from 1st October this year, are to be offered conversion into 4½ percent Defence Bonds. Announcing this, the Treasury said the offer would also apply to holders of 2½ percent Defence Bonds (conversion issue) maturing on 1st November this year. Altogether, bonds worth £28½ million are involved. Holders who accept the offer will be paid the old rate of interest up to the date of exchange (which in the case of the former issue will be on the exact tenth anniversary of purchase), together with a premium of £1 for every £100 of bonds exchanged. This last payment will be made on 1st November. Full

details will be issued in a prospectus on 21st June and the list of acceptances will be closed on 22nd July. The Bank of England announcement that blocked sterling funds may now be invested in War Loan 3½ percent will be welcomed both in the City and by residents abroad. As War Loan is free of tax to residents abroad it has always been popular with foreign holders. It also has procedural advantages over other stocks, in that there are no affidavits to be signed. The current rule is that blocked sterling may be invested in sterling securities having a life of not less than five years. War Loan was presumably excluded as it could theoretically have been redeemed at any time since 1952. At its present level of £691, the possibility of redemption seems remote. The authorities, it appears, thus see no reason why they should not attract all possible buyers.

Peace in the Shipyards

In spite of the belligerency displayed by both sides in the shipyards wage dispute, commonsense has prevailed and a face-saving formula was devised at last week's meeting between the employers and the union leaders. In effect, the unions have accepted the same solution which the engineering unions agreed to earlier—an 11s a week rise with a 12-month wage freeze and negotiations to eliminate restrictive practices and to increase productivity—but it is conditioned by what the boiler-makers' leader Mr. Hill refers to as a "break clause", but which the joint statement calls "special factors may require a reconsideration of the position." It is evident therefore, that peace in the shipyards for the next 12 months depends on the spirit in which this settlement is implemented. Fortunately, for all the plain speaking in which both employers and union leaders in the industry usually indulge, basically, relationships are on a friendly footing. Order books are full at the moment, so any improvement in productivity will offer scope for expansion to the ultimate benefit of all concerned.

In these circumstances, it is questionable whether the shipbuilders here will be able to respond as much as they would perhaps like to do, to the rumoured intention of the Government of India to approach foreign shipyards for building ships during the second five year plan on a long-term credit basis. The rise in building costs has apparently resulted in the exhaustion of the Rs. 37 crores allotted for the purpose with the acquisition of only 180,000 tons against the 300,000 tons of coastal and overseas shipping which was the plan's target. It is understood that the credit basis suggested is one under which India would offer to pay 20 percent of the cost either on delivery or spread over four or five instalments during construction. The balance of 80 percent would be paid in instalments over a period of seven or eight years after delivery.

Brevities

Thos. and Jas. Harrison, Limited, and Thos. and Jno. Brocklebank, Limited, announce that the Harrison Line has transferred its interest in the trade between the United Kingdom and India, Pakistan and Ceylon to the Brocklebank Line. The first sailing was the *Makalla* from Birkenhead on 5th June.

A notice authorising the payment of the new scale of U.K. allowances for the business expenditure in the dollar area has been in the hands of banks and travel agencies since last Monday. The new rates of £18 and £12 a day are available to business applicants. The purpose for which the trip is made, and its dollar-earning potentialities as assessed by the Treasury, continue to be the criterion. The previous top rate had been £14.10s.

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Bombay

CENTRAL TAX PROPOSALS
CRITICISEDADVERSE EFFECTS ON
CAPITAL MARKET

(FROM OUR BOMBAY CORRESPONDENT)

THE Indian Merchants Chamber held an extraordinary general meeting here to discuss the implications of the recent Central Budget proposals. Addressing the meeting, Mr. G. P. Kapadia, vice-president, referred to the bold and ambitious nature of the second five year plan and stated that the strains and stresses imposed on the national economy, visible in the very first year, called for a realistic approach to the problem of implementing it. He pointed out that the overall burden of additional taxation already amounted to Rs. 175 crores and added that it was open to question whether it was within the capacity of the country to bear this abnormal burden without causing a serious dislocation in the economy. Briefly reviewing the resources available, Mr. Kapadia said that even after making due allowances for the possible increase in revenue and the fulfilment of the targets by the States of their respective contributions, there would be a substantial gap of more than Rs. 500 crores. This figure, he said, would be still higher if it is found necessary to increase the expenditure on defence. Considering the acute shortage of foreign exchange, the difficult agricultural situation and the trend of rising prices which add to the overall cost of the plan, Mr. Kapadia said that the obvious course would be to confine it strictly to development projects. He emphasised the need for the maximum possible economy and the avoidance of waste in public expenditure and for keeping non-developmental expenditure at a minimum level.

Recalling the repeated assurances given by the Government that the private sector had an important role to play in the country's development, Mr. Kapadia said that with heavier taxes, high and inflexible labour costs, restrictions on managerial discretion, excessive restraints and regulations on business and with the increasing displacement of normal trade channels, the private sector could not function efficiently. Referring to the adverse effects of taxation proposals on the capital market,

he stressed that at a time when there was a great need to nurse corporate enterprise and to encourage it, proposals of this nature had created a very difficult position since the sources of capital were drying up. Mr. Kapadia said that there was no justification for a wealth tax on companies in view of the Finance Minister's express desire to retain the bias in favour of corporate investment. He was of the opinion that the wealth tax on companies was a tax on productive capital which would not only divert productive resources from the private to the public sector but would also act as a damper on corporate investment. He, however, conceded that there might be some justification for imposing a wealth tax on unproductive capital. He submitted that since equity holdings were important in the economy, they should justifiably be treated as productive capital. He also referred to the anomalous position resulting from a duplication of tax by a levy on companies and again on individuals and families.

Taxation of Bonus Shares

In discussing the taxation of bonus shares, Mr. Kapadia pointed out that if the bias was to be in favour of corporate investment, there could be no justification for retaining the bonus issue tax. The simultaneous levy of a tax on excess distribution and on the bonus issue was unreasonable. On the question of expenditure tax, he held that before such a revolutionary measure was introduced, the country should have been given every opportunity to examine its implications and the difficulties involved in levying it. Mr. Kapadia welcomed the implied assurance by the Finance Minister in his Budget speech that he had outlined the tax structure for the plan period and that while there would undoubtedly be some adjustments in this structure from year to year, he expected that these adjustments would be relatively small and marginal in character. In the light of this observation, Mr. Kapadia stated that the business community should not only expect that there would be no further taxation but a categorical assurance could be sought to that effect. At the same time, an attempt should be made to obtain substantial modifications in the present proposals by seeking the total dropping of the expenditure tax, the wealth tax on companies, the elimination of the tax on bonus shares and the recognition of dividends as earned income.

Fall in Equity Values

Another member, Mr. Dhirajlal Maganlal, referred to the adverse effects of the taxation proposals on the capital market. He stated that during the

last few months investors had sustained a loss of about Rs. 200 crores as a result of the fall in equity values. Suggestions were made at the meeting that some of the other commercial organisations in Bombay should be approached and their co-operation sought in submitting a joint memorandum to the Government in seeking relief from some of the more burdensome provisions of the Budget proposals.

Cotton Futures Listless

The cotton futures market continued listless and the turnover last week was restricted to around 500 bales a day. The Vijay June contract remained steady at around Rs. 818 a candy with little support. There was a good demand for ready stock lots, but the volume of business was small because sellers were holding on in the expectation of better prices. Quality cottons are now scarce and some of the popular varieties have firmed. Cotton trade circles appear disappointed at the Government decision not to alter the floor and ceiling prices during the 1957-58 season. It was hoped that the floor price at least would be raised by Rs. 50 a candy.

The East India Cotton Association has asked the Forward Markets Commission to permit trading in the new crop before 25th June. There has been no response to this request so far, and it is believed that the Commission will not take any steps unless the scheme regulating delivery contracts in Sewree is finally drawn up. The Association has now ended the three-week old controversy about the Jarilla May contract by fixing the settlement price at Rs. 715 a candy. The dispute arose because on the closing day of the contract business was done at prices ranging between Rs. 680 and Rs. 750 a candy. The price now fixed by the Association represents a compromise. It is believed here that the Government of India will soon announce a 25,000-bale export quota for Bengal Deshi. This quantity is expected to be sold without difficulty to Japanese importers on the basis of present commitments. Meanwhile, on the trade is awaiting the announcement about the licensing procedure, contracting and shipping period concerning the 160,000 bales of U.S. cotton which India is importing under the Development Assistance Programme and P.L. 480. There has hardly been any trading in imported cottons because most of the mills are well stocked, while others are holding off purchases in the expectation that the prices of sterling area cottons will fall within the near future. So far, 422,476 bales have been licensed for import. Of these, 240,751 bales were from the sterling area and 181,725 bales from the dollar area. Of the sterling area cottons, 68,007 bales are from East Africa, 95,956 bales from the Sudan and 66,495 bales from Egypt.

Little Demand for Piecegoods

The cotton piecegoods market was quiet and demand from upcountry centres slackened. The situation is not expected to improve because the monsoon is traditionally a slack period. The trade fears that it will be hard put to it to dispose of present stocks. The mills, however, have fared somewhat better. Unsold stocks at the end of May are put at 261,000 bales against 292,000 bales at the end of the previous month. The output of cloth has improved and amounted to 2,285 million yards in the first five months of the year against 2,132 million yards during the corresponding period of last year. Yarn production increased from 665 million lbs to 753 million lbs. Although shipments of cloth are running at a satisfactory level, these pertain to business that was booked some time ago. There have been no fresh enquiries. The prices of some popular export varieties have dropped slightly.

Rumours about Rayon

Reports that the import quota for rayon yarn will be drastically cut for the next six-monthly period imparted some strength to the futures market, but prices failed to rise because of the poor offtake of rayon piecegoods. June delivery 120 dull cones moved between Rs. 802 and Rs. 807, but closed at Rs. 803. August delivery was quoted at a premium of Rs. 18. Staple fibre yarn improved following reports that domestic production was to be cut and that the Government was to encourage exports of the home product. June delivery 2/40 moved from Rs. 579 to Rs. 584 and August delivery from Rs. 580 to Rs. 586.

Oilseeds Fall

An all-round decline characterised trading in the oilseeds markets. The castor futures May contract opened at Rs. 178.75 and closed the week at Rs. 164.50. The spot market moved in sympathy which lost nearly Rs. 1.50 a cwt. BSS Castor oil dropped from Rs. 20.50 to Rs. 19.75 a quarter, while the commercial quality lost around 62 nP a quarter. This downward movement is attributed to the lower prices offered by U.S. importers. Indian commercial oil declined in the U.S. market from 19½ cents to 18½ cents and towards the end of the week, U.S. buyers were offering only 18 cents a lb. Groundnut futures moved in sympathy and the August delivery declined from Rs. 180.37 to Rs. 173.25. Arrivals of groundnuts and groundnut oil were somewhat slow because growers were hesitant to dispose of their stocks. Available quantities of both nuts and oils were readily absorbed by the vanaspati industry. Linseed followed the general declining trend, and the September delivery contract dropped from Rs. 30.56 to Rs. 30.44. Spot prices of linseed moved between Rs. 29.75 and Rs. 29.62, while the June-July position moved down from Rs. 30.25 to Rs. 29.62.

Uttar Pradesh

MEASURES TO EASE FOOD
SHORTAGESTEPS TO CONSERVE CEMENT
SUPPLY

(FROM OUR LUCKNOW CORRESPONDENT)

WITH the marking off of Uttar Pradesh as one of the three wheat zones in the country from which no export or import without permits is to be allowed, the State's claim to have achieved self-sufficiency in food will be put to a decisive test. It has been the State Government's contention all along that in spite of its increased production, the surplus is being drained off to Bihar. Latterly, traders from West Bengal and Bombay have also, it is reported, been operating in the prominent grain mandis. But so far as Bihar is concerned, it may be pointed out that inter-State trading in foodgrains has been a normal feature at all times, and in the absence of reliable data about Bihar's offtake from U.P., it is not possible to assess how far this factor alone is responsible for U.P.'s current food deficit.

Certain discrepancies have also been noticed in the figures of production put out from time to time by the State Government. Two years before the first five year plan was launched, food production of the State was officially estimated at about 9.5 million tons. But for the purpose of the plan, a different figure was presented. In the starting year of the first plan, namely 1950-51, the production was shown as 7.84 million tons. The earlier figure of 9.5 million tons was ignored and no word of explanation has been forthcoming till today. The production for 1954-55 has been given as 12.45 million tons, and it is stated that "this figure exceeds the plan target by nearly 3.63 million tons." In the following year, prices began to rise, partly on account of the sales tax on foodgrains. This led to a revision of production figures which were cut to 11.3 million tons in 1955-56 from 12.45 million tons in 1954-55. In the context of the current high prices, production figures have been scaled down still further and the State's Food Minister, Syed Ali Zaheer, recently went on record as saying that U.P.'s annual food production is only 10.1 million tons.

According to official sources, the State received last year 300,000 tons of foreign wheat from the Centre under the price stabilisation scheme. A claim for 25,000 tons of foreign wheat for the months of May and June is now pending before the Central Government, but whether it will be allowed in full due to the introduction of the zonal scheme remains to be seen. As part of the relief scheme in scarcity areas, the State Government is at present running 1,200 cheap grain shops in the eastern parts of U.P. Foreign wheat is sold in these shops at a subsidised rate of 2 seers 12 chattras a rupee. Although every grain market in the State has been reporting larger arrivals compared with last year, the post-harvest price of indigenous wheat remains higher than last year's by Re. 1 a maund.

Price of Churk Cement

The U.P. Government has made a renewed representation to the Government of India for a rise in the price of the cement produced at the State-owned factory in Churk, Mirzapur. It has also made a similar representation to the Tariff Commission which is now considering the question of whether a rise in cement prices is called for at the moment. The representation is backed by the plea that unless the price of cement is raised, it will not be able to operate the factory on an economic basis. When the factory first went into production in 1954, the ex-factory price of its cement was fixed at Rs. 63 a ton. In 1956, the price was reduced by the Centre to Rs. 56 a ton. In 1954-55, the factory made a gross profit of Rs. 14,95,054, representing a return of 4 percent on a capital investment of Rs. 4.33 crores. In 1955-56, when the factory worked for the full 12 months, the gross profits realised gave a return of only a little over 2 percent. The smaller return was mainly due to the lower output during the year. Whereas the factory produced 77,084 tons of cement within six months in 1954-55 at a cost of Rs. 34,46,713, for the full 12 months in 1955-56, the factory turned out 177,953 tons at a cost of Rs. 87,51,039. In other words, the cost of production in 1954-55 worked out to Rs. 44.7 a ton and in 1955-56 to Rs. 49.17 a ton. A return of 8 percent, it is claimed, is the remunerative level for such enterprises, and not 2 percent realised during 1955-56.

Meanwhile, economy measures for conserving cement supply have been launched. The Government has decided not to give cement for the construction of theatres, hotels and other luxury buildings. Hereafter permits for cement will be issued for these six categories: (1) construction of houses by the Government or co-operative societies; (2) construction of houses for residential purposes; (3) construction of houses by those whose houses have been demolished by the Government for development purposes; (4) local bodies and commercial establishments which are prepared to construct residence-cum-shop buildings; (5) construction of private residences and (6) private schools, hospitals and charitable institutions. Consequent upon the increase of excise duty on cement from Rs. 5 to Rs. 20 a ton, the f.o.r. destination price of ordinary Portland cement supplied to Uttar Pradesh by the State Trading Corporation has been

raised from Rs. 102.50 to Rs. 117.50 a ton, and that of rapid hardening cement from Rs. 115 to Rs. 130 a ton.

Secretariat Expenditure

There has been mounting criticism against the rising expenditure in the Secretariat in the last few years, in spite of numerous economy measures. The expenditure on the Secretariat (excluding that on the Head of State, Ministers and the State Legislatures), has increased from 0.683 percent of the total budget in 1946-47 to 0.9 percent in 1956-57. Between 1946-47 and 1956-57, the total budget expenditure of the State rose by about 240 percent, from Rs. 39,68,84,700 to Rs. 135,12,57,300. The Secretariat expenditure during this period rose by 350 percent, from Rs. 27,12,000 to Rs. 1,21,89,600. The cost of running only the Information Department (Rs. 35,07,800) exceeded the total Secretariat expenditure ten years ago. During this same period, the number of senior posts in the Secretariat has been nearly doubled. From 13 secretaries in 1946-47, it rose to 30 secretaries and additional secretaries in 1956-57. Half a dozen posts of joint secretaries have been created and the number of deputy secretaries has increased from 12 to 28. The Relief and Rehabilitation Department had more officers last year than in the year immediately

following Partition when the need for relief and rehabilitation was the greatest.

Re-organisation of N.E. Railway

The "divisionalisation" of the N.E. Railway in the ex-O.T. zone is likely to be held up pending the re-examination of the whole scheme by the Railway Board with special reference to the creation of four divisions instead of three in the Pandu region. The N.E. Rly. authorities in Gorakhpur declare that the "divisionalisation" will be enforced from 1st July as scheduled, but according to the general secretary of the N.E. Railway Employees Union, following a representation made by it, the Railway Minister has said that the whole scheme will be re-examined by an officer specially deputed by the Railway Board, and it will be held in abeyance pending such re-examination. The representation by the Union stated that the re-organisation of the N.E.R. was being contemplated in a manner as would cause hardship to employees and the people. A large portion of Assam would be joined up with certain portions of north Bengal in the Alipurduar division, a large portion of north Bengal with Bihar in the Katihar division and certain portions of Bihar with Uttar Pradesh in the Banaras and Lucknow divisions, necessitating a transfer of employees working in lower pay groups, from one State to the other.

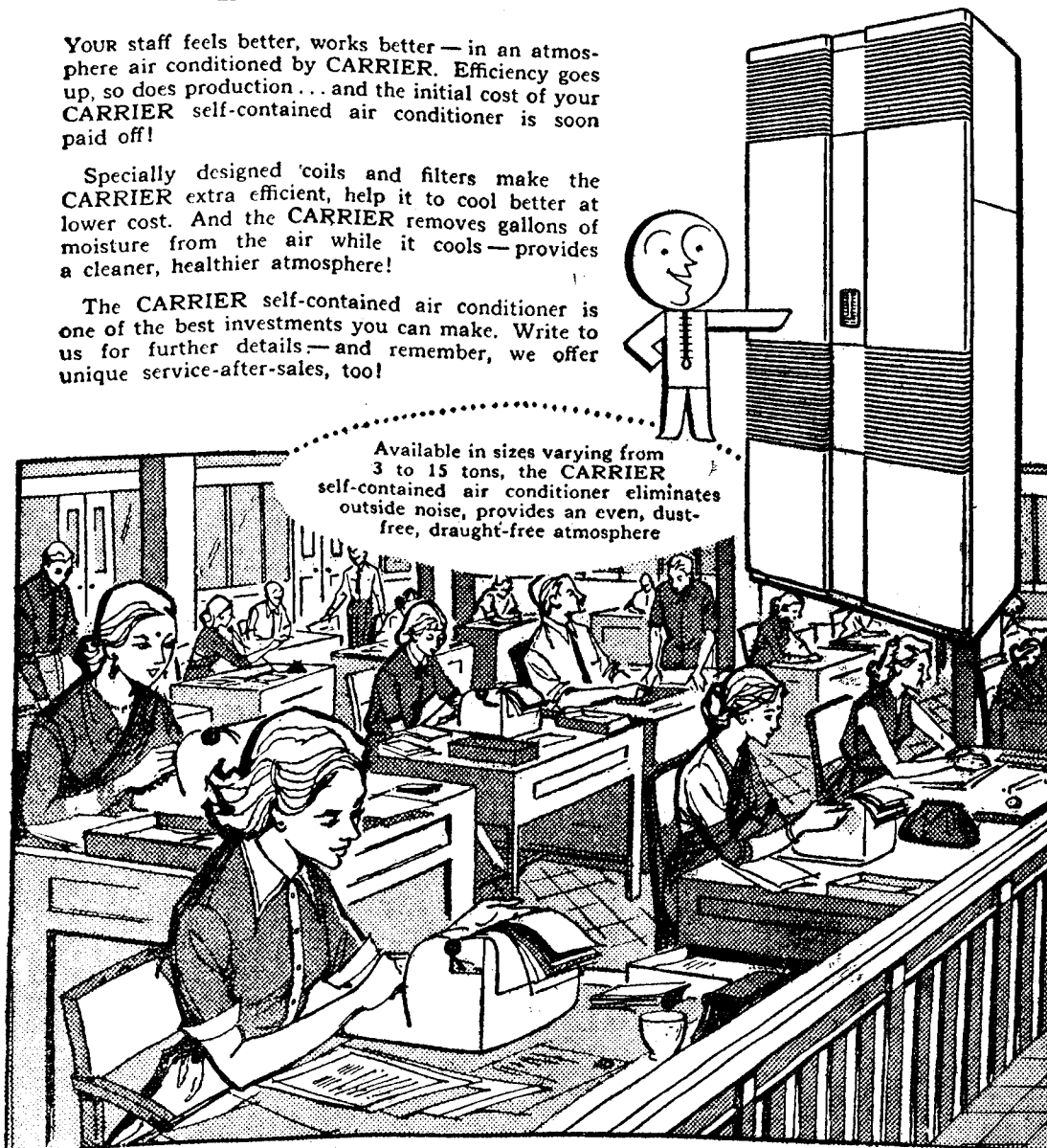
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Plantation Topics

PROTECTION FOR PLYWOOD AND TEA CHEST INDUSTRY VARYING ESTIMATES OF DEMAND

OPENING recently the public enquiry into the question of continuance of protection to the plywood and tea chests industry, Mr. K. R. Damle, Chairman of the Tariff Commission said that the scope of the enquiry covered, (i) plywood, including plywood panels for tea chests and (ii) battens for tea chests. Although many varieties of plywood are produced in the country, the one that is used for the manufacture of tea chests constitutes the bulk of production. Other varieties consist of commercial plywood, moisture resistant plywood, marine plywood, aircraft plywood, and decorative plywood used for panelling. Commercial plywood in its various uses has to face competition from certain substitutes, notably, hardboard, which is not at present produced in the country. The Commission, said Mr. Damle, had not received

sufficient information to gauge the extent of competition to commercial plywood from hardboard and other substitutes.

In 1953, the Commission estimated the then annual domestic demand for tea chests at about 5 million sets. During the present enquiry, various estimates have been received of the annual domestic demand, both current and future, for tea chests ranging from 5½ million sets to 7 million sets. The Development Wing of the Ministry of Commerce and Industry has estimated the current demand for tea chests of standard size at 5½ million sets. According to the Planning Commission, the annual consumption of plywood for tea chests based on imports and domestic production for 1955-56 may be estimated at 90 million square feet or about 5 million sets. The Tea Board has given a slightly higher estimate of current domestic demand at 6.25 million sets. The point to be noted at this stage, said Mr. Damle, was that the somewhat wide range of variation among these estimates arises not only from the estimated quantity of tea packed in a chest which is taken as the basis, but also on the estimates of production of tea with which the demand for tea chests is closely linked. The number of sets available for use on the basis of production plus imports has increased from about 3.5 million sets in 1953 to about 6.1 million sets in 1956. So far as future demand is concerned, the various estimates received also differ from each other. The Development Wing is of the view that the future demand may remain steady at the current level of 5½ million sets while the Tea Board estimates that it will rise to 6.55 million sets by 1960.

On the current demand for commercial plywood, the various estimates received range from 20 million square feet to 30 million square feet a year. The Planning Commission expects the future demand to range between 30 and 50 million square feet towards the end of 1960. The basis to be adopted in arriving at a fairly reasonable estimate of current and future demands for commercial plywood had to be ascertained, Mr. Damle said.

Progress of Industry

The industry has made good progress in recent years. In 1953, there were 67 units borne on the list of approved factories maintained by the Development Wing and their total rated capacity on single shift basis amounted to 145 million square feet or 8.2 million sets. The number of approved factories at present stands at 66, 14 of which are in Assam, 35 in West Bengal, 11 in Kerala, three in Mysore and one each in Bihar, Uttar Pradesh and Madhya Pradesh. The Development Wing has tentatively assessed the capacity of 65 units on a single shift basis at 152 million square feet or nearly 8.6 million sets. The total installed capacity of 65 units, from whom figures have been received, it appears, on a single shift basis is 211 million square feet or about 11.93 million sets.

Between 1953 and 1956, the production of plywood tea chests and commercial plywood more than doubled itself. The actual figures of production in 1953: plywood tea chests 2.82 million sets or 49.79 million square feet; commercial plywood 11.41 million square feet; total: 61.20 million square feet; 1956: plywood tea chests 5.56 million sets or 98.33 million square feet, commercial plywood 25.33 million square feet; total: 124.16 million square feet. It is encouraging to find that at present, the industry is utilising about 82 percent of its installed capacity against merely 42 percent in 1953. Self-sufficiency in plywood tea chest production, it can now be claimed, has been achieved. The amount of capital invested in the industry up to 1956 is estimated at about Rs. 3.5 crores and the industry gives direct employment to 6,425 workers a day against an estimated investment of Rs. 2.77 crores and an average daily employment of 5,653 workers in 1953.

Quality of Product

The Commission in its last report had recommended that the indigenous manufacturers should endeavour to improve the quality of their product by rigorously conforming to the standard specifications laid down by the Indian Standards Institution. Mr. Damle said, Indian standard specifications have been published for plywood tea chests and commercial and moisture-proof plywood. Under the scheme of compulsory inspection introduced by the Government in early 1954, no tea chest panels can be despatched by approved factories to the consumers unless they have been first inspected and stamped by the field officers attached to the Development Wing. The Tea Board has stated that, generally speaking, the quality of Indian tea chest is found to be not inferior to foreign tea chest. Some complaints have however been received about indifferent bonding, use of several pieces instead of one whole piece in the inside veneer and the use of unsuitable and unseasoned timber. So far as commercial plywood is concerned, this has been generally stated to be of the required quality conforming to the standard specifications laid down for the different types. Exports of tea are a valuable source of foreign exchange to India, and since packed tea has to travel long distances both within and outside the country, great importance attaches to the quality of tea chests.

Plywood including plywood panels for tea chests and battens for tea chests are assessed to duty at the rate of 31½ percent ad valorem in both the cases, which has been raised to 35 percent ad valorem by the new Finance Bill. The plywood industry has been enjoying protection for about ten years. During this period, the

industry has made considerable progress both in quantity and quality of production. It is claimed that there is sufficient internal competition in the industry, and the prices charged are reasonable considering the cost of manufacture. The industry, which is at present undergoing a phase of installation of up to date machinery has prayed for continuance of protection for a period of another five years in order to enable it to implement its modernisation plans.

NEW STATE TAXES ON KERALA PLANTERS

WORRIES OF COIR INDUSTRY

(FROM A SOUTH INDIAN CORRESPONDENT)

THE planting community in Kerala will be affected most by the taxation proposals in the State Government's Budget for 1957-58, introduced in the legislature on 7th June. Among the new taxes, those which affect the planters directly are the tax on agricultural wealth at the same rate as the wealth tax proposed in the Union Budget, the additional super-tax ranging from 1 anna to 4 annas for companies with agricultural income between Rs. 25,000 and Rs. 1,00,00,000, and the surcharge of 5 percent over agricultural income tax and super-tax. These taxes will be in addition to the agricultural income tax which has been in force in Travancore-Cochin, which will be extended to Malabar replacing the Madras Plantation Agricultural Income Tax Act. Under the Agricultural Income Tax Act of Travancore-Cochin, the planters in Malabar will have to pay more.

There has been a lot of talk about a crisis in Kerala's coir industry for the past two months or so. This is much ado about nothing. Neither the export figures nor the price movements show any serious crisis. It is understood that coir goods exports from India during March and April were fairly satisfactory. The average price of Anjengo Superior coir yarn, corresponding to which the prices of other yarns move, for the past three months was as follows: March 1957 Rs. 260 (a candy of 6 cwt.), April Rs. 257.50, May Rs. 248.50. Although these figures show a decline, it is not big enough to warrant the assumption of a slump.

The fact is that there is some sort of a temporary suspension of activity in the coir market. This has its origin in the Suez crisis. There was stockpiling in foreign countries during the Suez trouble, but since then, foreign buyers have not been placing substantial orders at the ruling prices. Once their stocks are run down, they are expected to start buying at the usual rate. Trade sources expect that they will do so, after about three months.

Government Intervention

In view of this, exporters have cut their prices. This has created some difficulties for those who depend on coir for their living. But that still does not justify Governmental intervention on an elaborate scale. The remedial measures the State Government proposes to take are inadequate to meet the situation. This is the opinion of a knowledgeable person in the coir industry. He does not think that any useful purpose will be served by convening big coir conferences such as the one held on 19th May in Trivandrum. The problems which face the coir industry require expert handling. In his opinion, the present slump, if it can be called a slump at all, is just a cyclical one. The coir industry is not unfamiliar with such occasional difficulties. It has weathered greater crises without Governmental assistance. Governmental interference and undue publicity may produce some adverse results. As long as the industry has to depend upon foreign markets, it will have to face such problems. There is a Coir Board functioning in India whose business it is to tackle these problems. The Board has not yet raised an alarm about the so-called crisis probably because the present situation is not very serious. It was only two months ago that the Chairman of the Coir Board gave an optimistic picture of the industry.

Big Supply of Cashew Nuts

Nearly 43,000 tons of raw cashew nuts from Africa have reached Cochin out of the season's estimated output of 85,000 tons. Another 15,000 tons are expected soon, which will bring the total of arrivals to 58,000 tons. The indigenous crop is estimated at the record figure of 70,000 tons. It is doubtful whether the factories in India will make a full use of this unusually large supply in view of their late beginning of work this season. The factories are working to full capacity now, although kernel prices have gone down to 47 or 48 cents a lb. Demand from the United States cannot be considered encouraging. The U.K. and France, other principal buyers, are keeping away from the market, waiting for further concessions in price. Larger supplies of almonds which enjoy a higher preference in European and American markets, are the principal reason for the lower demand for cashew kernel. As in the case of pepper, Russia and her allies in eastern Europe are placing larger orders for Indian cashew kernels.

COCHIN TEA SALES

At Sale No. 15, 900,000 lbs of tea were on offer. There was a good general demand. Low Mediums and Mediums were 5 to 10 nP easier. Black Leaf grades were fully firm. Best Liqueurings and Whole Leafs were stronger and dearer.

Jute

THE OUTLOOK FOR FIBRE SUPPLIES INACCURACY OF OFFICIAL CROP ESTIMATES

DURING May, 413,200 bales of raw jute and mesta arrived in Calcutta and at mills, including jute purchases. Of these, 386,300 bales were Indian jute and 26,900 bales were imported from Pakistan. These figures show a small but welcome increase of 37,700 bales over the arrivals in April. The arrivals from Pakistan were, however, down by 7,700 bales, while those from Indian sources were up by 45,400 bales. In May 1956, the total arrivals were 353,600 bales, of which 306,200 bales came from Indian sources and 47,300 bales from Pakistan. The total arrivals from all sources in the 11 months, July 1956 to May 1957 now stand at 5,899,600 bales, compared with 6,055,500 bales in the corresponding 11 months of 1955-56. Although the total arrivals so far in the current season are 155,900 bales lower than in the same period of last season, it is gratifying that this position has been achieved in spite of reduction of 835,800 bales in imports from Pakistan.

Government estimates of the outturn of the jute and mesta crops have now been exceeded by the arrivals and there is still one month of the season to go. There is considerable speculation as to where all this fibre has come from. Some are of the opinion that both the jute and mesta crops were under-estimated. That is quite probable as it is a notorious fact that practically throughout the history of the jute trade, Government forecasts have under-estimated the size of the crop. On the other hand, many think that the unexpectedly large arrivals are mainly due to the smuggling of Pakistani jute. An enquiry made in Pakistan some time ago showed a very wide divergence of opinion as to how much has been smuggled from Pakistan. This can easily be understood considering the length of the frontier and the impossibility of collecting statistics. Estimates can only be guesses, and that is borne out by the disparity in the estimates given by trade sources in Pakistan, which varied from 250,000 bales to 800,000 bales. An even higher figure was given by a member of the East Pakistan Government who put the figure at one million bales.

If the higher estimates are accepted, it would mean that India's efforts to increase fibre production and to become self-sufficient have gone for nothing and no one on this side of the border is likely to agree with that. The view generally accepted in India is that the increase has been mainly in mesta and that seems to be borne out by the fact that mesta has to some extent ousted jute in the Daissee districts and in Murshidabad. That is not, of course, a good thing but growers have found that, in spite of the lower price paid for mesta, it is a more profitable crop to grow. But it seems to be the general opinion that the biggest increase has been in Bihar, where both jute and mesta have been grown in areas where they were never grown before. This opinion is supported by the fact that, for some months, most imports into Cossipore have been from Bihar. Unfortunately, Bihar jute is not of very good quality and much of it is graded as jungli, but no doubt it will improve in time just as jute in other districts, formerly classed as jungli, has done.

What, then, are the prospects for supplies of fibre in the next few months? There are those who thought some time ago that, because the Indian crop had come forward quickly in unexpectedly large quantities, it would be exhausted sooner. So far that view has not been borne out and the fact that imports of Indian fibre were higher in May than in April does not lend it any credence. Naturally, imports tend to fall off at this time of the year. Last year, imports of Indian fibre in April were 383,000 bales, in May 306,000 bales and in June 254,000 bales. In July, they rose to 284,000 bales when the new crop began to come in. Because of the lateness of the sowing, we cannot expect much new crop in July this year and possibly not very much in August unless a rise in river levels enforces premature harvesting. But if we get this year even two-thirds of what arrived in these two months last year, the mills should be in a safe position. There does not, therefore, appear to be any ground for anxiety though there may be not much hope of lower prices.

THE JUTE MARKETS

Although there was a quiet spell at one stage during the past week, the markets on the whole have been steady and there appears to be a more optimistic tone. It is possible that this has resulted from the fact that the fall in prices, which many expected would occur when the rains came did not materialise. This has given the impression that the steadiness of the past month or so has not been entirely founded on the possibility of a late and short crop but has other support. Nor can it be said that the steadiness is due to bull speculation in the fatka markets for, though sentiment has been mainly bullish, there has been a bear element which has not, however, been able to exert much influence.

Manufactured Goods: After being steady up to Friday morning, the market fell on Friday afternoon and Saturday. The reason given for this was that overseas buyers were unwilling to follow any further rise in prices and that the higher prices

being quoted had checked business. Also mills showed some keenness to sell at the higher prices. On Monday morning, the market was still easy but it revived on Monday afternoon when there was good demand for hessian. The hessian position appears to be stronger than that of sacking and it is reported that, apart from overseas enquiry, there has been a good deal of covering by local shippers. Some people are inclined to the opinion that the firmness in the gunny market is due to the expectation of lower mill production in June because of the abnormally hot weather and the influenza epidemic combined with bigger shipments because of goods shut out last month being included in this month's shipment. Be that as it may, it seems more likely that foreign buying and shipper covering have been the greater influence.

On Wednesday morning, the market opened steady but eased off later. Quotations were as follows:

	June	July	July-Sept.	Oct.-Dec.
40in. 8oz.	Rs. 35.60	Rs. 35.75	Rs. 35.85	Rs. 35.55
40in. 10oz.	44.60	44.65	44.75	44.35
B Twills	117.90	118.10	118.25	117
Heavy Ceos (Plain)	119	119	119	118.25
A Twills	141	141.50	142	141.25
Liverpools	130.75	131.25	131.75	132
Cornacks	118.70	119.25	119.60	119

Raw Jute: After the buying which took place the previous week, the market was quieter on Friday and Saturday. Not much business was reported but sellers were not inclined to lower their prices. Small business was done on Thursday at Rs. 32 basis Bottoms for Assam and Northern and at Rs. 28.50 to Rs. 29 basis Bottoms for jungli white. Desai mesta was done at Rs. 31 basis and jungli mesta at Rs. 27 basis Bottoms. Pakistani Cuttings found buyers at Rs. 112 and Rs. 113. On Friday, mesta was bought at Rs. 32.25 and Rs. 32 basis Bottoms for Assam and at Rs. 29.50 to Rs. 29 for Bihar. Daissee mesta was also done at Rs. 29. The only business reported on Saturday was a small lot of new crop at Rs. 32.25 basis Bottoms for Assam jute for half August-half September shipment.

On Monday, business was done in half old-half new crop for June-July at Rs. 32 basis Bottoms, while old crop Middlewicks were done at Rs. 34.75 for white jute and Rs. 36.25 for Tossa. Deodar mesta was done at Rs. 32 basis Bottoms and Pakistani N.C.'s at Rs. 113. On Tuesday, a fair amount of business was reported in Daissee mesta at Rs. 30 basis Bottoms and in Northern white jute at Rs. 32.50 basis Bottoms. Mills continued to be active in Cossipore, where prices have been fully maintained. During the week ended 18th June, 404 wagons arrived, against 387 in the previous week and 484 in the corresponding week last year.

On Wednesday morning, the market opened steady with quotations as follows:

Indian Jute:	Landed at Mills Rs. a md. basis	Bottoms	Shipment June-July
Assam	32.50		
Northern	32.50		
Purnea Desal	32		
Purnea Jungli	25.50		
Daissee	34		One month
Assam Tossa	34		June-July
Murshidabad Tossa	33.50		
Jungli Tossa	31		
Northern ex Calcutta	32		One month
Local Packing	30.50		
Mesta:			
Assam	31		June-July
Northern	31		
Desal	30.50		
Daissee	30		One month
Murshidabad	29		June-July
Jungli	28.50		
Bimbi	F.A.Q. 29		
Pakistani N.C.'s	115	a bale	

Mofussil: Good progress has been made with sowing and it is still continuing, though the week just closing has been mainly dry. In many areas, sowing has been completed or is nearly so and the indications are that the final sowings in India will be about the same as those of last year. More rain is urgently needed.

In western districts, imports are good for the time of the year but elsewhere there is not much coming forward.

THE PAKISTANI JUTE MARKETS SUBSTANTIAL FALL IN FIBRE PRICES

(FROM A NARAYANGANJI CORRESPONDENT)

WHILE overseas prices remain more or less unchanged and the Calcutta market is fully steady in both jute and gunnies, prices in Narayanganj have fallen substantially and jute arrivals have, if anything, increased. This apparently happy state of affairs, however, does not help all sections of the trade, as might be expected. Lack of money handicaps many balers, and while buyers require jute, they are being very selective in their purchases since there is every reason to believe that many shippers will not be able to ship after

30th June. This, of course, is because no policy has been announced on jute licensing, and it is rumoured that firms, as opposed to limited companies, will not be permitted to export although they will be permitted to trade. Thus, buyers prefer to purchase from those shippers who, it is almost certain, will receive their licences. After a long time, it is now possible to do simultaneous and profitable business in the Narayanganj market. Although prices for cuttings have receded only very slightly, there is no market overseas but fair Indian demand. Export Firsts and Lightnings are required overseas and Export Firsts only are in demand here in Narayanganj. Export Hearts, however, seem to be in excess and are not required either locally or overseas. Inter-baler business during the last few days has been restricted to Export Firsts and cuttings.

New crop jute has been coming in increasing quantities and a fair proportion of it is no longer weeding but good, matured long jute. This is only chur land jute from the Dacca district, which has not suffered unduly from the lack of rains. It is highly probable that after July imports will fall off. Prices for loose jute in Narayanganj, both old and new crop, stand at Rs. 33 for B Bottoms, which are scarce, Rs. 31 for C Bottoms and Rs. 29 for X Bottoms. Kutcha bales from upcountry are still available at the same prices. In pucca bales, there are buyers of Export Firsts at Rs. 214, Export Lightnings at Rs. 203 and Export Hearts at Rs. 192. Cuttings remain at Rs. 87. Overseas prices are quoted at approximately £116 for Export Firsts, £112 for Export Lightnings and £106 nominally for Export Hearts. There is a fair demand for afloat jute at about £4 more. New crop has come down in price and sellers are offering August-September at £104. But there are few buyers.

The monsoon has undoubtedly started early this year, presumably in an attempt to make up for the earlier drought. This will undoubtedly be a great help but it is wondered whether it is not too late to be of much use to the northern areas. Fortunately, the rivers are maintaining reasonable levels. Shipments during May were extremely poor but they will be somewhat better during June. E.P.C. registrations for the whole of May amounted to 230,000 bales, which was fairly high for the time of year. Of these, more than 50,000 bales were for India, which probably reflects the short position of the mills. These figures are particularly impressive since it is fairly safe to say that none of the registrations are for shipment later than July.

The Karachi market is slightly easier, with B Twills at Rs. 131, but hessian is unchanged at Rs. 56-8. Stocks are fairly large and buying interest is limited. In the recent tender, which was for June-July-August delivery, mills have offered as far forward as October since their commitments to Karachi have been rather heavy.

Pakistani jute mills are suffering several handicaps in making overseas shipments. Buyers complain of late shipments caused by the severe shortage of inland water transport, particularly for Chalna, and by the lack of rail transport. It is surprising that rail transport should be short during the slack season for jute but empty wagons are apparently being despatched to Chittagong from Narayanganj to pick up foodgrains in preference to loading gunnies for export.

THE FOREIGN JUTE MARKETS

NO CHANGE IN FIBRE RATES

(FROM OUR DUNDEE CORRESPONDENT)

IN spite of reports that new crop prospects have been improved by rain in a number of districts where it was required, values of raw jute are remarkably well maintained. Many are now of the opinion that there is little hope of prices coming down until the new season is well on the way, but it only requires a spell of inactivity in the jute and gunny markets to make sellers change their idea. It is understood that there are several shippers who have still to cover in their sales of the fibre made some time ago and holders of the old crop jute are squeezing them. Once cover has been obtained and the new crop begins to come forward in any quantity, a reversion to lower price levels is likely.

Dundee is certain to have a long spell of quiet trading. It is expected that the President of the U.K. Board of Trade will make an announcement about the policy to be adopted to bring the prices for imported goods and those for Dundee goods nearer to each other, which, in effect, will mean that the latter will require to be reduced. At present, imported goods are only bought by the U.K. Control for distribution to consumers in the U.K., but, irrespective of the price paid, and the difference at present is very considerable, these goods are sold at the same level as that quoted for Dundee goods. Naturally, this obviates competition and gives the local producer a return which enables him to pay good wages to his workers, at least in line with those obtained by workers in other industries. It looks as if the only way in which the gap between the two prices could be lessened would be by reducing wages, to which the workers might or might not agree.

Mill Firsts are quoted at £122, Mill Lightnings at £115, Mill Hearts at £112 and grade Hearts at £105 with good Daissee-2/3 from £120 and grade £112 and grade Tossa-2/3 from £120 and grade Tossa-4 £115, June-July old crop, c.i.f. U.K. One seller is offering white jute for June-July, sellers' option old or new crop, at £1 less than those mentioned, while September-October shipment of the new crop is mentioned at £107 for Mill Firsts and £104 for Mill Lightnings. Yarns and cloth are quiet, but prices are unchanged all round.

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Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid up per Share Rs.	Market Quotations		Year of Issue	NAMES	Amount Issued in 000's Rs.	Rate per cent	Paid up per Share Rs.	Market Quotations	
					19-6-57 Rs.	A year ago Rs.						19-6-57 Rs.	A year ago Rs.
BANK.													
1901	Allahabad Bank (May Nov.)	15.00	6	100	108/50	131 1/2	1920	Birds' Investments (Dec.)	24.00	5 1/2	100	66/38	77 1/2
COAL.													
1903	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85/00	100	1895-99	British India Corporation (Feb.)	81.00	8	100	106/00	124 1/2
1896-97	Borra (June Dec.)	4.00	6 1/2	100	99/50	117	1903-50	Burn Eng. (1st & 2nd) (Feb. Aug.)	13.00	7	100	128/00	140 1/2
1901-20	Burrakur (June Dec.)	22.98	7	100	112/00	111 1/2	1909-11	Burn Engineering (Feb. Aug.)	15.00	6	100	109/00	123
1946	Burrakur (June Dec.)	4.50	6 1/2	10	7/75	82	1937	Calcutta Electric Supply (Mar. Sept.)	£19.00	5	£1	9/09	11 1/2
1895	Equitable (May Nov.)	4.00	6	100	99/00	110 1/2	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55/00	55
1931	Khas Kajora (Mar. Sept.)	1.93	5	10	3/13	3 1/2	1938	Calcutta Tramways (Jan. July)	£25.00	5 1/2	£1	7/75	8 1/2
1920	New Beerboom (Jan. July)	2.00	7	10	11/00	12 1/2	1905-24	Carew & Co. (January)	£25.00	5 1/2	£1	99/00	106
1898-99	Ondal (June Dec.)	2.00	6 1/2	100	104/00	113	1946	Cawnpore Sugar Works (Feb. Aug.)	10.00	8	100	110/00	144
COTTON MILLS.													
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	108/75	110	1937	Chrestien Mica Industries Ltd.	30.00	5 1/2	100	55/00	60
1884	Bangalore (Jan. July)	6.00	6	100	120/00	128 1/2	1945	Dacca Electric Supply (July)	6.00	6	100	88/00	90
1938	Basanti (Oct.)	5.00	6 1/2	10	7/56	7	1916	Dalmia Cement (Bharat)	3.50	6	100	101/00	133
1890	Bengal Nagpur (Apr. Oct.)	3.00	7	100	98/00	110	1935	Delhi Flour Mills (Oct.)	15.00	5	100	91/00	104
1909	Bowreah "A" (Apr. Oct.)	6.00	8	100	125/50	134	1948	Deshwarah Power Supply "B" (Jan.)	12.00	4 1/2	100	94/00	93
1909	Bowreah "B" (6 (1) Apr. Oct.)	6.00	7	100	63/50	72	1948	Dunlop Rubber & Co. Ltd.	45.00	4	100	58/00	64
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	324/37	324 1/2	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	119/00	129
1920	Buckingham & Carnatic (Jan. July)	21.30	7 1/2	100	142/75	133 1/2	1926	Dunlop Rubber "Second" (Apr.)	40.00	6 1/2	100	86/50	99 1/2
1928	Comodia (July)	1.00	7	100	115/00	125	1928-29	Eastern Distilleries (Jan. July)	£200	7	£1	17/00	17 1/2
1912	Central India (Apr. Oct.)	50.00	5	500	531/25	531 1/2	1897	Eastern Investments Ltd. (Apr.)	2.50	5 1/2	100	...	...
1912	Delhi Cloth & General (Oct.)	20.00	4 1/2	25	20/00	20	1935	General Investment & Trust (Feb. Aug.)	1.00	5	100	70/00	76
1912	Elgin (May Nov.)	11.00	8	100	112/00	135	1947	General Investment & Trust (Feb. Aug.)	1.00	6 1/2	100	61/00	66
1943	Elgin "B"	4.20	5	10	9/00	9	1946	Gillanders Arbuthnot (Apr. Oct.)	2.50	5 1/2	100	60/00	71 1/2
1919	Elphinstone (May Nov.)	25.00	7 1/2	100	90/00	87 1/2	1947	Gladstone Lyall & Co. Ltd.	15.00	6 1/2	100	61/00	73
1919	Kesoram (June Dec.)	20.00	7	100	116/00	134	1948	Godfrey Phillips India Ltd.	30.00	5 1/2	100	62/00	66
1925	Khatu Mankani (Nov.)	10.00	6	100	79/00	88	1946	Gwalior Sugar (Redeemable) (Dec.)	6.75	7	100	67/00	69
1937	Kothari (Nov.)	12.00	6	10	10/12	10 1/2	1940	Gwalior Sugar (Dec.)	5.00	7	100	67/00	69
1907	Muir (Feb. Aug.)	30.00	6	100	83/00	85	1940	Humayan Properties Ltd. (Nov.)	12.00	6	10	9/06	10
1913	New Great Eastern (Mar.)	3.00	5 1/2	200	180/00	185	1936	Indian Aluminium (Mar. Sept.)	40.00	5 1/2	100	64/00	86
1920	New Victoria (Apr. Oct.)	26.05	6	5	4/81	4 1/2	1936	Indo Burma Petroleum (Jan. July)	50.00	7 1/2	100	96/00	108
1933	Palani Andavar (Mar.)	2.00	7	50	58/50	58 1/2	1945	Indian General Navy & Railways	£244	6	£10	68/00	83
1935	Swadeshi (Bombay) (May)	15.00	5	100	105/00	115	1927	Indian Cable Co. (Nov.)	12.88	6	100	30/00	31
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	90/00	89	1899	Indian Standard Wagon (Aug. or Sept.)	1.966	5	100	127/50	140
1931	Swadeshi (Apr. Oct.)	3.00	6 1/2	100	111/25	120	1936	Indian Iron & Steel	2,09.95	5	100	98/00	108
1903	Vishnu (Apr.)	16.00	7	500	557/50	550	1946	Investment and Finance (Feb. Aug.)	2.00	5	100	70/00	76
JUTE MILLS.													
1927	Agarpara (Jan. July)	10.00	7	100	99/00	118	1945	Investment and Finance (Feb. Aug.)	2.00	6 1/2	100	61/00	68
1905	Alexandra (Feb. Aug.)	9.00	7	100	98/00	98	1937	James Wright (Jan. July)	1.30	6	50	36/00	40
1896	Alliance (Mar. Sept.)	15.00	6	100	79/00	93	1946	Jardine Henderson Ltd.	50.00	5 1/2	100	59/50	77
1917	Anglo-India (May Nov.)	40.00	7	100	95/00	112	1945	Jessop & Co.	10.00	5	100	89/00	106
1908	Auckland (July Jan.)	10.00	5 1/2	100	76/00	95 1/2	1916	Jupiter General Insurance (Sept.)	4.99	6 1/2	100	...	...
1945	Auckland (July Jan.)	15.00	4 1/2	100	56/50	74	1916	Kumardhubi Engineering (June)	12.00	5	100	100/00	102
1918	Bally (Jan. July)	20.00	7	100	103/00	106	1915	Do Fireclay & Silica (June)	2.00	7	100	115/00	116
1896	Barnagore (Oct. Dec.)	£200	5 1/2	100	107/00	114	1915	Martin Burn Ltd.	30.00	5	100	98/00	105
1906	Belvedere (Jan. July)	7.00	7	£5	101/00	109	1945	McLeod & Co.	10.00	5 1/2	100	56/00	69
1940	Bengal (June Dec.)	10.00	5 1/2	100	77/00	96	1930	McLeod & Co.	40.00	5	100	68/50	83
1919	Birds' Investments (Dec.)	23.64	7 1/2	100	96/00	103	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50	98
1896	Bowreah "A" (Apr. Oct.)	6.00	7	100	98/50	119	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	97/50	98
1934	Calcutta (Jan. July)	6.00	6 1/2	100	78/00	90	1949	Metal Box Co. of India Ltd.	30.00	6 1/2	100	91/50	98
1913	Caledonian (June Dec.)	10.00	7	100	100/00	116	1938	Midnapore Zemindary (Feb.)	8.76	5	100	91/50	92
1919	Cheviot (June Dec.)	10.00	7	100	100/00	112 1/2	1938	Mysore Chemical Mfg. (Sept.)	2.00	5	100	9/50	8 1/2
1928	Chitavalah (Mar. Dec.)	5.00	7	100	100/00	115	1930	National Insulated Cable	10.00	5 1/2	100	...	...
1900	Clive (First) (May Dec.)	8.00	6	100	71/00	91	1942	National Tobacco (June Dec.)	25.00	5	100	69/00	80
1905	Clive "A" (Second) (May Dec.)	8.00	7	100	81/00	101	1944	National Tobacco (June Dec.)	20.00	4 1/2	100	61/00	69
JUTE MILLS.													
1903-12	Dalhousie (July Jan.)	15.00	7	100	90/00	106 1/2	1946	Northern India Oil (Jan. July)	2.00	6	100	40/00	48
1897	Delta (June Dec.)	5.00	5	100	82/50	115	1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	111/25	103 1/2
1912	Empire (Jan. July)	10.00	7	100	98/00	118	1935	Premier Construction "First" (Apr.)	10.00	6 1/2	100	94/00	104
1890-98	Fort Gloster (Jan. July)	14.00	7	100	103/50	83	1936	Premier Construction "Second" (Apr.)	15.00	6 1/2	100	89/75	99 1/2
1948	Fort Gloster (2nd) (May Nov.)	7.00	5	100	69/50	118	1922	Portables (Sugar) (Oct.)	6.00	10	10	14/25	15 1/2
1911	Fort William (May Nov.)	10.00	7	100	102/00	130	1936	Ramnagar Cane & Sugar (Aug.)	4.00	6	100	100/00	108
1916	Ganges (June Dec.)	6.00	8	100	113/00	114	1933-36	Rohas Industries (April)	20.00	7	100	122/50	121 1/2
1895-99	Gouropore (June Dec.)	25.50	6	100	76/00	99	1936	Rohas Industries "B" (Apr.)	86.00	4 1/2	100	63/00	64
1935	Hastings (Aug. Feb.)	25.00	6	100	76/00	99	1944-46	Shaw Wallace & Co. Ltd.	75.00	6 1/2	100	68/00	84
1913	Hooghly (July)	11.00	10	10	80/00	100 1/2	1946	Shree Gopal Paper	7.50	6	100	116/00	125
1890	Howrah (Jan. July)	8.75	7	100	7/56	7 1/2	1946	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	87/00	95
1903-06	Howrah "A" (Jan. July)	17.50	7	100	102/00	113	1936-38	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	74/00	80
1919	Hukumchand (Jan. Dec.)	40.00	7	100	101/00	101	1906	Shree Krishna Gyanodaya Sugar "C"	10.00	5	100	78/00	86
1898-94	Kamarkhaty (Apr. Oct.)	16.00	6	100	83/00	106	1933	Smith Stanistreet (Chemists) (Nov.)	5.00	10	50	36/00	41 1/2
1900	Kankarnath (Apr. Oct.)	10.00	6	100	84/00	103	1936	South Behar Sugar (Oct.)	5.00	7	100	9/00	10 1/2
1935	Kedarnath (Mar. Sept.)	2.00	7	100	97/00	108	1933	Spencer & Co. "A" (Provisions) (Jan. July)	23.20	6 1/2	100	9/00	10 1/2
1903	Kelvin (May Nov.)	10.00	7	100	103/00	113	1936	Spencer & Co. "B" (Provisions) (Jan. July)	36.80	8 1/2	100	74/00	81
1895-99	Khardah (Mar. Sept.)	9.00	6	100	96/00	100	1928	Star Paper (Apr. Oct.)	10.00	5	100	74/00	81
1910	Kinnison (July Jan.)	15.00	7	100	102/00	112	1937	Star Paper (Apr. Oct.)	10.00	5	100	74/00	81
1910	Lansdowne (July Jan.)	15.00	7	100	102/00	112	1936	Surat Electricity (Apr.)	5.00	6 1/2	100	115/00	131
1912	Lawrence "A" (July Jan.)	5.00	7	100	99/00	113	1925	Tata Chemicals (Nov.)	60.00	5	100	98/50	117 1/2
1906-07	Lawrence "B" (July Jan.)	10.00	5 1/2	100	58/50	95	1939	Tata Hydras Electric Power (Sept. Mar.)	89.28	7	100	110/00	121 1/2
1905	Naihati (July Jan.)	7.50	7	100	88/00	123	1910	Tata Iron & Steel (First) (Nov.)	15.00	6 1/2	150	155/00	165 1/2
1945	Naihati (July Jan.)	10.00	4 1/2	100	59/00	78	1906	Tata Iron & Steel (Second) (May)	89.82	7 1/2	100	118/50	125 1/2
1917	National (May Nov.)	5.00	7	100	104/00	116	1918	Tata Power (May Nov.)	86.97	7 1/2	100	114/00	127 1/2
1939	Nellimarla (Apr. Oct.)	3.00	6	100	91/00	106 1/2	1918	Tezpur-Balipara Tram (1) (June Dec.)	2.25	6	100	135/50	146
1915	New Central (Jan. July)	33.00	7	100	97/00	112	1937						

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	19-6-57 12-6-57 A year ago	Rs.
25,50,000	27,30,536	25,05,000	3,60,797	Amalgamated	3-9	236	2,92,390	28,610	3 1/2-5 6 1/2-7 5-1	10	15/93 15/93 23 1/2	
1,00,00,000	1,90,42,914	1,60,28,795	27,23,399	Bengal P.	10-2	2	48,29,869	9,44,657	7 1/2-7 8 1/2-8 17 1/2	100	203/00 205/00 559	
4,49,350	3,08,193	70,000	2,24,303	Bengal Bhatdee	6-12	2	15,149	4,951	1 1/2-1 1 1/2-1 1/2	10	5/00 6/00 6 1/2	
2,25,000	2,48,198	5,30,654	3,64,478	Bengal Nagpur P.	6-12	2	50,568	1,07,984	Nil-Nil Nil-Nil	10	15/00 15/00 16	
15,97,000	14,16,663	6,91,475	13,52,076	Bhalgorah	9	152	8,13,899	39,978	Nil-Nil Nil-Nil	10	4/75 4/75 5 1/2	
40,00,000	68,01,474	20,23,235	32,65,320	Bharat Collieries P.	6	335	2,52,221	27,433	6 1/2-6 1/2-6 1/2	10	5/94 5/94 7 1/2	
7,15,000	15,63,291	14,29,045	68,704	Bhulanbararee	6-12	106	20,310	1,87,445	Nil-Nil Nil-Nil	10	13/56 13/56 13 1/2	
16,00,000	38,57,275	16,18,695	7,18,51	Bokaro & Ramgur	6-12	315	1,21,936	19,196	10-10 10-10	10	12/25 10/25 12 1/2	
90,92,480	1,56,88,939	24,29,026	11,60,063	Borra P.	6-12	106	2,14,682	84,207	10-10 10-10	10	16/81 16/81 25 1/2	
2,59,17,614	1,75,02,136	28,33,849	28,33,849	Burrakur P.	6-12	21	7,43,659	36,168	2 1/2-3 1/2-3 1/2	10	21/75 22/25 14 1/2	
49,97,000	34,53,430	750	3,55,990	Central India	3	166	2,45,758	9,927	2 1/2-2 1/2-2 1/2	10	5/87 5/87 7 1/2	
8,00,000	16,67,573	13,30,519	15,752	Central Kurkend P.	6-12	323	34,743	82,768	3 1/2-3 1/2-3 1/2	10	12/50 12/50 12 1/2	
6,00,000	24,00,428	1,43,676	7,32,536	Churulia	6-12	106	6,374	2,129	3 1/2-3 1/2-3 1/2	10	1/94 1/94 2 1/2	
4,240,000	4,239,113	2,313,125	4,140,348	Dhems Main	6-12	19	60,059	1,83,318	Nil-Nil Nil-Nil	10	5/75 5/75 8 1/2	
29,63,760	1,15,25,712	83,55,449	24,17,690	East Indian	5-12	19	8,87,455	82,379	7 1/2-7 1/2-7 1/2	10	20/25 24/00 33 1/2	
10,00,000	6,74,708	2,07,486	3,32,973	Ghusick & Muslia	3	307	12,979	24,844	10-10 10-10	10	20/12 24/25 31 1/2	
6,50,000	5,06,856	33,155	4,95,544	Guzdar Kajora	6-12	20	24,150	2,401	10-10 10-10	10	15/50 15/50 18 1/2	
8,00,000	3,17,780	7,25,000	7,92,425	Himiladhi	6-12	19	2,70,524	45,985	7 1/2-10 12 1/2-12 1/2	10	22/12 22/12 24 1/2	
3,50,000	6,31,290	5,06,819	1,407	Kalapanari	2-8	2	1,38,130	2,21,237	Nil-Nil Nil-Nil	10	20/00 20/00 20 1/2	
15,00,000	31,71,936	24,32,395	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil Nil-Nil	10	10/44 10/50 25 1/2	
20,00,000	24,60,896	1,77,175	26,967	Karanpura Collieries P.	2	21	2,26,982	6,965	Nil-Nil Nil-Nil	10	89/50 89/50 124	
5,00,000	10,29,544	16,00,000	11,25,332	Katras Jheriah	1-7	2	5,92,347	1,33,475	28-28 25-30	10	54/62 54/62 60 1/2	
1,38,400	6,75,099	95,900	11,80,294	Khas Kajora P.	6-12	326	49,776	1,913	.. ..	10	3/75 3/75 3 1/2	
5,65,750	10,84,977	85,000	9,560	Mundulpur	6-12	326	79,868	79,868	Nil-.. ..	10	2/25 2/25 3 1/2	
7,48,240	3,46,939	2,00,000	10,14,803	Nazira	12	347	92,517	31,201	5-5	10	6/81 6/81 10 1/2	
7,90,000	5,13,418	26,617	61,641	New Bansdeopur	3-9	5	59,011	6,071	3 1/2-7 1/2-.. ..	10	10/00 10/00 20 1/2	
17,76,230	31,15,787	20,01,762	3,78,538	New Beerbhoom P.	4-10	2	2,64,715	94,383	3 1/2-3 1/2-3 1/2	10	13/56 13/56 11 1/2	
6,00,000	11,11,646	75,000	46,881	New Manbhoom	3	202	46,201	70,222	Nil-Nil Nil-Nil	10	9/00 9/00 11 1/2	
2,50,000	7,69,623	1,75,500	10,12,916	North Damuda	1-7	306	7,954	32,184	.. ..	10	0/94 0/94 2 1/2	
1,50,000	4,42,488	2,85,192	1,53,246	North West	3-9	2	51,429	15,950	Nil-Nil	10	19/25 19/25 17 1/2	
7,50,000	1,20,000	12,19,387	23,26,757	Ondal P.	6-12	106	22,197	56,646	5-5	10	15/50 15/50 15 1/2	
8,34,000	9,21,342	10,862	4,36,015	Parasee P.	6-12	207	1,08,075	8,018	3 1/2-3 1/2-3 1/2	10	13/67 13/67 14 1/2	
15,75,000	13,39,442	16,50,000	13,39,442	Pench Valley	3-9	236	2,48,261	33,734	8 1/2-7 1/2-7 1/2	10	14/50 14/50 23 1/2	
2,50,000	2,62,403	7,500	11,500	Pure Sitalpur	6-12	5	2,008	18,381	7-7	10	6/87 6/87 9 1/2	
2,39,500	36,99,424	20,17,105	67,893	Ransegunge	3-9	79	3,67,448	23,188	2 1/2-2 1/2-3 1/2	10	11/37 11/37 11 1/2	
8,89,001	10,45,115	15,51,501	14,29,643	Rewa	6-12	236	1,44,394	15,614	7 1/2-6 1/2-8 1/2-12 1/2	10	19/87 19/87 22 1/2	
20,00,000	23,74,261	7,52,027	1,04,127	Sania	12	48	1,80,660	31,543	7 1/2-.. ..	10	12/31 12/31 14 1/2	
2,50,000	1,56,194	1,34,374	11,356	Searsale	1	353	88,009	11,078	25-30	10	5/19 5/19 6 1/2	
2,80,000	10,92,193	6,36,593	7,87,726	Sechapore P.	6-12	2	2,42,112	49,299	12/7-14 2/7-12/7-14 2/7	10	28/87 28/87 34	
8,00,000	32,624	5,29,306	6,27,757	South Kanpur	6-12	106	4,098	7,503	11-11 11-11	10	9/00 9/00 11 1/2	
17,50,000	22,79,233	10,89,693	25,008	Standard	8	21	73,000	10,407	Nil-11 11-11	10	8/12 8/12 9 1/2	
8,00,000	1,42,060	14,01,053	23,80,817	Standard	12	106	70,093	17,411	7 1/2-7 1/2-5-5	10	19/87 19/87 25 1/2	
10,00,000	15,58,087	15,075	3,910	Talcher	9	277	22,689	3,85,056	Nil	10	1/56 1/56 12 1/2	
3,50,000	4,62,009	34,079	12,886	Union	6-12	279	54,039	9,659	5-2 2 1/2-Nil	10	24/27 21/25 7 1/2	
49,98,000	33,66,550	50,000	2,17,164	Western Bengal	3	166	4,09,468	7,262	3 1/2-.. ..	10	5/00 5/24 7 1/2	
7,00,000	32,65,173	21,569	61,460	Western Jamuria	6-12	19	2,72,772	1,46,653	Nil-Nil Nil-Nil	10	8/50 8/50 11 1/2	

N=Nominal.

COTTON MILLS

Paid-up Capital Ordinary	Number of Spindles	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.		Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	19-6-57 12-6-57 A year ago	Rs.
15,00,000	14,108	356	14,62,919	1,73,478	Basanti P.	12	49	1,97,968	41,227	.. ..	10	5/31 5/31 6 1/2	
32,72,340	22,197	305	27,69,676	23,18,909	Benares P.	3-9	130	1,27,187	4,79,547	.. ..	10	0/87 0/87 3 1/2	
7,11,280	36,000	932	17,17,120	20,2,369	Bengal Luxmi	3	27	3,66,176	47,818	.. ..	10	40/00 40/00 9 1/2	
27,00,000	31,476	624	25,53,099	15,50,000	Bengal Nagpur P.	6-12	236	5,23,389	18,199	Nil	10	7/37 7/37 9 1/2	
15,00,000	88,764	641	37,54,142	22,72,583	Birla Cotton	3	22	16,69,225	2,76,936	30-30	10	30/00 30/00 95	
6,00,000	42,872	519	8,43,452	29,51,420	Bowreah P.	6-12	138	64,028	23,47,373	Nil-Nil Nil-Nil	10	105/00 107/00 168	
30,00,000	22,000	519	8,43,452	29,51,420	Cawnpore Textiles	3	25	6,73,253	36,767	10-10 10-10	10	5/50 5/50 38	
3,27,02,800	1,01,808	2,762	9,94,63,168	2,74,48,393	Delhi Cloth & Genl. P.	6	238	1,81,41,278	82,759	9-9	10	37/75 37/75 38	
19,00,000	42,944	518	40,43,861	14,42,233	Dunbar	12	138	3,26,584	3,50,335	Nil-Nil Nil-2 1/2	10	151/00 151/00 312	
63,00,000	54,000	1,200	18,99,932	9,47,056	Egton P.	9	25	45,81,868	78,754	10-10 10-10	10	17/95 17/95 28 1/2	
1,20,00,000	59,250	1,872	2,38,99,375	1,60,53,952	Kesoram P.	3	22	3,47,179	2,45,435	3 1/2-8 1/2-.. ..	10	12/56 12/56 20	
6,00,000	85,864	864	17,48,143	9,75,679	Mohini P.	12	45	9,53,316	5,158	.. ..	10	.. ..	
33,95,288	88,000	1,825	47,44,543	52,19,601	Muir P.	12	208	18,77,941	7,77,290	.. ..	10	73/50 73/50 88	
30,00,000	78,048	1,367	43,25,577	26,00,968	New Victoria P.	12	237	18,83,371	13,76,473	.. ..	10	1/62 1/62 2 1/2	
22,89,821	23,196	795	22,57,946	18,38,739	Rampooria Cotton	6	4	1,66,936	1,094	6 1/2-10	10	1Dd 1/65 1/65 11 1/2	
19,47,750	1,14,836	2,077	2,83,77,688	2,65,04,931	Swadeshi (Cawnpore) P.	12	333	43,71,826	7,09,023	7 1/2-7 1/2-.. ..	10	12/50 12/50 10 1/2	
5,00,000	..	..	..	..	Lakshmi	12	186	31,44,249	2,209	.. ..	10	140/00 135/00 220	
1,75,02,480	4,65,324	..	2,06,03,942	4,13,81,878	Madura	12	108	95,70,251	32,44,130	20-20	10	40/62 40/62 51 1/2	
12,00,000	21,858	603	8,43,189	5,85,383	Malabar Spg & Wvg	12	240	85,193	84,039	.. ..	10	109/00 109/00 115	
60,00,000	24,252	..	20,49,893	6,90,000	Mettur Industries	3	29	48,44,863	45,835	35-42 1/2-.. ..	10	313/00 320/00 532 1/2	
13,61,780	6,000	..	14,15,992	6,00,279	Mysore Spun Silk	3	142	1,753	3,985	.. ..	10	7/80 7/80 168	
20,137	Nil	..	8,36,608	6,00,000	Palani Andavar P.	3	164	87,724	3,083	.. ..	10	.. ..	
7,79,700	416	..	5,42,118	2,43,421	Sitaram Spg. & Wvg	3	164	87,724	3,083	.. ..	10	.. ..	
28,104	270	..	12,98,563	18,23,501	Vasanta P.	12	47	16,37,459	..	.. ..	10	285/00 289/00 307 1/2	

† Liquid Assets.

BOMBAY COTTON MILLS

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

Paid-up Capital Ordinary.	Number of		Net Block Account	Reserve & other Funds	Cash & Securities	NAMES OF MILLS	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until.			
	Spindles	Looms									Rs.	Rs.	Rs.		Rs.	Rs.	Rs.	Rs.
Rs.			Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	Rs.	Rs.	A year ago Rs.	
33,00,000	48,652	1,016	78,94,641	23,32,650	13,56,778	Ahmedabad Advance P.	6	269	13,76,721	17,089	5	7	12	100	145/00	145/00	200	
50,00,000	48,654	896	20,17,001	9,99,860	10,78,394	Apco	12	229	1,49,501	-2,24,486	Nil	..	..	2	2/36	2/32	233	
40,00,000	880	1,135	56,40,089	24,50,000	73,03,977	Beharwal Rameharan	12	350	4,14,858	45,946	..	..	..	100	36/00	36/00	544	
2,50,98,000	2,03,942	4,511	2,47,21,954	31,28,951	2,02,36,888	Bombay Dyeing etc.	13	199	87,16,461	2,41,566	8	10	10	250	522/00	512/50	658 1/2	
10,00,000	35,052	848	8,48,718	25,25,759	14,44,104	Bradbury P.	3	262	11,48,739	80,375	..	..	..	100	211/25	211/25	190	
20,00,000	28,848	496	26,33,370	5,00,000	58,709	Broach Fine Counts	3	43	13,78,987	11,47,692	..	..	..	..	250	..	..	
1,09,42,800	1,18,296	2,760	84,77,147	2,63,96,826	32,49,545	Century	12	22	30,09,908	63,9596	22	22	..	100	388/00	379/00	558 1/2	
46,37,500	1,15,188	2,062	92,64,620	16,12,622	46,03,866	Central India P.	6	269	37,631	28,119	2	3	Nil	100	100/00	100/00	148 1/2	
49,00,000	44,592	694	47,63,561	46,10,526	58,070	Colaba Land & Mills	12	341	12,83,292	33,88,439	..	..	..	100	63/00	63/00	80	
26,00,000	24,917	719	32,52,434	1,01,653	1,01,653	Coorla	12	58	7,46,029	1,28,751	..	..	..	100	163/00	131/50	118 1/2	
16,00,000	43,512	..	13,26,202	26,53,597	18,49,560	Dawn	12	262	2,16,576	1,07,563	..	..	..	..	50	97/50	97/50	90 1/2
34,00,000	49,164	920	8,87,007	27,92,929	26,87,929	Edward Textiles	12	260	9,18,679	30,168	7 1/2	..	..	..	205/00	255/00	325	
25,00,000	43,848	782	24,22,107	1,00,000	33,29,830	Elphinstone P.	12	59	19,96,991	49,379	..	..	..	..	50	62/50	62/50	30
40,00,000	46,072	784	22,83,234	28,21,476	43,47,258	Finlay	12	381	71,75,097	85,682	..	..	..	100	263/50	260/00	339	
39,04,700	77,966	..	19,78,309	43,25,176	23,64,706	Gokak	12	86	12,85,523	85,195	..	..	..	100	173/00	192/00	234 1/2	
50,00,000	71,672	1,387	62,00,956	97,73,336	74,563	Hind Mills Ltd P.	6	156	14,39,633	24,573	4	..	6	10	..	..	..	
12,00,000	40,856	1,116	64,14,595	68,13,239	10,79,932	Hindustan	3	305	4,27,954	5,195	..	..	..	1,000	5525/00	5,525/00	3,825	
2,00,00,000	2,48,870	6,498	4,41,45,022	3,84,70,122	31,82,629	India United	12	15	1,32,22,197	5,89,816	..	..	..	..	9/20	9/45	13 1/2	
50,00,000	47,824	1,202	70,05,490	61,57,061	4,26,274	Indian	3	305	..	..	..	..	..	100	1/58	1/56	2,27/64	
9,00,000	50,074	1,426	31,41,539	3,16,447	21,31,031	Indore Malwa United	12	103	25,31,563	9,551	6	9	..	1,000	5,215/00	5,215/00	3,830	
6,68,000	22,664	459	6,64,990	48,64,818	28,76,437	Khandesh	12	122	1,96,715	63,148	..	..	..	1,000	138/00	138/00	95	
84,000	..	..	..	..	..	..	..	..	..	..	..	..	..	250	..	..	..	
29,92,500	65,260	1,514	60,33,012	49,54,660	24,68,047	Khataul Makanji P.	6	149	4,92,850	22,865	..	..	..	100	170/00	170/00	227 1/2	
1,00,00,000	1,11,469	1,846	80,10,490	1,37,00,000	8,02,384	Kobincor	12	146	41,28,822	1,62,802	18	18	18	100	271/00	272/50	372 1/2	
32,00,000	51,972	1,213	43,20,120	67,91,510	8,07,285	Lakshmi P.	12	44	8,38,810	20,376	13 1/2	17	17	250	650/00	650/00	650	
29,59,700	36,416	551	39,80,508	19,58,081	12,15,175	Minerva	12	126	1,98,449	16,588	5	6	..	100	..	..	..	
50,00,000	52,408	1,020	74,24,442	73,15,527	9,17,444	Model Mills Nagpur	6	78	47,62,267	27,241	..	..	..	250	173/75	180/00	150	
51,75,000	71,652	1,652	59,39,038	37,05,298	31,988	Morarjee Goudaldas	6	104	17,68,613	1,41,489	14	14	15	100	210/00	210/00	245	
24,83,500	48,794	500	49,79,635	50,54,445	30,78,517	Mysore Spg & Mfg P.	2	261	49,43,379	19,401	17	12	18	50	100/00	100/00	112 1/2	
24,00,000	45,944	432	23,52,760	7,45,700	10,79,000	New City of Bombay	12	42	15,67,753	8,436	..	..	..	100	133/75	133/75	140 1/2	
30,00,000	46,884	1,029	22,77,098	7,25,444	27,32,468	New Great Eastern P.	12	42	12,49,697	1,53	..	..	..	100	200/00	209/00	255	
40,00,000	24,708	469	51,24,024	99,86,689	25,25,828	Osmanshahi	10	273	12,88,408	1,79,408	..	..	..	100	..	..	..	
48,00,000	54,244	728	53,94,222	35,02,898	1,54,21,523	Phoenix	12	119	21,027	27,380	..	..	..	100	127/50	130/00	138 1/2	
5,00,000	9,520	277	99,277	4,13,656	3,28,231	Sassoon & Alliance Silk	12	257	21,243	8,507	..	..	..	10	9/80	9/80	14 1/2	
25,00,000	60,240	1,288	47,43,324	49,94,67	45,94,67	Sassoon Spinning	12	339	22,21,695	10,145	..	..	..	10	36/50	36/50	35	
16,00,000	1,11,360	2,234	11,46,629	1,51,25,293	38,22,524	Sholapur	3	183	24,07,365	195,119	..	..	..	1,000	1225/00	1,225/00	1,925	
42,00,000	34,840	1,276	15,03,540	49,02,108	98,69,268	Simplex	12	321	50,80,610	1,53,662	..	..	..	100	157/00	162/00	219 1/2	
1,00,00,000	86,068	1,640	33,20,221	59,06,251	18,83,695	Sree Nivas Cotton P.	12	269	31,76,513	29,124	8	12	14	100	63/00	59/00	213 1/2	
65,04,200	2,000	11,79,346	1,02,71,199	1,16,81,81	12,46,58	Swadeshi P.	12	341	..	..	..	..	..	100	179/00	182/50	255	
24,00,000	61,450	1,800	1,24,07,098	61,29,614	12,43,194	Tata	12	269	18,27,543	17,925	10	16	25	41	355/00	370/00	436 1/2	
65,57,875	63,248	1,800	1,24,07,098	61,29,614	12,43,194	Swan	12	341	..	..	..	..	..	100	112/00	117/50	185	
32,00,000	54,280	1,495	56,32,160	31,89,000	31,81,227	Vishnu P	12	44	-1,55,305	16,922	4	8	8	100	41/00	41/00	54 1/2	
12,00,000	45,508	1,308	62,07,441	12,11,933	..	Western India	3	305	52,10,985	8,027	..	..	..	1,000	5,200/00	5,200/00	3,875	

MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net assets account	Reserve & other funds Premiums & Profit Share if any	Cash & securities	NAMES	Account listed	Market Agents	Net Profit including addition	Carry forward	Dividend per cent		Latest Market Quotations as available until				
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	19-6-57	12-6-57	A year ago
MININGS.															
£2,369,786 30,00,000 15,00,000 £318,088 £914,200 29,194,300 2,63,673Dd 20,00,000 £375,000	** 43,47,289 2,238,420 £276,054 2,01,884 £1,58,847 23,45,841 £445,323	£1,73,458 22,78,384 £57,484 £1,376,084 2,01,884 35,94,529 £217,487	£2,534,236 34,23,754 £112,685 £1,376,084 13,72 34,50,188 £234,022	Burma Mines Ltd. Chrestien Mica Industries Ltd F Consolidated Tin Mines Indian Copper Corporation Metal Corp P. Jirssa Minerals Development Favoy Tin Dredging	12 12 5 12 3 6-12 12	153 312 67 88 343 21 14	£608 11,97,134 £10,532 £1,299,804 -2,39,775 3,82,669 £29,959	£304 10,885 £22,218 £117,085 -5,51,131 1,00,065 -£19,118	.. 7½ 10 25 25 10-10 10-10	 7½ 45	 100 10D 25	3½ 10C 5Dd 25 100 10D 25	2/30 14/34 7/12 1/56 3/42 19/12 00/54	2/33 14/39 1/12 1/57 3/30 3/00 17/60 00/50	4¼ 17½ 9 2½ 7½ 10½ 3½ 17
CEMENT LIME SLATE ETC.															
43,14,800 70,764Dd 31,70,855 10,00,000 60,00,000 26,50,000 5,00,000Dd 15,00,000 6,00,000 75,00,000 3,22,560	41,51,412 33,23,196 25,95,360 62,91,811 77,49,749 10,81,502 59,94,174 5,41,886	21,43,429 14,32,396 27,63,242 98,26,915 72,13,925 8,62,380 22,45,000 90,081	29,64,072 1,06,702 £20,854 2,11,38,275 2,14,32 80,358 9,74,212 1,01,154	Assam Bengal Cement Bengal Potteries Sisra Stone Lime Dalmia Cement (Bharat) P. Kumardhubi Fireclay & Silica P Reliance Firebrick & Pottery Sina Valley Portland Cement Sutna Stone & Lime	3 12 3-9 12 12 2-4 12 12	90 155 21 123 21 .. 3 ..	1,70,811 8,02,004 5,47,558 56,57,135 6,05,311 10,34,349 7,88,487 1,53,603	6,44,675 12,631 20,179 2,87,995 15 18,001 41,941 24,559	.. 10 3-8½ 10 15 Nil-Nil 10-10 3½-5½ 3½-6½	 8½ .. 15 10-10 .. 133	100 1Dd 24 10 100 240 10D 10 5 10	5/12 1/25 3/00 32/00 11/31 00/56 2/31 17/00 5/60 18/00	5/19 1/25 2/50 2/00 11/31 30/56 2/19 17/00 3/65 18/00	6½ 1½ 4 40 16½ 16½ 5½ 17 25 8½ 16½	
CHEMICAL INDUSTRIES															
62,00,000 40,00,000 11,45,800A 11,08,900A 22,54,700B 4,95,000 5,00,000	1,57,65,178 99,765 56,08,902 82,695 4,60,152	84,81,273 90,000 43,35,000 69,070 11,00,929	1,53,677 37,853 1,49,08,740 15,903 3,05,878	Alkali & Chemical Corp of India Bathgate & Co. Ltd P Benzal Chemical & Pharm P Frank Ross P Smith Stanistreet P.	9 12 4 2 6	121 324 245 129 191	92,495 29,84,234 2,18,272 46,893 1,14,527	92,495 -20,65,382 11,70,500 858 1,18,397	f Nil 6 Nil 20	8 Nil 6 Nil 20	8 20 20	10 10 100 6 10	14/06 1/50 102/00 2/19 11/69	13/87 1/50 102/00 2/19 11/69	22½ 2½ 103½ 17 17
ELECTRIC LIGHTING POWERS.															
19,98,600 8,00,000 17,00,000 5,91,360 £4,262,646 6,60,040 17,51,050	47,69,341 26,70,592 87,61,162 10,96,663 £18,897,213 17,68,438 38,10,419	26,19,792 6,55,886 14,32,396 3,90,855 £7,242,380 10,34,904 1,41,598	22,94,558 4,84,369 18,49,773 3,90,855 £7,242,380 93,184 3,39,348	Agra Electric Supply Barrelly Electric Supply Benares Electric Light Power Bhagalpur Electric Supply Calcutta Electric Supply P. Cutack Electric Supply Dacca Electric Supply P.	3-8 8-12 8-12 12 12 12 12	32 32 202 202 90 202 202	3,05,504 33,784 2,57,002 39,992 1,44,138 £1,526,229 1,24,836	46,084 20,880 39,992 41,418 1,44,138 26,455 1,27,067	5-5 5-5 5-6 5-6 6 6 6	5-5 5-5 5-6 5-6 f f f	 5-...				
5,21,640 22,49,550 4,95,000 5,82,390 6,99,700 35,07,380	8,42,506 42,84,132 5,44,854 17,12,129 5,43,367 63,46,044	1,65,000 14,91,996 2,51,058 1,78,813 77,521 37,10,223	3,031 3,31,332 1,13,328 83,896 3,48,183 11,51,661	Jhansi Electric Supply Jubbulpore Electric Supply Mirzapur Electric Supply Muzaffarpore Electric Supply Muttra Electric Supply Panna Electric Supply	12 3-9 12 12 6-9 12	168 32 202 202 202 202	71,309 2,14,454 58,676 73,156 30,321 1,40,28	.. 27,527 27,759 -707 2,295 68,005 1,40,28	.. 3½-4 3½-4 Nil Nil 7½ 7½	.. .. .. .. .. .. ..	10 16 f f 10 10	8/50 12/81 7/00 5/90 10/62 10/75	8/50 12/81 7/25 5/90 10/62 10/75	91½ 14½ 9 9 11 9	
3,00,000 9,10,000 16,80,000 56,00,000 5,98,500 4,97,500	2,87,192 7,57,951 27,39,505 1,62,42,470 10,14,084 9,83,500	92,919 2,42,306 3,35,596 35,82,398 2,71,543 4,45,371	1,24,719 1,20,990 3,38,339 13,28,415 8,41,801 6,17,317	Saugor Electric Supply Shajahanpur Electric P. Silua (Jherria) Electric United Provinces Electric Upper Ganess Valley Elec. Upper Jumna Valley Elec.	6-12 9 12 3-5 6-12 3-9	32 202 21 32 32 32	1,52,744 3,95,940 11,67,217 30,48,096 3,16,274 1,08,001 11,47,555 91,787 95,08,827	1,01,965 3,95,940 11,67,217 30,48,096 3,16,274 1,08,001 11,47,555 91,787 95,08,827	2½-2½ 2½-2½ 7½ 5-5 1½-4½ 1½-4½ Nil-Nil Nil-Nil 10 10	2½-2½ 2½-2½ 7½ 5-5 1½-4½ 1½-4½ Nil-Nil Nil-Nil 10 10	10 10 10 100 16 10	7/25 13/50 24/62 36/00 6/46 13/25 7/50 305/00	6/00 14/75 24/87 36/00 6/46 13/25 13/00 305/00	7½ 17½ 28 35 8 18½ 10½ 368	
ENGINEERING & METAL.															
6,00,000 50,00,000 56,59,780 12,00,000 19,78,570 39,37,520 5,00,000 84,00,000	1,74,689 51,82,373 56,59,780 11,00,577 19,78,570 39,37,520 5,00,000 84,00,000	6,49,870 16,39,587 16,39,587 20,99,831 3,14,361 36,42,365 1,00,000 1,30,96,539	2,10,157 1,37,153 28,98,900 2,31,294 3,64,392 1,28,398 6,594 15,49,676	Arthur Butler (Muzaffarpore) P Bharati Electric Stee Braithwaite India Bridges & Roof Britannia Building & Iron P. Britannia Engineering British India Electric Cons. Burn P. (Engineering)	10 12 12 3-12 3 12 6-12 4	300 31 289 202 105 105 32 32	1,52,744 11,67,217 30,48,096 3,16,274 1,08,001 11,47,555 91,787 95,08,827	1,01,965 3,95,940 11,67,217 30,48,096 3,16,274 1,08,001 11,47,555 91,787 95,08,827	2½-2½ 2½-2½ 7½ 5-5 1½-4½ 1½-4½ Nil-Nil Nil-Nil 10 10	2½-2½ 2½-2½ 7½ 5-5 1½-4½ 1½-4½ Nil-Nil Nil-Nil 10 10	10 10 10 10 10 10 10 10	7/25 13/50 24/62 36/00 6/46 13/25 7/50 305/00	6/00 14/75 24/87 36/00 6/46 13/25 13/00 305/00	7½ 17½ 28 35 8 18½ 10½ 368	
2,00,00,000 12,50,000 21,95,070 36,94,590 5,18,37,080 3,85,00,000 1,54,00,000Dd 19,49,250 26,58,000 51,00,000 15,30,000	1,97,21,022 20,64,770 19,83,384 32,07,100 18,00,34,354 3,90,976 30,46,711 41,51,487 45,57,847 44,15,822	1,68,27,018 22,00,000 1,36,275 8,65,000 11,70,76,051 40,000 47,33,987 2,14,14,189 37,91,386 43,12,118	53,41,813 45,133 39,748 55,916 6,37,45,037 3,47,063 13,61,471 2,14,40,051 15,35,612 1,56,283	Keest Gen Williams Hooking Locketing India Machinery P. Indian Galvanizing Indian Iron & Steel P. Indian Malleable Casting Indian Standard Wagon P. Indian Steel & Wire Products Jessop & Co. P. Kumardhubi Engineering P.	12 12 6 8 8 3 3 3-22 10 11	227 288 288 32 32 20 20 20 20 20	1,53,63,802 1,72,120 83,089 5,46,700 3,54,28,108 -26,877 41,06,374 75,05,637 17,27,193 11,42,372	17,04,234 2,087 7,725 41,287 4,49,314 -82,877 24,072 9,71,508 14,130 21,425	.. 12½ Nil 10 10-10 10 10 30 30 16 16	12½ Nil 10 10 10 10 30 30 16 16	23 5 10 10 10 10 100 100 100 100	26/50 135/00 3/50 19/94 19/12 6/62 161/00 59/50 23/25 8/56	26/50 135/00 3/50 19/94 19/38 6/68 161/00 59/50 21/87 3/69	128 128 248 38½ 38½ 566 188 198 198 108	
SUGAR BREWERIES ETC.															
14,00,000 19,49,025 15,00,000 33,57,580 22,31,254 32,00,000 30,00,000 77,03,991 26,46,921 26,00,000 16,20,000 16,20,000 18,28,000	12,16,880 8,44,538 6,64,327 22,31,254 14,63,474 77,03,991 26,46,921 26,00,000 16,20,000 16,20,000 18,28,000	12,32,202 7,75,009 13,51,513 36,89,916 27,37,030 65,63,722 47,91,883 38,37,013 16,38,916 2,24,658	1,10,458 1,14,008 18,14,543 36,89,916 3,59,386 4,55,476 2,42,443 3,55,670 61,32,151 3,84,911	Saunampur Sugar Saurand Sugar Saurand Sugar P. Saurand Saurand (Sugar) P. Saurand Sugar P. Saurand Sugar Saurand Dyer Meakin (Breweries) Dyer Meakin P.	6 9 3 10 10 10 6 6 3 3 3	25 234 316 158 158 158 171 171 110 110	-37,960 9,86,373 1,94,561 14,37,922 2,63,567 12,445 8,18,131 7,26,494 17,37,748 17,00,001 -87,977	48,371 73,488 2,330 9,477 2,63,567 12,445 8,18,131 7,26,494 2,33,636 3,143 8,891	15 10 10 7½ 7½ 7½ 15 15 10 10 10	11 10 15 10 10 10 10 10 10 10 10	13/1/3 15 15 10 10 10 10 10 10 10 10	6/50 10/00 17/00 7/00 14/12 20/75 24/50 6/00 76/00	6/50 10/06 17/00 7/00 14/12 24/50 24/50 6/00 76/00	7½ 11½ 17½ 7½ 14/75 24/50 24/50 6/00 76/00	

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	19-6-57	12-6-57	A year ago
SUGAR BREWERIES ETC.															
11.00.000	6,45,722	3,75,000	10,90,564	New Savan Sugar and Gur	10	140	95,437	52,205	..	..	7 1/2	10	4/25	3/93	6 1/2
9,00,000	12,45,157	19,64,817	1,62,880	Purtabpur Sugar P.	10	25	2,94,625	20,705	7 1/2	7 1/2	7 1/2	10	17/62	17/62	15 1/2
16,59,822	26,52,127	39,30,000	4,84,150	Ramnagar Cane & Sugar P.	10	1	18,11,304	20,350	15	20	..	10	23/87	23/87	26
19,38,600	39,68,563	39,68,518	13,92,815	Raza Sugar P.	10	92	10,78,193	3,144	..	..	..	10	..	..	..
5,30,000	6,07,238	7,72,778	3,77,846	Ryan Sugar P.	10	25	4,21,492	13,204	5	Nil	17 1/2	10	21/50	21/50	20 1/2
11,39,000	21,07,973	19,42,074	40,572	Samastipur Central Sugar	10	25	33,558	3,594	5	Nil	Nil	10	11/50	11/50	13 1/2
40,00,000	72,49,554	19,00,000	1,12,477	Shree Krishna Jyodaya Sugar P.	10	335	8,85,387	16,381	15	17 1/2	10	10	9/50	9/50	13 1/2
7,94,500	13,34,458	11,35,175	11,14,988	Shree Sitarang Sugar	10	146	1,90,957	7,991	..	..	..	10	13/00	13/00	15 1/2
9,99,950	14,69,227	26,825	75,569	Sitalpore Sugar	10	94	77,391	-4,25,477	Nil	Nil	Nil	10	4/37	4/37	4 1/2
16,00,000	6,07,804	7,99,778	4,22,572	United Provinces	10	341	4,23,880	39,061	12 1/2	..	..	10	13/50	13/50	20 1/2
8,00,000	47,67,060	29,24,348	3,58,383	Upper Ganges Sugar P.	10	316	12,95,211	32,829	25	25	30	10	60/00	70/00	94 1/2
14,00,000A	14,24,746	23,74,426	10,72,324	Upper India Sugar	10	302	16,80,986	88,393	15	20	..	100AC	280/00	280/00	280
7,00,000B												12 1/2BC	28/50	28/50	28 1/2
MISCELLANEOUS															
8,00,000	2,20,232	1,56,290	9,53,526 1/2	A Firpo (Restaurateurs)	10	85	84,518	4,475	..	..	..	10	4/19	4/19	4 1/2
1,50,000	1,40,30,394	6,21,115	51,361	Air India Ltd.	12	269	-6,02,785	-14,30,401	..	..	..	100	..	..	..
2,00,00,000	2,38,39,654	68,31,534	50,022	Air India International Ltd.	12	322	-10,51,340	30,205	..	..	..	100	..	..	..
47,50,000	3,08,51,605	17,00,000	16,26,711	Aluminium Corp. P.	10	132	25,21,116	1,16,199	Nil	Nil	5	100	8/50	8/50	10 1/2
20,00,000	42,38,502	14,30,000	54,97,530	Anderson Wright, Ltd. P.	12	18	-89,042	18,284	7 1/2	Nil	..	24Dd	4/50	4/50	2 1/2
30,00,000	11,39,552	39,18,823	14,94,091	Angelo Bros.	10	268	15,15,199	3,35,874	12 1/2	20	20	10	11/50	11/50	11 1/2
30,00,000	18,62,280	15,70,000	98,451	Assam Match	12	274	10,24,478	1,72,873	12 1/2	12 1/2	12 1/2	10	16/87	16/81	21 1/2
13,99,998	21,25,815	28,30,285	64,182	Assam Saw Mills & Timber	10	21	-97,045	-5,14,537	Nil	Nil	..	3	20/37	20/37	19 1/2
20,00,000	61,61,507	23,00,000	61,84,907	Associated Hotels of India P.	10	204	8,82,993	32,683	2	4	12	10	2/19	2/21	7 1/2
80,01,400	35,50,000	1,09,53,000	1,12,08,422	Balmer Lawrie & Co.	12	304	32,12,152	5,03,129	13	12 1/2	..	100	140/00	142/00	167
12,00,000	2,55,804	8,49,890	4,52,019	Bangar Coke	3-9	128	2,19,706	45,399	7 1/2	7 1/2	6	100	14/87	14/87	194
6,00,000	76,411	Nil	30,72,471	Bengali Timber Trading P.	10	128	-4,34,164	-1,19,103	..	..	..	100	41/00	41/00	194
50,00,000	19,53,822	Nil	19,59,359	Bharat Airways Ltd.	10	22	-3,19,589	-3,19,229	..	..	..	100	41/00	41/00	194
80,00,000	72,55,085	31,11,814	66,98,956	Birds Investments P.	10	160	4,59,013	37,312	12 1/2	12 1/2	..	10	5/25	5/25	5 1/2
45,97,020	13,98,796	11,18,775	2,09,476	Britannia Biscuit P.	10	50	8,14,261	1,79,277	10	10	10	10	13/87	13/87	17 1/2
22,50,000	59,89,738	1,18,60,524	3,38,373	British Ceylon Corporation P.	12	4	27,75,295	1,85,955	..	..	..	7 1/2	9/00	13/06	10 1/2
8,25,00,000	59,89,738	1,18,60,524	2,50,83,859	British India Corporation P.	12	33	-30,23,938	-27,36,584	1 1/2	Nil	..	5	5/80	9/00	11 1/2
82,50,000A	2,16,659	3,24,161	6,46,589	Calcutta Gas Co. (Propr.) Ltd. P.	10	235	60,996	1,550	5	6	5	10A	6/50	6/50	8 1/2
32,50,000B	5,92,780	2,04,684	1,02,376	Calcutta Silk Manufacturing P.	3-9	213	45,711	22,586	..	..	Nil	10B	4/12	4/12	4 1/2
90,00,000	17,11,146	80,09,268	2,06,11,689	Duncan Brothers & Co. Ltd.	12	169	43,51,864	4,97,914	12	11	..	100	98/00	100/00	121 1/2
6,00,00,000	3,06,30,528	54,08,614	35,55,133	Dunlop Rubber Co. (India) P.	12	96	10,24,457	13,24,595	15	15	15	100	10/75	17/62	30 1/2
51,26,000	14,01,811	1,72,19,436	1,72,19,436	Eastern Investments Ltd. P.	12	21	11,20,034	32,976	9	9	9	100	102/00	102/00	146 1/2
75,00,000	13,79,357	4,33,826	1,02,21,271	F & C Osler (India) Ltd. P.	10	84	-4,26,249	-5,26,994	..	..	..	10	4/56	4/06	-147 1/2
90,00,000	12,88,300	21,97,641	86,55,360	French Motor Car	10	51	8,97,594	1,26,757	12 1/2	12 1/2	..	20	21/87	21/87	20 1/2
14,00,000	14,92,000	10,02,000	11,384	Ganges Rope	3-9	19	89,571	27,194	7 1/2	7 1/2	..	100	108/00	104/00	179
2,50,000	33,54,049	53,17,330	1,08,48,711	General Investments Trust P.	10	357	18,384	12,435	2 1/2	2 1/2	3 1/2	75	43/00	43/00	143
65,00,000	27,68,049	5,00,324	12,84,357	Gillanders Arbuthnot & Co. Ltd. P.	10	105	30,03,640	89,541	7 1/2	7 1/2	14	16	11/31	11/31	13 1/2
20,00,000	31,09,479	8,87,000	1,18,929	Gladstone Lathi & Co. Ltd. P.	12	209	7,02,792	34,255	..	..	..	10	..	..	..
40,00,000	32,90,010	17,22,203	6,22,424	Greedy Phillips (India) Ltd. P.	12	310	2,23,734	13,04,513	10	20	20	10	23/50	23/50	24 1/2
10,00,000	17,38,764	1,61,173	9,221	Great Eastern Hotel	10	225	5,30,579	16,373	..	..	..	250	226/00	226/00	240
35,20,000	30,42,899	20,00,000	19,08,958	Hindustan Ice & Cold Storage	10	..	43,377	24,274	5	..	..	5	1/25	1/25	1 1/2
15,16,00,000	7,42,66,394	1,88,86,788	5,59,32,187	Hoare Miller & Co. Ltd.	12	294	2,05,330	1,33,076	Nil	Nil	..	10	6/15	7/56	1 1/2
2,01,10,000	2,83,61,126	55,27,500	1,88,406	Imperial Tobacco	10	325	3,66,59,515	24,94,274	..	..	..	8	13/75	14/00	7 1/2
1,52,99,220	1,27,87,878	1,37,00,000	11,88,406	Indian Aluminium Co. Ltd. P.	12	293	42,73,225	7,97,410	Nil	8	10	10	13/00	12/75	14 1/2
5,00,00,000	22,07,260	2,21,285	11,69,467	Indian Cable P.	10	34	1,21,59,493	32,04,214	10	12 1/2	15	100	21/56	21/69	22 1/2
1,25,00,000	7,44,398	5,38,000	17,67,876	Indian National Airways	12	93	36,302	-12,62,971	..	..	..	100	8/12	8/12	5 1/2
6,27,970	4,64,735	18,15,487	10,03,705	Indian Rubber Manufacturers P.	10	173	1,79,618	32,616	5	..	..	10	00/50	00/50	5 1/2
50,00,000	4,64,735	2,55,728	12,78,254	Indian Wood Products	3-9	88	17,28,038	2,76,619	27 1/2	30	..	10	27/00	27/00	13 1/2
80,00,000	15,362	4,46,244	3,20,757	Investments and Finance P.	2-8	21	27,880	1,001	2 1/2	2 1/2	3 1/2	100	38/25	38/50	38 1/2
2,40,000				Ivan Jones Ltd.	9	194	1,39,321	36,496	..	..	..	2	65/00	65/00	65 1/2
6,87,500D	2,16,659	3,24,161	64,65,89	James Wright P.	12	281	60,996	1,550	5	6	5	10	3/06	3/12	4 1/2
1,17,500Dd	51,37,813	57,00,000	4,02,27,618	Jardine Henderson Ltd. P.	10	39	31,24,445	5,11,852	7 1/2	7 1/2	7 1/2	100	00/62	00/62	1 1/2
6,34,000D	3,17,366	6,02,358	3,21,617	Macfarlane & Co.	10	133	-14,078	-4,849	..	..	..	100	73/00	74/50	100 1/2
66,300Dd												100	3/31	3/06	2 1/2
1,50,00,000	88,50,000	63,33,428	2,57,13,417	Macneil & Barry Ltd. P.	10	334	52,06,340	6,31,124	..	..	..	100	00/46	00/46	..
1,43,96,500	35,89,183	69,82,796	2,07,03,941	Martin Burn Ltd. P.	10	309	93,42,590	2,70,207	13 1/2	18 1/2	21 1/2	100	23/19	22/75	24 1/2
40,00,000	37,46,252	80,86,900	2,72,14,736	McLeod & Co. P.	12	282	31,91,900	2,57,234	12	17 1/2	..	100	240/00	240/00	240
5,00,000D												100	..	..	..
1,15,00,000	1														

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	18-6-57 11-6-57	Rs.
CEMENT												
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8 10 10	100	155/00 154/75	196 1/2
ELECTRIC LTG. POWER												
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6 5 6	100	93/25 93/75	96 1/2
2,92,83,500	4,18,62,358	62,34,507	65,30,599	Andhra Valley Power Supply P.	6	267	46,19,171	23,735	7 7 7	1,000	1,185/00 1,200/00	1,210
1,74,99,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7 7 7	100	103/50 104/50	112 1/2
38,08,200	17,49,053	4,75,322	14,87,557	Poona Electric Supply P.	12	229	3,85,015	..	.. ..	100	123/00 123/00	146
1,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro Elec. Power Sup. P.	6	267	37,75,587	21,171	7 7 7	100	120/00 121/50	129
5,02,78,750	9,98,37,405	1,41,56,578	1,29,22,549	Tata Power P.	6	267	77,32,961	27,952	7 7 7	1,000	1,203/75 1,213/75	1,276 1/2
ENGINEERING & METAL												
33,42,200	17,06,292	44,16,374	1,54,03,311	Alcock Ashdown	12	268	8,79,666	1,35,829	12 12 12	100	262/50 263/75	355
6,00,000	23,941	4,53,904	59,338	Jost's Engineering	3	115	62,291	1,530	5 5 5	50	66/00 66/00	98
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Toubro P.	3	351	14,60,736	28,740	10 10 10	10	15/10 15/10	133 1/2
40,95,100	81,25,753	2,02,500	49,033	Machinery Mfgs. Corp. Ltd. P.	3	330	2,02,006	64,676	Nil Nil Nil	100A	76/00 76/00	96 1/2
1,10,00,000	15,00,978	16,66,194	7,06,260	McKenzie's	7	283	1,49,083	64,933	.. ..	100	147/00 143/00	188 1/2
2,50,000	5,834	1,00,53,052	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25 5/6 28 1/3	300	140/50 137/00	150 1/2
1,31,250	5,90,52,365	1,17,73,382	23,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil Nil 6	100	160/50 156/75	204 1/2
4,20,00,000	32,44,07,755	16,63,05,536	12,34,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14 14 14	750	160/50 156/75	204 1/2
INSURANCE COMPANIES												
20,00,000	..	23,84,913	95,96,033	British India General	12	297	4,24,629	1,18,606	.. ..	10	13/37 13/37	13 1/2
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	.. ..	100	350/00 350/00	875
8,46,120	..	36,33,999	46,38,893	Indian Mercantile	12	75	..	1,13,109	.. ..	20	45/50 45/50	45 1/2
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Jupiter General P.	12	55	38,951	4,65,311	Nil ..	15	7/00 7/00	9 1/2
1,06,81,590	..	1,68,81,793	27,25,18,952	New India	12	179	43,58,653	71,250	16 2/3 ..	15	43/50 43/50	47
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	298	..	..	.. ..	200	3,775/00 3,775/00	3,855
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10 ..	10	15/60 15/60	15 1/2
MISCELLANEOUS												
90,79,065	31,95,468	3,97,409	12,61,996	Air Service of India	6	336	-15,61,405	-37,22,790	.. ..	15	.. ..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	.. ..	50	218/00 212/1/2	238
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16 21	125	540/00 536/50	550 1/2
42,00,000	1,21,04,053	31,74,431	31,14,908	Bombay Steam Navigation P.	6	256	4,54,215	30,135	.. ..	25	200/00 200/00	265
5,57,00,000	3,51,93,454	1,03,93,754	98,20,769	Hindustan Lever	12	91	2,23,86,720	94,17,000	.. ..	12 1/2	19/60 19/60	..
99,99,250	13,82,957	19,47,390	1,28,40,992	Industrial Investment Trust	12	299	6,81,909	2,83,136	4 4	100	75/50 75/50	72
11,99,900	7,34,142	7,34,142	14,05,223	Kemco (Chemists)	12	352	53,19,604	5,72,076	10 ..	200	197/50 197/50	215
1,57,71,400	5,74,05,779	1,81,13,445	2,99,042	National Rayon Corp.	12	352	53,19,604	5,72,076	10 ..	100	205/75 215/50	213 1/2
9,39,98,060	17,79,33,192	9,13,12,101	7,89,08,135	Scindia Steam Navigation	6	198	38,40,822	5,62,020	2 2 2	5	17/95 17/30	18 1/2
1,00,000	36,65,283	70,25,000	20,63,143	Shivrajpur Synd. (Manganese)	11	146	38,67,824	9,485	80 80	10	78/00 76/75	109
1,39,95,991	2,25,39,547	13,22,272	4,37,991	Tata Chemicals P.	6	209	16,84,488	34,425	Nil Nil 7 1/2	10	16/55 16/20	19 1/2
70,07,475	75,25,791	34,08,586	22,83,813	Tata Oil P.	3	259	3,00,466	11,453	9 8 12	25	43/00 41/50	56 1/2
2,75,00,000	1,53,25,785	1,35,45,822	1,27,74,419	Western India Match	12	274	67,12,994	5,02,238	11 11 11	100	152/00 153/00	186 1/2

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Managing Agents	Net Earning	Carry Forward	Dividends per cent	Paid-up per Share	Latest Market Quotations as available until	A year ago
Rs.	Rs.	Rs.				Rs.	Rs.	1954 1955 1956	Rs.	19-6-57 12-6-57	Rs.
CALCUTTA											
17,24,000	20,71,727	2,24,092	Ahmedpur Kutwa S.S.G.	3	165	99,888	..	2 1/2 2 1/2	100	60/00 60/00	58 1/2
21,69,300	33,40,889	6,00,702	Arrah Sasaram D.B.G.	3-9	32	2,57,676	33,735	3-3 3-3	100	67/50 67/50	73
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,607	..	2 1/2 2 1/2	100	31/75 31/75	57 1/2
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	.. ..	100	10/00 10/00	10
17,80,000	21,78,700	2,20,877	Burdwan Cutwa S.S.G.	3	165	78,839	..	2 1/2 2 1/2	100	59/00 59/00	57 1/2
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3-9	32	62,834	10,849	11-11 11-11	100	51/00 51/00	53 1/2
4,75,000	3,20,049	4,75,000	Cherra Chhatka Ropeway	3	88	7,072	9,917	.. ..	5	4/88 4/88	7 1/2
2,47,650	2,75,015	65,025	Darjeeling Ropeway	3	101	18,097	4,549	2 1/2 2 1/2	10	6/00 6/00	7
22,50,000	62,20,813	13,52,600	Dehri Rohtas	3	335	6,42,311	37,814	7 10-12 12 1/2	10	9/37 11/25	13 1/2
11,49,700	20,10,943	1,68,140	Futwah Islampur S.S.G.	3-9	32	-33,016	5,917	99-1 1-1	100	31/75 31/75	53 1/2
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3 3-3	100	51/00 51/00	53 1/2
6,00,000	13,87,138	4,43,410	Howrah Sheekhala D.B.G.	3-9	32	28,627	20,122	3-3 3-3	100	65/00 65/00	37
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	-1,99,473	..	2 1/2 2 1/2	100	58/00 58/00	58 1/2
8,91,100	15,16,175	10,551	Katakhal-Lela Bazar S.S.G.	3	165	31,257	..	5 ..	100	72/00 72/00	73 1/2
15,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	62,073	17,25,546	6-6 6-6	100	115/00 115/00	128 1/2
1,75,000	5,41,779	2,04,341	Tezpore Balipara Tramway P.	3-9	165	-43,574	5,944	.. ..	100	.. ..	..

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

320. F. W. J. Penn—United Breweries Ltd., Bangalore-1.	329. Sri G. D. Bhagat—15, Shilp Bhakur Lane, Calcutta.	338. M. G. Investment Corp. Ltd.—127, Mahatma Gandhi Road, Fort Bombay.	349. Chandmull Batta—7, Canning Street, Calcutta.
321. F. C. Williams—14, Old Court House St. Calcutta.	330. Laxindra & Mahindra Ltd.—Gateway Building, Apollo Bunder, Bombay.	340. K. O. Chetani—Travancore.	350. K. S. Agarwal—Empire House, Hornby Road, Fort Bombay.
322. Messrs. Pata Sons Ltd.—New India Assurance Buildings, Mahatma Gandhi Rd., Fort Bombay-1.	331. N. L. Roy & Sons—Canning St. Calcutta.	341. James Finlay & Co. Ltd.—2, Netaji Subhas Road, Calcutta.	351. L. & T. (Management) Private Ltd.—E. C. Building, Douglas Road, Ballard Estate, Bombay.
323. Anderson Wright & Co.—1, Wellesley Place, Calcutta.	332. M. Paspatti—21, Ravelin Street, Fort Bombay.	342. U. N. Chatterjee—2, Royal Exchange Place, Calcutta.	352. J. G. Mahant—Ewart House, Bruce Street, Fort Bombay.
324. Indo Corporation Private Ltd.—5, Swinbore St. Calcutta-19.	333. Jaiporia Bros. Ltd.—33, Netaji Subhas Road, Calcutta.	343. Eastern Smelting & Refining Co. Ltd.—10, Clive Row, Calcutta.	353. N. K. Bhattacharya—14, Netaji Subhas Road, Calcutta.
325. John Rutherford Glauke—Virginia House, 7, Chowringhee, Calcutta.	334. B. Latimer—2, Fairlie Place, Calcutta.	344. V. A. Pillani—Victoria Bunder, Calcutta.	354. L. C. Kanol—P. S. Mission Row Extension, Calcutta.
326. Beriwala Bros.—53, Netaji Subhas Rd., Calcutta.	335. Sahni Jain Ltd.—Dalmianagar.	345. The National Tea Corporation—130, Cotton Street, Calcutta.	355. G. S. Robertson—16, Strand Road, Calcutta.
327. Marwar Textiles (Agency) Ltd.—Woody Road, Fort Bombay-1.	336. Putsidas Kilchand—Scindia House, Douglas Road, Bombay.	346. Seshasayee Brothers (Travancore) Ltd.—Eloor Factory, Alwaye.	356. B. Bajoria—10, Clive Row, Calcutta.
328. John Taylor & Sons (India) Ltd.—Mysore Oogram, South India.	337. Beriwala & Co.—63, Netaji Subhas Road, Calcutta.	347. Associated Commercial Co. Ltd.—151/1 Harrison Road, Calcutta.	357. D. P. Dunderdale—Chartered Bank Buildings, Calcutta.
		348. Sahni Jain Ltd.—11, Clive Row, Calcutta.	358. P. Goenka—14, Old Court House St., Calcutta-1.

WORLD'S BEST



FOUNTAIN PEN INK
SULEKHA WORKS LTD.
CALCUTTA-32.

CAPITAL

A Weekly Journal of Commerce, Industry and Finance

WITH WHICH IS INCORPORATED

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69th YEAR
OF ISSUE

CALCUTTA, JUNE 27, 1957.

INDIA'S BEST



GUM & PASTE
SULEKHA WORKS LTD.
CALCUTTA-32.

THE OUTLOOK FOR NORTH INDIAN TEA

GROWING THREAT FROM EAST AFRICA: STRONGER EFFORTS TO BOOST HOME DEMAND

THE marketing season for the 1957 north Indian tea crop has made a disappointing start. Although prices have improved since the first of the new series of sales was held earlier this month (a sale, incidentally, which was featured by heavy withdrawals) they are still at levels which cannot be bringing much cheerfulness to the majority of producers. Overseas demand may be expected to broaden in coming weeks, particularly when second flush teas arrive in the markets. But, for the time being at least, the main thought in the minds of buyers abroad is that supplies will be adequate, if not surplus, throughout the year. The latest annual report of the Calcutta tea-broking firm of Messrs. J. Thomas and Co. Private Ltd., which has just been issued, nevertheless assesses the outlook with a measure of qualified optimism. It suggests that there may be few bullish factors in the immediate future, but "the supply and demand position is not quite so depressing as it might seem at first glance." While it would be unfair to deny that cheerfulness has its virtues, this assessment is one with which not everybody will necessarily agree.

The main feature of the supply situation at the moment is that overseas consumers are well stocked. In Britain, which is the major buyer of tea, stocks are substantially bigger than is normal for this time of year. This is a natural consequence of the heavy purchases made during the Suez Canal crisis. These stocks might well decline over the next few weeks, because most of the 1956 teas have already arrived in Britain while shipments of 1957 teas will not be large for some time yet. But the decline is unlikely to be so sharp as to eliminate the bearish influence which their present size is undoubtedly exerting. A similar situation prevails in other overseas markets, although, as Messrs. J. Thomas say, "it is unlikely that any country holds more than four or five months' uncommitted stock." This might strike most people as an estimate so large as to be positively disturbing; but Messrs. J. Thomas describe it as "certainly not in amount large enough to cause a slump but is rather a satisfactory cushion on which world markets may again stabilise themselves." The idea at large inventories in consumer hands promote price stability does not seem entirely sound; they provided the tendency of the market is bullish. But when it is not, as it certainly is not in the case of tea today, the effect of substantial stockpiles is invariably to depress prices. It is hard to share the optimism of Messrs. J. Thomas on this score.

While the stock position overseas is likely to have an important influence on market trends in the immediate future, the progress of the crops promises to become the more significant factor in the longer term. This is a point on which, as experience shows, firm predictions are not possible. Tea harvests in the main exporting countries so far this year have been running ahead of last year; north India and Pakistan have produced less, but the decline has been more than offset by the bigger output in south India, Ceylon and Indonesia. Production trends have been reflected in the markets, and are to a large extent responsible for the current anxiety about prospects for commoner grade teas. The progress of the crops is unpredictable; but, in spite of the latest statistics, Messrs. J. Thomas feel "it is unlikely that Ceylon will be able to advance her crop to any great extent over the large output she has been producing in recent years." The real danger, however, comes not so much from Ceylon as from East Africa. The latter has already increased its crop by over 25 million lbs. since 1954, and "the vast amount of young tea coming into bearing could easily mean a continual increase of 10 million lbs. to 15 million lbs. annually for several years to come." East Africa's greatest advantage is that its production costs are low.

This enables it to offer strong competition to common and low medium grades produced elsewhere, especially those going from India. If output in that territory rises from the present annual level of 85 or so million lbs. at the rate Messrs. J. Thomas indicate, hard re-thinking will be necessary on the part of the Indian Government and industry to ensure the survival of many gardens, especially in the Doonars and Cachar areas.

The threat from East Africa calls for the most urgent attention. Being a low-cost producer, it has much fewer worries than most of its competitors in disposing of its output at a profit. For this reason, it can afford also not to see any necessity for crop regulation schemes. Much of the success achieved in growing tea in East Africa can be ascribed directly to the Indian Government's policies. Welfare legislation has been raising labour costs in this country; taxation has been steadily increasing; and ill-considered policies have been adopted in other spheres, such as marketing. All these have enabled the East African producers to get off to a much better start than they could ever have hoped for in a competitive world market. A concerted effort will now need to be made by the Government and the industry of this country to hold down the cost of production if export markets for Indian tea are to be retained.

sterling countries will ultimately suffer most from their reluctance to enter into any more formal financing arrangements. If they use their sterling balances to finance their projects, these balances will soon be reduced—as, again, India's have been—nearly to the minimum required as a currency reserve, and if they have thereafter to seek satisfaction in the London capital market their credit will not stand high. Through an agency and a Bank, it is argued, they could expect a continuing flow of capital, though probably less than they would like.

The present system is quite unsuitable for the former colonies emerging as dominions; unless improved, it can, indeed, seriously impede their development. The British Government turned away some years ago from the method of financing by direct Governmental loan—whether to local authorities at home or to Governments abroad. It favours the more orthodox method of borrowing through the London capital market—though it enforces rigorous control of borrowing, as of share issues. Colonies can still get some money directly from the Government, or, if they borrow through the market, their stocks are privileged with the Government's guarantee. Dominions, on the other hand, must fend for themselves; and not many of them could expect a good reception in the London market in its present state. The British Government's long-term credit commands a rate of interest of 5 percent or more, because interest rates are high and because investors have little use for fixed interest investments in present conditions. If there is, additionally, some political risk involved, a loan can be arranged only on terms that impose a heavy burden on the borrower. Rightly or wrongly, it is thought that money incurs more risk in the young dominions than in the older ones—and even of the older dominions, South Africa (which has in recent years received more British capital than has any other country is no longer accounted a good risk. The borrowing power of other African dominions, of Malaya and of the West Indian Federation, will evidently be such as to discourage economic development unless the means of financing can be suitably adapted to their needs. And Mr. Adlai Stevenson's recent warning to South Africa that the United States has many demands for capital nearer home and is unwilling to incur needless risks must be read as a warning to these other countries, too.

At the other end of the scale are countries such as Australia, already exporting capital in modest amounts to south-east Asia—while remaining, of course, net importers of capital. The British Government has not concealed its hope that the more developed dominions will be able to play an increasing part in the development of the more backward members of the sterling community, and some such institution as a Commonwealth Bank would be helpful, even necessary, for the purpose. But it is not expected in London that any pressure would be applied to these more advanced countries, which must still put their own development first. Abroad, it is easy to overlook the fact that Britain, traditionally a big exporter of capital to all parts of the world, finds it increasingly difficult to satisfy her own need for capital. That is, of course, the reason why other sterling countries' requests for loans have been refused. Yet realists in London recognise that without facilities for borrowing in London, the younger dominions especially would leave the Commonwealth, which might then rapidly disintegrate. Britain is in a dilemma. She has to choose between the demands of the Commonwealth and the health of sterling; and neither can be sacrificed. Commonwealth conferences should surely be devoted to these fundamental economic problems rather than to political matters that are comparatively superficial. There would be no sense in discussing the external defence of a community that was disintegrating internally.

RAISING COAL PRODUCTION

A DISAPPOINTING START

COAL production in 1956 amounted to 39.4 million tons, against 38.2 million tons in 1955. Judged in the context of the second plan target of 60 million tons by 1961, the progress appears to be poor. Referring to this, Mr. D. F. Macmillan, chairman of the Bengal Coal Company Ltd. says in his speech to shareholders at the annual general meeting that two factors are mainly responsible for the disappointing start. First, the labour strike in the Raniganj coalfield last year caused a loss of 300,000 tons of coal. The second and more important reason is that the Government took a very long time in framing a settled policy about production in private collieries. The private sector was asked in January last year to submit urgently its plans for expanding output. But not until the second half of the year did the Government say that it did not contemplate according specific approval to individual plans, and "that producers could take all such plans as having general approval, except when specific approval was required under law as, for instance, in the

case of opening new mines". Considering the nature of the decision, many months were unnecessarily wasted.

Just when it appeared that the uncertainties had been resolved, a new element of doubt crept in about the field in which the private sector could work. Referring to the Coal Bearing Areas (Acquisition and Development) Bill, Mr. Macmillan declares that the statement of objects and reasons in it implies that the private sector may raise the extra 10 million tons required annually from the existing collieries and the immediately contiguous areas. But the operative part of the Bill does not fully conform to this statement. It empowers the Government, should it so desire, to take over any land falling within the scope of the Bill, "except the land in which coal mining operations or any process ancillary thereto are actually being carried on." Mr. Macmillan infers that this means that the protection offered to private producers "would exclude coal bearing land contiguous to working collieries in which no work is being carried on at present, that is to say, land constituting a reserve area for subsequent development." This might considerably restrict the capacity of private collieries to expand into contiguous areas. Giving the example of his own company, he says that in January 1956, production plans were submitted to the Government which included the opening up of four new collieries in its reserve coal bearing areas to produce about half a million tons a year of extra coal from 1960, as well as increased production of just under one million tons a year from more intensive development of the areas already being worked. The Government has refused permission to open up the proposed four new collieries because the areas to be developed do not conform with the Government's interpretation of contiguous areas.

Other difficulties of the private sector relate to the supply of basic materials such as cement and steel and insufficient allotment of railway wagons. On the basis of figures obtained from 125 of its members, the Indian Mining Association has calculated that in 1956, against 41,000 tons of cement applied for, only about 6 percent has actually been received in the collieries. "The situation has improved somewhat this year, but there is still a dangerous gap between requirements and supplies", Mr. Macmillan says. The supply of iron and steel is hardly any better and items like rails for tram lines are scarcely available. A basic industry like coal should be allowed to import its essential requirements in spite of the foreign exchange difficulties. Mr. Macmillan compliments the railways on their efforts to tackle the increased traffic but fears that after 1958, when the demands of the steel plants on transport will increase rapidly, there is a real danger that the situation may deteriorate steadily and affect the plan as a whole. A serious anxiety for the industry is the existing cost-price relationship. Costs have been going up steadily, but the price increases allowed recently barely offset them. The rise in costs is due chiefly to higher labour charges, but also to enhanced prices of steel, cement, machinery and timber, and to the implementation of new rules governing the operation of mines. Mr. Macmillan declares that as a result of all this, the long-standing problem of prices in relation to costs has now attained "new proportions of gravity and danger."

CHARTERED'S OFFER FOR EASTERN BANK SHARES

IN a circular letter to shareholders of the Eastern Bank Ltd., the Chartered Bank has stated the terms and conditions on which it is offering to acquire the issued share capital of the Eastern Bank. It is said that £9 fully-paid stock of the Chartered Bank will be issued in exchange for every two shares of £10 each (£5 paid) of the Eastern Bank. The offer is to be accepted on or before 31st July, 1957 (or such later date, not subsequent to 21st August, 1957, as may be notified by the Chartered Bank) by the holders of 90 percent (or of such smaller percentage as Chartered may elect to accept) of the issued shares of the Eastern Bank. The Chartered Bank stock to be issued in terms of this offer will rank in all respects *pari passu* with the existing stock of the Chartered Bank. It will entitle its holders to participate in full in all dividends and other distributions declared, paid and made on the stock of the Chartered Bank after the date of the letter (22nd June, 1957). If the offer is accepted and becomes unconditional, accepting shareholders of the Eastern Bank may expect, so far as the directors of the Chartered Bank can reasonably foresee, to receive dividends of not less than 15 percent a year on the Chartered Bank stock to be issued to them. The stock of the Chartered Bank and the shares of the Eastern Bank are officially quoted and dealt in on the London Stock Exchange. On the basis of their respective middle market quotations at the close of business on 12th June, 1957, the value of two Eastern Bank shares was £13 10s, compared with a value of £16 4s for nine stock units of £1 each of Chartered. On the basis of the dividends of 8 percent and 15 percent paid

respectively by Eastern and Chartered in recent years, the annual dividend (before deduction of income tax) from two shares of Eastern has amounted to 16s and from nine stock units of Chartered has amounted to 27s.

From the point of view of security for the future it is material that, in substitution for their direct interests in Eastern, shareholders of Eastern will receive interests in Chartered (of which Eastern will become a subsidiary), which is a considerably larger undertaking than Eastern and accordingly will afford broader cover for the earnings, and assets appropriate to their investment. The shareholders of Eastern who accept the offer will be relieved of the personal liability of £5 a share attached to the shares of Eastern, which liability will pass to Chartered. The paid-up capital of Chartered is considerably greater, and is more widely held, than the paid-up capital of Eastern, which means that, in future, if the present offer is accepted and becomes unconditional, shareholders of Eastern will have the advantage of a more active market and accordingly greater marketability for their investment.

Pointing to the advantages of the merger, it is stated that in recent years both the banks have expanded their branch organisations and could, no doubt, continue to do so independently of one another. Chartered, in particular, has for some time intended to open branches in the Middle East. It is clear, however, that in view of the rapidly increasing costs and the intense competition which has characterised banking business in the East since the second world war, quicker and more solid results can be achieved by a combination of the two banks than by independent action by each of them. Eastern has branches in the Middle East in territories where Chartered has none, and Chartered has a large and highly developed branch organisation in the Far East where Eastern is not established. So a merger on the terms proposed offers to the shareholders of Eastern the opportunity of participating in a much larger banking organisation with a very wide spread of branches across Asia from the Middle East to the Far East. The merger will enable the business already established by Eastern in the Middle East to be developed in co-operation and not in competition with Chartered. While no immediate change in the mode of operation of the two banks is contemplated, it is clear that, as time goes on, within the area in which they overlap there may be scope for adjustment in their respective branch organisations. It is emphasised that the main purposes of the present proposal are consolidation and expansion and not merely a saving of operating expenses.

CURRENT COIN

Index of Industrial Activity.—Corrected for seasonal fluctuations, *Capital's* Index of Indian Industrial Activity shows an advance of 3.6 points for January 1957. Mainly contributing to the increase were cotton consumption, jute manufactures, pig iron and wagons loaded. Cheque clearances and notes in circulation improved.

Finance Minister in Bombay.—The borrowing programme of the Central and State Governments for the current year was discussed last week at a conference in Bombay presided over by the Union Finance Minister, Mr. T. T. Krishnamachari. According to Mr. Krishnamachari, the Central Government has decided to raise a market loan of Rs. 100 crores; this will include Rs. 32 crores in the form of conversion loans and the balance of Rs. 68 crores will have to be raised by cash subscriptions. The loan will be raised around the end of July or early in August. State Governments have been told that they are free to float their own loans if they so wish, but the Centre thinks they should raise the money they need through small savings. National savings certificates have been made more attractive by the offer of higher interest rates and this should help the States in getting money from non-institutional investors. State Finance Ministers have been informed that if they accept the Centre's suggestion, the share of the State Governments from the collection of national savings will be raised to 66-2/3 percent, the remaining 33-1/3 percent going to the Central Government. The share of the States out of the collection of national savings at present is 25 percent of the past year's average and 50 percent of any excess. The total amount of collections last year was Rs. 62.7 crores; this year, it is expected to be of the order of Rs. 83 crores. The Central Finance Minister has said that he is keen to raise larger resources through small savings, as this will help curb the under-current of inflation. He thinks that with the co-operation of the States, the total collection of small savings could even go up to Rs. 120 crores. India has not made any formal approach to the U.K. Government in connection with a big loan; but the Finance Minister has said that he might take up the question of securing foreign exchange during his visit to the United States in September. Referring to the direct taxation proposals, Mr. Krishnamachari says that his intention is not to "stifle private

enterprise but to make the idle wealth productive." The basic structure of the Government's taxation proposals consists of the capital gains tax, wealth tax, death duties and expenditure tax. Mr. Krishnamachari has said that the tax on excess dividends and the compulsory deposit scheme are just "temporary devices which the Government proposed to be in the next two or three years. These are, in fact, *ad hoc* remedies." With reference to the compulsory deposit scheme for company profits and reserves, the Minister says that funds will be made available for normal development purposes to increase industrial output. About rumours of the devaluation of the rupee, he says that the rupee is as strong as ever and there can be little justification for any such measure.

Tin Buffer Stock in Action.—Over the past two months, tin stocks in London have risen from 727 tons to 1,844 tons, yet the price of the metal on the Exchange has stayed remarkably steady. The only possible explanation, Messrs. Strauss say in their review of the market, is that the buffer stock manager has been buying metal. The market thinks that about half of the total stocks may be in his keeping. Evidently the policy of the buffer stock is to keep the tin price around its present level. The question remains whether its resources will be adequate. There will soon be an expansion in supplies: tin which used to go to the Texas smelter will be going to Europe. The U.K. Board of Trade will be selling its surplus stock. With the reopening of the Suez Canal, the backlog in supplies from the Far East is being delivered in London; and, finally, the Russians are still selling. Presumably, only the last is an unknown factor in the calculations of the buffer stock. The weight of the others can be estimated fairly closely, but the market would like to know how much the Russians are selling. Estimates vary between 3,000 tons and 10,000 tons a year. The situation was discussed at the meeting of the International Tin Council in Brussels recently. Afterwards it was announced that Canada is to sell 3,000 tons of tin from its strategic stockpile. With the 2,500 tons to be released by Britain, this makes an extra 5,500 tons

With this week's edition of *CAPITAL* is published a 96-page Survey of Heavy Industries in India, containing articles discussing the problems, prospects and possibilities of industrial enterprise in one of the most vital sectors of the economy of this country today. The supplement is being supplied free to registered subscribers, and will be available to others at Rs. 5 a copy (postage extra). Enquiries may be addressed to the Manager, *CAPITAL*, 5, Mission Row, Calcutta 1.

to be absorbed within about a year. The Council's examination of the market showed that even without these releases there will be a slight surplus of production in 1957. The British tin could be released at once, but the Council authorities understand it will not come on the market before September. The Canadian tin will not be released until December and it is to be liquidated gradually. Canadian delegates told the Council that their Government would not sell below the cost price, but did not say what this price was.

Expanding Tube Manufacture.—The Avadi factory of Tube Products of India Ltd., which was opened recently by the Governor of Mysore, represents a further stage in the growth of a young and important industry. One of Britain's leading steel tube producers, Tube Investments Ltd. of Birmingham, is collaborating in this venture, financially as well as by providing technical know-how. The factory involves a total capital cost of Rs. 1.5 crores, of which Rs. 1 crore has already been spent. The production of "Tru-wel" tubes which will be used largely for bicycle manufacture has already commenced, and the management hopes to be able to make them in large quantities soon. Mr. P. G. Carew, Director, Tube Investments Ltd., who represented his company at the opening ceremony, said that the Avadi factory would, in the early stages, concentrate mainly on the production of tubing for the bicycle industry, where there was a growing demand, and later tackle a wider field.

Rise in Food Prices.—A Press note issued by the Union Ministry of Food and Agriculture has announced the formation of a committee, with Mr. Asoka Mehta as chairman, to investigate the causes of rising food prices. The committee has been asked to submit its report within three months. Its terms of reference include a review of the present food situation and an examination of the causes of the rising trend in prices since the middle of 1955. It will also assess likely trends in the demand and supply of foodgrains over the next few years. In arriving at its conclusions, the committee will consider the steps taken by the Central and State Governments to increase food production. It will study the impact of development expenditure, increase in population and urbanisation on the demand for foodgrains and take into account the possibility of importing food in

the light of the foreign exchange position. On the basis of its findings, the committee will suggest measures "to ensure a level of prices which would provide the necessary incentive to the producer with due regard to the interest of the consumer, and the maintenance of a reasonable cost structure in the economy." Prices of foodgrains have increased sharply, the index of wholesale food prices having risen from 356.3 to 435.7 over the past year. Drought conditions have created shortages in some areas. But development expenditure has brought greater prosperity to peasants generally, and they are now able to hold larger stocks than they could before. In spite of the restrictions on advances against paddy and rice enforced by the Reserve Bank, the tendency to hoard food does not seem to have been adequately checked. One way to discourage hoarding is to demonstrate that there is little chance of prices rising further. Supplies can be increased by importing more, although here the limit is set by the foreign exchange shortage. The inclination of peasants and traders to hoard can be effectively checked if food prices are stabilised at a lower level. These are some of the issues which the new committee may be expected to consider.

Technical Literature.—One of the things which the under-developed countries have tried to do as an important adjunct to their plans for industrial expansion has been to encourage the dissemination of technical "know-how." There is no lack of literature available; indeed, the trouble is that there is so much that it is virtually impossible even for the most assiduous of readers to keep really up-to-date even if they confine their attention to one particular subject. That appears to be the case in Britain also, where industrial information is made available in more than 500 technical journals, without taking account of the publicity material issued by individual manufacturers. In the circumstances, it is difficult to keep track of all new writing on even a narrow subject, let alone fringe interests. Technologists are aware of this, and one of the results is a large number of rather uncoordinated abstracting and indexing services, some of them overlapping. A newcomer which hopes to be all things to all technologists is *The Index of Technical Articles*, published monthly by Iota Services Ltd., 38, Farrington Street, London, E.C.4. A high proportion of British technical publications are covered by it, as well as a few newspapers. Entries consist of author and title, plus a brief descriptive note where necessary. The scope of the classification is wide, including some economic subjects, in addition to technical ones. The monthly may prove a useful time-saver for the technician, and a money-saver too.

THE HONOURS LIST

EVERY commercial man in Calcutta will be delighted to see that Mr. Robert Steel has been created a C.S.I. He is a universal favourite, a man of thorough independence of view, esteemed and respected by everyone who has the good fortune to be acquainted with him. The commercial community will, we are sure, join with us in congratulating Mr. Steel. It was generally supposed that the Hon'ble Mr. Patrick Playfair would be knighted, or receive some kind of Jubilee decoration, and the supposition has proved correct. We have now two Jubilee Knights. We are extremely glad to see that journalism has at last been acknowledged in India, and that Mr. George W. Allen of the Pioneer has been created a Knight of the Indian Empire. Our congratulations are also offered to Sir George Cotton of Bombay, who has been one of the most energetic mill-owners there, and the Government have done well to confer a knighthood upon him. We cannot do better than conclude this article with the following extract from the *Saturday Review*. "In any list of Birthday honours or New Year honours one expects to see the name of at least one distinguished man. Provincial mayors, political martyrs who have sacrificed themselves for their party, faithful but obscure civil servants, army veterans and naval heroes, City magnates, millionaire bankers or brewers, Indian magistrates and colonial governors, all loom large on such occasions. Amidst the jumble of undistinguished recipients of Royal favour there is occasionally to be discovered a name that comes under none of the preceding categories; and such a name belongs invariably to one of two classes. Either it is the name of some Society man with no qualifications whatever beyond the favouritism of Court circles, or, more rarely, it is the name of some really distinguished man. To the class of the undistinguished belong half the men of distinction in the highest walks of life. When a man has for years been in his front rank of his profession, has served his fellows in art or science, letters, learning, or journalism, has even been president of his institute, and has won perhaps a more than European reputation, if then he is still ignored by the Court flunkies who regulate the lists of honours, there comes a time when for him it is the greater honour to remain untitled. Michael Faraday remained plain Michael Faraday to the last, and Mr. G. F. Watts declines the baronetcy which was offered him until he had passed fourscore years."

FROM

CAPITAL

22nd June, 1897.

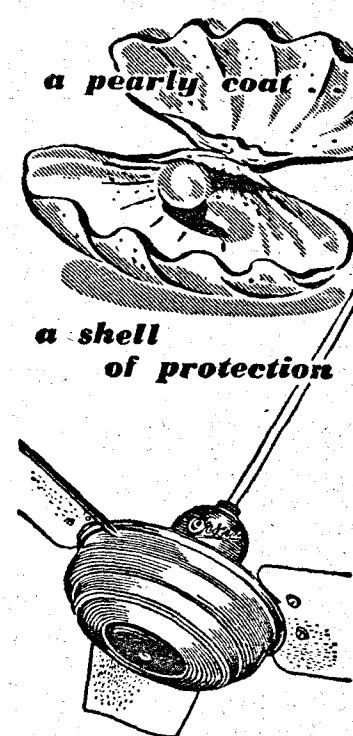
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(FROM OUR LEGAL CORRESPONDENT)

"If a dog bites a man, that is not news; if a man bites a dog that is news." Thus the great C.P. Scott of the *Manchester Guardian* is said to have advised his reporting staff. The law courts are so cluttered up with claims by pedestrians against motorists that the Press scarcely ever bothers to report them. But a claim by a motorist against a jaywalker is news and the law upon such claims is worth considering. Bingham's *Motor Claims Cases*—worth buying, by the way, by those interested in third party insurance—cites a case where a jaywalker, his mind occupied with matters other than taking due care as to where he was going, suddenly without warning stepped off the pavement straight into an oncoming motor-cyclist. The motor-cyclist was carrying a pillion passenger. The pillion passenger was thrown off the motor-cycle and killed, and his personal representatives sued the pedestrian for damages caused by his negligent walking. Incidentally, they also sued the motor-cyclist, but we are only concerned here with the jaywalker against whom judgment was given with costs.

The legal principle is simple. Law Notes' puts it succinctly: "Every person using the highway owes a duty to take care as regards the persons and property of others at all events if such others are within the range of foreseeable impact and this duty is owed not only by the motorist but by pedestrians also. In fact, it is owed by everyone." Yes, the principle is simple enough. Why then do we see scores of claims against motorists and never or hardly ever one against a pedestrian? The answer lies in six words. "Compulsory insurance against third party risks". The plaintiff in a successful suit against a motorist is virtually certain of recovering his damages whereas the reckless pedestrian as often as not may be a man of straw. The motorist is compulsorily insured, whereas the jaywalking man of straw is not. And third party insurance being a statutory duty on motorists in India, recent decisions of the English

courts in this branch of the law are of interest and importance here. As Lord Goddard, L.C.J., put it: "The Road Traffic Act was aimed at the protection of the public, by providing that there should be a body of insurers behind every driver of a car."

But not behind every or any pedestrian, be he or she never so reckless. Wherefore attempts have been made to obtain damages against the pedestrian's employer where the pedestrian is in employment and when the injury caused by his negligence took place at a time when he was not engaged on his own account but in the course of his employment in the business of his master. In such a case the employer may be liable. One hopes that it is not stretching the general principle too far in stating it thus: The employer is bound to guarantee the public against all damage arising from the negligent acts of himself or his servants committed in the course of their work. That, one submits, is the underlying principle. But all sorts of difficulties arise when we begin to apply it, or try to. Here is one of the latest English teasers which the reader is invited to think out for himself.

A lorry driver engaged on a four-hour journey for his employers stopped in the course of his journey to obtain refreshment at a café on the other side of the road. This necessary practice of himself and other lorry drivers was known to his employers and impliedly sanctioned by them. After drawing up his lorry he turned himself into a pedestrian by walking across the road towards the café on the other side and negligently walked into a motor-cycle being driven by the plaintiff, injuring the latter and the motor-cycle. Were the lorry driver's employers liable for his negligence?

"No," said Pilcher J. "Though employed at the time on his master's business and permitted to do what he did in crossing the road to get refreshment he was not employed to do this and he was a stranger to his master from the moment when he left the lorry." "While an employer is, no doubt, vicariously responsible for the negligent acts of his servants committed in the course of their employment, he is not, in my view, necessarily responsible for the consequences of acts committed by his servants during the period of their employment, unless the particular act which is negligently performed was an act which the servant was employed to perform." A border line case. It was the hoped for cup of tea at the café that did it. His lordship added that it might have

been different if the driver had crossed the road in order to ask his way or to get a tin of petrol for the lorry.

It is the writer's habit, when confronted with a point involving the law of master and servant, generally to turn up Messrs. Barwell and Kar's wellknown work on the subject; and this he does not only to obtain a clear presentation of the law but also because Mr. Barwell could always be relied on to wander off in long forgotten highways any byways of history and emerge with some interesting titbit of general information. Did you know, for example, that the principle of the employer's non-liability for the negligence of his tea drinking motor lorry driver in 1937, and of all similar cases, is based on a decision of Baron Parke well over 100 years ago arising from the then universal public distrust of railway engine drivers and the new dangerous iron monsters that time, the beginning of the contest between them and the flourishing and seemingly imperishable stage coach. Most people, except eccentric cranks like George Stephenson, believed that the new monstrosity could not last. Baron Parke presiding in the Exchequer Court probably believed it too. Mr. Barwell tells us that "Baron Parke would remember the hearty laughter which greeted Stephenson's statement in the *Commons* that railway engines would ultimately pull a train at 20 miles an hour. He may well have heard the speech of the Duke of Wellington who 'saw no reason to suppose that these machines would ever force themselves into general use.' That was the atmosphere of prejudice and dislike in which the old judge sat down to try what is now the leading case of *Cox v Midland Counties Ry Co.* in which he was to deliver a classical judgement which tells us what the law is in 1957. For Baron Parke was about the most famous, practical and level-headed judge of his day and generation, and not one to be carried away by prejudice against or dislike of a new and perilous institution.

A passenger on the railway had been very dangerously injured by a moving truck. The station master of the railway station by which the accident occurred sent for a surgeon, Dr. Cox, who came on to the railway premises and examined the passenger and came to the conclusion—a right one, as was not denied—that an immediate operation was necessary and then there amputated the passenger's leg. The station master's promptitude and the surgeon's skill probably saved the patient's life. It is important to remember, however, that it was not proved, nor was it relevant to the case then before Baron Parke that the accident to the passenger was caused by the negligence of the railway administration or its servants. Dr. Cox, having in a great emergency, after being summoned by the station master, done a difficult job successfully, duly prepared his bill for professional services rendered and submitted it to the railway company for payment. The company repudiated liability, whereupon the doctor sued it for his fees. Baron Parke held that the company was not liable. It is fascinating to read the judge's actual words and to see in retrospect the wise, conservative, old mind at work.

Remember that many respectable citizens, especially in rural districts, at that time considered that you might as safely put a Bengal tiger on the road as a railway engine with its driver on the line. Borough councils in Wiltshire and Somerset refused to have railway stations within their borders. A cabinet minister had just been killed by a shunting engine. We see the veteran judge groping his way amid the precedents of stage coach and carriage accidents which were all he had to guide him and applying them to these new engines of destruction; and what is more, applying them rightly and telling Pilcher J. at Derby Assizes more than a hundred years later what he must decide in the case of that lorry driver going across the road for a cup of tea at a wayside café. "It is not easy," said Baron Parke, "to decide whether unforeseen accidents will occur more frequently in the carriage of passengers by locomotive power on railroads or in carrying the like number by coach on ordinary roads. Certainly there is no such difference as to make the duties of an engine driver and a coachman different as to the power of making such contracts as that in question, nor the duties of porters, clerks or other servants connected with the conveying department. Could it be maintained that a coachman from whose coach a passenger had fallen and broken his arm..... could bind his master by a contract with a surgeon to cure the injured person and oblige his master to pay the bill? We are of opinion that he could not. Though it might be a benefit to the master to have the damage diminished by a speedy cure, if he was really liable for that damage, it would be a prejudice to him to be bound to pay if he was not; and is the servant to decide whether his master is liable or not? We think the servant has clearly no such power."

This ancient case and the recent lorry driver's one are a useful reminder to many people who seem to suppose that injury by a servant is of itself enough to make the master responsible. Wide as the master's liability is and though it is being constantly extended by legislation, there is still a limit and the case of the Derbyshire lorry driver is an example of the fact.

¹ *Eames v Capps*; Bingham's *Motor Claims Cases*, pp 122, 123.

² 1957. Vol. 76. p 44.

³ *Tattersall v Drysdale*. 2. K.B. 181.

⁴ *Crook v Derbyshire Stone, Ltd.* and another. 75 *Law Notes*. 140.

A DITCHER'S DIARY

SOME of the shrewdest men I have known are chartered accountants, which makes it unlikely that their fraternity paid much attention to the lessons Mr. Morarji Desai gave them recently on how to do their job. (It is an occupational disease of Ministers to think that they know everybody's job better than the men who do it.) There was, however, a little more than the customary sermonising in Mr. Desai's speech. He seemed almost to speak for Mr. Krishnamachari when he called upon chartered accountants to help the Government collect the tax due to it. In doing so, the Minister also launched on a discussion of what is legal but wrong, and then suggested that chartered accountants should be guided by a sense of right and wrong rather than that of what is legal and illegal. Chartered accountants have their own very strict code of conduct, which is unlikely to be revised on the suggestion of the Commerce and Industry Minister. It is to be wondered still whether Mr. Desai, besides labouring the obvious, was not introducing some very ill-defined and hence dubious principle into the way a profession should act. The greatest of philosophers down the ages have sought to know what is right and what is wrong, and if I wanted to improve the ways of a group of mortals, I would set them a less difficult principle to follow. Less difficult and more precise. In spite of Mr. Desai, I would not, for instance, encourage a chartered accountant who, satisfied that it is wrong to pay taxes to a Government spending money on what he does not approve of, helped his clients to evade tax; nor would, I suspect, Mr. Desai. A surer way to get the taxes Mr. Desai thinks are the Government's due is to plug the loopholes in the law, improve the efficiency of income-tax officers, and so generally to run the administration as to remove the widely held impression that nobody gets out of the Government much in return for the taxes he pays.

There is nothing basically wrong in a Government restricting imports or exports for a period in order to save foreign exchange or conserve internal supplies. A very different thing is to develop an attitude to imports as though they were something unpatriotic. (Un-Indian is a term happily not used very often in this country.) Acharya Kripalani's recent description of India's import policy as a departure from what he called the *dharma* of swadeshi raised a matter of mundane economic policy to a vague spiritual level. The result can only be confusion. It is late in the day perhaps to talk about the virtues of free and unrestricted trade—which are none the less real for being unfashionable—but the political critics of India's economic policies will lose nothing by being reminded now and then that there are certain fundamental laws of economics. One is that a country with ambitions to expand its export trade cannot indefinitely shrink its imports: if you expect others to buy from you, you must be prepared to see what the other party wants to sell. Secondly, it is simply illiterate to think that imports impoverish an economy; much oftener they enrich an economy and almost always improve its efficiency. India could, for instance, save a considerable amount of foreign exchange by not buying the machinery it now wants from Europe and America. That will be one way of ensuring economic stagnation in the country. Mr. Kripalani is old enough to remember that swadeshi was forged as a political weapon, and in its time it was very effective too. To treat it now as an economic inviolable is to betray a sad incapacity to come to terms with the changing times. Although India is by no means the only country in which economic thinking is bedevilled by extraneous and irre-

levant considerations—even so acutely money-minded a people as the Americans have political obsessions—I doubt whether there is another country in which vague spiritual philosophies affect economic policies to the extent they do in India.

The ordinary newspaper reader, with no knowledge of what goes on in editorial conferences, must often wonder just what it is that is required to give a relatively minor complaint the magnitude and dimensions of a Cause. That the newly elected office-bearers of, say, the Serampore Newspaper Correspondents Association are treated more importantly than the new Government in Canada is understandable. The current storm over the Government of India's reported decision to sell off the coffee houses now run by the Coffee Board belongs to an entirely different category. Newspapers which never had an inch of space to spare for the coffee industry, of which the coffee houses are only a very small publicity effort, have been publishing lengthy reports and letters to the editor urging the Government to revise its decision. I am indifferent to what New Delhi may eventually decide. My interest is only in the proportions the agitation has achieved, simply because of the wholly fortuitous fact that some newspapermen probably patronise these coffee houses. And the result is that a flood of profoundly nonsensical remarks are finding their way into print. A group of gentlemen who view the possible closure of coffee houses with disquiet have written: "To us it is a matter of greater moment than the closure of the Suez Canal.....The coffee house has in the past decade offered a home to a large number of unanchored intellectuals.....The decentralisation of these intellectuals is likely to shake the moral foundations of our society." The coffee house had earlier been described as an institution, as a temple! I do not grudge the under-employed gentlemen, bureaucrats and journalists, their happy hour(s) in the Calcutta coffee house but, surely, something is wrong with our news values when the retrenchment of a hundred-odd waiters in coffee houses is considered more important than much bigger, similar, phenomena elsewhere just because "unanchored intellectuals" happen to be affected at the same time. It occurs to me that an anchor may not be the only thing missing in the equipment of the "intellectuals" they are talking about.

The vigorous "economy drive" which, we are told, is now afoot in the Government may leave many puzzled and somewhat sceptical. That there is considerable scope for reduction in expenditure, few, even in the Government, are any longer wont to deny. But those who are familiar with the results of similar "drives" in earlier years (a usual phenomenon when Budget and supplementary demands for grants come up for voting) will not perhaps be wholly confident about the success of the latest venture. Among the rather profound suggestions which the Central Home Ministry has made in a recent circular to sister Ministries and State Governments is one that Ministers and certain officials should not fly the national flag on their motor-cars. Just how much money it is possible to save by this means, I would not know; but one imagines that if some of our highly paid dignitaries use the Government's time thinking up suggestions of this calibre, better scope for saving may lie in retrenching them. An office I was acquainted with some years ago once invited its

senior personnel to recommend economy measures; almost the only proposal which emerged, and was seriously considered, was that envelopes be issued minus the gum on their flaps. The Home Ministry's recommendation about not flying flags on motor-cars seems to emanate from a kindred intelligence. Little things taken together sometimes add up to a lot, but that is a poor argument for sending one's sense of proportion on holiday, especially when the much greater economies which can be achieved by, say, the dispersal of Government offices away from New Delhi, remain largely ignored. Ministerial travel in flagless motor-cars is a poor substitute for failures elsewhere, even if the Government's aim be merely to nourish a pretension to austerity.

There is, perhaps, little satisfaction to be gained from the fact that the number of foreign tourists visiting India increased sharply last year; two entirely fortuitous circumstances—the Buddha Jayanti celebrations and the U.N.E.S.C.O. conference—might well, on analysis, prove to have brought a goodly proportion of the 75,000 or so that came. Circumstances this year may, I suspect, prove strongly adverse to the growth of tourist traffic, and thereby possibly temper the optimism which pervaded the discussion at a tourist advisory committee meeting in Simla last week. The improvement in facilities which tourists can reasonably expect when visiting this country seems to have been rather meagre. Hotels remain as costly as ever; and the Shipping Minister's suggestion that they should provide "typically Indian" decor, cuisine, music and entertainment may not necessarily be the ideal way of increasing their, at present limited, attractions. Such resources as they may be able to spare would probably be better spent on improving the comforts already offered rather than on attempting innovations which may not be easy to appreciate. The improvement of amenities still has a long way to go; and the quality of food, in particular, has deteriorated so dangerously as to have become quite noticeable now that few can afford alcoholic stupor before sitting down to dinner. The standard of the hotels is not the only handicap in encouraging tourism; the deficiencies of the transport network are perhaps even more serious. Facilities for travelling by road are notoriously poor, and there is little prospect that they will improve to the point where centres of tourist interest may become readily accessible. It may be soothing for one's optimism to hang posters advertising India's attractions in more and more foreign cities each year; but an important point not yet fully appreciated, perhaps, is that there is no worse publicity a country can get, as far as such traffic is concerned, than a disappointed tourist.

Orson Welles once turned up to lecture in a small Western town, with hardly anyone present to listen—not even the woman who should have introduced him. He introduced himself: "Ladies and gentlemen," he said, "I will tell you the highlights of my life. I am a director of plays. I am a producer of plays. I am an actor on the legitimate stage. I am a writer of motion pictures. I am a producer of motion pictures. I am a motion picture actor. I write, direct and act on the radio. I am a magician. I also paint and sketch. I am a book publisher. I am a violinist and a pianist." Here Welles paused, leaned towards the small audience and said: "Isn't it a shame that there are so many of me and so few of you?"

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BENGAL COAL COMPANY, LIMITED

CHAIRMAN MR. D. F. MACMILLAN'S REVIEW

Addressing the Shareholders of the Bengal Coal Company, Limited, at the Annual General Meeting held on 26th June, 1957, the Chairman, Mr. D. F. Macmillan, said:—

It is over a year and a half since members were addressed from this Chair when my predecessor reviewed the Company's affairs for the half-year ended April, 1955. With the introduction of the new Companies Act, the Accounts before you are for the year ended 31st October, 1956, and my review today will cover that period. You will see that the Accounts have been compiled in the form prescribed by the new Companies Act. It is for shareholders to judge whether the new form gives them a clearer picture than the form to which they have been accustomed in the past, and perhaps this will be revealed by any questions which may be put by shareholders on these Accounts and my ability to explain.

The year under review was a difficult one for the coal industry and your company had also to bear its share of the troubles. These have been referred to in the Directors' Report and I shall develop on them this morning. The trading results of the company for the year consequently compare somewhat unfavourably with those for the previous year, and it is an indication of the inherent strength of your company that your Board, after careful consideration, have been able to recommend final dividends which make the

distribution for the year the same as that for the year ended October, 1955. Since the end of the accounting period, the ordinary shares of the company, which stood at Rs. 200/- nominal, have been divided into twice that number of shares of Rs. 100/- nominal. Consequently, while the interim dividend was declared on the two hundred rupee shares, the final dividend will be paid on the one hundred rupee shares and I hope it is clear to shareholders that the total distribution for the year on the ordinary shares is at the rate of 17½%. As there appears to be a good deal of confusion of thought in otherwise well-informed quarters about dividends expressed as a percentage of nominal capital, it may be well for me to point out that shareholders have received a return of exactly 6% on the capital employed in this company's business.

Raisings during the year ended 31st October, 1956, totalled 2.32 million tons which fell short of production in the previous year by 189,000 tons. I have no doubt however that we would have been able to outstrip the preceding year's figure had not the company's collieries in West Bengal been affected by a strike which lasted for a period of about four weeks from the middle of September, 1956.

Tribunal Awards

The All India Industrial Tribunal (Colliery Disputes) which had been set up as long ago as 1954 and had been reconstituted a year later, after protracted deliberations and detailed examination of all the

issues involved, finally published its Award on the 26th May, 1956, and its terms became operative as from that date. Whilst the employers in the coal industry did not agree with all the conclusions arrived at in the Award, to promote general stability in the industry, they decided not to go on appeal and their decision was shared by a large section of the labour organisations operating in the coalfields. Some of the smaller Trade Unions however decided to appeal and, once they had done this, the other Unions also thought it advisable to join in. Consequently they also participated in the proceedings before the Appellate Tribunal.

Whilst the appeals were being heard and the entire subject was being argued afresh, production in a vital section of the Ranegunge field was brought to a standstill by a strike which was totally unwarranted and unnecessary. In addition to your company's collieries other large pits were affected, and it is estimated that as a result, the loss in output amounted to 300,000 tons at a time when every ton was needed to meet the growing industrial requirements of the country. Some of the repercussions of this ill-conceived strike are still in evidence about eight months after its termination. During the strike for instance, heavy rain caused the water level to rise rapidly in one of your collieries and efforts to rush additional pumping machinery to the pit were largely frustrated by the heat and passions of the prevailing situation. As a result the colliery workings were completely inundated. The process of rehabilitation which is now going on is a slow and laborious task, and it will still take some time before normal production levels can be attained again at that colliery.

I wish to pay a well deserved tribute to the company's staff who, from the most senior to the most junior, bore the strain of this strike, often under conditions of personal danger, with cheerfulness and absolute loyalty—may I say very simply that they served the company and the country well under most trying conditions.

It is unfortunate that at a time when the efforts of all should have been concentrated on increasing production, the emotions of labour were exploited in such a reckless manner. The Communist elements took full advantage of the situation and tried to utilise it for their avowed purpose of infiltrating into an area which, with its collieries, steel works, other industries and the growing industrial complex at Durgapur, is one of the most important industrial regions in the whole country. In view of this, it is particularly important that the responsible elements in the Trade Union movement should rise above their factional struggles for power, which have been such a marked feature in this area for many years, so that industrial stability can be achieved in this vital sector of the nation's economy.

The first year of the current Plan did not witness any dramatic spurt in raisings from the country as a whole, and against 38.2 million tons produced in 1955, the total output in 1956 amounted to 39.4 million tons. This was not due to any lethargy on the part of the producers. The strike which seriously dislocated production in the Ranegunge field was a contributory factor but an important reason was the fact that many valuable months were allowed to drift by before a clear indication of Government's policy was made known to individual producers who had been most urgently asked to submit their plans for increased raisings as early as January, 1956. Only in the second half of the year was it known that Government did not contemplate according specific approval to individual plans, and that the producers could take all such plans as having general approval, except when specific approval was required under law, as for instance, in the case of opening of new mines. Your company's productive efforts during 1956 thus got enmeshed in a tangle of red flags on one side and red tape on the other.

State Acquisition of Collieries

Just when the uncertainties had been resolved, a new element of doubt appears to have crept in regarding the field within which the private sector can work. Parliament has recently passed the Coal Bearing Areas (Acquisition and Development) Bill. In the Statement of Objects and Reasons attached to the Bill it was explained that since the use of the Land Acquisition Act, 1894, was no longer appropriate, this Bill was necessary for the acquisition of the rights of private lessees over unworked coal bearing areas which were found surplus to the requirements of the private sector. The statement went on to explain in this connection that out of the additional production of 22 million tons per year envisaged in the Plan, the public sector was required to produce 12 million tons, the balance being allocated to private industry for production from existing collieries and immediately contiguous areas.

This statement of Objects and Reasons does not however appear to have been reflected in the operative part of the Bill which empowers the Government, should it so desire, to take over any land falling within the scope of the Bill except land in which coal mining operations or any process ancillary thereto are actually being carried on. The protection offered to private producers would therefore seem to exclude coal bearing lands contiguous to working collieries in which no work is being carried on at present, that is to say, land constituting a reserve area for subsequent development. This might considerably restrict the capacity of private collieries to expand into contiguous areas.

It was after prolonged discussions throughout 1955 and the early months of 1956 that the private sector was given a definite place in the Plan, and it was clear that the success of the Plan would depend on full facilities being given to both the sectors so that each could attain its allotted target. It is unfortunate therefore that this new legislative measure should appear to restrict further the scope of collieries under private ownership which have such a responsible role to perform, and I hope an early opportunity will be taken to clarify the position.

It is vital that the mutually complementary roles of the two sectors should be fully accepted not only at the top where policy is formulated, but by Government representatives at all levels. The success of a policy is ultimately measured by its application in ordinary day to day decisions which have to be taken in such mundane matters as allotment of wagons as between State and private collieries, or in the allocation of steel and cement which are both in short supply. We are assured from time to time that no discrimination

is made in such matters against the private collieries, but this is not always apparent. I have always understood that one of the fundamental tenets of the administration of justice is that not only should justice be done, but that it should appear to be done. I would suggest therefore that full facts on matters of importance to the coal industry should be made known to all sections of it periodically so that the corroding effects of doubts and hesitations may not be allowed to detract in any way from the combined efforts of all to attain a new momentum in production.

Your company has for over a century been engaged in a continuous process of development—development to increase production and development to replace the wasting asset. It has today, as it has had in the past, the technical management, the experienced administration, and the resources to continue this tradition and to accelerate the process. The plans for increased production which were submitted to Government in January, 1956, included the opening up of four new collieries in our reserve coal bearing areas to produce new production of some half a million tons per annum from 1960, as well as increased production of just under one million tons from more intensive development of areas already being worked. Government have refused permission to the company to open up the proposed four new collieries because the areas to be developed do not conform with Government's interpretation of contiguous areas. They are, however, agreeable that we should accelerate exhaustion of our existing working areas by increasing production from them by nearly one million tons a year and this we shall do. Bearing in mind that the entire private sector is limited to an additional production ceiling of 10 million tons a year by the end of the present Plan, this company's plans to raise output by one million tons without breaching new ground bear testimony to our eagerness to participate at least as much as we are permitted in the industrial growth of the country. Shareholders of this company need not be concerned at the prospect of early exhaustion of existing workings, as I am able to tell you that the company's most recent development alone—the new Girimint and Chinakuri collieries—are designed and equipped to raise between them 100,000 tons per month for at least the next fifty years.

Supply of Basic Materials

The past year has seen almost a continuous state of anxiety regarding availability of materials which are essential for coal production. On the basis of figures obtained from 125 of its members the Indian Mining Association has calculated that in 1956 against 41,000 tons of cement applied for, only about 6% were actually received at the collieries. The situation has improved somewhat this year, but there is still a dangerous gap between requirements and supplies. The position regarding iron and steel is very similar and items like rails for tram lines are hardly available at all. In this connection the setting up of the Progress Review Committee a few months ago has been a move in the right direction. This Committee can render valuable service by keeping under constant scrutiny these and other allied matters such as the problems connected with Government's licensing policy. In a basic industry like coal there exists a strong case for relaxing the provisions governing imports, particularly in respect of essential items required for normal production. As regards additional items made necessary by new mining regulations, Government should consider postponing the implementation of such of these regulations as involve the use of foreign exchange.

Among your company's records there is a telegram sent to Calcutta by its representative at Ranegunge which reads "You say send coal I say send wagons—only seventeen arrived". This telegram, gentlemen, was sent on the 18th of June, 1957—almost exactly 100 years ago today! The fact that I have to refer now to the transport question bears a special testimony to the tenacity of a problem with which the coal industry has had to contend throughout its history in India.

Speaking the other day in the Lok Sabha when introducing the Railway Budget, the Railway Minister said that there was general recognition of the fact that transport capacity could not lag behind other developments envisaged in the Plan, and that the very success of the Plan would depend on the timely creation of the additional capacity required.

When the current Plan was drawn up it was estimated that by 1960-61 goods traffic would increase by about 61 million tons to a total of 180.8 million tons. To cope with this, as well as with the anticipated growth in passenger services, it was thought that an outlay of Rs. 1,480 crores would be needed. Provision could however only be made for Rs. 1,125 crores which was sufficient for an additional 42 million tons of traffic only. Of these 42 million tons, 25 million tons would be absorbed by the movement of coal and other raw materials for the new Steel Plants, 6 million tons by coal for all other purposes and 4 million tons for cement, leaving only 7 million tons for the general industrial and agricultural production of the country.

The first year of the current Plan has seen a significant increase in traffic and it is clear that the impact of the Plan has already made itself felt. The view is widely held that transport and communication should have been the prime objective of this Plan and that the allocation of funds to transport in the Plan is inadequate. Even given the full finance required, there is another limiting factor, namely Time. In this view there is a real danger that a steadily deteriorating transport situation will develop, which will assume serious proportions after 1958 when traffic arising from the new Steel Plants is expected to increase rapidly. Such a contingency will naturally react adversely on the Plan as a whole, and, in particular, on its coal segment which hinges so precariously on transport availability.

Within these overall limitations, however, the Railways are making commendable efforts to tackle the problems confronting them. Amongst these I would mention the remodelling of the Moghalsarai Yard which, over the years, had assumed a special notoriety as an embodiment of frustrated hopes in coal transportation; the electrification of 800 route miles including the Calcutta suburban area and the Main Line section from Burdwan to Gomoh; the possibility of further extending electrification from Kala to Moghalsarai and from Asansol to Rourkela; and the doubling of lines on many difficult sections including about 370 miles on the South Eastern Railway. The completion of these and other projects will materially assist in the movement of

coal but in the meantime many urgent transport problems remain with us.

The proceedings before the Tribunals to which I have referred earlier were closely concerned with the cost of labour since it constitutes the largest single element of cost in the coal industry. This naturally raises the general question of the industry's total cost of production in relation to its selling prices which are statutorily fixed.

Increased Production Costs

For a considerable time now this industry has been called upon to bear increased costs of production from within these fixed prices. As regards the labour element in cost, a price increase of Rs. 3/- per ton was allowed in the case of the West Bengal and Bihar collieries following the Award of the All India Industrial Tribunal (Colliery Disputes) in May, 1956. The price increase did not however become effective until the first week in July, and for a period of about five weeks the full impact of the Award had to be shouldered by the industry without any adjustment in prices. Since then the Appellate Tribunal has further increased the amounts payable to workers, and the issues are now pending before the Supreme Court. When these issues are finally resolved, the price structure will have to be examined afresh to ascertain the extent to which it corresponds to the labour costs ultimately fixed.

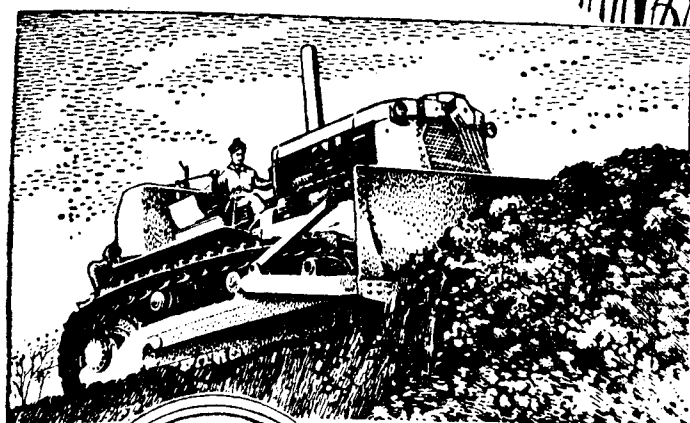
Apart from labour however, pressures on production costs have been exercised in an increasing degree by various other factors such as enhanced prices of steel, cement, machinery and timber and the implementation of new rules governing the operation of mines. As a result, the long standing problem of prices in relation to costs has now attained new proportions of gravity and urgency.

Any mention of the need to increase coal prices gives risk in certain circles to a somewhat undefined apprehension that it will have violent effects on industrial economy by distorting the structure of industrial costs. Similar apprehensions do not seem

to be voiced when prices of steel and cement go up although they are of as basic importance as coal. Between 1950 and 1956 the price of pig iron has increased by over 100%, of steel by over 90%, and of cement by over 50%, whilst the price of coal has gone up by only about 13%. Indian coal is said to be the cheapest in the world and a revision of Government's price policy is urgently called for so that the coal industry can receive a fair return on its enterprise and be able to revitalise its financial reserves. These reserves have to play a most important part in financing new developments not only to attain the target of 60 million tons under the Second Plan, but to pave the way for the more exacting demands of the Third Plan which some consider will call for substantially over 100 million tons. I am glad to see that this question is now under examination by the Coal Prices Revision Committee recently constituted to report on this particular problem. Its findings will be awaited with the utmost interest.

I have already paid a well merited tribute to your staff during the period of the strike. This crisis came upon the company at a time when your Chief Mining Engineer, Mr. Rosser, was on leave, and the top responsibility in the coalfields devolved upon Mr. Massmann, the Deputy Chief Mining Engineer, who worked tirelessly to overcome the special problems which the strike brought in its wake. Mr. Rosser is with us today and I would like to congratulate him and his staff on the speed with which production was brought back to normal after the problems immediately following the strike had been dealt with. Apart from the technical efficiency apparent in the working of the collieries themselves, I was impressed, on a recent visit, with the further advance in promotion of the measures for the education, training, housing, hygiene, health and general welfare of the workers to which the company has always attached great importance. In Mr. Rosser and his senior staff you have very able administrators and most capable technicians and our thanks are due to them for their sterling work on behalf of the company.

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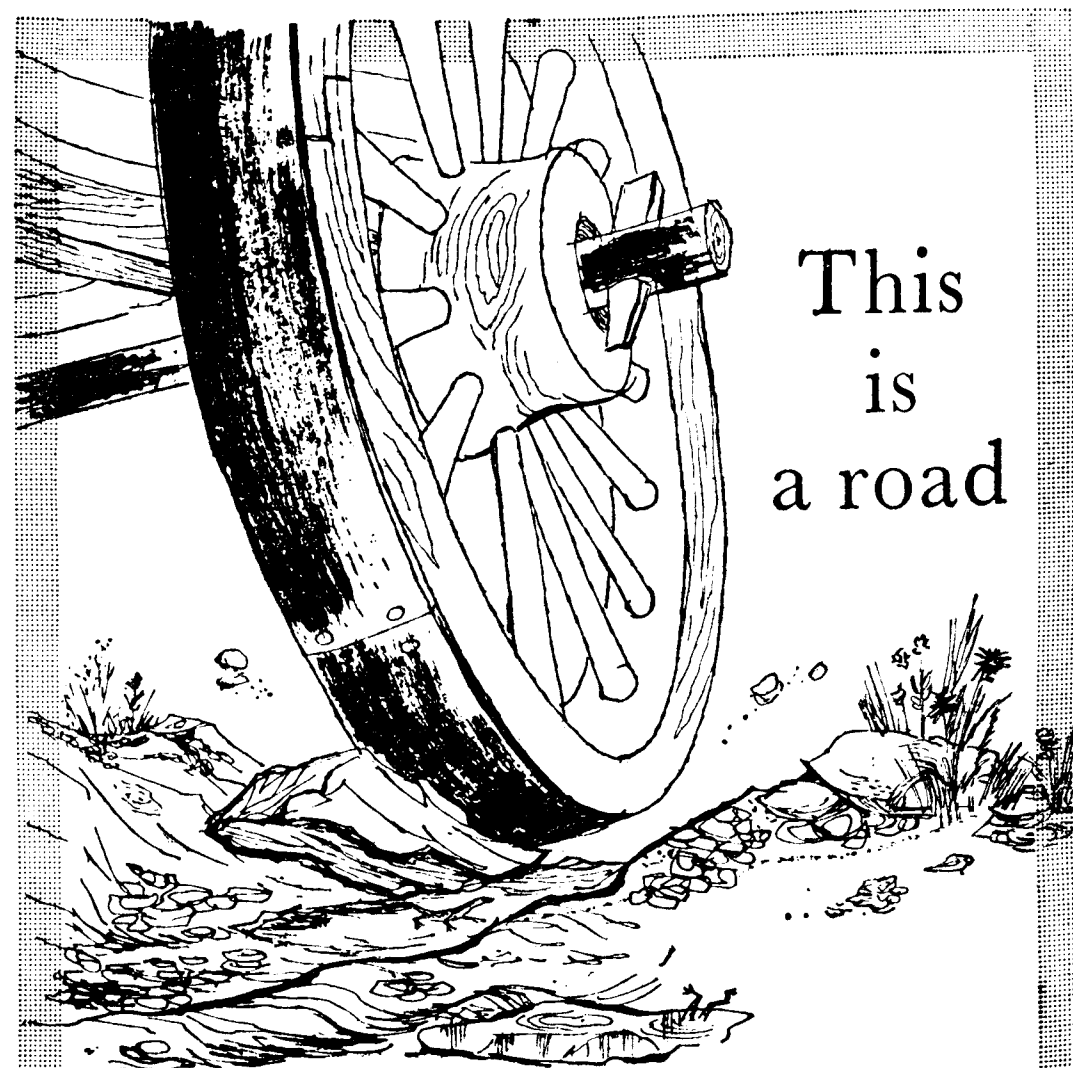
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HEAVIER TAX BURDEN ON BUSINESS

REACTIONS OF INVESTORS TO RECENT LEVIES

(FROM A CORRESPONDENT)

THE kind of young woman who encourages advances, but slaps you in the face when you actually make them, sooner or later becomes well known for her habits. There is a name for her—a jilt—and it is with sincerity that one hopes recent financial policies do not earn this country a similar reputation. We have become accustomed to the background music of soothing noises which regularly accompanies the placing on the statute book of each new and unpalatable tax burden, the promises that it will be applied with moderation and broadmindedness, the assurances of a lightening in the load here or a concession there. But when it comes to the point and the well meaning measures fashioned by leaders are put into practice by their humbler brethren, we are tempted, through bitter experience, to behave like the firemen who listened to Matilda's screams: "and every time she shouted 'Fire', they only answered 'Little Liar'."

It was in March 1957 that the National Council of Applied Economic Research published a questionnaire which seemed to all who studied it to be an honest attempt to find out what were the various factors which might be acting as disincentives to potential investors in the industrial development of India. A great deal of hard work was done in compiling carefully thought out answers to the many questions in the belief that they would be heeded. One general factor which the answers stressed as being a strong deterrent was uncertainty—uncertainty about the future trend of taxation policy, about the imposition of new taxes and appropriations, about the possibility of retrospective measures being made law, rendering the already buried past as well as the future unsettled. In the face of the weight of responsible opinion represented by the replies to "Mr. Lokanathan's questionnaire," what do we find has happened in the field of taxation during the last 12 months?

First Shock

The first shock came with the publication of the Finance (No. 3) Bill of 1956. What the Gov-

ernment here says to the industrialist is in effect: "We cannot trust you to look after the funds representing your reserves and the depreciation which we have allowed you because you may use this finance for anti-social purposes. We will, therefore, relieve you of the responsibility of keeping them by asking you to deposit the amount with us for safe custody. You must make this deposit in the shortest possible time, and if by the date you have to make it our staff has not had time to consider your protest against having to do so, there is no excuse. Likewise, we will relieve you of the responsibility of having to look after a large part of profits which in future you decide not to distribute as dividends." These measures will affect both the Indian subsidiary of a foreign company and any foreign company trading in India.

The same Bill contained the capital gains tax. To the foreign investor, this probably means that he will be taxed at a high rate (31.5 percent) on any increase which may have occurred in the monetary value of his investment in India should he try to realise it. The tax ignores the fact that the value of money has steadily depreciated for a number of years and is worth considerably less now than when the original investment was made. The capital gains, as calculated, are largely illusory and may in fact represent a real loss. To be taxed at a high rate on an illusory profit is not the best way to encourage a flow of funds. One of the first things any investor asks himself is whether he can "get his money out" easily when he needs it, and realise any appreciation in value which his perspicacity and self-denial may have achieved. If, in addition to the hurdle of exchange control, the foreigner knows he is going to contribute nearly a third of any capital gain he may make to the Government in the form of a tax which will probably not be allowed as a set-off against liability in his own country, his reaction after looking at the proposition is likely to be "No, fears!"

Penal Taxes

Into the den of which hogsblossoms, indeed, can one get if one tries to follow the financial precepts recommended: you are encouraged to husband your reserves by declaring small dividends and retaining profits for expansion. If you do this, you may well find that you are what is called a Section 23A company, and that your income tax officer says that he must assess you on the basis of your having declared a very much bigger dividend than in fact you did; he helps himself accordingly. This may decide you the next year to declare a higher rate of dividend on your issued capital, but because this is relatively small, most of your finance being represented by accumulated reserves, the dividend percentage has to be high in order to distribute a fair proportion of the profits. Here again you get stung because there is a supertax on dividends above a rate of 6 percent, so you are thus punished for your conservative policy in the past. To put this anomaly right and at the same time rationalise your capital, you decide to issue bonus shares and to capitalise part of your reserves, so that future distributions of dividend may be at a lower percentage rate by reference to the bigger issued capital. You find, however, that there is now a 30 percent tax on any bonus shares issued, so that your well meant efforts in yet another direction have a douche of very cold water thrown over them. The well-intentioned industrialist is thus left, like a squirrel in a cage, seeking vainly for an avenue of escape for which he will not have to suffer the penal treatment which the Government metes out to those who try and build up an honest business by their own efforts.

Levy on Net Wealth

The worst bombshell of the lot, however, is represented by the new tax on wealth in the latest Central Budget. This tax originated in Professor Kaldor's proposals but Professor Kaldor himself never suggested that it should be applied to companies. While admitting this, the Finance Minister nevertheless said: "I consider it advisable not to exclude companies from the purview of this tax"; so a flat rate of half a percent on net assets above the exemption limit has been imposed. This tax not only affects Indian companies, but also companies which are not resident but are carrying on business in India. The tax is chargeable on "net wealth", and it is possible to imagine circumstances where a company having stocks, buildings, etcetera, but which for one reason or another is not actually trading, becomes liable to pay a large sum as wealth tax; likewise, companies making losses will also have to suffer this added burden.

It is difficult to think of any tax better calculated to deter foreign investment. It is a completely new type of tax and is in the nature of a capital levy. The way in which it will be calculated, especially for foreign companies trading in India, is not clear and it is impossible to see how its enactment can be reconciled with any policy designed to attract foreign capital. Considering the harm it is bound to do, it cannot be justified by its yield and, as Rajkumari Amrit Kaur herself said, it would be more than counter-balanced if Congress leaders were prepared to change their irrational policy on prohibition and also impose a salt tax.

There is a lot else besides, but we have said enough, we think, to make our point. We know that a healthy flow of funds from savings and from foreign sources is essential to support India's brave efforts at quick industrialisation, but let not the methods sought to obtain them be themselves the very cause of the sources drying up. The Finance Minister's task must always be one of balancing the immediate revenues raised against the long-term and short-term effects of the legislation whereby he raised them. With the utmost respect we would submit that many of the recent tax measures are likely to kill the goose that might lay the sorely needed golden eggs.

Our City Cable

DULL TREND IN STOCK MARKETS

INDUSTRIALS UNCHANGED: GILT-EDGED DECLINE

London, 26th June.

THE stock markets failed to develop any decided trend before the week-end but afterwards sentiment was dull and prices were generally lower. The dull conditions were mainly due to the absence of incentives, a persistent decline on Wall Street and the weakness of gilt-edged. The outstanding feature was the weakness of Government securities, which met with persistent selling pressure in a market lacking support. The industrial market presented a firm appearance for the opening of the new account and several good features developed on selective buying; but after the week-end, prices turned easier and recorded little change on balance, except in certain individual issues. Among foreign bonds, German issues were firm but Japanese bonds eased. Dollar stocks also eased, reflecting the lower transatlantic values. Oils went ahead on fresh buying but reacted sharply on reports of overproduction in the United States. Business in the London Kaffir market was small and widespread losses were recorded. Copper shares reflected the lower price of the metal while base metals eased. Rubbers encountered a good selective demand and several issues improved, particularly Anglo-Indonesian. Tea shares were irregular.

The Money Market

Although at times short-loan conditions were comparatively comfortable, the money market was never allowed much rein and the credit squeeze was very much in evidence. Government disbursements helped the position at mid-week when the weekly revenue payments had to be met. At other times, when the market was short, the authorities gave assistance, although on one occasion some discount houses were forced to borrow small amounts from the Bank of England at the full five percent Bank rate. On the other hand, there was a time when the supply of credit was such that small balances remained unlent. At that time, overnight loans were arranged at down to 2½ percent; but in the more difficult periods 3½ percent was conceded. Business in bills was on a fair scale and was done on the basis of 3½ percent for September dates and hots, although some changed hands at 3½ percent. The average rate for Treasury bills was very slightly lower at the weekly offering, at £3 17s 1.35d percent.

Activity on Wall Street

Foreign bonds were mostly lower in quiet dealings. Italians declined about a point over the week after starting higher. Australians, Norwegians and German Nationals were mostly fractionally lower. Japanese Government bonds were also on the soft side, declining by about two points. Chile 3 percents were down fractionally. Long-term U.S. Treasury bonds hit new lows and dealers said that the downward trend was reflecting efforts to get the issues more in line with yields on new corporate securities. Investment quality issues, after being easier, rose after the success of the Southern Bell Telephone \$70 million debenture issue yielding 4.85 percent which was sold out. Convertible and share privilege issues were easier. Railroads and municipal issues also quoted slightly lower.

Vegetable Oils Quiet

Generally quiet conditions prevailed in most sections. Indian castor oil was talked slightly dearer on firmer origin prices but apart from small dealer covering, demand was still negligible. Lively Continental covering was again noted in British East African castorseed and over the week-end Marseilles paid up to £79½ c.i.f. less one percent commission for June shipment. Improved U.K. enquiry was noted for Ceylonese coconut oil with bids mentioned up to £95 c.i.f. for forward shipments. As a result, the market was displaying a steadier undertone. Straits oil lacked attention but improved sympathetically. Linseed oil showed a further recession with enquiries few and far between and the trade was generally awaiting the results of the American Commodity Credit Corporation tender for linseed. The news that India was to license linseed oil for export free of quantitative restrictions until the end of the year caused no reaction in London since current price indications were about £15 to £20 a ton above general market values. Sellers of both groundnut oil and market values. Sellers of both groundnut oil and market values. Sellers of both groundnut oil and market values.

Decline in U.S. Copper Prices

Now that the U.S. domestic copper price has dropped to around 29 cents a lb., trade sources are speculating on how the market will be affected by the Government's scheme to increase stockpiling. These purchases as the prices fall below certain levels. These purchases are authorised under the provisions of the Defence Production Act. The U.S. Government has floor price contracts with certain domestic and foreign producers whom it financed to produce copper under the provisions of the Act. The copper division of the Business and Defence Services Division of the U.S. Department of Commerce estimated some time ago that if the domestic copper price dropped below 29 cents, a lb., about 4,000 short tons a month might be delivered to the Government under the provisions of the Defence Production Act. If the price dropped below 27 cents a lb., the total might rise to about 10,000 tons.

Finance in India and Abroad

THE CALCUTTA MONEY MARKET

FURTHER FALL IN ADVANCES

Wednesday, 26th June.

THERE has been a substantial decrease in advances in the Calcutta money market during the past week. Jute and sugar funds have been returning, but credit for grains and seeds has increased. Cotton accommodation is around the previous levels. In the interbank market, conditions are believed to be somewhat easier, but the call rate remains at 3½ percent.

More bills have been seen in the exchange market. The majority have been on account of gunny shipments, but a few on account of tea are also reported. Forward business in the remittance section has decreased while ready remittances continue on a moderate scale.

Bullion was quietly steady in routine turnover. After an initial fall because of rumours of imports of Chinese coins, silver rallied to Rs. 178.50 at the close. Gold was steady in the absence of offers and finished at Rs. 107.25.

During the week ended 21st June, Government of India Treasury bills for Rs. 6,11,00,000 were sold in favour of the Reserve Bank.

Declines of Rs. 21.32 crores to Rs. 1,559.24 crores in active notes and of Rs. 8.84 crores to Rs. 1,595.65 crores in the total note issue were the outstanding features of the return of the Reserve Bank of India for the week ended 21st June, 1957. The currency contraction was adjusted by diminishing rupee securities by Rs. 10 crores to Rs. 939.81 crores. Notes held in the Banking Department were Rs. 12.48 crores higher at Rs. 36.41 crores. Deposits of the Government of India improved by Rs. 99 lakhs to Rs. 53.45 crores, and other Government accounts were Rs. 1.11 crores higher at Rs. 2.30 crores. Balances of commercial banks increased by Rs. 6.69 crores to Rs. 71.51 crores. Balances held abroad declined further by Rs. 9.33 crores to Rs. 51.36 crores, while investments rose by Rs. 8.82 crores to Rs. 187.47 crores. Other loans and advances declined from Rs. 98.06 crores to Rs. 93.46 crores, of which advances to scheduled banks against usance bills amounted to Rs. 52.08 crores (Rs. 54.75 crores). Ways and means advances stood at Rs. 23.95 crores against Rs. 25.98 crores.

The return of the State Bank of India for the week ended 14th June, 1957, shows a rise of Rs. 14 lakhs in total deposits to Rs. 306.53 crores. Investments in Government securities are up by Rs. 1 lakh at Rs. 94.10 crores, while other authorised investments remain unchanged at Rs. 11.42 crores. Advances, including loans, cash credits, overdrafts and bills discounted and purchased have fallen by Rs. 1.73 crores to Rs. 186.39 crores. Cash and balances are, in consequence, shown at Rs. 25.29 crores, or Rs. 2.34 crores less.

The statement of the position of scheduled banks for the week ended 14th June, 1957, shows Demand and Time liabilities at Rs. 712.67 crores (Rs. 9.88 crores on account of borrowings from banks) and Rs. 544.13 crores (Rs. 3.44 crores), compared with Rs. 711.69 crores (Rs. 10.65 crores) and Rs. 538.11 crores (Rs. 2.60 crores), respectively, in the previous week. Cash has risen by Rs. 1.20 crores to Rs. 40.94 crores, while balances with the Reserve Bank have fallen by Rs. 3.95 crores to Rs. 59.78 crores. There is a drop of Rs. 5.34 crores in investments to Rs. 334.88 crores. Advances and bills discounted at Rs. 930.35 crores show a fall of Rs. 5.13 crores. The ratios to total liabilities of cash and balances, and of advances and discounts, are, in consequence, shown at 8.0 percent and 74.0 percent, against 8.3 percent and 74.9 percent.

LONDON FINANCIAL LETTER

U.K. RESTRICTIONS ON DOLLAR EXPENDITURE REDUCED

By Air Mail.
EARLY this month the British Government made the foreign travel allowance—basically £100 a year an adult person—available for the dollar area and increased the special business allowances drawable in dollars. Before the Suez crisis it was known that the Government intended to make this concession as soon as circumstances permitted; yet the City was not entirely prepared for it, and the move made, therefore, a distinct psychological impact. It is doubtful if many tourists will feel that the amount that they can buy with £100 in North America would justify the trans-Atlantic fares, but the concession is psychologically important, representing the abolition of one more discrimination against the dollar area. The announcement was made after the authorities had brought the rate for transferable-account sterling in the free markets almost into line with the rate for sterling exchanged officially in London, thereby nearly achieving the unity of sterling that would necessarily occur if sterling as such were formally convertible. The two moves, coinciding, have revived discussion of the whole subject of convertibility. It has been necessary to conclude, however, that there is no evidence of plans for a major change in the status of the currency.

Holders of sterling outside the sterling area are already well provided with facilities for conversion, and sterling can be, and is, used as a medium for converting other currencies into dollars. The transferable-account area covers nearly all the non-sterling world excepting the dollar area, and the holders of transferable-account sterling can exchange it freely with any European currency or, at a discount that is now not much more than ½ percent with dollars. (When the Exchange Equalisation Account in London extended its supporting operations to "free" sterling it improved the facilities for converting non-resident sterling into dollars by absorbing—without formal commitment to do so—some of the dollars offered.) Residents of the sterling area on the other hand have less facilities for converting their sterling into dollars than have the residents of Western Germany, Switzerland, and Belgium for converting their respective currencies.

The authorities are reluctant to commit themselves to formal convertibility of non-resident sterling, for, while the reserve is still inadequate, there may be again, as there were in the Suez crisis, circumstances in which it will be convenient to let part of a divided sterling slide in free markets where there is no obligation to support it. They are still more reluctant to allow the right of convertibility to residents of the sterling area, for in times of crisis resident sterling has been, by devious means, even without that right, converted in alarming quantities. But the concessions to tourists and business men imply, at least, that discrimination against goods and services that cost dollars is being gradually withdrawn.

An Anxious Phase

The truth is that, whatever the state of the reserves (and they are not being fortified as might

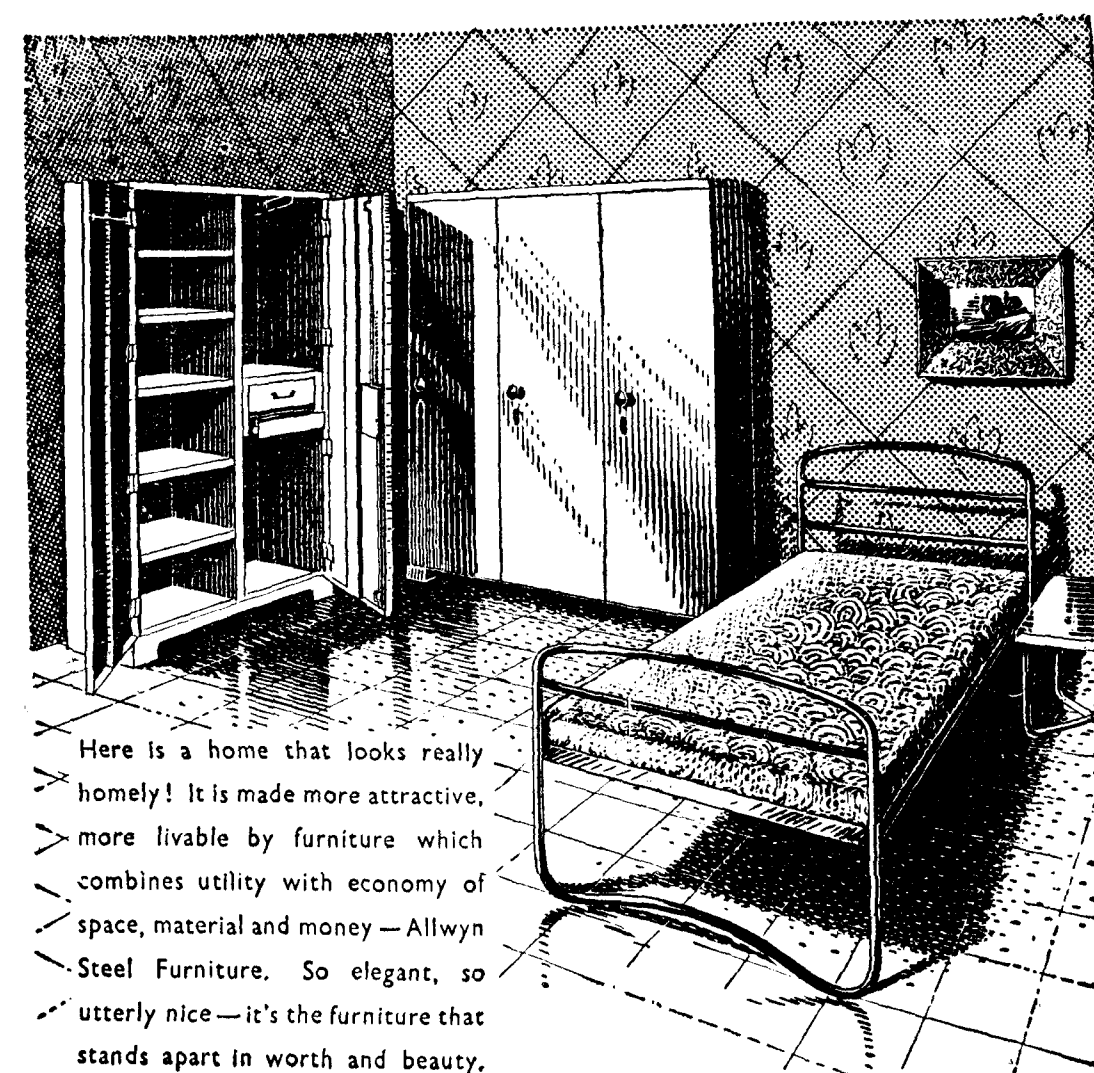


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Secretary

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BRANCHES THROUGHOUT THE SOUTH AND IN THE MAJOR CITIES OF INDIA, CEYLON AND MALAYA.

be hoped), the current position and prospect are not assured enough to permit experiments. Indeed, there must be no more experiments in convertibility, as in 1947: when it is undertaken again it must be permanent. The period of the year when sterling is normally strongest is ending, with the sterling-dollar rate well below the middle of its parity limits. There is naturally some anxiety lest in the period of seasonal pressure considerable quantities of dollars may be lost in holding the rate above the lower limit. For it appears that the Government's policy this year has been based on the assumption that there will be no appreciable increase in demands on the nation's resources, and that there will be, therefore, opportunities to add to the reserves; whereas in fact demands are already increasing rapidly.

There is undeniable evidence that a new inflationary phase has begun. It could probably be checked without much difficulty if the authorities had deflationary weapons ready to hand and were prepared to use them. The reluctance to reduce Bank rate as soon as the Suez crisis was ended is now criticised, not only because the Government's credit, as measured by the value of Government

stocks, has since been severely damaged, but also because it is tactically difficult to raise Bank rate from a level that is already abnormally high.

The extra demands are asserting themselves mainly in the private sector: in the public sector expenditure on fuel and power and transport is increasing, but the Government is slightly reducing its expenditure on defence. In the private sector both consumption and capital development are expanding; but current production, which could relieve inflation by providing more goods to absorb the flow of money, is lagging behind. In the first quarter of this year, compared with the same period of last year, consumption increased 7 percent in terms of money, 4 percent in terms of goods and services; and, as the main increase in wages has occurred in the second quarter, the rate of increase in consumption has probably risen further. The effects of this development have been partly concealed by the stocks of consumers goods accumulated previously; but producers have been encouraged to proceed with plans for increasing production, and their demands are inflationary until the plans bear fruit—mostly next year.

Competing with London

These developments may further delay the return to normal financial stability—if stability can be regarded as normal after so long a lapse! Meanwhile, London's status as an international financial centre, only partly restored in the postwar era, is being increasingly challenged. The City's financial institutions have not failed to notice the significance of the rapid progress made by Union Acceptances in Johannesburg in its first year of business. That an institution devised to mobilise local resources to provide short-term finance for local needs can develop so rapidly confirms a fact of which there were already hints from various centres in the sterling area, that London's facilities are not indispensable. No one here pretends to regard complacently the possibility that overseas financial institutions will increasingly use their reserves at home instead of sending them to London and that overseas commercial firms will increasingly satisfy their short-term financial needs locally instead of in London. If this tendency persists it will inevitably affect this country's earnings from international financial services, which are an important element in the nation's balance of payments. The tendency, which represents a natural development, can probably not be reversed; but London must obviously make itself as competitive as possible in order to resist decline. Adjustment of London's rates, to make them more competitive, becomes a matter of some urgency.

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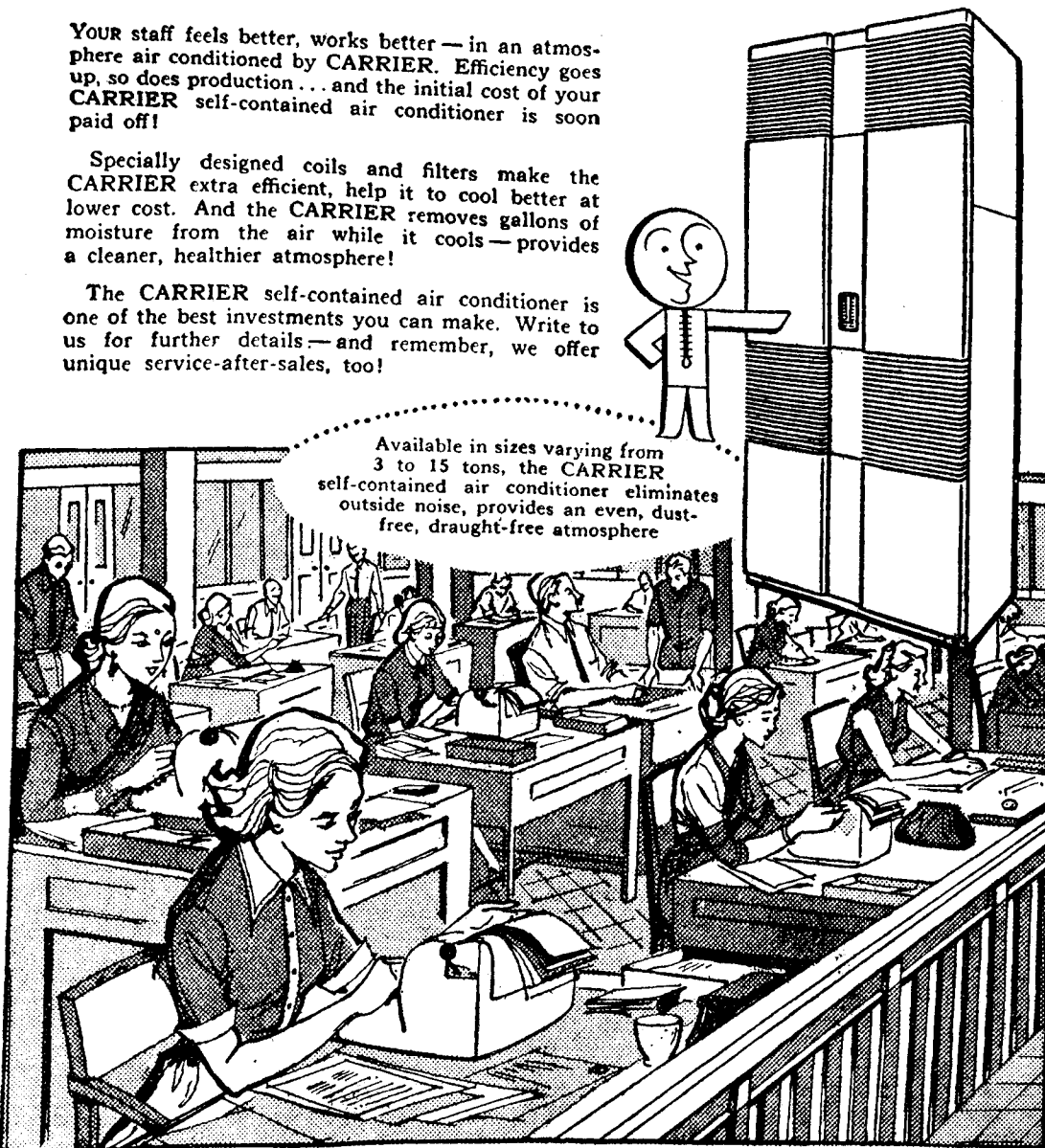
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RESERVE BANK

ISSUE DEPARTMENT (In 000's of Rupees)			
	21-6-57	14-6-57	22-6-56
Liabilities—			
Notes in Banking Dept.	36,40.74	23,92.82	29,68.18
Notes in Circulation	15,39,24.29	15,80,56.02	14,86,86.75
Total Notes issued	15,95,65.03	16,04,48.84	15,16,54.93
Assets—			
A Gold Coin and Bullion	1,17,76.03	1,17,76.03	40,01.71
Foreign Securities	4,12,51.91	4,12,51.91	6,56,54.10
Total of A	5,30,27.94	5,30,27.94	6,96,55.81
B Rupee Coin	1,25,56.03	1,24,39.84	1,06,33.08
Rupee Securities	9,39,81.06	9,49,81.06	7,13,66.04
Total	15,95,65.03	16,04,48.84	15,16,54.93

BANKING DEPARTMENT			
	21-6-57	14-6-57	22-6-56
Liabilities—			
Capital Paid-up	5,00.00	5,00.00	5,00.00
Reserve Fund	5,00.00	5,00.00	5,00.00
Credit (Long term) Fund	15,00.00	15,00.00	10,00.00
National Agricultural Credit (Stabilisation) Fund	1,00.00	1,00.00	...
Deposits—			
(a) Central Govt.	53,45.39	52,45.65	62,57.92
(b) Other Govts.	2,29.60	1,18.66	8,00.91
(c) Banks	71,51.23	64,82.23	51,98.42
(d) Others	1,21,63.00	1,20,99.52	13,01.78
Bills Payable	14,67.50	20,76.50	4,75.98
Other Liabilities	1,21,59.32	1,20,83.15	41,94.82
Total	4,11,16.14	4,07,06.01	2,02,19.83
Assets—			
Notes	36,40.74	23,92.82	29,68.18
Rupee Coin	1,25,56.03	1,24,39.84	1,06,33.08
Subsidiary Coin	7.89	8.77	7.39
Bills Discounted Int.	6.19	6.05	5.24
Govt of India Treasury Bills	4,67.92	5,83.09	8,32.61
Balances held abroad	51,86.38	61,19.16	32,27.02
Loans to Govt.	23,55.46	25,98.46	5,01.75
Other Loans etc.	93,45.62	98,06.00	71,62.23
Investments	1,87,47.08	1,78,65.40	35,99.24
Other Assets	13,18.86	13,26.26	18,84.62
Total	4,11,16.14	4,07,06.01	2,02,19.83

SCHEDULED BANKS

(In 000's of Rupees)			
	21-6-57	14-6-57	15-6-56
Demand Liabilities—			
(a) Borrowings from Banks	9,87.90	10,64.96	8,88.03
(b) Others	70,27.909	7,01,03.72	6,26,44.35
Time Liabilities—			
(a) Borrowings from Banks	3,44.00	2,60.00	2,82.30
(b) Others	5,40,69.06	5,35,50.90	4,43,90.31
Borrowing from State Bank—			
(i) Demand Liabilities	6,96.19	9,77.43	7,53.05
(ii) Time Liabilities	...	...	...
Borrowings from Reserve Bank—			
Bank	70,02.56	82,28.38	58,37.37
Cash	40,93.95	39,74.16	37,65.49
Balances with the Reserve Bank—			
Bank	59,78.35	63,72.75	49,25.28
Balances with other banks in current account	10,14.55	9,92.53	10,08.73
Money at call and short notice	19,70.99	19,66.49	11,13.76
Investments in Central and State Govt. Securities	3,34,87.57	3,40,22.04	3,48,85.94
Advances	7,43,32.21	7,46,00.26	6,12,19.03
Indian Bills purchased and discounted	1,29,37.67	1,32,43.25	1,03,89.28
Foreign Bills purchased and discounted	57,65.06	57,04.74	47,32.37

CLEARING HOUSE RETURNS

	Week ended	Rs (thousands)	Bombay
21-6-57	75,90.14	50,77.71	
14-6-57	55,78.00	46,35.75	
7-6-57	68,66.42	46,35.75	

STATE BANK OF PAKISTAN

ISSUE DEPARTMENT (In 000's of Rupees)			
	week ended	week ended	week ended
	7-6-57	31-5-57	31-5-57
Liabilities—			
Notes in Banking Department	10,33.49	13,55.56	
Notes in Circulation	3,28,04.50	3,25,01.87	
Total Notes issued	3,38,37.99	3,38,57.43	
Assets—			
A Gold Coin and Bullion	11,33.41	11,33.41	
Approved Foreign Exchange	98,14.58	1,03,78.58	
Government of India Securities	...	...	
India Notes representing assets receivable from the Reserve Bank of India	43,02.30	43,02.30	
B Bank of India	5,15.00	5,34.44	
B Rupee Coin	1,74,82.64	1,69,18.64	
Govt of Pakistan Securities	...	...	
Held with Reserve Bank of India pending transfer to Pakistan	19.02	19.02	
Gold Coin and Bullion	4,40.63	4,40.63	
Sterling Securities	1,00.90	1,00.90	
Govt of India Securities	29.51	29.51	
Rupee Coin	...	...	
Total	3,38,37.99	3,38,57.43	

BANKING DEPARTMENT			
	week ended	week ended	week ended
	7-6-57	31-5-57	31-5-57
Liabilities—			
Capital Paid-up	3,00.00	3,00.00	
Reserve Fund	3,00.00	3,00.00	
Deposits—			
(a) Central Government	59,80.36	58,49.44	
(b) Provincial Government	2,41.43	3,20.52	
(c) Banks	13,96.51	14,80.25	
(d) Others	9,14.08	9,27.63	
Bills Payable	1,16.73	67.79	
Other Liabilities	13,63.67	13,05.02	
Assets—			
Notes	1,05,12.78	1,05,49.95	
Rupee Coin	10,33.49	13,55.56	
(a) Pakistan	18	18	
Subsidiary Coin	13	13	
(a) Pakistan	...	...	
(b) India	...	...	
Bills Purchased and Discounted—			
(a) Internal	12.25	10.46	
(b) Govt. Treasury Bills	24.00	24.00	
Loans and Advances to Govt.	10,43.80	11,43.65	
Provincial Govt. Debtor Balances	73,78.71	68,97.31	
Other Loans and Advances	10,20.22	11,02.06	
Investments	...	...	
Other Assets	1,05,12.78	1,05,49.95	

Stocks and Shares

SUBSTANTIAL RISE IN EQUITY PRICES

SENTIMENT IMPROVES ON HOPES OF FINANCIAL AID FROM U.S.A.

Wednesday Evening.

EQUITY prices in the stock market have improved substantially during the past week. The technical position has become healthier and the bulla charges were moderate at today's settlement. Bears have been obliged to cover, especially in speculative issues, because of the shortage of floating scrip. Investment buying has broadened, and the Life Insurance Corporation, it is believed, has purchased large parcels of assorted stocks. Operators have been encouraged by the official reiteration that the private sector is expected to play an important rôle in economic development. The prospect of getting substantial financial assistance from the United States in the near future has lifted sentiment.

Steel shares have been prominent, and Indian Iron have crossed the pre-Budget price. The Mundhra group of shares have received attention on the rumour that the Life Insurance Corporation might buy a large number of them. Selected miscellaneous industrials have been supported, the more notable gains being reported by Dunlop Rubber, Indian Cable and Metal Box. Renewed interest has been taken in tea shares as auction prices have improved. Jutes remain neglected. Except for the limited enquiry for Bengal Coal, on an encouraging speech by the chairman of the company, interest in coal shares has been absent and no worthwhile movement is likely until the publication of the report of the Price Revision Committee.

In spite of restricted turnover, prices of gilt-edged stocks have been maintained. The decision of the Central Government to issue a loan of Rs. 100 crores, cash subscriptions to which will amount to Rs. 68 crores, has had a steadying effect. The prospect that higher interest might be paid on the new loan is unlikely to have any unsettling effect as prices have already discounted such an eventuality.

Details of the week's trading follow.

The announcement by the Central Government that it intends to float a Rs. 100 crores loan—Rs. 32 crores in the form of Conversion loans and Rs. 68 crores by way of cash subscriptions—left the gilt-edged market unaffected, as prices of existing loans had already adjusted themselves to the new yield structure. Although gilt-edged remained quiet, a slightly better tendency was noticeable at the lower levels followed by a certain amount of buying. The 3% Conversion Loan 1986 was traded at around Rs. 73 and 3% Non-terminable Paper was quoted nominally at the same rate. Short-dated loans were supported, with buyers of 3% 1957 at Rs. 99.75 and of 3% 1958 at Rs. 99.68; 2½% 1961 was fully steady at Rs. 93.50 as was 2½% 1960 at Rs. 96.50. The 3% 1959-61 came to hand at Rs. 97.78 and 3½% 1961 was unchanged at Rs. 99.30. In medium-dated loans, 2½% 1962 was quoted around Rs. 93.84 and 3% 1963-65 changed hands at Rs. 93.65; 3½% 1964 was easier at Rs. 93.75, while 3½% 1964 improved to Rs. 97.75 and 3½% 1965 was better at Rs. 97.80. Long-dated loans were again easier, 3% 1966-68 being offered at Rs. 91 and 3% 1970-75 at Rs. 85.70; 3½% 1974 was easier at Rs. 96.35. Little business was reported in State loans and prices were marked back. The 4% Madras 1968 was weak at Rs. 95.50 and 4% Andhra 1968 was offered at the same rate. Among other issues, 4% U.P. 1967 changed hands at Rs. 97.86 and 4% U.P. 1968 had sellers at Rs. 97.40.

Preference shares in most cases suffered from a lack of interest. In Jute, Belvedere were marked at Rs. 95 cum-dividend and Clive Mills "A" at Rs. 74. Among miscellaneous issues, British India Corporation were reported around Rs. 106 and Calcutta Electric were dull at Rs. 9.09. Dalmia Cement 2nd Preference changed hands at Rs. 34 and Indian Iron and Steel had sellers at Rs. 99. New Doars Tea were crossed at Rs. 121.50. Rohas Industries "B" Preference came to hand at Rs. 62.50 and Shaw Wallace were crossed at Rs. 67 with buyers over.

In the banking section, there was a good enquiry for United Commercial at the higher rate of Rs. 53.75 while both Punjab National and United Bank of India were unchanged around Rs. 55.50 and Rs. 4.12, respectively. A solitary transaction was reported in Allahabad Bank at Rs. 364.

The only share dealt in in the railway section was Dehri-Rohas at the higher rate of Rs. 9.40.

In the cotton section, Cawnpore Textile improved from Rs. 5 to Rs. 6 while Elgin Mills were unchanged at Rs. 17. Jayshree Textile were reported at Rs. 5.87. Kesoram were slightly better at Rs. 13.50 while New Victoria were unchanged at Rs. 1.69. Both Bowreah and Dunbar improved today to Rs. 108 and Rs. 150, respectively.

The outstanding feature in the coal section was Bengal which improved from Rs. 204 to Rs. 228, with further buyers at this rate. Burakur were maintained at Rs. 22, while East Indian and Equitable improved to Rs. 22.75 and Rs. 21.75, actively. The recent enquiry for Union Coal

shares appears to have petered out, with the price coming back from Rs. 25 to Rs. 23.

Investors showed no interest in jutes and business was on a very restricted scale. Here is a chart showing representative price movements:

	Opening 20th June, 1957.	Closing 27th June, 1957.
	Rs.	Rs.
Agarpara	6.87	7
Anglo-India	127	124
Birla	14	13.50
Chandpary	95	100
Kamarhaty	75	73
National	19.96	19.70

In the electric supply section, Calcutta recovered from Rs. 11.94 to Rs. 12.19. Other issues were unchanged with Agra quoted at Rs. 125. Benares at Rs. 16.12 and U.P. at Rs. 130. Mirzapur met with interested support and spurred from Rs. 6 to Rs. 9.

Sugar shares did not participate in the general improvement, except for Cawnpore, which recovered from Rs. 13.25 to Rs. 15.12. Champaran were steady at Rs. 22.25 and Belsund were slightly better at Rs. 10.62. Dyer Meakin Breweries were easier at Rs. 5.94 as were Ramnugger Cane at Rs. 21. S.K.G. were reported at Rs. 10.

The feature in the engineering section was the recovery in Richardson and Cruddas and Jessop from Rs. 13.37 to Rs. 14.62, and Rs. 23.12 to Rs. 25.12, respectively. Large parcels of these shares, it is reported, changed hands. Indian Iron shares went from strength to strength, with the price at one stage touching Rs. 20.50, against the opening rate of Rs. 19.57; tonight's closing quotation is Rs. 20.06. Another good feature was Indian Steel and Wire Products, which rose from Rs. 54.75 to Rs. 57. Marshalls were better at Rs. 5.25 as were Kumardhubi at Rs. 9. Braithwaite were taken at the higher rate of Rs. 25.25 as were Burn at Rs. 317. Textile Machinery were steady around Rs. 17.50.

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HINDUSTAN LEVER
serves the home



Guest, Keen, Williams were firm at Rs. 27.75.

In paper, Orient were active around Rs. 25 and Sipur improved from Rs. 8.37 to Rs. 8.75. Shree Gopal were at one time better at Rs. 15.12 and Titeghur improved to Rs. 33.

In cement, Dalmia were easier at Rs. 11.25, but Sone Valley recovered from Rs. 5.68 to Rs. 6.12. Assam Bengal were unchanged at Rs. 4.94.

In insurance, Concord of India were steady at Rs. 11.50. Hercules were crossed at Rs. 21 and Triton at the higher rate of Rs. 154.

In shipping, India Steamship were steady around Rs. 10.15 while India General Navigation were unchanged at Rs. 65. Port Shipping were reported at their previous rate of Rs. 16.50.

Among miscellaneous industrials, Alkali and Chemical were shaded at Rs. 13.75 but Aluminium Corporation were better at Rs. 9. Angelo Brothers met with enquiry at the improved rate of Rs. 18. Britannia Biscuit were higher at Rs. 13 and British Burma Petroleum improved to Rs. 2.53. British India Corporation were a good feature, recovering from Rs. 5.87 to Rs. 6.65. Clive Row Investment were unchanged at Rs. 9.81 as were Dunlop Rubber at Rs. 20.50. Eastern Investments were enquired for at the higher rate of Rs. 103. Imperial Tobacco improved from Rs. 13.87 to Rs. 14.25, as did Indian Aluminium to Rs. 13.87. Indian Cables rose smartly from Rs. 22.50 to Rs. 25.12. Indian Rubber Manufacturers were easier at Rs. 23.50 while Indo-Burma Petroleum were better at Rs. 25.25. Martin Burn were taken at Rs. 23.50, as were Metal Box at Rs. 25.50. National Carbon recovered from

Rs. 24.12 to Rs. 24.75 while F. and C. Osler were offered at Rs. 4.12. Rohas Industries were steady at Rs. 17.44, and National Insulated Cables at Rs. 20.19.

The announcement of a final dividend of 13½ percent, making a total of 20 percent for 1956, by the Indian Copper Corporation was received with disappointment and the shares initially slumped from Rs. 3.75 to Rs. 3.30; replacement buying brought a recovery at the close to Rs. 3.40. Burma Mines improved to Rs. 2.34 and Orissa Minerals to Rs. 19.87. Karanpura Development closed easier at Rs. 12.12.

Interest revived in selected tea shares and prices improved sharply. Sungma were crossed at Rs. 9.50 while Tukvar were traded at Rs. 11.25. Baghmari had buyers at Rs. 18.87 as did Bateli at Rs. 24.12. Bishnauth at Rs. 21.25 and Bormah Jan at Rs. 16.87. Brahmaputra came to business at Rs. 5.06 and Brooke Bond advanced to Rs. 19. Dhelakhat were steady at Rs. 22.25 and East India were taken at Rs. 22.25. Tezpur shot up to Rs. 20.25 while Hattikhira were traded at Rs. 13. A small lot of Teliapara changed hands at Rs. 125 and Belgachi were wanted at Rs. 62. Hansqua were easier at Rs. 24.50 and Jayshree were crossed nearly Rs. 2 higher at Rs. 10.25. Baradighi were traded at Rs. 21 and Bhatkawa changed hands at Rs. 20.44. Birpara advanced sharply to Rs. 114 and Hasimara were wanted at Rs. 20. Huldibari were easier at Rs. 18.50 and Killcott were crossed at Rs. 18.25. New Doars came to business at Rs. 255 and Rajabhat were crossed at the higher rate of Rs. 18.

The results of the Heilgers group of coal companies have been published. The raisings of the KARANPURA MINING SYNDICATE amounted to 155,892 tons for the year ended last December. The coal was downgraded in quality by the Coal Board and its was felt to be in the best interests of the proprietors that the raising and selling of the coal be placed in the hands of a managing contractor. The arrangement was completed towards the close of the year under review and it has been working satisfactorily.

Providing Rs. 55,064 for taxation, the profit of the ONDAL COAL COMPANY has amounted to Rs. 49,848. Bringing in Rs. 56,646, there is Rs. 1,06,494. A dividend of 7½ percent has been declared, leaving a carry-forward of Rs. 37,244.

The CHURULIA COAL COMPANY has made a profit of Rs. 11,111. Bringing in Rs. 2,129, there is a balance of Rs. 13,240. The dividend has been declared at 6½ p. a share, leaving a balance of Rs. 4,240 to be carried forward.

The SENDRA COAL COMPANY has incurred a loss of Rs. 7,337. Bringing in Rs. 7,503 and transferring Rs. 25,000 from general reserve, there is Rs. 25,166. A dividend of 2½ percent has been declared, leaving a carry-forward of Rs. 5,166. The directors say that the deed of sale of the colliery property has still to be completed although the buyers have paid the sums promised on completion of documents. It is hoped to finalise the matter shortly.

Transferring Rs. 5.04 lakhs as taxation provision and bringing in Rs. 1,34,493, the profit of WALFORD TRANSPORT LTD. has amounted to Rs. 4,09,749 for the year ended last December. The ordinary dividend is the same at 14 percent. Contingency reserve is allocated Rs. 1 lakh, leaving a carry-forward of Rs. 1,66,813.

The BELVEDERE JUTE MILLS COMPANY has incurred a loss of Rs. 1.21 lakhs for the half-year ended last December. Transferring Rs. 1.20 lakhs from general reserve, Rs. 24,500 from dividend equalisation reserve, bringing in Rs. 2,525 and making other adjustments, there is Rs. 25,830. The usual preference dividends have been paid but the ordinary dividend has again been passed over. The carry-forward is Rs. 1,330.

The profit of the METAL BOX COMPANY OF INDIA has increased by Rs. 3.22 lakhs to Rs. 66.05 lakhs for the year ended last March. The ordinary dividend has been increased from 16½ percent to 17½ percent, including an interim of 6½ percent. The taxation provision is Rs. 38 lakhs (Rs. 31 lakhs) and general reserve is allocated Rs. 61 lakhs (Rs. 10 lakhs). The carry-forward is Rs. 16,33,569 against Rs. 16,24,249 brought in.

The STERLING GENERAL INSURANCE COMPANY has earned a net profit of Rs. 1.04 lakhs for the year ended last December. The dividend has been declared at 4 percent. The taxation provision is Rs. 55,000. The carry-forward is Rs. 1,589 against Rs. 2,012 brought in. The gross premium of the fire department increased from Rs. 14.01 lakhs to Rs. 22.89 lakhs. After making all adjustments, a balance of Rs. 1,81,862 is transferred to the profit and loss account. The gross premium of the marine department amounted to Rs. 7.81 lakhs (Rs. 6.99 lakhs). The net loss of the department totalled Rs. 1 lakh. An amount of Rs. 47,082 was transferred to the profit and loss account by the miscellaneous department, which earned a gross premium of Rs. 57.52 lakhs (Rs. 42.09 lakhs).

Bombay Market

CHEERFUL CONDITIONS PREVAIL

NO NEW TAXES IN STATE BUDGET

Wednesday Afternoon.

CHEERFUL conditions prevailed in the Bombay stock market during the past week, and equity prices improved substantially on a broad front. Substantial buying of various shares by the Life Insurance Corporation helped relieve the market of floating stocks and bear operators were obliged to cover. This accounted for the nominal carry-forward charges at the last settlement. The absence of new taxes in the State Budget was interpreted bullishly. It was also believed that the wealth tax and the expenditure tax might be substantially modified during the select committee stage. The decision of the Central Government to raise a Rs. 100-crore loan, cash subscriptions to which are expected to amount to Rs. 68 crores, has been welcomed, and the money market is expected to take up the issue without much strain.

Tata Steels soared to Rs. 172 and Indian Irons gained at Rs. 20.15 on nervous bear-covering. Alcock Ashdown met with demand at the higher price of Rs. 277.50 and Premier Construction were bought at Rs. 159 by knowledgeable quarters. Tata Locomotive recovered to Rs. 146 on replacement buying. Automobile shares registered minor gains in sympathy. Premier Automobiles came to hand at Rs. 88.50 and Hindustan Motors improved to Rs. 7.

The mill group was dotted with a number of rises and the prospect of an improvement in the piecegoods markets in coming weeks assisted sentiment. Bombay Dyeing gained at Rs. 551.50 and Kohinoor were taken up to Rs. 267.50. Simplex realised Rs. 167 and Century were bought at

Rs. 428.50. Svadeshi were dealt in at Rs. 186.50 and India United Ordinary recovered to Rs. 10.40.

Miscellaneous industrials improved in sympathy with the general trend. Associated Cements gained at Rs. 158 and Digvijay Cements were taken at Rs. 145. In the mining group, the initial rise in Indian Coppers was not maintained as the final dividend was below market expectations. The price closed at Rs. 3.40 and Shrivajpur Syndicate were a shade higher at Rs. 81. Sugar shares improved and Belapur were quoted higher at Rs. 225. Bear-covering helped steamship shares. Scindia Steam rallied to Rs. 18.90 and Great Eastern Shipping met with support at Rs. 19.50. Bombay-Burmah recovered to Rs. 560 on replacement buying and National Rayon improved to Rs. 222.50 on the suggestion that restrictions on imports would help improve the prices of the commodity. Tata Chemicals were transacted at Rs. 17.40.

Banking shares were quietly steady in routine turnover. Bank of India came to hand at Rs. 139 and United Commercial Bank realised Rs. 54. Insurance shares lacked interest, and New India Assurance fell to Rs. 42.50.

Scattered interest was taken in electricity supply company shares, although prices showed little variation. Ahmedabad Electric were done at Rs. 98.50 and Tata Power were taken at Rs. 1,207.50.

THE WEEK'S TRANSACTIONS

In the following list of stocks and shares in which transactions have taken place during the past week, figures indicate Opening, Quotations, Highest for the week, Lowest for the week, Closing Quotations, Quotations for the Corresponding Closing Date a Year Ago, the last named being shown in parentheses and will not be given where such a quotation is not available. Figures given after a stroke (/) mean Naye Paisel.

GILT-EDGED
3% Govt. Paper—Rs. 72/50—72/50—72/12—72/12.
3% Loan (1936)—Rs. 72/94—73/19—72/50—73/00.
3% " (1959-61)—Rs. 97/70—97/90—97/70—97/90.
3% " (1963-65)—Rs. 93/54—93/65—93/54—93/65.
3% " (1964)—Rs. 93/75—93/75—93/75—93/75.
3% " (1967-75)—Rs. 85/60—85/70—85/57—85/60.
3% " (1970-75)—Rs. 97/57—97/57—97/57—97/55.
3% " (1964)—Rs. 97/75—97/81—97/50—97/65.
3% " (1965)—Rs. 97/84—97/84—97/84—97/84.
3% " (1974)—Rs. 98/40—98/40—98/35—98/35.
4% " (1960-70)—Rs. 100/94—100/94—100/50—100/80.
4% West Bengal (1968)—Rs. 99/06—99/06—99/06—99/06.

BANKS
Punjab National—Rs. 55/00—55/00—55/00—55/00.
United Commercial—Rs. 54/50—54/50—54/50—54/50.
United Bank of India ("D")—Rs. 4/12—4/12—4/09—4/12—(4/7).

RAILWAY
Dehri Rohas—Rs. 9/40—9/56—9/40—9/56—(13/11).

TEXTILES
Birla—Rs. 33/00—33/00—33/00—33/00—(95).
Cawnpore—Rs. 5/30—5/56—5/44—5/44—(18/14).
Jayshree—Rs. 5/87—5/87—5/81—5/81.
Kesoram—Rs. 12/75—13/75—12/75—13/62—(18/15).
New Victoria—Rs. 1/68—1/75—1/65—1/67—(2/11).
Svadeshi (Pref.)—Rs. 76/00—76/00—76/00—76/00—(89).

COALS
Amalgamated—Rs. 16/00—16/00—15/50—15/50—(23/14).
Associated Laidkhi—Rs. 1/56—1/62—1/56—1/62.
Bharat—Rs. 5/37—5/37—5/37—5/75—(7/12).
Bengal—Rs. 208/00—228/00—208/00—228/00—(546).
Burrakur—Rs. 21/75—22/00—21/44—22/00—(13/10).
Bhulanbari—Rs. 13/25—13/37—13/25—13/37—(13/4).
Central India—Rs. 6/09—6/12—6/03—6/03—(7/7).
East Indian—Rs. 22/25—22/50—22/00—22/12—(33/3).
Equitable—Rs. 21/00—21/62—21/00—21/62—(30/8).
Nazira—Rs. 6/25—6/75—6/25—6/75—(7/7).
New Manbhoom—Rs. 9/31—9/31—9/31—9/31—(11/8).
Union—Rs. 24/31—24/31—24/31—24/31—(13/8).
Western Bengal—Rs. 5/43—5/56—5/41—5/56—(7/2).

JUTES
Auckland—Rs. 74/00—74/00—73/00—73/00—(130).
Anglo-India—Rs. 122/00—122/00—122/00—122/00—(171).
Barnagore—Rs. 74/00—74/00—74/00—74/00—(136).
Belvedere (Pref.)—Rs. 95/00 c.d.—95/00 c.d.—95/00 c.d.—95/00 c.d.—(113).

Bengal—Rs. 11/87—11/87—11/81—11/81—(16/15).
Champdany—Rs. 94/00—100/00—94/00—100/00—(158).
Clive ("A" Pref.)—Rs. 13/50—14/00—13/50—14/00—(101).
Chitavalasah—Rs. 11/44—11/50—11/44—11/50—(15).
Delta—Rs. 115/00—115/00—108/00—111/00 x.d.—(208).
Empire—Rs. 12/50—12/87—12/44—12/89—(20/4).
Fort Gloster—Rs. 260/00—260/00—260/00—260/00—(347).
Howrah—Rs. 14/37—14/50—14/37—14/50—(22/8).
Kamathatty—Rs. 67/50—67/50—67/50—67/50—(136).
Kankarath ("B" Ord.)—Rs. 49/00—49/00—47/50—47/50—(114).
Lansdowne—Rs. 60/00—62/63—60/00—61/50—(114).
Magna—Rs. 65/50—67/00—65/50—65/50—(89).
National—Rs. 19/90—19/90—19/42 s.t.—19/60—(23/14).
New Central—Rs. 11/12—11/25—11/12—11/19—(17/8).
Northbrook—Rs. 18/88—18/88—18/62—18/62—(22/10).
Nudea—Rs. 31/50—31/50—31/50—31/50—(40).
Presidency—Rs. 3/50—4/62—3/50—3/50—(5/13).
Union—Rs. 99/00—99/00—99/00—99/00—(151).

MININGS
Assam Sillimanite—Rs. 10/44—10/50—10/44—10/50.
Burma Mines—Rs. 2/32—2/39—2/30—2/39—(4/1).
Consolidated Tin—Rs. 1/50—1/58—1/47—1/56—(2/8).
Christian Mica—Rs. 14/50—14/50—14/12—14/19—(17/5).
Do ("Defd.")—Rs. 6/84—6/94—6/84—6/94—(8/12).
Indian Copper—Rs. 3/50—3/72—3/30—3/40—(7/3).
Karanpura Development—Rs. 11/50—12/25—11/50—12/25—(24/12).
Metal Corp—Rs. 6/94—7/00—6/75—6/81—(10/11).
Orissa Minerals—Rs. 19/94—19/94—19/94—19/94—(27/5).
Tavoy Tin—Rs. 0/50—0/53—0/50—0/53—(As. 14).

CEMENTS
Bengal Potteries—Rs. 3/31—3/37—3/19—3/37—(3/12).
Dalmia (Bharat)—Rs. 11/25—11/37—11/25—11/37—(16/6).
Do. (2nd Pref.)—Rs. 34/00—34/00—34/00—34/00—(40).

Do. (2/8 Paid)—Rs. 2/87—2/87—2/67—2/87—(5).
Jaipur Udyog—Rs. 12/06—12/12—11/90—11/90.
Orissa—Rs. 12/94—12/94—12/87—12/87.
Sone Valley—Rs. 5/97—6/19—5/75—6/19—(8/15).

CHEMICALS
Alkali & Chemical (Renunciation)—Rs. 6/50—6/56—6/50—6/56.
Do. (Ord.)—Rs. 14/00—14/00—14/00—14/00—(23/8).

Bathgate & Co.—Rs. 1/50—1/50—1/50—1/50—(2/1).
Smith Stanistreet—Rs. 13/00—13/00—13/00—13/00—(17).
Do (Pref.)—Rs. 77/00—77/00—77/00—77/00—(71).

PUBLIC UTILITIES
Calcutta—Rs. 12/06—12/25—12/06—12/19—(13/7).
Do (Pref.)—Rs. 9/06—9/18—9/06—9/15—(11/9).
Kurseong Hydro-Electric—Rs. 2/19—2/19—2/19—2/19.
Mirzapore—Rs. 8/00—8/00—8/00—8/00—(9).

ENGINEERING
Burn & Co.—Rs. 307/00—313/00—307/00—313/00—(367).
Britannia Building & Iron—Rs. 5/56—6/00—5/56—5/62—(8/10).
Britannia Engineering—Rs. 13/37—13/56—13/31—13/37—(24/12).

Bhartia Elec. Steel—Rs. 14/19—14/25—14/12—14/12—(17/4).
Braithwaite—Rs. 25/50—25/50—25/50—25/50—(28).

Guest, Keen, Williams—Rs. 26/50—28/00—26/50—28/00.
Hooghly Docking—Rs. 132/00—132/00—132/00—132/00—(126).

Indian Galvanizing—Rs. 19/25—20/00—19/25—20/00—(24/12).
Indian Iron—Rs. 19/42—20/49—19/36—20/06—(27/3).

Do. (New)—Rs. 18/15—19/27—18/12—18/90.
Do (Pref.)—Rs. 98/00—99/50—98/00—99/50—(108).
Indian Std. Wagon—Rs. 175/00—185/00—175/00—182/00—(184).

Indian Steel & Wire Pro.—Rs. 55/00—57/50—54/75—57/50—(178).
Jessop & Co.—Rs. 25/50—25/50—23/12—25/50—(34/7).

Do (Pref.)—Rs. 91/00—91/00—91/00—91/00—(106).
Kumardhobi—Rs. 8/50—9/06—8/44—9/06—(10/7).
Marshall's—Rs. 4/87—5/23—4/75—5/18—(6/8).

National Iron & Steel—Rs. 7/31—8/06—7/31—8/06—(8/2).
Richardson & Cruddas—Rs. 13/25—15/25—13/25—14/50.
Do (Pref.)—Rs. 82/00—82/00—82/00—82/00—(23/2).

Textile Machinery—Rs. 17/05—17/75—17/05—17/15—(23/2).

FLOUR MILL
United—Rs. 32/87—33/00—32/87—33/00—(37).

INSURANCE
Concord of India—Rs. 11/50—11/50—11/50—11/50—(12/12).

Hercules—Rs. 21/00—21/00—21/00—21/00—(28).
Ruby General—Rs. 5/44—5/50—5/44—5/50.
Triton—Rs. 154/00—154/00—154/00—154/00—(170/12).

OIL
British Burma Petrol—Rs. 2/33—2/62—2/33—2/56—(4/4).

SAW MILL
Assam Saws—Rs. 2/19—2/25—2/19—2/25—(3/15).

PAPER MILLS
India Paper Pulp—Rs. 19/94—20/37—19/94—20/37—(25/11).

Orient—Rs. 25/10—25/55—24/93—24/93—(38/14).
Shree Gopal—Rs. 14/25—15/36—14/19—15/06—(19/2).
Star—Rs. 37/37—37/37—37/37—37/37—(11/2).

Tilghur—Rs. 32/50—33/12—32/50—33/12—(43/10).

SHIPPING
India Steamship—Rs. 10/20—10/20—10/00—10/15—(9/2).
Port Shipping—Rs. 16/37—16/56—16/37—16/56—(16/9).

REAL PROPERTIES
Midnapore Zemindari—Rs. 20/25—21/00—20/25—20/25—(33/4).

New India Building—Rs. 0/75—1/00—0/75—1/00—(13/4).

SUGAR SHARES
Belsund—Rs. 10/50—10/69—10/31—10/69—(11/13).
Bharat—Rs. 17/00—17/00—17/00—17/00—(17/11).
Champaran—Rs. 22/00—22/56—22/00—22/56—(30/1).

Cawnpore—Rs. 14/00—15/12—14/00—15/00—(13/10).
Carew—Rs. 7/25—7/37—7/25—7/37—(10/1).
Dyer Meakin Breweries—Rs. 5/94—5/94—5/94—5/94—(5/14).

New Savan—Rs. 4/50—4/50—4/50—4/50—(6/5).
Ramnugger—Rs. 21/25—21/25—21/25—21/25—(27/4).
Shree Krishna Gyanoday—Rs. 10/00—10/06—9/87—9/87—(13/4).

South Behar—Rs. 0/94—0/94—0/94—0/94—(94/12).
Upper Ganges—Rs. 68/00—68/00—68/00—68/00—(94/12).

TEA SHARES
Baradighi—Rs. 21/00—21/00—21/00—21/00—(50/8).
Bhatkawa—Rs. 20/31—20/81—20/25—20/50—(35/8).

Brooke Bond—Rs. 18/50—19/00—18/50—18/94—(24/4).
Birpara—Rs. 103/00—116/00—103/00—116/00—(192).

Bishnauth—Rs. 19/75—21/75—19/75—21/69—(28/12).
Baghmari—Rs. 18/37—19/50—18/37—19/50—(29/10).
Bateli—Rs. 24/12—26/00—24/12—26/00—(25/8).

Belgachi—Rs. 62/00—62/00—62/00—62/00—(57).
Bormah Jan—Rs. 16/87—17/15—16/75—17/15—(22/12).
Brahmaputra—Rs. 5/06—5/12—5/06—5/12—(10/1).

Central Cacaoar—Rs. 50/50—51/50—50/50—51/50—(100/8).
Dhelakhat—Rs. 21/87—22/50—21/62—22/50—(23/2).
East India—Rs. 22/12—22/62—22/12—22/62—(27/12).

Grob ("A")—Rs. 26/50—26/50—26/37—26/37—(41/10).

Gohpur—Rs. 21/12—21/50—21/12—21/50—(27/14).
Hasimara—Rs. 19/56—21/25—19/56—21/12—(39/6).
Huldibari—Rs. 18/44—19/37—18/00—19/25—(37/4).
Hattikhira—Rs. 12/50—13/50—12/25—13/50—(23).
Hansqua—Rs. 24/50—24/50—24/50—24/50—(26).
Jayshree—Rs. 8/87—10/37—8/75—10/12.
Killcott—Rs. 16/37—18/25—16/25—18/25—(27/6).
Looabai—Rs. 4/06—4/12—4/09—4/12—(9/1).
Nagaurree—Rs. 144/00—147/00—144/00—147/00—(250).
New Doars (Pref.)—Rs. 121/50—121/50—121/50—121/50—(119).

Do. (Ord.)—Rs. 261/00—261/00—254/00—255/00—(376).

Patrakola—Rs. 133/50—136/00—133/00—135/00—(196).
Rajabhat—Rs. 18/00—18/00—18/00—18/00—(26/8).

Sungma—Rs. 9/50—9/50—9/50—9/50—(11/3).
Sapo—Rs. 28/02—28/02—28/02—28/02—(31).
Tukvar—Rs. 11/31—11/37—11/25—11/25—(14/14).
Teliapara—Rs. 127/50—127/50—127/50—127/50—(183).

Tezpur—Rs. 20/25—21/12—20/25—21/12—(28/8).

MISCELLANEOUS
Aluminium Corp.—Rs. 8/75—9/00—8/75—9/00—(10/8).
Angelo Brothers—Rs. 20/25—20/25

"CAPITAL" STOCKS AND SHARES INDEX*

The Capital Stocks and Shares Index (Base: 1939) has now been brought up to April 1957. Compared with March, the April indices for Government securities and preference shares indicate drops of 0.5 points and 1.3 points, respectively.

There were decreases in banks 6.1 points, cottons 16.1 points, coals 6.1 points, jutes 2.4 points, minings and oils 6.8 points, cements 3.0 points, engineering 2.0 points, teas 14.9 points, papers 55.0 points, sugars 1.7 points and miscellaneous 2.6 points.

Correlating all the factors, the Capital variable yield securities index shows that the index for stock prices in these classes of shares declined by 8.0 point during April 1957.

Variable-Yield Securities													
	Index of Govt. Securities	Index of Preference Shares	Banks	Cotton Mills	Coals	Jute Mills	Mining and Oil	Cement, Lime, etc.	Eng. and Metal Works	Tea Shares	Paper Mills	Sugar Shares	Others
Weights	...	...	7	12	9	11	10	8	17	4	9	6	11
100	...	...	...	...	...	...	...	...	...	...	...	...	...
1953													
May	99.1	86.4	136.7	208.7	183.2	148.0	99.6	94.3	173.4	170.1	569.2	164.1	222.9
June	97.8	85.9	135.5	199.2	179.2	144.4	97.1	93.2	168.0	203.7	560.6	161.9	213.6
July	97.6	88.6	135.1	199.2	172.6	140.4	90.7	90.9	164.6	192.6	530.6	161.2	213.1
August	97.6	88.5	134.0	197.6	156.3	135.3	88.8	88.3	162.0	177.8	539.4	162.6	215.1
September	97.7	88.6	131.7	192.6	160.3	132.1	97.1	89.3	160.9	204.1	547.3	169.9	216.3
October	97.5	88.7	135.1	223.9	164.9	136.1	109.4	93.0	173.7	207.1	583.1	171.9	227.0
November	96.1	88.7	134.0	201.7	187.5	144.4	112.5	97.5	180.0	247.4	628.1	171.9	230.1
December	97.8	88.3	138.8	209.5	169.5	140.0	108.5	97.1	184.8	236.8	610.1	168.2	232.2
1954													
January	97.8	88.2	135.6	217.7	175.1	135.7	130.3	95.4	192.2	244.0	681.2	178.6	239.9
February	97.8	88.0	132.7	228.1	176.6	142.0	148.8	92.8	205.3	242.7	713.0	181.6	254.9
March	97.9	88.3	130.1	223.1	171.5	134.1	140.8	94.1	207.6	258.4	753.4	178.9	248.7
April	97.9	87.6	124.8	222.7	176.6	136.9	134.9	92.4	221.8	261.4	781.2	183.9	255.9
May	97.8	86.9	120.7	180.7	139.7	125.7	95.4	103.3	244.6	288.9	835.5	188.9	261.6
June	98.0	90.7	128.0	238.4	199.5	148.4	171.5	103.3	244.6	350.9	926.3	196.9	294.1
July	98.3	89.3	127.7	236.7	200.5	146.0	162.9	108.5	253.0	379.7	1009.8	198.6	309.5
August	98.2	92.6	126.7	238.4	215.3	158.3	179.2	115.4	265.4	381.0	987.3	206.3	309.0
September	97.9	90.4	129.1	240.8	203.1	163.8	183.8	118.0	270.1	381.0	987.3	206.3	309.0
October	96.9	90.2	128.8	243.4	193.4	136.9	173.1	120.9	255.0	384.0	1012.5	205.3	299.7
November	98.6	90.4	122.8	233.5	179.7	149.2	150.6	109.2	242.6	377.6	916.4	201.6	275.0
December	97.8	90.0	122.8	217.7	185.8	155.1	159.2	107.7	248.3	371.7	936.3	207.0	279.1
1955													
January	97.9	90.3	126.7	218.2	191.9	150.7	160.2	112.8	301.1	399.3	1019.7	205.3	286.3
February	97.8	88.3	122.5	209.5	183.8	146.0	158.0	107.4	297.4	376.8	984.0	202.6	278.6
March	97.8	89.0	120.7	214.0	189.9	153.1	157.7	112.4	309.5	392.1	1040.3	212.6	285.3
April	97.8	89.2	121.2	216.1	199.5	152.7	148.2	114.3	304.1	373.8	1054.2	201.3	289.4
May	98.0	89.0	119.1	215.7	192.9	146.4	152.5	112.4	302.7	347.1	1042.3	195.6	283.2
June	98.1	88.9	118.8	224.3	202.6	150.3	179.8	113.9	315.5	391.2	1105.2	190.3	289.4
July	98.2	87.7	112.8	249.1	211.7	150.2	204.1	121.0	322.9	378.9	1148.3	210.6	302.3
August	98.0	87.8	124.1	241.3	214.3	156.3	231.8	126.8	351.1	366.2	1147.0	224.3	303.3
September	98.1	87.7	119.9	242.5	206.1	149.6	222.3	120.4	336.0	354.7	1099.3	217.3	297.2
October	98.3	87.1	120.1	257.8	203.1	142.8	225.0	130.3	353.0	353.0	1176.8	224.3	317.8
November	98.1	87.7	125.4	278.0	222.4	147.6	219.2	136.3	375.0	349.2	1304.7	223.6	350.8
December	98.3	87.1	131.9	261.5	216.8	140.0	234.2	131.1	356.5	291.1	1301.3	218.6	332.2
1956													
January	98.3	88.4	129.9	245.8	218.4	136.0	225.9	124.4	334.3	292.8	1258.9	198.3	312.1
February	98.3	86.4	122.0	246.6	206.7	132.9	217.0	120.6	331.6	286.4	1242.4	193.6	301.8
March	97.9	86.2	123.3	277.1	207.7	119.8	229.0	124.1	355.5	331.8	1310.0	183.6	298.2
April	98.0	86.7	123.5	275.1	202.1	115.8	226.9	124.2	344.4	321.2	1287.4	181.9	295.6
May	98.2	85.6	127.7	274.7	206.1	121.8	228.4	136.1	356.2	324.2	1361.0	182.9	298.7
June	98.2	85.6	125.4	261.9	202.6	117.0	233.3	127.5	325.9	337.7	1332.5	188.9	314.2
July	97.9	86.0	128.3	283.7	201.1	112.7	226.6	124.9	330.0	313.6	1365.6	189.3	297.7
August	98.0	84.5	134.0	293.7	204.1	119.4	212.4	128.5	337.3	303.8	1342.4	191.9	309.0
September	97.4	83.6	132.5	277.1	206.7	121.0	230.0	130.7	331.3	294.9	1347.1	191.3	320.4
October	97.0	83.6	132.2	270.1	206.1	114.6	223.5	125.1	311.8	309.7	1311.9	178.6	308.5
November	96.6	82.5	132.2	268.9	214.3	106.7	202.9	111.7	311.5	330.5	1266.2	182.9	303.9
December	96.5	81.8	129.6	255.3	195.5	95.2	183.2	104.4	285.9	277.5	1184.1	173.6	286.8
1957													
January	96.2	83.3	138.2	253.2	198.5	96.0	178.5	111.5	287.3	275.8	1210.6	172.2	270.8
February	96.5	81.3	120.1	241.3	191.4	99.6	163.2	103.1	265.8	279.6	1147.0	169.2	258.5
March	96.5	81.1	126.2	242.1	187.3	86.5	164.2	100.5	257.0	278.8	1132.4	170.9	250.7
April	96.0	79.8	120.1	226.0	181.2	84.1	157.4	97.5	255.0	263.9	1077.4	169.2	248.1

New Delhi

STERLING BALANCES MAY BE DRAWN DOWN FURTHER

NATIONALISATION THREAT TO PRIVATE COLLIERIES

(FROM A NEW DELHI CORRESPONDENT)

WHEN the Reserve Bank of India (Amendment) Act was piloted through Parliament last year by the then Finance Minister, Mr. C. D. Deshmukh, public attention was focussed more on the scope it afforded for deficit financing than on the power which the Government took to suspend for an indefinite period the statutory requirement of a foreign security reserve of Rs. 400 crores. The Government itself, judging from the statement of objects and reasons, attached primary importance to the expansion of currency. Justifying the revaluation of the gold reserve at the parity rate fixed by the International Monetary Fund, and the change in the requirement of gold and foreign security backing for the currency from 40 percent of the total to an absolute figure of Rs. 115 crores in gold coin and bullion and Rs. 400 crores in foreign securities, the statement said: "The existing provisions in the Reserve Bank of India Act concerning reserve requirements place a serious limitation on the ability of the Reserve Bank to regulate the expansion of currency to meet the requirements of the second five year plan. The process of planned economic development necessarily implies a certain amount of credit creation and a consequent increase in the note issue. At the same time, as a result of the same process of investment and development, foreign exchange reserves are likely to decrease. It is, therefore, necessary to vary the existing minimum currency reserve requirements."

During the year that has passed since the amendment, the foreign exchange position has so deteriorated that a reduction of the foreign security reserve, solely for the purpose of meeting the foreign exchange shortage, it is understood, is now being considered. Under Section 37 of the amended Reserve Bank of India Act, the Central Government is authorised to reduce the required reserve of foreign securities from 400 crores to Rs. 300 crores for as long a period as six months in the first instance, which can be extended by three months at a time. It is learnt that the Government prefers in this manner to draw on the country's holdings of sterling balances in London, (which have provided the foreign security reserve for the currency), rather than seek a loan from the British Government. No request for a loan has been made so far, contrary to British Press reports which have even cited figures, ranging from £200 million to £1,000 million.

The Indo-U.K. Financial Agreement of 20th July, 1953, which consolidated the provisions of all previous arrangements including those under the original agreement of 14th August, 1947, said in Article 7: "About the sum of £310 million transferred from the No. 2 Account to the No. 1 Account and held by the Reserve Bank of India as a currency reserve, it is the intention of the Government of India not to draw upon this sum and it agrees not to do so without previous consultation with the Government of the United Kingdom." But with the expiry of this Agreement at the end of this month, India will be free to draw on the sterling balances without any restriction. When the two Governments last reviewed the position and came to the conclusion that it was not necessary to replace the 1953 Agreement by a fresh one, it was expressly stated in the joint announcement of 30th October, 1956, that "the expiry of this Agreement does not in any way affect India's right and competence to draw upon her sterling balances. Nor does it affect the position concerning the treatment of remittances of savings and the voluntary repatriation of investments by U.K. citizens". It is conceded, however, that a substantial drawing down of the sterling balances will impose a strain on the U.K. comparable to that of a loan. As a fellow member of the sterling area "club", India will, therefore, inform and consult the U.K. before taking action, even though there will be no formal obligation to do so. Adequate time for consultations is available, as the drawing of the stand-by credit of \$72.5 million from the International Monetary Fund will enable India to tide over her foreign exchange difficulties during next few months.

Future of Private Collieries

As if the practical difficulties facing the coal industry were not enough, the threat of nationalisation has been revived in connection with the meeting of the Mineral Advisory Board in Simla last week. One of the items on the agenda is the proposal of the West Bengal Government that the terms of old coalmining leases should be comprehensively revised and brought into line with the Mineral Concession Rules of 1949. In opposing this proposal, the Union Ministry of Steel, Mines and Fuel, in a note prepared for the Board meeting, has relied mainly on the argument that the Government's policy is the ultimate nationalisation of all coal mines. The question of the revision of the terms of old coalmining leases has been discussed between the Centre and the States concerned for some time. In a communication to the Governments of Andhra, Madhya Pradesh, Orissa,

Bihar and West Bengal last November, the Union Ministry of Production pointed out that the Central Government had promulgated the Mining Leases (Modification of Terms) Rules, 1956, to bring mining leases—except those concerning natural gas, petroleum, coal, and minor minerals—in conformity with the Mineral Concession Rules framed under Section 7 of the Mines and Minerals (Regulation and Development) Act of 1948. The modifications that could be made were in relation to the period of the lease, the area of the lease, and the rate of royalty payable. The point to be considered, the Production Ministry said, was to what extent the modification of coalmining leases would serve the present coal production programme and policy.

The justification for it might be that many leases granted prior to the coming into force of the Rules were for unduly long periods extending up to 999 years, or that they covered excessively large areas, or fixed very low rates of royalty. After pointing out that, under the Industrial Policy Statement of 1956, all new units in the coal industry would be established in the public sector "save in most exceptional cases", private miners being allowed to increase production only from existing mines and contiguous areas, the Production Ministry referred to the legislation that was to be brought before Parliament for the State's acquisition of unworked coal bearing areas. "Further," the communication said, "the policy on coal is somewhat different from the policy followed for other minerals. It has been accepted that nationalisation of all coal mines is the ultimate aim of the Government. In this context it is not very material whether the area of existing leases is reduced to 10 square miles or the period reduced to 30 years". It was argued that the scaling down of the area covered by old coal mining leases would merely impose the burden of compensation on State Governments, without serving any purpose that could not be achieved by the State acquisition of whatever areas were actually required for work-

ing in the public sector. The letter concluded by saying that if all that the State Governments wanted was an upward revision of the royalty rates on old leases, the Central Government would consider a limited modification of the rules.

Demand for Higher Royalties

There was no reply from Madhya Pradesh. The Orissa Government said that it only wanted a revision of the royalty rates. The Andhra Government pointed out that most of the coalmining leases in the State were held by the Singareni Collieries in which the Government had majority control, and the question of modification did not, therefore, arise. Bihar, too, was interested primarily in the revision of royalty rates, but felt that they could be changed, under the Rules, only at the time of the renewal of leases, and that a modification of the period, though not the area, of old leases was, therefore, called for. Only the West Bengal Government expressed the view that a modification of the terms was necessary concerning the area, period and royalty.

While reiterating the Centre's stand against a comprehensive modification of the terms of old coalmining leases, the Central Ministry of Steel, Mines and Fuel has now advanced a new argument. This is that if the existing leases are modified so as to reduce the period to 30 years, "it may be understood as conveying a moral assurance that the Government would not nationalise for the reduced period of the lease. Such action would be misleading and unnecessary". The new Ministry has reaffirmed that "the ultimate aim of the Government being to nationalise coal mines, it is not very material if the period of old leases is reduced to 30 years...It has been accepted as policy that the nationalisation of all coal mines is the ultimate objective".

This is remarkable in view of the fact that the Government has not so far proclaimed the nationalisation of the coal industry as its long-term policy. It may be that all that is meant by "nationalisation" in this case is the automatic extinction of private enterprise when the existing privately operated coal mines and the contiguous areas are exhausted. But it is by no means certain that this is all that is intended. The need for a clear statement of the Government's policy is underlined by the fact that the senior Minister in charge of coal observed a silence that could be read as ominous, while his junior colleague showed a positively hostile attitude towards the private sector, when some members demanded nationalisation of the coal industry during the consideration of the Coal Bearing Areas (Acquisition and Development) Bill by the Rajya Sabha in the last week of May. Mr. Swaran Singh said nothing about the plea for nationalisation. But Mr. K. D.

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Textile Bag Manufacturers Association and the Burlap and Jute Association and (2) projected to represent the estimated consumption and stocks for the entire industry:

U.S. Burlap Consumption (As reported to T.B.M.A.) (Million Yards)

	1957	1956
Jan.	69	68
Feb.	58	64
Mar.	68	67
Apr.	63	65
May	65	69
Total	323	333
Mo. Av.	65	67

U.S. Burlap Consumption (Estimated Industry Total) (Million Yards)

	1957	1956
Jan.	75	72
Feb.	62	68
Mar.	73	71
Apr.	68	69
May	72	73
Total	350	353
Mo. Av.	70	71

U.S. Burlap Stocks (As reported to T.B.M.A.) (Million Yards)

	1957	1956
Jan.	232	213
Feb.	237	214
Mar.	231	224
Apr.	227	221
May	226	216
June	219	216
July	219	217
Aug.	228	219
Sept.	229	220
Oct.	225	220
Nov.	233	223
Dec.	236	226
Total	827	878
Mo. Av.	69	73

U.S. Burlap Stocks (Estimated Industry Total) (Million Yards)

	1957	1956
Jan.	267	243
Feb.	266	245
Mar.	263	253
Apr.	267	255
May	261	247
June	240	240
July	244	244
Aug.	259	259
Sept.	258	258
Oct.	262	262
Nov.	268	268
Dec.	267	267

MODERNISATION OF SCOTTISH JUTE INDUSTRY

The jute industry in Scotland had been spending £1 million annually on modernisation in the postwar period, said Mr. A. W. R. Kennedy, chairman of the Association of Jute Spinners and Manufacturers, at the annual meeting of the association in Dundee. This annual outlay, coupled with a new wage structure and the benefits of research had, he claimed, transformed a traditional Scottish craft into a vigorous and up-to-date industry. Reviewing the progress of work-study in the industry, Mr. Kennedy disclosed that enquiries had been received from many parts of the country on the methods adopted in the Scottish jute industry to base wages payment on scientific work measurement.

TECHNICAL PROGRESS IN THE DUNDEE JUTE INDUSTRY

IMPROVING PRODUCTIVE EFFICIENCY

RECORD progress in the postwar modernisation programme of the Dundee jute manufacturing industry is shown in the annual statistical survey carried out by the British Jute Trade Federal Council. The programme, which set out to rehabilitate the industry, was undertaken in an endeavour to improve quality, to lower production costs, and to make working conditions attractive to labour. Since 1945, the total sum which has been spent by the industry on re-equipment is £9,600,000—£7,800,000 on machinery and equipment, and the balance of £1,800,000 on buildings. This is a substantial degree of capital investment in relation to the size of the Dundee industry, and reflects a determined drive for productive efficiency. Last year the capital expenditure was a record for the postwar period. Spinning mills accounted for an expenditure of over £1,400,000—the highest figure since 1945 and 157 percent more than the amount spent in 1955. On the weaving side, the sum spent last year on buildings, machinery and equipment was over £500,000. This is also a postwar record, and is 59 percent more than was spent in the previous year.

Over the period, the installation of new and faster machinery has resulted in spectacular changes in technical methods, particularly on the spinning side. The survey shows that "old type" spinning machinery has virtually disappeared, and now accounts for only 3 percent of the total. The changes have resulted in a steady rise in labour productivity, which has increased 42 percent since 1949. In weaving, the number of automatic looms has been steadily rising, and now represents fully one-third of the total looms in operation. At least five concerns have special weaving sections equipped with circular looms. Parallel with the installation of new machinery, work study has been undertaken and labour has been "redeployed" on a considerable scale. The jute industry was the first in Britain to introduce (in 1952) a new wage structure based on job evaluation. The operation of the scheme has been jointly encouraged by the Association of Jute Spinners and Manufacturers and the textile trade unions. About 80 percent of the firms are at present operating "redeployment" schemes.

Shift Systems

Another interesting point emerging from the survey is that half of the yarn and over one-quarter of the cloth are produced on shift systems. These figures indicate a recognition within the jute industry of the need to make the fullest possible use of the new and expensive machinery. The survey also shows that the net running expenses for welfare and personnel were £116,000 in 1956, or 12 percent more than in the previous year. Expenditure under this heading has increased steadily year by year since 1945. The increase in 1956 over the 1945-49 average annual expenditure was of the order of 300 percent. Basic wages have increased 98 percent for men and 116 percent for women since 1945. The number of workers directly engaged in the industry in the city is 1,800.

Commenting on the survey, a spokesman of the jute industry said: "The progress made in transforming a traditional industry into a compact and efficient centre of production has been considerable. At present the industry is facing competition in a number of fields. The extent to which it is ploughing back its returns is a sign of its determination to maintain its place in the market."

PLANS FOR INTRODUCING BURLAP FEED BAGS IN U.S.A.

Plans for the introduction of 50-lb burlap feed bags in the U.S. market were announced at the "Open Industry" meeting of the National Burlap Bag Dealers Association's 24th annual convention held in New York recently. The 50-lb feed bag, it was emphasised, would find favour in the industry leading to a substantial increase in American consumption of burlap, as not all feed manufacturers were satisfied with the bulk method of shipment. The growth of the return bag programmes and the adoption of the 50-lb burlap potato bag were credited with being the major factors in limiting a wider use of bulk shipping and substitute packaging methods. Use of the new potato bag last year increased 18.6 percent over 1955. Mr. G. J. Gardner, North American representative of the Indian Jute Mills Association, stated that prospects for increased Argentine purchases of burlap were good since the indications were that there would be little burlap on hand by the end of the year. Consumers, he added, need fear no runaway prices for burlap should consumption increase, since the Indian mills, in an effort to keep burlap prices at competitive levels, were prepared to unseat additional looms and increase production if this were merited by the demand. Mr. John C. Daly, Vice-President of Stein, Hall and Co. Inc., New York, sounded a cautious note, pointing out that the 6.3 percent increase in burlap consumption in the United States last year "left much to be desired" in the light of the record-breaking rise in industrial expansion and gross national product. He suggested that the Indian mills appropriate additional funds to the Burlap Council in New York in order that it may better fulfil its mission.

Commodity Markets

SLIGHT FALL IN WHOLESALE PRICE INDEX

THE official wholesale price index (base: year ended August 1939=100) declined by 0.1 percent to 439.2 during the week ended 8th June compared with 439.6 (revised) for the earlier week. The index was higher by 2.4 percent and 11.8 percent respectively when compared with the corresponding week of the previous month and that of a year ago. A fall of 0.1 percent to 435.7 in the index for Food Articles against 436.3 (revised) for the previous week, was brought about by a decline in the prices of coffee (-8%), rice in Calcutta, dal arhar and gur (-1% each) although prices of jowar (+2%), wheat and gram in Hapur (+1% each) recorded advances. The index for Industrial Raw Materials moved down by 0.3 percent to 539.9 against 541.7 (revised) in the previous week, as a result of a decrease in the prices of manganese ore (average export price) (-13%) lac (-3%), groundnuts and castorseed in Bombay and linseed (-1% each); prices of raw silk (+4%), raw wool (+2%) and rapeseed in Bombay (+1%) were, however, marked up. The Semi-Manufactures group index went up from 413.5 (revised) to 414.5 during the week. Important fluctuations in the prices were: gingelly cake (+6%), zinc (+3%), linseed oil and copper in Calcutta (+2% each) and copra cake (-3%). The index for Manufactures worked out to 390.6 compared with 390.8 (revised) for the earlier week. There was a slight fall in the price of jute manufactures. Prices of black pepper in Cochin (+3%) and cashewnuts in Quilon (+1%) witnessed advances, while chillies were marked down in Patna (-2%) and the index for the Miscellaneous group remained stationary at 570.7 (estimated).

INDEX NUMBERS BY GROUPS AND SUB-GROUPS (Base: Year ended August 1939=100)

Groups and Sub-Groups	Week Ended			
	8-6-57	1-6-57	11-5-57	9-6-57
I Food Articles:	435.7	436.3(R)	419.2	356.3
Cereals	564*	562*(R)	550*	468
Pulses	401	402	420	350
Others	289*	283	257	220
II Industrial Raw Materials:	539.9	541.7(R)	534.4	476.0
Fibres	534	534(R)	523	456
Oilseeds	580	581	581	546
Minerals	570	586	563	414
Others	400	401	409	429
III Semi-Manufactures:	414.5	413.5(R)	401.9(R)	386.0
Leather	414	414	414	405
Mineral oils	230	230	207	208
Vegetable oils	602	600(R)	587	558
Cotton yarn	480	480	479*	477
Metals	347	347(R)	327	278
Oilcakes	437	429(R)	423	431
Others	373	374	374	361
IV Manufactures:	390.6	390.8(R)	384.7(R)	378.5
Textiles	411	412	410	413
Jute	431	433	427	392
Cotton	412*	412*	412*	419*
Rayon and silk	424*	424*	424*	478*
Woolen	281	281	270(R)	264
Metal products	407	407	392	371
Others	316	316	305	286
V Miscellaneous:	570.7*	570.7*	570.7*	509.0*
All Commodities	439.2	439.6(R)	428.9	393.0

R = Revised.

* = Estimated.

PROGRAMME FOR MANUFACTURE OF AMBAR CHARKHAS

The Government of India has decided that 180,000 more Ambar charkhas should be manufactured and brought into production during 1957-58. Out of these, 150,000 charkhas will be distributed to trained spinners for commercial production of yarn and 30,000 charkhas will be utilised for training more spinners. These 180,000 charkhas will be in addition to the 75,000 charkhas put into operation under the 1956-57 programme. A target of 65 million yards of cloth to be woven out of Ambar yarn has been fixed for 1957-58. Under the second plan, 300 million yards of cloth have been earmarked for production from Ambar yarn out of the total additional production of 1,700 million yards at the end of the plan. A total provision of a little over Rs. 10 crores has been made in the budget for the current year for implementing part of the programme. Out of this, the Government has released immediately Rs. 2 crores, Rs. 1.5 crores as a loan and Rs. 50 lakhs as a grant, to the Khadi and Village Industries Commission for going ahead with the programme. The programme for the current year has been approved after a review of the progress made in executing the programme in 1956-57, the first year of the Ambar charkha scheme.

Progress of the Scheme

Steady progress was made in the execution of the scheme during the first year. Against the target of 75,000 charkhas, the actual number manufactured was 76,784. Out of these, nearly 46,000 charkhas were distributed to trained spinners for production. The quantity of yarn produced was over 700,000 lbs against the target of 600,000 lbs. The Ambar cloth produced during the year was over 1.33 million yards: the target for this was 1.25 million yards. Commercial production

was organised in 258 production centres. The progress made in building up the organisation required for implementing the Ambar charkha programme was more marked. Against the target of 50 workshops for manufacturing the charkhas, 77 had actually been set up by the end of 1956-57. Twenty-eight training institutions had been started against the target of 30, and 303 training-cum-production centres were in existence against the target of 300. Over 2,500 instructors to train spinners in operating the charkhas had been trained against the target of 2,400. Carpenters trained in the production of the charkhas numbered 753—153 more than the programme envisaged. The number of spinners trained was nearly 49,000 against the target of 70,000.

ACREAGE UNDER LINSEED INCREASES

The all-India second estimate of linseed puts the current year's area at 3,052,000 acres against the adjusted second estimate of 2,765,000 acres for 1955-56, according to the Directorate of Economics and Statistics, Central Ministry of Food and Agriculture. This shows an increase of 287,000 acres or 10.4 percent in area compared with last year. The increase in acreage during the current year has been reported by all the linseed growing States except West Bengal and Punjab. This increase has been more marked in the case of Bombay, Madhya Pradesh and Bihar. The increase in acreage has generally been attributed to favourable weather at sowing time. The increase has, however, been offset to a certain extent by the decreases registered in West Bengal and Punjab. The information given in this estimate relates generally to the period up to the end of February 1957. Till then condition of the crop was reported to be generally satisfactory. This estimate does not cover the entire area sown to the crop during 1956-57. Past experience has shown that the area at the second estimate stage forms roughly 75 percent of the area under the crop finally reported.

ACREAGE AND OUTPUT OF DRY CHILLIES FALL

According to the Directorate of Economics and Statistics, Central Ministry of Food and Agriculture, the all-India final estimate of dry chillies for 1956-57 puts the current year's area and production at 1,450,000 acres and 354,000 tons, against the partially revised estimate of 1,490,000 acres and 355,000 tons respectively for 1955-56. This shows a decrease of 40,000 acres or 2.7 percent in area and 1,000 tons or 0.3 percent in production over last year. The decrease in area and production of dry chillies during the current year has been shared by Andhra Pradesh, Bombay, Mysore, Punjab and Madhya Pradesh, and has been attributed generally to the unfavourable climatic conditions during the current year. This decrease has, however, been offset to some extent by the increases recorded by Bihar, Rajasthan and West Bengal.

COAL INDUSTRY TO ADOPT METRIC SYSTEM

The marketing of coal in India will change over to the metric system simultaneously with the booking of coal by the railways in metric tons. This was decided by the Coal Advisory Committee at its recent Calcutta meeting. About 35 million tons of coal are transported by the Indian railways annually. Weight of coal is done by the railways on railway bridges and, therefore, the programme for the adoption of metric system in the coal industry has to be co-ordinated with that of the railways. On the recommendation of the Indian Mining Association, the Committee agreed that the revised prices should be given on both systems, namely, the long ton and the metric ton, the metric ton gradually replacing the long ton. The revision of coal prices is being examined by a committee appointed by the Central Ministry of Steel, Mines and Fuel, and the fixing of the prices on both systems, it is expected, will facilitate the change over. Conforming to the programme al-

ready recommended by the Standing Metric Committee, the Coal Advisory Committee agreed that the plants and equipments in the new mines will be designed on the metric system. Conversion of drawings and specifications for the existing equipments will be decided in consultation with the Mine Managers Association to whom the Advisory Committee decided to refer the question. The Committee also accepted the suggestion that the survey of mining areas by the Chief Inspector of Mines should in future be on the metric scale. A conference of officers of the Survey and Land Records Departments of the various States recently decided to adopt uniform metric scales for survey work in future.

RISE IN WORLD RAW WOOL CONSUMPTION

"Total consumption of raw wool in the free world during 1956 is estimated to have been an all-time record and about 71 percent greater than in the previous year," stated Mr. Dr. Hamilton-Russell in a statistical report to the conference on the world wool textile industry. The report showed that world production of tops last year appeared to have been nearly 12 percent larger than in 1955, while yarn output rose by 6 percent, figures which in each case represented new records. Production of woven tissues was estimated to have risen some 5 percent. The country showing the greatest proportionate increase in activity was Japan, whose consumption of raw wool was around 40 percent greater than in 1955. Substantial improvements were also recorded by Belgium, France and Italy, but in the United States and Western Germany, there was a slowing down in the rate of increase. Consumption in the U. K., contrary to the general trend, remained at almost exactly the same total as in the previous year. The rise in wool consumption in 1956 was accompanied by a further growth in the industry's use of other raw materials, particularly manmade fibres, but the proportion of raw wool to other materials used was rather higher in 1956 than in either of the two previous years. The volume of international trade in raw wool and wool goods continued to expand in a generally satisfactory manner during 1956.

PRODUCTION, EXPORT AND RESERVES OF MANGANESE ORE

The reserves of manganese ore in India have been estimated at about 112 million tons by the Indian Bureau of Mines. The reserves which are of all grades, are chiefly found in Madhya Pradesh, its deposits estimated at 100 million tons. The remaining 12 million tons are scattered in other areas. Out of the total reserves, about 60 million tons are of high grade ore containing 45 percent and above of manganese. Manganese ore, which holds the second place in India's mineral production, occupies the first place in the list of minerals exported from India. The quantity of ore exported during 1955 was 837,000 tons. Of the total annual exports, nearly three-fourths consists of high grade ore containing 48 percent manganese. Exports of manganese, however, have been falling since 1953 when a maximum of 1.65 million tons were exported, earning foreign exchange worth Rs. 25.7 crores. The declining trend is attributable to a fall in U.S. off-take. The U.S.A. is the biggest purchaser of manganese ore in the world accounting for nearly 40 percent of India's annual exports. Competition from other producing countries, especially the re-entry of Russia in the European markets, has also been responsible. The production of the ore in 1955 was 1,583,538 tons compared with 1,413,068 tons in 1954. The domestic consumption is at present confined mostly to the iron and steel industry. The expansion programme of steel and the increasing attention being given to the manufacture of ferro-manganese and manganese chemicals in India will increase domestic demand. Under the second plan, a production target of 2 million tons and an export target of 1.5 million tons of manganese ore have been fixed. The output of ferro-manganese is also to be stepped up from 28,000 tons to 160,000 tons by the end of the second plan.

MIDDLE CLASS COST OF LIVING INDEX NUMBER FOR CALCUTTA (Base: August 1939)

THE Middle Class Cost of Living Indices, by groups, have now been brought up to May, 1957. As compared with April, the May Indices for Food and Fuel and Lighting show rises of 15 points and 6 points, while those for Clothing, and Miscellaneous remain unchanged at 544 points and 284 points, respectively.

Correlating all the factors, the Middle Class Cost of Living Index for Calcutta shows that the cost of living advanced by 8 points during May, 1957.

Middle Class Cost of Living Index Number for Calcutta. Prices in August, 1939=100

Groups	Weights	GROUP INDICES											
		May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	Dec. 1956	Jan. 1957	Feb. 1957	March 1957	April 1957
Food	53.6	470	475	480	484	484	486	482	473	468	468	467	473
Fuel and Lighting	4.4	239	239	259	263	268	263	268	268	268	268	268	274
Clothing	12.4	526	526	534	534	546	546	546	546	543	543	543	544
Miscellaneous	29.6	283	283	283	283	283	283	283	283	283	283	283	284
Combined Index	100.1	411	414	415	421	422	424	422	417	414	414	413	425

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COMMODITY PRICES

Commodity Prices :-				Commodity Prices :-			
Description.	VALUE			Description	VALUE		
	Present	A year ago	Rs. As. P.		Present	A year ago	Rs. As. P.
Lightnings per bale of 400 lbs. ...	220.00	155 0 0		Tobacco Leaf Poolah (F A Q), per B md. (Medium) ...	...	25 0 0	
Firsts per bale of 400 lbs. ...	235.00	175 0 0		Salt Indian Fine (ex-ship) per 100 mds loose Grade 1 ...	...	...	
YARN (C.M.) Grey, 10s per 10 lbs. (Indigenous) ...	16.25	12 11 9		Sugar Manufactured (Kandpur) per md ...	36.72	29 14 0	
Do. Do. 20s. ...	20.22	17 14 0		Kerosene (Superior) per tin (bright plate) of 4 gallons ...	6.06	6 5 9	
INDIAN COTTON RAW per candy of 704 lbs (Bom.) ...	820.00	750 0 0		COAL Selected grade Jheria A per ton ...	19.62	16 10 0	
COTTON PIECEGOODS. Dhoties crown 43/4" x 9 yds per pair (Bom.) ...	...	...		Selected grade Jheria B per ton ...	18.62	15 10 0	
FOOD GRAINS OIL Etc. Flour Wholemeal per md. ex-Mill ...	20.75	21 4 0		Grade 1 Jheria per ton ...	17.75	14 12 0	
Shellac T N per B md. ...	76.00	106 8 0		Dishgarh Grade A per ton ...	19.44	16 7 0	
Ghee Sree per md. ...	230.00	210 0 0		IRON & STEEL Structural per ton (untested) ...	640.00	545 0 0	
Mustard Oil loose ex-Mill per B md. ...	82.50	77 0 0		Bars per ton ...	630.00	536 0 0	
Groundnut Oil per candy of 500 lbs (Mad.) ...	331.00	315 0 0		Plate per ton ...	715.00	620 0 0	
Castor Oil ord per md. ...	82.00	66 0 0		Black Sheets per ton ...	665.00	570 0 0	
Castor Oil per candy of 500 lbs (Mad.) ...	345.62	228 0 0		Gatv Sheets per ton ...	8 65.00	770 0 0	
Coconut Oil Cochin per candy ...	465.00	336 6 0		IRON FOR CALCUTTA. Foundry No 1 per ton ...	225.00	163 0 0	
Coconuts per 1,000 (Cochin) ...	150.00	136 0 0		Foundry No 2 per ton ...	221.00	159 0 0	
Copra fair average quality per 55 lbs (Cochin) ...	316.63	262 0 0		Foundry No 3 per ton ...	217.00	155 0 0	
Linseed Oil "Lion" brand D/B per gallon ...	...	...		Foundry No 4 per ton ...	215.00	153 0 0	
Groundnut Oil cake loose ex-Mills per B md. ...	9.06	8 6 0		CHEMICALS PAPER BUILDING MATERIALS, HIDES Etc. Ind. Portland Cement (Swastika), Castle and Cannon Bds F.O.R. Cal F.W.L. per ton ...	117.50	84 4 0	
Linseed Small \$ Ready (Bom.) per cwt ...	20.62	30 4 0		Bricks 1st class per 1,000 ...	36.00	36 0 0	
Linseed B-Bid \$ Ready (Bom.) per cwt ...	30.62	32 10 0		Sand Fine per 100 mds of 225 cft. Sacked Lime Bisra (free delivery) Do. Grey Artificial Stone Flooring 1 in. Thick per 100 sq ft. ...	75.00	75 0 0	
Castorseed \$ Hyderabad quality (Bom.) per cwt ...	33.50	27 10 0		Hides Cow Wetsalted (Ordinary), per lb. ...	...	...	
Gingellyseed \$ White Bold (Bom.) per cwt ...	48.00	51 0 0		Hides Cow Wetsalted (Slaughtered) per piece ...	16.75	15 8 0	
Groundnuts Bold \$ Ready (Bom.) per cwt ...	34.87	33 4 0		Skins Goat Salted (Wet) 100 pcs ...	346.67	326 0 0	
Do "Machined" ** per candy (Mad.) of 531 lbs ...	162.00	153 0 0		Tanned Cow per lb (Mad.) ...	2.73	2 14 0	
Rapeseed Yellow per B md. ...	37.00	31 8 0		Tanned Buffalo per lb (Mad.) ...	2.06	2 4 6	
Rice (Wholesale) per md. ...	24.50M	21 0 0M		Tanned Goat Skins per lb (Mad.) ...	6.50	5 8 6	
Tea for Int Consumption Av price per lb (Dust) ...	1.51	1 12 3		Sodium Bicarbonate Refined B.P. Quality in 2 cwt bags ...	28.50	26 7 0	
Coffee Plantation A per cwt. ...	274.50	219 8 0		Borax Granular (U.S.A.) in 1 cwt bags ...	34.90	31 4 0	
Wheat Chandausi per md. ...	14.56	14 10 0		Alum (Ferriol) per cwt. ...	18.00	16 6 0	

A.B. Average price is given in all cases wherever more than one quotation for a commodity is obtained. Prices are not available where left blank. A—Maximum Buying Rate B—Bullion No 1 C—Cents M—Medium E—Expeller quality F—per tin of 38 lbs H—Household I—Controlled Rate K—Kutch and Ex-ship N—Nominal P—per lb R—Maximum Controlled Price S—These are mill rates for chief stations throughout India T—Includes Sales Tax a—No stock *Exclusive of the Sales Tax of As 1-6 per gallon **per candy of 531 lbs †—Ex-ship ‡—per candy of 500 lbs §—for Mills §—per cwt of 112 lbs †—per candy of 656 lbs ¶—per md of 82-27 lbs †—Mills †—New, of Calcutta market X—Plus Excise Duty @ Rs 5 per ton. ‡—Ex-wholesale distribution centre. Unless otherwise stated prices are of Calcutta market.

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COMMODITY STATISTICAL TABLES

INDEX NUMBERS OF WHOLESALE PRICES OF GROUPS OF ARTICLES IN CALCUTTA
(Prices in July 1914=100)

RAW COTTON

Bales of 400 lbs. each.

Commodity/Group	1956												1957	
	Feb	Mar	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb.	Mar.
Cereals	341	325	351	342	348	354	353	350	350	353	365	365	365	365
Pulses	398	388	373	386	377	384	457	430	424	437	433	451	437	451
Sugar	260	318	353	351	362	364	369	371	359	356	349	408	341	341
Tea	848	817	826	866	814	798	819	822	800	758	781	813	845	794
Other Food Articles	533	578	571	579	611	646	691	692	647	727	706	636	638	638
Oil Seeds	260	323	366	371	371	386	434	407	417	453	443	448	414	366
Mustard oil	295	279	271	263	271	279	295	287	304	336	344	344	328	336
Raw Jute	312	303	301	291	288	293	313	324	319	345	346	335	311	308
Jute Manufactures	306	300	305	330	314	324	322	310	298	298	294	302	310	319
Raw Cotton	500	504	518	490	524	518	440	459	509	509	509	514	512	489
Other Textile Wool and Silk	225	217	202	197	199	189	193	195	201	195	209	217	225	217
Hides and Skins	386	388	386	384	424	422	425	425	422	427	431	427	423	420
Metals	337	313	307	325	346	366	373	388	392	395	394	390	370	374
Other Raw and Manufactured Articles	429	422	424	430	432	437	452	452	446	451	457	462	456	448
All Commodities	...	...	...	...	...	...	...	...	...	...	...	...	...	...

INDEX NUMBERS OF WHOLESALE PRICES IN INDIA (GENERAL PURPOSE)
(Base: August, 1939=100)

Commodity/Group	1956												1957	
	Feb	Mar	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb.	Mar.
1. Food Index	354	351	360.9	350.5	366.2	380.6	397.0	393.1	392.5	411.6	413.9	392.1	406.0	402.7
2. Industrial Raw Materials Index	164.6	175.6	172.8	178.0	179.4	192.3	200.5	207.0	202.4	214.2	217.1	225.0	220.5	218.1
3. Semi-manufactured Articles Index	353.8	369.4	377.4	381.1	391.8	395.2	406.4	408.3	405.6	416.3	417.5	412.4	410.6	403.3
4. Manufactured Articles Index	375.3	374.8	375.7	376.8	377.6	385.7	387.7	391.4	387.9	397.6	396.9	397.4	385.5	384.1
5. Miscellaneous Index	529.3	508.1	496.7	501.8	518.6	560.4	565.3	567.1	585.2	590.6	590.3	592.7	585.2	569.6
6. General Index	378.4	387.3	391.3	390.2	397.9	409.2	418.7	419.8	417.8	427.7	428.8	422.3	423.0	421.5

Commodity/Group	1956												1957	
	Feb	Mar	April	May	June	July	Aug	Sept.	Oct	Nov	Dec	Jan	Feb.	Mar.
Cereals	341	325	351	342	348	354	353	350	350	353	365	365	365	365
Pulses	398	388	373	386	377	384	457	430	424	437	433	451	437	451
Sugar	260	318	353	351	362	364	369	371	359	356	349	408	341	341
Tea	848	817	826	866	814	798	819	822	800	758	781	813	845	794
Other Food Articles	533	578	571	579	611	646	691	692	647	727	706	636	638	638
Oil Seeds	260	323	366	371	371	386	434	407	417	453	443	448	414	366
Mustard oil	295	279	271	263	271	279	295	287	304	336	344	344	328	336
Raw Jute	312	303	301	291	288	293	313	324	319	345	346	335	311	308
Jute Manufactures	306	300	305	330	314	324	322	310	298	298	294	302	310	319
Raw Cotton	500	504	518	490	524	518	440	459	509	509	509	514	512	489
Other Textile Wool and Silk	225	217	202	197	199	189	193	195	201	195	209	217	225	217
Hides and Skins	386	388	386	384	424	422	425	425	422	427	431	427	423	420
Metals	337	313	307	325	346	366	373	388	392	395	394	390	370	374
Other Raw and Manufactured Articles	429	422	424	430	432	437	452	452	446	451	457	462	456	448
All Commodities	...	...	...	...	...	...	...	...	...	...	...	...	...	...

*Including Coke

*7/100

Engineering and Transport

PROJECT FOR ELECTRICAL EQUIPMENT SCHOOL TO TRAIN TECHNICAL PERSONNEL

THE foundation stone of the training school and workshop of the heavy electrical equipment project, a Central Government undertaking was laid last week at the site of the project four miles outside Bhopal city. The ceremony was performed by Mr. Morarji Desai, Central Minister for Commerce and Industry. This marks the beginning of the work on the first stage of this Rs. 40 crore project. By the middle of next year, the training school is expected to begin when the first 900 boys will be admitted for an 18-month training course to train them as production operatives. In the first few years, the training school and workshop will work on a double shift basis so that about 2,000 boys will be under training at one time. The training school and workshop are being set up two years in advance of the completion of the factory so that the factory's requirement of about 9,000 trained personnel during the first phase of development can be met. The training school will also admit about 72 graduate engineers every year for post-graduate training to equip them for supervisory posts in the factory. A batch of 40 engineers has been to the U.K. for specialised training in the design and manufacture of heavy electrical equipment. Their training is expected to last for three years. More batches of trainees are to be sent at six months' interval, according to a plan prepared in consultation with the technical consultants of the project, the Associated Electrical Industries of the U.K. The training facilities in the U.K. are being provided in the factories of A.E.I.

The heavy electrical equipment project will manufacture plant and equipment for hydro-electric projects, electric traction equipment for railways and equipment for power distribution. The items to be manufactured will include generators of the water wheel driven type, diesel generators, industrial motors over 200 h.p., water turbines, rectifiers, D.C. generators and motors, power transformers of high voltage and industrial control gear. The factory is expected to go into production by 1960 and attain full production gradually by 1968. The total annual output will be of the order of about Rs. 12.5 crores.

AUTOMOBILE PRODUCTION INCREASES

The production of automobiles in India increased by about 40 percent in 1956 compared with 1955. The total number of vehicles produced during the year was 32,138 against 23,084 in 1955. Production has been steadily rising in India since 1953 when the programme of progressive indigenous manufacture of cars and trucks was introduced on the recommendation of the Tariff Commission. Total production in 1955 was 13,926 and 14,462 in 1954. Under this programme completely built up automobiles are not allowed to be imported into the country. The programmes of the different vehicles under manufacture are based on a progressively decreasing percentage of imported components. All the vehicles produced in the country, therefore, include varying percentages of indigenous components. The break-up of the production figures in 1956 is: cars 12,989, station wagons 677, jeeps and similar vehicles 4,328 and trucks 14,144. The demand for cars and trucks in India has also been on the increase. As against 13,813 automobiles sold in 1954, 26,065 vehicles were sold in 1955. The sales in 1956 went up to 31,486. By 1960-61, the demand for cars and trucks is expected to rise to 65,000 a year. The six approved manufacturers of automobiles have between them a total capacity of 49,800 vehicles a year. The total capital invested in the manufacturing industry is of the order of Rs. 17.3 crores. The number of persons employed is about 10,300. The automobile industry has been recently granted protection for a period of 10 years. There was a remarkable increase in the production of motor cycles and scooters by approved manufacturers during 1956. The total number of motor cycles and scooters produced was 5,622 compared with 801 during the previous year. During 1956, 493 autorikshaws were also produced.

NEW AUTOMATIC RECORDER OF MACHINERY OPERATION

Working time, as opposed to idle time, is an important factor in better productivity, and is as applicable to machines as to men. Idle time during which machinery is not earning its keep can be a costly business. To maintain records on this, however, especially in large and complex factories is not simple, in spite of the use of instruments, and can only be put to real use if meticulously analysed, which is a laborious process. Most of these difficulties may be solved by an interesting new recorder recently developed by the Plant Engineering Division of the British Iron and Steel Research Association. This performance recorder—to be commercially manufactured by the Digital Engineering Co. Ltd.—uses automatic devices not only to provide a continuous watch on the operation of machinery, but to provide a condensed summary of its observations in a form that can be analysed quickly. It employs, as it were, two mechanical memories, one to remember running time and the other idle time. A clock mechanism sends out electrical pulses every one-thousandth of an hour

(3.6 seconds) and these influence either the running-time "accumulator" (or "memory"), or the idle-time "accumulator". In a rolling mill, according to a description by the Research Association, the recorder will keep track of running time when strip is being rolled and of idle time when the mill is stationary during production—for instance, threading new coils or changing screwdown and guide settings—and of stoppage time, when the mill cannot continue its operations for roll change, failure of plant or the absence of the operator. Each stoppage is allocated to any one of a number of possible causes, such as roll change, mechanical fault, electrical fault, operational defect, meal break, late start or even early finish. A code number is given to each order on which a machine is working, and all incidents from the recorder's memory can be transferred to tape by pressing a button. The characters on the tape can be read by eye, or transferred to punched cards, or printed out. The system is very suitable for detailed analysis by an electronic digital computer, which can be fed with information from recorders at a number of separate factories.

PLANS FOR FARNBOROUGH AIR SHOW

The U.K.'s annual air show, the eighteenth of its kind, which is being staged at the Royal Aircraft Establishment in Farnborough, Hampshire, in the first week of September, will be the biggest ever. Announcing this, the Society of British Aircraft Constructors (S.B.A.C.) says that more than 350 firms have booked space in the exhibition hall, housing part of the display, compared with the previous record of 338 last year. Guided weapons are likely to be prominent at the exhibition, and the aircraft industry hopes to obtain security clearance to enable it to give the public some indication of achievements in this field. Since 1948, when the public was first admitted, almost 1,750,000 people have paid to see these displays. Overseas interest in the show can be gauged from the press coverage. Last year, 40 overseas newspapers and periodicals in 17 countries published special Farnborough supplements or insets, while well over 200 other publications carried day-to-day reports. The display was attended last year by a record number of foreign guests, including missions several hundred strong from the United States (the industry's best customer in 1956), France, Germany, and the Netherlands. This year the international contingents are expected to be even bigger.

PROSPECTING RECOMMENDED FOR COPPER-BEARING AREA IN RAJASTHAN

The Geological Survey of India has recommended geochemical prospecting to assess the copper mineral content in the Khoh-Dariba area of Alwar district, Rajasthan State. The department investigated the area during the last two field seasons for determining the nature and extent of mineralisation and to prepare a scheme for exploration. There are old abandoned mines in the Khoh-Dariba area, about 40 miles south of Alwar town. The copper mine of Dariba has a long history. The presence of numerous shafts, pits, extensive underground stopes, large dumps of slag and mine-debris, and ruins of a once prosperous mine village point to a flourishing mining and smelting industry extending over a long period in the past. A very rough estimate based on the stoped area of the Dariba mine shows that about 400,000 cubic feet or 30,000 tons of copper ore were removed from the mine. The calculation has, however, been made on guess estimates of the total height of the stopes which in places are more or less filled with waste ore and are inaccessible.

MANUFACTURE OF COACHING UNDERFRAMES

The Railway Board has taken a major step towards self-sufficiency in railway equipment by developing capacity with firms in India for the manufacture of the entire requirements of coaching underframes planned under the 1957-58 purchase programme. The indigenous capacity for the manufacture of underframes has so far been insignificant and initial efforts by the Railway Board Development Cell to encourage manufacturers in India to enter the field bore no results. Global tenders were consequently invited for supply from foreign sources. Before placing orders with foreign suppliers, the Railway Board convened a meeting of indigenous firms, and as a result it was possible to locate capacity for the manufacture of underframes in the country. Five firms came forward to manufacture the entire pending requirements of underframes. The manufacturing capacities of these firms have therefore, been booked for a supply of 500 broad-gauge, 791 metre-gauge and 60 narrow-gauge bogie coaching underframes. This will save the country several crores of rupees in foreign exchange.

and heat for a community of 20,000 people—is now put at about £1,500,000, or £150 a kilowatt. These revised figures are based on European manufacturing costs. "Further reductions may be possible when detailed figures are available in a month's time," Mr. Congreve added. On the other hand, if you have between £15 million and £40 million to spare, the unique British exhibit at the Hanover Industrial Fair makes you a four-fold offer to back up models, blueprints and illustrations of no less than three types of atomic power plant based on the Calder Hall design which are supported on the stand by an army of technicians from the half a dozen British firms ready to start building them anywhere in the world to provide further details. The offer is to (1) construct, transport and erect complete power plants, (2) supply a "build-it-yourself" kit, if preferred, (3) supply the necessary plans and know-how where construction resources are available locally, and (4) supply the uranium to feed the plants in a form which cannot be used in bombs. It is reported that the queue of customers is already beginning to form with Japan and Italy heading the list.

WORK STARTED ON VANGUARD PROPELLER TURBINE AIRLINER

Work has begun on Vickers-Armstrong's first Vanguard propeller-turbine airliner at their Weybridge factory, Surrey. The 400-m.p.h. double-decked aircraft, 40 of which have been ordered, is expected to fly in the autumn of next year. The initial stage in the production programme involved setting up fuselage frames on special assembly jigs, the equivalent of laving the keel of a ship. A wooden mock-up of the fuselage had already been built to solve many of the construction problems. A Vanguard prototype, in the normally accepted sense, is not to be made. The first aircraft is being built from production plans on the standard production line, and will be kept by the makers for development flying. The company thus hopes to shorten the time between the first flight and the Vanguard's entry into service with British European Airways in 1960. Twenty Vanguards have been ordered by B.E.A. and a further 20 by Trans-Canada Air Lines.

PROBLEMS OF FLYING LARGE COMMERCIAL AIRLINERS

The introduction of new types of commercial aircraft, including supersonic airliners, will involve various difficulties, besides extending runways and aprons and adapting taxi-ways. The problems were comprehensively discussed by technical experts at the International Civil Aviation Organisation's headquarters in Montreal recently, and the report on these discussions which has now become available must surely be essential reading for all concerned with the provision of commercial air travel facilities. It discloses that the consensus of opinion is that the advent of new types of aircraft, such as the jet Boeing 707 and Douglas DC-8, and the propeller-turbine Bristol Britannia and Lockheed Electra, will result in a period of consolidation. This may last for a decade. Looking further ahead, a design study was made of three types: an 860-920 m.p.h. supersonic jet; 550 m.p.h. subsonic jet, and 460 m.p.h. propeller-turbine aircraft. It indicated that the direct operating costs of the

supersonic jet would be twice those of the subsonic jet and slightly more than three times those of the propeller-turbine plane. The design study of airfields suggested that runways of the following lengths would be required: supersonic jet, 4,000 yards; subsonic jet, 3,000; propeller-turbine plane, 2,500. The longest runway at the London airport is 3,190 yards. Large jets, fully loaded, will require runways longer than those at most international airports. Propeller-turbine and medium-range jet aircraft will be able to use existing runways. There was little optimism about the effects of silencing devices fitted to jet engines. Noise at airfields might be reduced by the positioning of runways and aprons, deflecting walls and other static ground devices. To stop noise inconveniencing people in airport buildings, aircraft might have to be parked or started up a long way away.

LIGHTER SHIPS TO CARRY MORE CARGO

A cargo liner which makes maritime history in the matter of her construction recently left London on her maiden voyage to West African ports. She is the Palm Line's motorship *Elmina Palm*, 5,700 tons, the first British-built cargo ship for British owners to be constructed mainly of welded aluminium. By careful design and the extensive use of aluminium it has been possible to achieve a weight-saving of 63 percent. At the same times, this enabled her to carry more cargo than would normally be possible up West African rivers, for their mouths impose a severe draught restriction. Not only is most of the midship structure of aluminium but as inspection disclosed so far are the funnel, the hatch covers over the five holds, the lifeboats and the accommodation ladders. And, for the first time in any ship, it is claimed, the deck awnings so essential in hot weather trades are made of aluminium rather than the conventional teak. This aluminium sheeting is very thin, but so strong that a 17-stone man danced on it without making any impression. The whole aluminium theme of the superstructure and certain fittings has resulted in a weight saving of about 74 tons. This allows a corresponding increase in deadweight tonnage over a similar ship of normal construction. The *Elmina Palm*, built at Swan, Hunters' Neptune Works, Newcastle-upon-Tyne, cost just over £1 million, and is the first of seven new ships ordered by the Palm Line, which plans to raise its fleet from the 16 vessels it had before the war (of which half were lost through enemy action) to 27 within the next few years.

NEW PLANT TO CONVERT FLY ASH INTO BUILDING MATERIAL

The use of waste products is valuable as a means of cutting production costs besides offering a useful source of additional revenue. In the case of thermal power stations ash from the furnaces, which has hitherto been a problem, may soon prove to be as valuable as the gold dust in the prospector's pan. That, anyhow, is the hope of Battersea Power Station in London, where a plant has just gone into operation to convert the residue from the furnaces known as "fly ash" into a useful building material. The quantities of fly ash arising at power stations have enormously increased with the use of low quality, pulverised coal. The ash is caught in the chimney stacks and precipitated. It must then be taken out and dumped either in disused quarries or in the sea. Only a small quantity has been used recently as a substitute for Portland cement. The new plant, which is to turn a costly nuisance into a useful product, is being worked by the Cementation Company under licence from the designers and patentees, Sinterite Limited. At a visit to the power station, it was made clear that the Central Electricity Authority has considerable hopes that this experiment may prove useful on a much larger scale. The disposal of fly ash is becoming increasingly difficult and is said to cost the electricity undertakings many hundred thousand pounds. At present about two million tons of fly ash emerges every year. By 1960, this is going to increase to four million, and by 1964 to six million tons.

Dr F. P. Somogyi, the inventor of the Sinterite process, explains that the new plant installed in Battersea can burn materials with up to 95 percent ash content at a temperature of up to 2,000 degrees Fahrenheit, and convert them into a lightweight building material which has already proved useful as an aggregate for concrete. The heat is produced by burning the carbon still contained in the fly ash, and in the process some surplus heat is produced which can be fed back to the furnaces if the carbon content of the fly ash is high enough. Another claim made by the inventor is that certain fly ashes which contain small quantities of iron can now be treated by magnetic separation in such a way that useful iron can be economically produced. "It is now possible," he said, "to recover from fly ash with an iron content of not under 15 percent at least half of the total quantity in the form of 65 to 80 percent iron oxides." This is not possible in Battersea, where the iron content of the fly ash is only 6 percent. But the new process might be applied to recover iron from the vast refuse dumps at collieries which are growing at the rate of 40 million tons a year and contain at least 25 percent of coal. It is claimed that a plant waste material and produce large quantities of heat and slag. By first grinding the material it could also be used for the production of building aggregate and, in many cases of iron. The heat needed for these operations would be obtained

from the refuse itself. Officials of the Central Electricity Board are still treating the Sinterite process as an interesting experiment, but it has certainly created a stir in the world of power.

GLASS FIBRE LIFEBOAT IN ONE-PIECE MOULD

The largest glass fibre lifeboat to be constructed in a one-piece mould was recently installed in the Orient Line's passenger vessel *Oronsay* for trial during the voyage to Australia. Some two years ago the Orient Steam Navigation Co. Ltd., London, gave thought to the possibility of polyester glass fibre lifeboats which, at that time, were not of sufficient size for use in passenger vessels. With the co-operation of British Industrial Plastic Chemicals Ltd. and Fibreglass Ltd., the Orient Line have now produced a craft capable of carrying 144 persons and which exceeds the M.O.T. statutory requirements. The boat was constructed by W. and J. Tod Ltd., Weymouth, who worked out the detailed design in conjunction with the Orient Line's naval architect. The main particulars of the boat are as follows: length 37 feet 6 inches; beam 12 feet 6 inches; weight (empty), 5.5 tons; speed loaded, 6 knots. The new passenger liner *Oronsay* (40,000 tons) now under construction for the Orient Line at the yard of Vickers-Armstrongs (Shipbuilders) Ltd., Barrow-in-Furness, will carry 20 of the new lifeboats, which are already on order from W. and J. Tod Ltd.

These boats will be slung in davits of a completely new design by Welin-MacLachlan Davits Ltd., and will be carried on the highest strength deck, the boat deck consisting of a bay occupying the height of two decks below the main promenade deck and running the necessary length to accommodate the required number of boats. Trackways will be connected to the underside of the deck above the boat deck and the winches will be mounted half way up the deckhouse side, thus giving full headroom under them on their embarkation deck. The boats will be suspended from cradles on the trackways and will be at a sufficient height above the embarkation deck to permit full headroom right across the deck from the deckhouse side to the ship-side rails. The cradles for lifeboat launching will travel on inboard, impelled by forces derived from track inclination and counter weights, thus meeting with M.O.T. regulations. The boats will be stowed with a slight angle of heel in order to preserve on the maximum view from the windows in cabins on the deck in between the boat deck and the promenade deck. The boat cradles will be in light alloy and the new davit, complete with counter weights, will be 15 percent lighter than the standard trackway type overhead gravity davit. This new davit can launch a boat against an adverse list of 25 deg. and a 10 deg. trim. This has been confirmed in tests carried out by the M.O.T.

SCHEME FOR STORING ELECTRICITY

The first major pumped-storage power station to be built in the U.K. in Ffestiniog, North Wales, is to be equipped by the English Electric Company under a contract just placed by the Central Electricity Authority. The equipment consists of four 105,000-horse-power water-turbines, governors, storage pumps and valves. Water will be pumped from a lower to an upper reservoir at night when surplus electric power is available to drive the pumps. The stored water will then be used to drive turbines during the day to generate extra power for peak-load demands. The storage pumps will be supplied under a sub-contract by Sulzer Brothers (London) Ltd. in association with Sulzer Brothers Ltd. of Switzerland.

COMPANY TO MANAGE NATIONAL INSTRUMENTS FACTORY

A Government-owned company, called the National Instruments (Private) Limited, has been registered to take over the management of the National Instruments Factory in Calcutta, which has been departmentally managed so far. The authorised capital of the company is Rs. 3 crores. The factory has been brought under the company form of management so that it can be run on commercial lines. Started as a mathematical instruments office in 1830, for the repair of precision instruments for the Survey of India, the factory has grown into an important industrial undertaking producing high precision survey, mathematical, drawing, optical and other instruments. Its production in 1956-57 was valued at over Rs. 23 lakhs and its sales amounted to slightly over Rs. 24 lakhs. Its large range of manufacture includes theodolites, microscopes, stereoscopes and projection instruments, survey instruments like theodolites, prismatic compass and clinometers, mathematical measuring instruments, instruments for measuring humidity, temperature and density, pressure gauges, vacuum gauges, barometers, drawing office equipment and nautical instruments. Under its expansion programme the factory will manufacture special types of microscopes, engineering and geological use and optical components for microscopes, clinical thermometers, pressure and vacuum gauges and medical diagnostic instruments will be the other items to be taken up for manufacture. Prototypes of pressure and vacuum gauges have already been manufactured and are being tested in railway laboratories. A batch production of 100 clinical thermometers has already been made and efforts are now being made to reduce the cost of production. Over 1,000 people are employed in the factory for which a new building has recently been opened in Jadavpur.

Plantation Topics

HEAVY TAXATION OF KERALA PLANTATIONS

PROPOSAL FOR STATE TRADING IN CASH CROPS

(FROM A SOUTH INDIAN CORRESPONDENT)

It is estimated that planters in Kerala will have to provide nearly 80 percent of the Rs. 232 lakhs the Finance Minister of the State proposes to raise through new taxes during 1957-58. This will be in addition to the agricultural income tax, estimated at Rs. 180 lakhs in the preliminary Budget, and the land tax they are already paying to the State Government. It is pointed out that this kind of indiscriminate taxation will compel some of the planting companies to go into voluntary liquidation. The severity of the new taxes and their demoralising effect on the investor can be assessed from share market trends in the past few weeks. The Madras Stock Exchange Association has been forced to fix floor prices for all ordinary planting shares in view of the steep fall in their values brought about by the Kerala Government's taxation proposals. It will be disastrous for Kerala to destroy its planting industry, which occupies an important place in Kerala's economy.

These additional taxes will raise considerably the cost of production of Kerala's cash crops which are being sold in foreign markets in competition with the same crops produced in other Indian States as well as abroad. Higher costs of production will price the former out of the overseas market at a time when there is a great need to increase exports.

The Kerala Finance Minister seems to be labouring under the wrong notion that planting companies are owned by the rich alone and they can afford to pay any new tax. As a matter of fact, middle class investors have a larger stake in many of the rupee companies in south India. According to one estimate, more than 50 percent of the investors belong to the middle class. Besides, planting is not as lucrative a business as it was a few years ago. Taxation at the State and Central levels, additional outlay for labour welfare and declines in the prices of many plantation crops have reduced considerably the margin left for the planter.

Plantations and Land Reforms

Plantation holdings will be exempted from the purview of the land reform Bill which is now being drafted by the Communist Government in Kerala. This was stated by the Finance Minister, Mr. Achutha Menon, in his reply to the Budget debate in the State Assembly.

There is a proposal in the Kerala Budget to set up a State Trading Corporation to ensure reasonable prices for the agricultural products exported from the State. The idea was first brought forward by a former Chief Minister of Travancore-Cochin, Mr. Panamilly Govinda Menon, in 1955, when the Central State Trading Corporation did not exist. To set up yet another Corporation at the State level implies duplication. The State Trading Corporation of India now exports some of Kerala's cash crops, such as cashew, pepper, tea and coffee to Communist countries where the scope for private trade is limited. It is doubtful whether there is sufficient scope for two State trading corporations, besides the usual private trade to operate in the small field of Kerala's cash crops.

As a matter of fact, the private trade is well developed. It is not its fault that the prices of Kerala's cash crops have fallen to the present low levels. The price situation is largely governed by demand from abroad over which traders can have no control. Production trends here as well as in other producing centres are beyond their control. For instance, taking the case of pepper, world production has recorded a very big increase in postwar years, outpacing the increase in demand. Excess production has been the principal reason for the decline in the prices of other crops such as ginger and lemongrass oil.

Trade Malpractices

It is true that adulteration and other such malpractices were common in the cash crop trade, and that has affected to some extent the reputation of these crops abroad. But compared with the other factors which have contributed to the present slump, the question of malpractices is of little importance. Prices have gone down to such an extent that it is no longer worthwhile to indulge in malpractices. The introduction of ag-marking etcetera has gone a long way in checking unwholesome trade practices. With a little more vigilance on the part of the Government, malpractices, if any, can be brought under complete control. Anyhow, stray cases of malpractices are not a good enough reason for the State Government to enter the trade.

Lawlessness in Planting Districts

The Plantation Labour Committee, which met in Trivandrum on 11th June with the Labour Commissioner of Kerala presiding, passed a resolution unanimously requesting the State Government to take immediate measures to improve the law and order situation in the planting districts of Kerala. The employer members on the Committee made several complaints to the effect that the law and order situation in many areas has deteriorated to such an extent that negotiations for the settlement of outstanding disputes could not be continued. Therefore, the meeting had to be postponed sine die after passing the resolution.

To the end of May, the Coffee Board has sold for export 7,975 tons of coffee out of the 1956-57 season's crop. This includes 725 tons sold to Russia. Another 1,500 tons have been reserved for export to Sweden, Finland, Australia and the United States. The estimated surplus for export out of the current season's crop is over 15,000 tons. The season's total output is estimated at 41,565 tons, the highest on record.

The chairman of the Central Travancore Planters' Association in the course of his speech at the recent annual general meeting referred to the proposed nationalisation of foreign-owned plantations in Kerala and requested the State Government to study carefully the record of nationalised industry elsewhere in the world so that it could consider for itself whether an industry so ill-suited to standardisation as plantations would continue to yield the same profits under bureaucracy. He added that the Government should first take steps to ascertain the extent of those "immense" profits which are now being remitted overseas and which it wanted to secure for the State Exchequer, in relation to the capital employed on foreign plantations.

Recalcitrance of Labour

Commenting on the labour situation, he said that the multiplicity of labour unions with conflicting political attachments was a great problem for the planters. It was in fact a stumbling block to the work of the Plantation Labour Committee. Giving an example of how difficult it has become to deal with labour even in implementing the Plantation Labour Act he said: "We are met with the stubborn opposition of labour to those sections with which they are not in agreement, and I would quote the section dealing with protection against the weather, otherwise cumbles (blanket). The Act required us to issue two cumbles, or their alternatives, to each labourer every year, and this association took early steps to comply with the Act. When we came to issue the cumbles, however, we were met with a blank refusal on many estates to accept them, on one ground or another, and as negotiations progressed, it became increasingly obvious that the only objection was that the majority of labourers did not want the cumbles, but the cash to which they have been accustomed in the past. The stage has now been reached at which cumbles, of the standard approved by the Chief Inspector of Plantations, have been offered and refused, and labourers on several estates went on strike on the ground that they could not work in the rain without cumbles."

He urged that the Government see the necessity of consulting the industry beforehand as to the practical working of such legislation as the Provident Fund Act in order to avoid unnecessary difficulties. He referred in particular to the mass of papers required to be submitted monthly by the management under that Provident Fund Act which is being extended to plantations. Of all the plantation districts in Kerala, Central Travancore produces the largest crop. Last year this district had a record harvest of 25.5 million lbs with an equally high yield an acre of 1,018 lbs.

Cochin Market Review

It was a record year for the Cochin tea market in 1956. For the first time since tea auctions started in 1947, 55.5 million lbs of tea, representing 43.7 percent of the south Indian crop, were sold through this market. Shipments from Cochin touched a new peak of over 80 million lbs. Out of this, 73 million lbs went overseas compared with 64 million lbs in 1955. The annual review for the year of the Cochin tea market issued by Messrs. Forbes, Ewart and Figgis states that Broken Pekoes were at a discount and far less of this grade of tea was manufactured during 1956. A true B.P. is now scarce in south India and it is doubtful whether it can continue to be used as a yardstick for market quotations. The most notable feature of south Indian teas during the year under review was the improvement in their quality. The report states that the cold weather teas of 1956 were the best that have been seen, in this region for some years. Another new feature was the support provided at export sales by internal buyers. The year was also notable for the general stability of prices, although the lowest average for the three years, 1954 to 1956, that is Rs. 2-3-8 a lb., prevailed during 1956.

COCHIN TEA SALES

At Sale No. 16, there was a strong general demand for the 950,000 lbs of tea on offer. Low Mediums and Mediums were irregularly 5 p dearer; best liquorings and whole leafs were considerably stronger and dearer.

EXPORTS OF INDIAN TOBACCO RISE

The first estimate for Indian tobacco acreage for 1956-57 is 826,000 acres—17,000 acres more than the corresponding adjusted estimate for the previous season. The Commonwealth Economic Committee, which gives this figure in its quarterly *Tobacco Intelligence* says that in Andhra Pradesh alone, which accounts for nearly all the flue-cured output, the area under tobacco has increased from 312,000 acres to 323,000 acres. Heavy shipments in the third quarter of 1956 brought the total of exports by sea of manufactured Indian tobacco in April-November 1956 to 80,300,000 lbs—9,200,000 lbs more than in the same period of the previous year. Consignments to the U. K. at 29,200,000 lbs were 5,100,000 lbs more than a year earlier. The U.K. in fact remained India's best tobacco customer, China being second. In the first quarter of 1957, India bought 42,000 lbs. of cigarettes from Britain—a turn of 15,000 lbs over the corresponding quarter of 1956.

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BRICKS and FIRECLAY REFRACTORIES
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Tea Industries, Sugar and Cotton Mills
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THE BEHAR FIREBRICKS & POTTERIES LTD.
22, STRAND ROAD, CALCUTTA-1
Phone: 77 5952 Gram: "BANCO"

THE EASTERN BANK Ltd.

INCORPORATED IN ENGLAND.

(Liability of Shareholders is Limited.)

HEAD OFFICE:

2 & 3, Crosby Square, London E.C.3.

SUBSCRIBED CAPITAL £ 2,000,000

PAID-UP CAPITAL £ 1,000,000

RESERVE FUND £ 1,500,000

RESERVE LIABILITY OF

SHAREHOLDERS £ 1,000,000

BRANCHES: Calcutta, Bombay, Madras, Cochin,

Karachi, Chittagong, Colombo, Bagdad, Basrah,

Mombai, Kurrum, Amara, Bahrain, Doha, Aden

(Crater), Aden (Steamer Point), Mukalla (Hadhra-

maut), Beirut (Lebanon), Singapore, Penang, Kuala

Lumpur, Butterworth.

General Banking and Exchange Business transacted

with all parts of the world.

The Bank undertakes Trustee and Executorship busi-

ness through its affiliated Company Eastern Bank

Trustee and Executor Co. (India) Private Ltd.

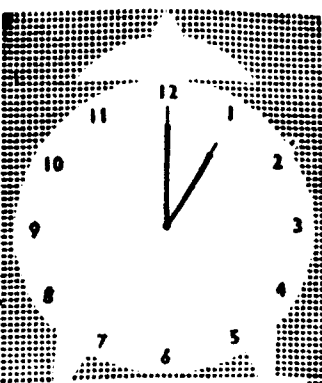
CALCUTTA BRANCH:

14, Netaji Subhas Road.

Phone: 22-571/2.

B. BARKER,

Manager.



At 1
this afternoon
take tea
for
relaxation



I am Tea -

I am your friend

in your

worst and best

moments

PS 102

INDIA

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY **

The Capital Index of Indian Industrial Activity (Base: 1935) has now been brought up to January 1957. Compared with the preceding month, there were increases in cotton consumption 4.2 points, jute manufactures 4.3 points, pig iron 1.1 points

and wagons loaded 4.1 points, while decreases occurred in steel ingots 1.9 points, cement 6.9 points, paper 1.6 points, coal 1.8 points and electricity 4.6 points.

The indices for cheque clearances and notes in

circulation rose by 7.7 points and 0.3 point, respectively.

Correlating all the factors, the Capital index of Indian Industrial Activity advanced by 3.6 points during January 1957.

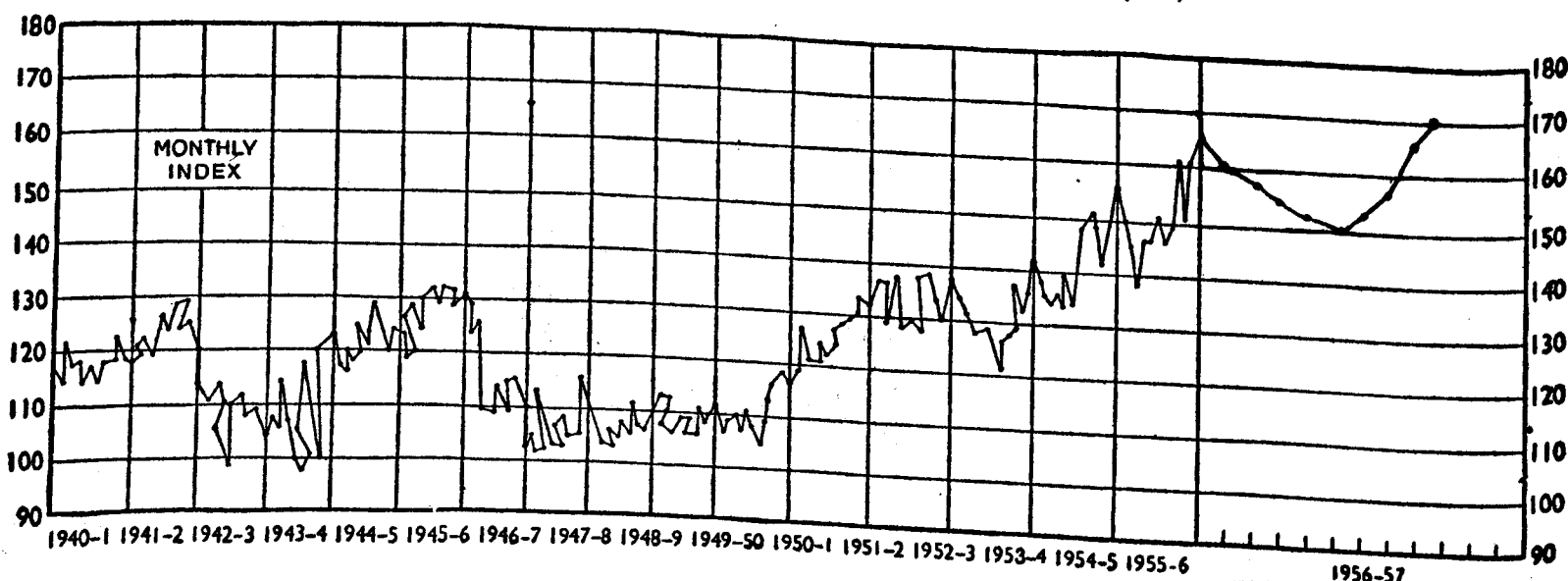
	Industrial Production						Mineral Production	Total Number of Wagons Loaded (T)	Financial Statistics	Foreign & Coastal		General Monthly Index
	Indian Cotton Consumption	Jute Manufactures	Steel Ingots	Pig Iron	Cement	Paper				Exports	Imports	
	1	2	3	4	5	6	7	8	9	10	11	12
1940-41*	128.2	110.8	139.1	136.5	183.6	124.5	118.9	91.2	...	07.3(c)	...	117.3
1941-42*	150.3	122.1	157.3	141.6	193.2	118.6	117.0	94.0	...	109.2(c)	...	122.7
1942-43*	154.4	117.8	144.2	130.6	153.9	114.7	103.1	70.7	...	135.5(c)	...	108.8
1943-44*	167.3	99.7	149.2	136.3	148.0	109.7	104.8	71.7	...	137.7(c)	...	109.2
1944-45*	159.2	103.2	128.0	125.6	155.9	112.1	112.4	95.4	...	180.9(c)	...	120.7
1945-46*	161.0	106.0	151.8	96.9	151.3	127.0	112.2	112.6	...	126.5(c)	...	127.5
1946-47*	127.5	100.7	139.8	95.5	141.2	123.0	101.6	104.5	...	199.8(c)	...	115.0
1947-48*	126.2	102.1	140.7	105.4	125.1	127.7	96.7	82.6	...	178.9(c)	...	107.0
1948-49*	149.7	101.8	138.7	99.2	136.6	126.2	98.6	79.5	...	166.2(c)	...	107.6
1949-50*	123.5	90.2	157.9	116.4	143.4	146.1	146.0	114.5	...	140.6(c)	...	109.4
1950-51*	113.1	82.1	165.7	112.4	168.7	155.9	154.9	125.3	...	122.4(c)	...	110.8
1951-52*	126.6	93.2	175.9	125.4	207.8	170.6	169.5	134.1	...	129.5(c)	...	125.7
1952-53*	141.7	91.0	184.0	119.5	223.6	169.2	172.5	139.6	...	154.6(c)	...	132.4
1953-54*	145.9	86.5	178.1	115.5	251.4	166.1	170.8	137.0	...	145.8(c)	...	130.4
1954-55*	152.3	97.2	196.2	112.2	275.8	206.0	179.4	144.2	...	158.5(c)	...	141.3
1955-56*	157.6	105.2	193.4	122.7	281.2	221.1	184.0	156.4	...	178.9(c)	...	151.2
1953-54	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
April	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
May	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
June	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
July	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
August	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
September	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
October	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
November	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
December	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
January	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
February	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
March	142.9	96.6	178.3	116.6	213.1A	173.3	182.1	141.0	...	159.8	...	134.4
1954-55	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
April	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
May	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
June	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
July	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
August	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
September	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
October	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
November	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
December	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
January	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
February	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
March	150.6	105.8	197.4	117.6	269.9A	209.5	170.2	140.1	...	154.7	...	137.7
1955-56	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
April	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
May	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
June	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
July	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
August	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
September	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
October	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
November	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
December	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
January	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
February	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
March	154.7	110.2	208.2	129.3	227.8A	216.5	181.4	152.0	...	182.3	...	149.4
1956-57	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
April	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
May	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
June	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
July	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
August	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
September	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
October	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
November	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
December	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8
January	154.5	120.1	203.7	124.3	296.3A	217.3	189.8	166.9	...	198.3	...	160.8

(a) April, 1935 to March, 1936-100
(b) Averages of eleven months, April to February
(c) Notes in Circulation
(d) Electricity Consumption

(e) Estimated.
(f) Railway Earnings before April 1952
* Figures not available
† Official year

‡ Average of February and March ** For construction and earlier figure see Capital, 17th Jan. 1938.
§ Annual indices represent averages of monthly figures.
† Provisional.
A Base January 1948.

"CAPITAL" INDEX OF INDIAN INDUSTRIAL ACTIVITY (1935)



Calcutta Markets

STRONGER DEMAND AT TEA EXPORT SALE

BETTER SUPPORT FOR DUSTS

AT Sale No. 3, held on 24th and 25th June offerings at the Export auction amounted to 17,362 packages. There was a stronger and more general demand than in last week's Sale, but any green First Flush teas tended to be easier. Bright liquoring C.T.C.'s and Medium Assams were the strongest features of the Sale and were dearer by as much as 40 nP. There was more demand for plain and medium B.P.'s which were 5 to 10 nP dearer, while Fannings grades in these categories received better support than in the previous week and were firm and sometimes dearer. Stylish leaf grades were again dearer, while tippy teas and flavoured Darjeelings were well supported.

Quotations

1957	1956
Clean Black Pekoe 2.40 to 2.50	1.13 0 to 1.15 0
Plain B.P. 1.65	1.7 0 to 1.8 0
Plain Fannings 1.65	
Medium B.P. 2.00 to 2.20 (nominal)	1.14 0 to 2.0 0
Medium Fannings 2.10 to 2.30 ()	
Best Assam C.T.C. 3.20 to 3.50 ()	3.0 0 to 3.8 0
Best Assam C.T.C. 3.40 to 3.80 ()	

At the Internal Sale, Dust offerings amounted to 5,045 chests of which 665 chests were of the old season's manufacture. There was a greatly improved demand for all descriptions, and C.T.C. Assams with bright liquors were keenly competed for, but earlier teas with ordinary liquors were barely steady. Orthodox Assams with bright liquors were a popular feature, while plain teas, Doars and the remaining orthodox Assams were dearer by sometimes as much as 10 nP. Once again the smaller powdery descriptions sold at higher rates than the leafier types and there was only a limited enquiry for the flavoured invoices from Darjeeling.

Quotations

1957	1956
Medium Doars Dust 1.50 to 1.55	1.6 0 (nominal)
Medium Assam 1.60 to 1.65 (nominal)	1.7 0 ()
Grainy Dust 1.60 to 1.65 (nominal)	1.7 0 ()
Medium Assam C.T.C. 2.70 to 2.90 (nominal)	2.6 0 ()

Only 150 chests of Leaf were offered for sale of which 34 chests were of the old season's manufacture.

RATES MOVE NARROWLY IN FREIGHT MARKETS

THE freight markets have fluctuated narrowly in the last two weeks with exchanges still in charterers' favour. A three years' contract for 180,000 tons of coal Hampton Roads-Continent was arranged at \$ (U.S.) 7.50 and single voyage rates varied from 46s 6d to 47s. There was a welcome revival in Calcutta of coal shipments with two cargoes fixed to Port Sudan at 90s, two to Hongkong at 77s 6d and a number to Karachi at rates varying from 75s to 72s 6d. There were also a number of prompt one charters arranged including M.S. Mathilda to U.S.N.H. at \$ (U.S.) 14.25 and S.S. Edison Mariner at 92s 6d, with 500 load to Yugoslavia. Meanwhile, the congestion at Indian ports continues to grow and there were not enough harbour masters at the Calcutta port to permit vessels to arrive on 26th June. Various excuses are tendered from time to time, but the basic problems of labour, equipment and planning of imports remain unsolved.

HIDES AND SKINS STEADY

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

Bazaar Sales

(Between 18th June and 24th June, 1957)

Cowhides: Wet salted (Ord.) 25,000 pcs. on the basis of Rs. 8.50; Wet salted (Slaughtered) 18,500 pcs. on the basis of Rs. 13 to Rs. 22.
Goatskins: Wet salted (Daissee Killed) 65,600 pcs. on the basis of Rs. 300 to Rs. 320. Rs. 335 to Rs. 360 and Rs. 380 to Rs. 400: Assam-Dinajpur-Murshidabad 18,100 pcs. on the basis of Rs. 285 to Rs. 345.

Bazaar Stocks

(24th June, 1957)

Cowhides: Wet salted 1,67,000 pcs.
Goatskins: Wet salted (Daissee Killed) 15,500 pcs.; Assam-Dinajpur-Murshidabad 16,000 pcs.; Murshidabad - Patna - Pakur-Purneah - Kishanganj 81,000 pcs.

LINSEED QUIETLY STEADY

There has been no material change during the past week, and the general undertone has been quietly steady. Trading has been very limited with buyers and sellers equally reserved. The

supplies of seeds from upcountry were barely sufficient to cover the diminished local demand. Prospects do not appear to be favourable, owing to possible restrictions on movements during the coming months. Turnover in the oil market has been negligible, but with the prevailing scarcity of stocks, prices have been maintained. Latest quotations were as follows: ready Rs. 22-10 a maund; July-August Rs. 22-12 a maund and August-September Rs. 23 a maund.

SUGAR QUIET

During the week ended 26th June, sugar sales in the Calcutta market averaged 4,000 bags daily. Arrivals a day were 1,500 bags and stocks totalled 60,000 bags. Rates for ready sugar ex-Kantapurkur delivery were Rs. 36 for ordinary grain and Rs. 37 for big grain. The market was quiet but steady.

SHELLAC STEADY

During the week ended 25th June, the market was quiet at the beginning and steady at the close. The range of quotations was as follows:

COMPANY AND PUBLIC NOTICES

THE GANESH FLOUR MILLS COMPANY LIMITED, DELHI.

NOTICE is hereby given that the 65th Annual General Meeting of the Shareholders of the Ganesh Flour Mills Co. Ltd., Delhi, will be held at the Registered Office of the Company at Subzi-
mandi, Delhi, on Saturday the 27th of July, 1957, at 10-30 A.M. to transact the following business:—

- To receive, consider and adopt the Directors' Report and the Audited Balance Sheet and Profit and Loss Account of the Company for the year ending 30th September, 1956.
- To declare Dividends.

3(a) To elect a Director in place of Shri Chandu Lal who retires by rotation and is eligible for re-election subject to exemption of age limit as prescribed for a Director under Section 280 of the Companies Act, 1956, and to consider and, if thought fit, to pass the following resolution of which special notice, as required under Section 281 of the Companies Act, 1956, has been received by the Company from a Shareholder.

"Resolved that Shri Chandu Lal, one of the retiring Directors of the Company who retires by rotation and is eligible for re-election and who shall be 73 years of age next birthday, be and is hereby re-elected Director of the Company and it is hereby specifically declared that the age limit for a Director, as prescribed under Section 280 of the Companies Act, shall not apply to him."

(b) To elect a Director in place of Shri Rang Behari Lal who retires by rotation and is eligible for re-election subject to exemption of age limit prescribed for Director under Section 280 of the Companies Act, 1956, and to consider and, if thought fit, to pass the following resolution of which special notice, as required under Section 281 of the Companies Act, 1956, has been received by the Company from a Shareholder:—

"Resolved that Shri Rang Behari Lal, one of the retiring Directors of the Company who retires by rotation and is eligible for re-election and who shall be 68 years of age next birthday, be and is hereby re-elected Director of the Company and it is hereby specifically declared that the age limit for a Director as prescribed under Section 280 of the Companies Act, 1956, shall not apply to him."

- To appoint Auditors for the year 1956-1957 and fix their remuneration.

N.B. Special notice as required under Section 225 of the Companies Act, 1956 has been received from a Shareholder that in the next Annual Ordinary General Meeting of the Company to be held on the 27-7-57 he shall propose a resolution "that M/s Khanna & Annadham, Chartered Accountants be appointed Auditors of the Company for the period beginning from the conclusion of the meeting to be held on 27-7-57 to the conclusion of the next Annual Ordinary General Meeting."

- To consider and if thought fit, to pass the following resolution:—

"RESOLVED that of the Capital of Rs. 75,000/- in the shape of 6,000 7½% Cumulative Preference Shares of Rs. 12/8/- each, eight such shares which have not been issued so far be and are hereby cancelled."

- To consider, and if thought fit, to pass the following resolution:—

"RESOLVED that of the Capital of Rs. 10,50,000/- in the shape of Second, Third and Fourth Cumulative Preference Shares of Rs. 12/8/- each bearing a fixed dividend of 4% per annum, 21,084 such shares (amounting in value to Rs. 2,63,550/-) which have not been issued so far be and are hereby cancelled."

- To consider and if thought fit, to pass the following resolution:—

"RESOLVED that of the Capital of Rs. 39,50,000/- in the shape of Cumulative Preference Shares of Rs. 12/8/- each, 2,50,754 such shares (amounting in value to Rs. 31,34,425/-) which have not been issued be and are hereby cancelled."

- To consider and if thought fit, to pass the following resolution:—

"RESOLVED that the Authorised Capital of the Company be increased to Rs. 1,00,00,000/- by the creation of 2,71,846 Cumulative Preference Shares of Rs. 12/8/- each (amounting to Rs. 33,98,075/-) to be issued bearing such fixed rate of dividend and subject to such terms and conditions as the Board of Directors may, subject to the provisions of the Articles of Association of the Company and of the Companies Act, 1956, decide at the time of issue."

- To consider and if thought fit, to pass the following as Special Resolution:—

"Resolved that new Articles of Association submitted to this meeting and for the purposes of identification subscribed by the Chairman thereof, be approved and adopted with such modifications, if any, as may be agreed to at this meeting as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company."

By Order of the Board of Directors,
For THE GANESH FLOUR MILLS CO. LTD.,
DELHI.

KIPPA NARAIN,
Secretary & General Manager.

Delhi,
Dated 19-5-57.

N.B. (a) The Share Transfer Books of the Company will remain closed from 7th July, 1957 to 27th July, 1957, (both days inclusive).

(b) Members unable to attend are requested to send their Proxy forms (sent herewith) duly stamped, signed and witnessed in favour of a person attending the meeting. Forms not properly witnessed or stamped or received less than 48 hours before the meeting will be treated as invalid.

(c) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and that a Proxy need not be a member of the Company.

Explanatory statement in regard to the special business under items No. 3(a) & (b) 5, 6, 7, 8 & 9 of the Agenda set out above as required under Section 173(2) of the Companies Act, 1956.

Item 3(a). It is notified that Shri Chandu Lal one of the retiring Directors of the Company by rotation whose date of birth is October 1884 will be 73 years of age next birthday. Resolution that the age limit as prescribed under Section 280 of the Companies Act, 1956, shall not apply to him is necessary whereby he will be eligible for re-election as Director of the Company. Special notice of the resolution as marked 3(a) in the Agenda has been received by the Company from a Shareholder for specifically declaring that the age limit for a Director as prescribed under Section 280 shall not apply to him and that he be re-elected as a Director.

Shri Chandu Lal has been a Director of the Company since 1923. He is Bar-at-Law and has always taken a keen interest in its deliberations. It is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the board.

3(b). It is notified that Shri Rang Behari Lal one of the retiring Directors of the Company by rotation and whose date of birth is 17-3-1880 and who will be 68 years of age next birthday. Resolution that the age limit as prescribed under Section 280 of the Companies Act, 1956, shall not apply to him is necessary whereby he will be eligible for re-election as Director of the Company. Special notice of the resolution as marked 3(b) in the Agenda above has been received by the Company from a Shareholder for specifically declaring that the age limit for a Director as prescribed under Section 280 of the Act shall not apply to him and that he be re-elected as a Director.

Shri Rang Behari Lal has been a Director of the Company since 1923. He is a Senior Advocate of the Supreme Court of India and a great legal luminary. He has always taken a keen interest in its deliberations. It is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board.

Shri Rang Behari Lal has been a Director of the Company since 1923. He is a Senior Advocate of the Supreme Court of India and a great legal luminary. He has always taken a keen interest in its deliberations. It is in the interest of the Company that the Board should continue to receive the benefit of his advice as a member of the Board.

Items No. 5 & 6. In view of the fact that, by reason of the conditions attaching to subsequent issues of Preference Shares, the balance of the authorised First Cumulative Preference Shares Capital and the balance of the authorised Share Capital in the shape of Second, Third and Fourth Cumulative Preference cannot now be issued, it is considered desirable to cancel these shares which have not been taken up and it is therefore proposed to pass the Resolution under items 5 and 6.

Item No. 7. With regard to the Resolution proposed to be passed under item No. 7, it is pointed out that 65,320 Fifth Cumulative Preference Shares have been already issued subject to certain conditions, out of the further authorised capital of Rs. 39,50,000. As it is proposed to create fresh shares to take the place of those to be cancelled under Resolutions 5 and 6 it is considered desirable that, in order that all the unissued shares may be of one class, the balance of the total capital of Rs. 39,50,000/- out of which the Fifth Cumulative Preference Shares were issued, should also be cancelled and should thereafter form part of the fresh shares to be created.

celled and should thereafter form part of the fresh shares to be created.

Item No. 8. With regard to item 8, it is considered desirable to retain the authorised capital at the existing figure of Rs. 1,00,00,000/- and therefore it is necessary to increase the amount of the authorised capital by the aggregate value of the shares cancelled under the earlier Resolutions proposed.

Item No. 9. The existing Articles of Association of the Company were framed long ago. Since then the Companies law has undergone drastic changes. Several of the changes now made under the Companies Act 1956, over-ride or otherwise effect the various provisions in the existing Articles of the Company which consequently require amendment to bring them into line with the new Act. It is, therefore, desirable that a new set of Articles of Association in conformity with the Companies Act, 1956, be framed. A new set of Articles of Association as drafted in conformity with the law and procedure is sent herewith.

A copy of the existing Articles of Association as well as a copy of the proposed Articles duly signed by the Chairman for purposes of identification shall also be available for inspection of the members during business hours at the registered office of the Company on all working days from 7-7-57 to 27-7-57. Section 31 of the Companies Act, 1956, requires that changes or alterations in the Articles of the Company must be approved by the members in General Meeting and as such your approval is being sought by special resolution above for the adoption of these new set of Articles of the Company.

INDIAN COPPER CORPORATION LIMITED.

(Incorporated in England)
Dividend No. 31 (Final)

NOTICE is hereby given that at the Thirty-third Ordinary General Meeting to be held at the Royal Exchange Hall Royal Exchange, Calcutta, on Wednesday, the 11th September, 1957, at 11-30 A.M. the Directors will recommend payment of a Final Dividend (No. 31) for the year ended 31st December, 1956 of 13½% (3.2 pence, i.e. 17.7777 Naye Paise per unit of stock) free of Income Tax payable by the Company in respect of the Issued Capital of £1,371,300/-. Subject to confirmation of members, the dividend will be paid on the 20th September, 1957 to all members registered in the books of the Company at the close of business on the 20th July, 1957.

The Registers of Members will be closed from the 21st July to the 5th August, 1957 both days inclusive.

The nett profit for the year ended 31st December, 1956 was £272,157/- (against £416,758/- for previous year), after providing £175,000/- for Depreciation (£175,000/- last year), £885,027/- for Taxation (against £683,046/-), £175,000/- for General Reserve (against £200,000/-). With £117,083/- brought in from 1955, there is an available balance of £389,240/- (against £528,473/-). After providing £274,260/- for Interim Dividend (No. 30) of 6½% already paid on 15th April, 1957 and for proposed Final Dividend of 13½%, free of Income Tax payable by the Company (Dividends No. 28 (Int.) of 10% and No. 29 of 10% and Bonus of 25% free of tax last year—£411,300/-) the balance carried forward is £114,980/- (against £117,083/- brought in from previous year).

By Order of the Board,

G. A. CARVER,
Secretary.

Gillander House,
Netaji Subhas Road,
Calcutta.
Dated the 24th June, 1957.

TRITON INSURANCE COMPANY LIMITED

WITH WHICH IS INCORPORATED
THE EASTERN INSURANCE COMPANY

NOTICE TO SHAREHOLDERS

THE Board of Directors of the Triton Insurance Company Limited hereby give notice that the Annual General Meeting of Shareholders will be held at the Company's Head Office, 4, Clive Row, in the City of Calcutta on Wednesday the 24th day of July, 1957, at 11-30 a.m. to receive and adopt the Directors' Report and audited Accounts for the year ended 31st December, 1956, and the Balance Sheet as at that date, to declare a Dividend, to elect Directors, and to appoint Auditors and to fix their remuneration. A Member entitled to attend and vote at the Meeting is entitled to appoint a Proxy in his stead and such proxy need not be a Member of the Company.

The Share Transfer books of the Company will be closed from 8th to 24th July, 1957, both days inclusive.

By Order of the Board,
(Sd.) J. D. K. BROWN,
Managing Director.

4 Clive Row,
Calcutta 17th June, 1957.

THE SENDRA COAL COMPANY LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Thursday, the 4th July, 1957, at 10-50 A.M. for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1956, and to receive the Directors' and the Auditors' Reports thereon.
- To declare the Dividend recommended by the Directors.
- To appoint a Director in place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from the 20th June to the 4th July, 1957, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.
Calcutta, 31st May, 1957.

NOTE:—

- A member entitled to attend and vote at this meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
- The dividend, if declared, will be paid on or after 11th July, 1957, to those Shareholders so entitled whose names appear in the Company's books on the 4th July, 1957, or to their mandates. No application for Dividend Warrants will be necessary.

MINERVA MILLS, LIMITED

Notice of 22nd Dividend.

NOTICE is hereby given that a Dividend of Rs. 6/- per share of Rs. 100/- for the year ended 31st December 1956, sanctioned by the Shareholders at the Thirty-seventh Annual General Meeting held on the 17th June 1957, is made payable at the State Bank of India, Bombay, on and after Monday, the 24th June 1957 to those shareholders whose names stood on the Register of Members on the 13th May 1957 and who have paid all dues to the Company whether in respect of calls on their shares, interest thereon or otherwise.

By Order of the Board,

N. SIRUR & CO. PRIVATE LTD.,
Managing Agents.

V. N. CHANDAVARKAR,
Managing Director.

Registered Office:—
Temple Bar Building,
70, Forbes Street,
Fort, Bombay, 17th June 1957.

RICHARDSON & CRUDDAS LTD.

12 Old Court House Street,
Calcutta 1.

NOTICE is hereby given that the Directors have declared the payment on or after 17th July, 1957, of the (i) Dividend @ 5½% on Cumulative Preference Shares of the Company and (ii) Dividend on each fully paid Ordinary Share of the Company for and on the basis of working of the Company for the year ended on the 30th June 1956 both without any deduction for income-tax paid or payable by the Company.

The Share Transfer Books and the Register of Members of the Company will be closed from 9th July 1957 to 16th July 1957 both days inclusive.

By Order of the Board,

S. B. INDUSTRIAL DEVELOPMENT CO.
PRIVATE LTD.,
Managing Agents.

The 21st June, 1957.

SHAW WALLACE & COMPANY LIMITED

Dividend on Preference Shares.

THE Directors have declared an Interim Dividend of 3%, less Income Tax, on the Company's Preference Shares in respect of the year 1957, payable to Members whose names appear in the Preference Share Register on the 15th July 1957. Warrants will be posted on or after that date to the addresses or in accordance with the instructions, recorded in the Company's books.

The Transfer Register of the Preference Shares will be closed from the 8th to the 15th July 1957, both days inclusive.

By Order of the Board,
SHAW WALLACE & COMPANY LIMITED,
D. A. HOUGHTON,
Secretary.

4 Bankshall Street,
Calcutta 19th June, 1957.

THE BENGAL PAPER MILL COMPANY, LIMITED

NOTICE is hereby given that an Extraordinary General Meeting of the Members of the abovenamed Company will be held at the Registered Office of the Company, 21, Netaji Subhas Road, Calcutta, on Monday, the Fifteenth day of July, 1957, at 11 o'clock in the forenoon, to consider and, if thought fit, to pass the following resolutions, namely:—

- (As a Special Resolution)—"That the requirements of Article 124 of the Articles of Association of the Company be not complied with in respect of the half-year ended 30th June, 1956."
- (As a Special Resolution)—"That the Articles of Association of the Company be altered in the manner following:—

(a) That Articles 54 and 55 shall be deleted and the following new Article 54 substituted therefor:—

"In addition to any other meetings, general meetings of the Company shall be held within such intervals as are specified in Section 166(1) of the Companies Act, 1956, and subject to the provisions of Section 166(2) of that Act, at such times and places as may be determined by the Board of Directors. Such general meetings shall be styled 'Annual General Meetings' and shall be specified as such in the notices convening these meetings. All other meetings of the Company shall be styled Extraordinary General Meetings."

(b) That Article 62 shall be deleted and the following new Article 62 substituted therefor:—

"The ordinary business of an Annual General Meeting shall be to receive and consider the Profit and Loss Account, the Balance Sheet and the Reports of the Board of Directors and of the Auditors, to appoint Directors in place of those retiring by rotation, to appoint Auditors and determine the manner in which they shall be remunerated, and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at an Extraordinary General Meeting shall be deemed special business."

(c) That Article 124 shall be deleted and the following new Article 124 substituted therefor:—

"At every Annual General Meeting the Board of Directors shall lay before the Company a Profit and Loss Account made up to the 31st December in the preceding year and a Balance Sheet as at that date and such Profit and Loss Account and Balance Sheet shall comply with the requirements of Sections 20, 211, 212, 215 and 216 and of Schedule VI to the Companies Act, 1956, so far as they are applicable to the Company, but save as aforesaid, the Board of Directors shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than they may deem expedient."

(d) That Article 128 shall be deleted and the following new Article 128 substituted therefor:—

"The Company at each Annual General Meeting shall appoint an Auditor or Auditors to hold office until the next Annual General Meeting and their appointment, remuneration, rights and duties shall be regulated by Sections 224 to 227 of the Companies Act, 1956."

By Order of the Board,

BALMER LAWRIE & CO., LTD.,
D. MANSON,
Secretary.

Calcutta, 15th June, 1957.

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

FOR SALE

PROPERTY OF THE ENGLISH & SCOTTISH JOINT CO-OPERATIVE WHOLESALE SOCIETY LIMITED

A Group of Estates in North Wynaad totalling 6389.61 acres gross and 2667.90 acres under consisting of Cherakara, Jessie, Talapoya (including Thavanjal Division) and Tatamala. A comprehensive medical service. All estates linked by private telephone system. Protected water supplies and adequate labourers accommodation of a high standard. All well found estates with good yields.

For further details apply—

KING & PARTRIDGE, Solicitors,
Regal House, McLean Street, Madras 1.

THE CHURULIA COAL COMPANY LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Thursday, the 4th July, 1957, at 10-40 A.M. for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1956, and to receive the Directors' and the Auditors' Reports thereon.
- To declare the Dividend recommended by the Directors.
- To appoint a Director in place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Register of the Company will be closed from the 20th June to the 4th July, 1957, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.
Calcutta, 31st May, 1957.

NOTE:—

- A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.
- The dividend, if declared, will be paid on or after 11th July, 1957, to those Shareholders so entitled whose names appear in the Company's books on the 4th July, 1957, or to their mandates. No application for Dividend Warrants will be necessary.

THE ONDAL COAL COMPANY, LIMITED

NOTICE is hereby given to the members of the abovenamed Company that an Annual General Meeting of the Company will be held at the Registered Office, Chartered Bank Buildings, Calcutta, on Thursday, the 4th July, 1957, at 10-30 A.M. for the following purposes:—

- To consider and approve the Audited Accounts of the Company for the year ended 31st December, 1956, and to receive the Directors' and the Auditors' Reports thereon.
- To declare the Dividends recommended by the Directors.
- To appoint a Director in place of a retiring Director.
- To appoint Auditors and fix their remuneration.

The Share Transfer Registers of the Company will be closed from the 20th June to the 4th July, 1957, both days inclusive.

By Order of the Board,
F. W. HEILGERS & CO. (PRIVATE) LIMITED,
Managing Agents.
Calcutta, 31st May, 1957.

Note: (a) A member entitled to attend and vote at this Meeting may appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the Company.

(b) The dividend, if declared, will be paid on or after 11th July, 1957, to those Shareholders so entitled whose names appear in the Company's books on the 4th July 1957, or to their mandates. No application for Dividend Warrants will be necessary.

COMPANY MEETINGS AND DIVIDENDS DECLARED OR PROPOSED

Name of Company	Date	Hour L.S.T.
Bhartia Electric Steel Co. Ltd.	28-6-57	4 p.m.
Saree Gopal Paper Mills Ltd.	28-6-57	10-30 a.m.
Eagle Rolling Mills Ltd.	28-6-57	10-30 a.m.
Rampooria Cotton Mills Ltd.	28-6-57	2 p.m.
Punjab Minerals Co. Ltd.	28-6-57	3 p.m.
Ondal Coal Co. Ltd.	4-7-57	10-30 a.m.
Churulia Coal Co. Ltd.	4-7-57	10-40 a.m.
Sendra Coal Co. Ltd.	4-7-57	10-50 a.m.
Ramnugger Cane & Sugar Co. Ltd.	4-7-57	Noon
Gourepore Co. Ltd.	10-7-57	11 a.m.
Rajnagar Tea Co. Ltd.	10-7-57	Noon
Bengal Paper Mill Co. Ltd. (E)	15-7-57	11 a.m.
Hercules Insurance Co. Ltd.	16-7-57	3-30 p.m.
Calcutta Steam Navigation Co. Ltd.	23-7-57	11-30 a.m.
Triton Insurance Co. Ltd.	24-7-57	11-30 a.m.
Ganesh Flour Mills Co. Ltd.	27-7-57	10-30 a.m.

DIVIDENDS DECLARED OR PROPOSED.—Metal Box Company of India Ltd.—11½ p.c. (f) (o); Port Shipping Co. Ltd.—7½ nP per share (D. Walford Transport Ltd.—14 p.c. (o); Belvedere Jute Mills Co. Ltd.—Nil (o); Minerva Mills Ltd.—Rs 6 per share; Indian Copper Corporation Ltd.—13½ p.c. (f).

O.—Ordinary Dividend. Int.—Interim Dividend.
P.—Preference Dividend. F.—Final Dividend.
D.—Deferred Dividend. C.—Cumulative.
Less tax at 50 p.c. in the U.

JOINT STOCK COMPANIES PREFERENCE SHARES

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

Year of Issue	NAMES	Amount Issued in Rs.	Rate per Share	Paid-up Share	Market Quotations 26-6-57	A year ago	Year of Issue	NAMES	Amount Issued in Rs.	Rate per Share	Paid-up Share	Market Quotations 26-6-57	A year ago
		Rs.		Rs.	Rs.	Rs.			Rs.		Rs.	Rs.	Rs.
	BANK.												
1901	Allahabad Bank (May Nov.)	15.00	6	100	108/50	131	1920	Birds Investments (Dec.)	24.00	51/1	100	66/38	77
	COAL.												
1905	Bengal Nagpur (Feb. Aug.)	11.25	7	100	85/00	100	1935-39	British India Corporation (Apr. Mar.)	7.50	6	100	106/00	124
1895-97	Borra (June Dec.)	4.00	6	100	99/50	117	1903-50	Burn Ena (1st & 2nd) (Feb. Aug.)	81.00	8	100	123/00	140
1901-20	Burakur (June Dec.)	22.98	7	100	112/00	111	1909-11	Burn Engineering (Feb. Aug.)	13.00	7	100	109/00	123
1946	Bururkur (June Dec.)	4.50	6	100	77/5	82	1937	Calcutta Electric Supply (Mar. Sept.)	11.900	5	100	9/15	11
1895	Equitable (May Nov.)	4.00	6	100	99/00	110	1906	Calcutta Silk Manufacturing (July Jan.)	2.00	6	100	55/00	55
1931	Khas Kajora (Mar. Sept.)	1.93	5	100	3/19	34	1938	Calcutta Tramways (Jan. July)	12.50	51	100	17/5	34
1920	New Beerboom (Jan. July)	2.00	7	100	11/00	12	1905-24	Carew & Co. (January)	8.00	6	100	110/00	144
1898-99	Ondal (June Dec.)	2.00	6	100	104/99	113	1946	Chowpore Sugar Works (Feb. Aug.)	10.00	8	100	55/00	58
	COTTON MILLS.												
1906	Ahmedabad Advance (Apr. Oct.)	10.00	5	100	101/00	110	1940	Chrestien Mica Industries Ltd.	6.00	51	100	55/00	58
1884	Bangalore (Jan. July)	5.00	6	100	123/50	128	1937	Dacca Electric Supply (July)	3.500	6	100	88/00	99
1928	Basanti (Oct.)	6.00	6	100	7/50	8	1945	Dalmia Cement (Bharat)	2.372	6	100	34/00	40
1900	Bengal Nagpur (Apr. Oct.)	5.00	7	100	98/00	110	1916	Delhi Flour Mills (Oct.)	99	71	100	101/00	123
1900	Bowreah "A" (Apr. Oct.)	6.00	8	100	123/50	134	1935	Deshergarh Power Supply "A" (Jan.)	16.00	5	100	91/00	93
1900	Bowreah "B" (6) (1) (Apr. Oct.)	6.00	7	100	63/50	72	1940	Deshergarh Power Supply "B" (Jan.)	12.00	4	100	94/00	94
1919	Bradbury "B" (Jan. Dec.)	14.75	7	250	61/50	32	1948	Dunlop Rubber "First" (Jan. July)	30.00	6	100	38/00	64
1929	Buckingham & Carnatic (Jan. July)	21.30	7	100	143/50	133	1926	Dunlop Rubber "Second" (Apr.)	40.00	61	100	86/50	99
1928	Central India (July)	1.00	7	100	115/00	125	1928-29	East India Distilleries (Jan. July)	2.200	7	100	16/15	17
1912	Central India (Apr. Oct.)	50.00	5	500	53/25	53	1897	Eastern Investments Ltd. (Apr.)	2.500	51	100	...	...
		20.00	43	25	20/00	20							
1912	Elgin (May Nov.)	11.00	8	100	112/00	135	1928	General Investment & Trust (Feb. Aug.)	1.00	5	100	69/00	76
1943	Elgin "B"	4.20	5	100	4/00	92	1947	General Investment & Trust (Feb. Aug.)	1.00	51	100	60/00	66
1919	Elphinstone (May Nov.)	25.00	71	100	87/00	84	1946	Gilberts Arbutnot (Apr. Oct.)	2.500	61	100	61/00	66
1919	Kesoram (June Dec.)	20.00	7	100	116/00	134	1948	Gladstone Loyal & Co. Ltd.	15.00	51	100	62/00	73
1925	Khatua Makani (Nov.)	10.00	6	100	75/75	88	1946	Godfrey Phillips India Ltd.	30.00	7	100	62/00	68
1937	Kothari (Nov.)	12.00	6	100	9/25	104	1940	Gwalior Sugar (Redeemable) (Dec.)	8.75	7	100	62/00	69
1907	Muir (Feb. Aug.)	3.00	6	100	83/00	85	1940	Gwalior Sugar (Dec.)	5.00	7	100	62/00	69
1913	New Great Eastern (Mar.)	3.00	5	200	189/00	184	1940	Humayan Properties Ltd. (Nov.)	12.00	6	100	9/06	9
1920	New Victoria (Apr. Oct.)	26.05	6	5	4/81	47	1976	Indian Aluminium (Mar. Sept.)	40.00	51	100	64/00	81
1933	Palani Andavar (Mar.)	2.00	7	100	58/50	58	1945	Indo Burma Petroleum (Jan. July)	50.00	6	100	68/00	83
1935	Swadeshi (Bombay) (May)	15.00	5	100	105/00	115	1927	Indian General Nave & Railways	12.244	6	100	30/00	31
1927	Swadeshi (Cawnpore) (Mar.)	35.00	6	100	76/00	89	1899	Indian Cable Co. (Nov.)	12.00	6	100	127/50	140
1931	Vasanta (Apr. Oct.)	4.00	6	100	111/25	120	1923	Indian Standard Wagon (Aug. or Sept.)	1.966	5	100	39/50	76
1905	Vishnu (Apr.)	16.00	7	500	557/50	550	1936	Investment and Finance (Feb. Aug.)	2.00	5	100	61/00	66
	JUTE MILLS.												
1927	Agarpara (Jan. July)	10.00	7	100	99/00	118	1945	James Wright (Jan. July)	1.30	6	50	36/00	40
1905	Alexandra (Mar. Sept.)	9.00	7	100	98/00	98	1937	Jardine Henderson Ltd.	50.00	51	100	59/50	77
1896	Alliance (Mar. Sept.)	15.00	6	100	79/00	93	1946	Jessop & Co.	10.00	5	100	91/00	106
1917	Anglo-India (May Nov.)	10.00	7	100	95/00	112	1945	Jupiter General Insurance (Sept.)	4.99	6	100	...	...
1900	Auckland (July Jan.)	10.00	5	100	76/00	93							
1943	Auckland (July Jan.)	15.00	4	100	76/00	93	1916	Kumardhuni Engineering (June)	12.00	5	100	100/00	102
1918	Bally (Jan. July)	20.00	7	100	56/50	106	1915	Do Fireclay & Silica (June)	2.00	7	100	106/00	116
1896	Barnagore (Oct. Dec.)	2.00	51	100	30/50	40	1915	Martin Burn Ltd.	30.00	51	100	98/00	104
1906	Belvedere (Jan. July)	7.00	7	100	95/00	103	1915	McLeod & Co.	10.00	5	100	98/00	69
1940	Bengal (June Dec.)	10.00	5	100	77/00	70	1930	McLeod & Co.	10.00	5	100	98/00	76
1919	Birla (June Dec.)	23.64	7	100	96/00	103	1936	Mettur Chemical & Industrial (Sept.)	20.00	6	100	92/00	88
1895	Budde Budde (May Nov.)	9.00	7	100	98/50	119	1930	Metal Box Co. of India Ltd.	30.00	61	100	91/50	98
1934	Calcutta (Jan. July)	6.00	6	100	98/00	109	1949	Mysore Chemical Zemindar (Feb.)	8.76	5	100	91/50	92
1919	Caledonian (June Dec.)	10.00	7	100	100/00	116	1938	Mysore Chemical Mfg. (Sept.)	2.00	5	100	9/28	8
1919	Cheviot (June Dec.)	10.00	7	100	100/00	116							
1928	Chitavalah (Mar. Dec.)	5.00	7	100	101/00	115	1939	National Insulated Cable	10.00	5	100	69/50	80
1900	Clive (First) (Mar. Dec.)	8.00	6	100	74/00	89	1942	National Tobacco (Jan. Dec.)	25.00	4	100	61/00	69
1900	Clive "A" (Second) (May Dec.)	8.00	7	100	81/00	101	1946	Northern India Oil (Jan. July)	2.00	6	100	40/00	48
1903-12	Dalhousie (July Jan.)	15.00	7	100	90/00	106							
							1936	Poona Electric Supply Co. Ltd. (June Dec.)	4.00	7	100	111/25	103
1897	Delta (June Dec.)	5.00	5	100	82/50	115	1935	Premier Construction "First" (Apr.)	10.00	61	100	86/00	99
1912	Empire (Jan. July)	10.00	7	100	99/00	118	1936	Premier Construction "Second" (Apr.)	15.00	61	100	14/25	15
1890-98	Fort Gloster (Jan. July)	14.00	7	100	103/50	120	1922	Purtahore (Sugar) (Oct.)	6.00	10	100	100/00	108
1948	Fort Gloster (May Nov.)	7.00	5	100	69/50	118	1936	Ramchandrar Cane & Sugar (Aug.)	4.00	6	100	122/50	121
1911	Fort William (June Dec.)	10.00	7	100	102/00	130	1933-36	Rohas Industries (April)	20.00	7	100	62/50	64
1916	Ganges (June Dec.)	6.00	8	100	113/00	114	1936	Rohas Industries "B" (Apr.)	8.00	4	100	62/50	64
1895-14	Gourapore (Jan. July)	25.56	6	100	76/00	99							
1935	Hastings (Aug. Feb.)	11.00	6	100	80/00	100	1944-46	Shaw Wallace & Co. Ltd.	75.00	61	100	67/00	84
1913	Honghy (July)	25.00	10	10	7/50	13	1917	Shree Gopal Paper	7.50	6	100	116/00	125
1913	Howrah (Jan. July)	8.75	7	100	102/00	123	1937	Shree Krishna Gyanodaya Sugar "A" (Oct.)	6.00	6	100	74/00	95
1890	Howrah "A" (Jan. Dec.)	17.50	7	100	101/00	113	1936-38	Shree Krishna Gyanodaya Sugar "B"	12.00	5	100	77/00	71
1903-09	Hukumchand (June Dec.)	40.00	7	100	106/00	106	1906	Smith Stanistee (Chemists) (Nov.)	5.00	10	50	20/00	161
1919	Kamrabhaty (Apr. Oct.)	16.00	6	100	83/00	102	1933	South Behar Sugar (Oct.)	5.00	7	100	20/00	161
1898-04	Kankarabhaty (Jan. July)	10.00	6	100	84/00	103	1936	Spencer & Co. "A" (Provisions) (Jan. July)	33.80	61	100	8/61	91
1930	Kedarnath (Mar. Sept.)	10.00	7	100	68/00	95	1923	Spencer & Co. "B" (Provisions) (Jan. July)	26.00	81	100	10/43	84
1907	Khardah (May Nov.)	9.00	6	100	103/00	113	1936	Star Paper (Apr. Oct.)	10.00	5	100	74/00	131
1895-09	Kinnison (July Jan.)	15.00	7	100	96/00	109	1937	Surat Electricity (Apr.)	5.00	6	100	115/00	131
1900-13	Lansdowne (July Jan.)	15.00	7	100	99/00	113	1925	Tata Chemicals (Nov.)	60.00	5	100	97/50	117
1910	Lawrence "A" (July Jan.)	5.00	7	100	102/00	112	1939	Tata Hydro Electric Power (Sept. Mar.)	89.28	7	100	156/75	163
1912	Lawrence "B" (July Jan.)	5.00	5	100	58/50	95	1910	Tata Iron & Steel (First) (Nov.)	75.00	61	150	119/50	125
1906-07	Naihati (July Jan.)	7.50	7	100	88/00	123	...	Tata Iron & Steel (Second) (May)	6.93	74	100	119/50	125
1905	Naihati (July Jan.)	10.00	4	100	59/00	78	1906	Tata Power (May Nov.)	86.97	74	1,000	1,140/00	1,275
1945	National (May Nov.)	5.00	7	100	104/00	116	1918	Tezpur-Balipara Tram (1) (June Dec.)	2.25	6	100	135/50	144
1917	Nellimaria (Apr. Oct.)	5.00	6	100	91/00	112	1937	Titazhur Paper Mills (Mar. Sept.)	11.50	8	100	...	...
1939	New Central (Jan. July)	33.00	7	100	97/00	106	1919	Titazhur Paper Mills "2nd"	1.798	8	100	90/00	95
1915	Northbrook (July Jan.)	15.00	5	100	71/50	83	1937	Vellore Electric (Sept. Mar.)	1.25	6	100	82/50	82
1908-09	Rameshwara (Jan. July)	7.00	6	100	10/00	10	1936	Vizagapatnam Electric Supply (July)	1.00	6	100	...	...
1935	Reliance (Jan. July)	20.00	7	100	79/00	99							
1909-12	Sammugger (Feb. Aug.)	21.50	8	100	sh 21/6	sh 21/6							
1901	Shree Ambika (Mar. Sept.)	11.70	7	100	81/00	89							
1938	Shree (Feb. Aug.)	10.00	7	100	100/00	112							
1920	Shorah (July Jan.)	9.00	6	100	70/00	83							
1895-01	Titazhur (Feb. Aug.)	15.00	6	100	sh 21/6	sh 21/6	1903	Amluckie (May Nov.)	75	7	100	400/00	550
1897	Union (July Jan.)	6.00	7	100	102/00	118	1901	Banarhat (Jan.)	4.00	6	100	119/00	100
1901-02	Victoria (Feb. Aug.)	15.00	6	100	sh 21/6	sh 21/6	1900	Brooke Bond Estate India Ltd.	1.00	8	100	115/00	86
1898	Waverley (Mar. Sept.)	750	5	50	45/00	53	1914	Choonabhatti (Jan.)	35.00	61	100	84/50	118
1918							1901	Dimakui (June Dec.)	2.00				

COAL COMPANIES

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.	1954	1955	1956	Rs.	26-6-57	19-6-57	A year ago
25,50,000	27,30,536	25,05,000	3,00,797	Amalgamated	3-9	236	2,92,390	28,610	31-5	61-71	5-1	10	15/50	15/93	231
1,00,00,000	1,90,42,914	1,60,26,755	27,23,399	Bengal P.	10-12	2	48,29,890	9,44,657	71-71	81-81	171	100	228/00	203/00	546
4,43,350	2,08,193	70,000	2,24,303	Bengal Bhattee	6-12	2	15,149	4,951	11-11	11-11	..	10	6/00	6/00	61
2,25,000	3,48,198	5,30,654	3,64,478	Bengal Nagpur P.	6-12	152	50,568	1,07,984	Nil-Nil	Nil-Nil	..	10	15/00	15/00	16
15,97,000	14,16,986	6,91,475	13,52,076	Bharat Collieries P.	6	335	2,52,221	27,433	61	61	..	10	4/75	4/75	74
40,00,000	68,01,474	20,23,235	32,65,320	Bhulanbararee	6-12	106	20,810	1,87,445	Nil-Nil	Nil-Nil	..	10	13/37	13/96	131
7,15,000	38,87,275	16,18,636	7,185	Bokaro & Ramgur	6-12	315	1,21,336	19,196	10-10	10-10	..	10	12/25	12/25	124
7,50,000	18,56,889	24,29,026	11,60,008	Borra P.	6-12	106	2,14,682	84,207	10-10	10-10	..	10	16/81	16/81	233
99,92,480	2,39,17,614	1,75,02,136	28,33,839	Burrakur P.	6-12	21	7,43,639	35,168	23-31	31-31	31-31	10	22/00	21/75	133
49,97,000	34,53,430	750	3,95,990	Central India	3	166	2,45,759	9,927	21	21	5	10	6/03	5/87	75
8,00,000	16,67,573	13,30,519	15,752	Central Kerkend P.	6-12	106	34,743	82,768	31-31	31-31	11	4	1/94	1/94	21
6,00,000	1,43,986	7,37,738	Churulia	6-12	106	11,111	4,240	..	31-31	31-31	11	4	1/94	1/94	21
16,00,000	24,00,426	Nil	50,309	Dhomo Main	6-12	19	60,039	1,83,318	Nil-Nil	Nil-Nil	..	10	5/75	5/75	64
2,240,000	4,239,116	£313,125	£140,348	East Indian	3	128	8,87,433	82,379	71-71	71-71	..	10	21/62	20/12	303
29,63,760	1,15,25,712	83,55,049	24,17,690	Equitable P.	6-12	307	12,979	24,844	71-71	71-71	..	10	15/75	15/75	178
10,00,000	6,74,708	2,07,486	3,32,973	Ghuchik & Muslia	6-12	20	24,150	2,401	..	..	..	10	1/50	1/50	114
6,50,000	5,06,856	4,95,544	7,92,425	Guzdar Kajora	6-12	19	2,70,524	45,985	71-10	121-121	..	10	22/12	22/12	201
8,00,000	3,17,780	7,23,000	7,92,425	Hurridah	6-12	2	1,38,139	2,21,237	Nil-Nil	Nil-Nil	..	10	20/00	20/00	201
3,50,000	6,31,200	5,66,819	1,407	Kalapahari	2-8	2	..	..	Nil-Nil	Nil-Nil	..	10	..	..	..
15,00,000	31,71,936	24,32,395	25,61,314	Karanpura Development	6-12	21	49,116	17,839	Nil-Nil	Nil-10	..	100	12/25	10/44	241
5,00,000	21,60,895	1,77,175	26,967	Karanpura Collieries P.	1-7	2	2,26,982	6,965	Nil	21	5	100	88/50	88/50	124
5,00,000	10,29,543	16,60,000	11,25,332	Katras Jherria	6-12	326	5,92,347	1,34,475	28-28	25-30	35	10	54/62	54/62	603
1,38,400	6,75,000	95,000	11,80,294	Khas Kajora P.	6-12	326	49,776	1,918	..	..	..	10	3/75	3/75	95
5,65,750	10,84,977	85,000	9,560	Mundulpur	6-12	326	79,893	79,898	Nil-10	..	..	10	2/25	2/25	34
7,48,240	3,46,933	2,00,000	10,14,803	Nazra	6-12	347	92,517	31,201	5	5	..	10	6/75	6/81	7
7,00,000	5,13,418	26,617	61,641	New Bansdeopur	3-9	5	59,011	6,071	31-31	71-71	..	10	10/00	10/00	10
17,76,230	32,76,824	19,51,814	5,95,652	New Beesboom P.	10	2	2,22,544	53,598	31-31	31-31	..	10	13/56	13/56	20
6,00,000	11,11,646	75,000	46,881	New Manbhoom	3	202	46,201	70,222	Nil-Nil	Nil-Nil	..	10	9/31	9/31	114
2,50,000	7,69,623	1,75,300	10,12,916	North Damuda	1-7	306	7,954	32,184	..	..	..	21	0/94	0/94	21
1,15,000	4,42,486	2,85,193	1,53,246	North West	3-9	2	51,429	15,959	Nil-Nil	61	71-71	10	19/25	19/25	19
7,50,000	1,20,000	15,69,447	22,98,176	Ondal P.	6-12	106	1,04,912	37,244	5-5	5-5	71	10	15/50	15/50	154
8,34,000	9,21,342	10,862	4,36,015	Parasea P.	6-12	207	1,08,075	8,018	31-31	31-31	..	10	13/87	13/87	141
15,75,000	13,39,443	16,60,000	13,59,443	Pench Valley	3-9	236	2,48,261	33,734	71-71	71-71	71-71	10	14/50	14/50	231
2,50,000	2,62,405	7,500	11,530	Ranegunge	6-12	5	2,008	18,361	18-361	..	..	10	6/87	6/87	64
23,39,500	36,99,422	20,17,105	67,898	Rewra	3-9	79	3,67,448	23,183	21-21	21-31	31-31	10	11/37	11/37	124
8,88,001	10,45,115	15,51,501	14,29,643	Rewa	6-12	236	1,44,394	15,614	71-61	81-121	71-71	10	19/87	19/87	224
20,00,000	23,74,261	7,52,027	1,01,427	Samla	12	48	1,80,660	31,543	71	71	..	10	12/31	12/31	141
2,50,000	1,56,194	1,34,274	1,13,356	Searsale	1	353	88,009	11,078	25	30	15	21	5/19	5/19	7
2,80,000	10,92,193	8,36,574	7,87,729	Seepore P.	12	2	2,42,112	49,239	2/7-14 2/7	2/7-14 2/7	..	21	7/00	7/00	34
8,00,000	23,624	5,08,216	9,40,656	Sendra	6-12	106	7,307	5,166	Nil-11	11-11	..	10	8/12	8/12	94
17,50,000	22,79,233	10,89,692	25,008	South Karanpura	12	21	73,093	10,407	Nil-11	11-11	..	10	19/87	19/87	254
8,00,000	1,42,069	14,01,053	23,80,817	Standard Karanpura	6-12	236	70,093	17,411	71-71	5-5	..	10	19/87	19/87	254
10,00,000	15,58,085	15,075	3,910	Talcher	9	277	22,689	3,85,056	Nil	..	..	21	1/56	1/56	34
3,50,000	4,62,000	3,47,000	12,886	Union	6-12	279	54,089	9,659	5-21	21-21	..	10	24/31	24/27	134
49,98,000	33,66,550	50,000	2,17,104	Western Bengal	3	106	4,09,468	7,262	31	31	5	10	5/56	5/56	71
7,00,000	32,65,173	21,569	61,400	West Jamuria	6-12	19	2,72,772	1,46,657	Nil-Nil	Nil-Nil	..	10	8/59	8/59	111

N=Nominal.

COTTON MILLS

Paid-up Capital Ordinary	Number of		Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent			Paid-up per share	Latest Market Quotations as available until		
	Spindles	Looms									Rs.	Rs.	Rs.		1954	1955	1956
Rs.																	
15,00,000	14,108	356	14,62,919	1,73,478	11,90,003	Basanti P	12	49	1,97,268	41,227	..	..	..	10	5/31	5/31	1
32,72,340	22,197	305	27,69,676	23,18,969	24,551	Benares P	3-3	120	1,27,187	-4,79,347	..	..	..	10	0/87	0/87	1
7,11,280	36,000	932	17,17,120	2,20,309	30,842	Bengal Luxmi	3	27	3,66,176	47,818	10	..	..	40	40/00	40/00	38
27,00,000	31,476	624	25,53,000	15,50,000	3,84,224	Bengal Nagpur P	6-12	236	5,23,389	18,199	Nil	..	..	10	7/37	7/37	39
15,00,000	88,764	992	28,31,200	88,48,588	31,22,417	Birla Cotton	3	22	16,69,225	2,76,936	30	30	15	10	33/00	30/00	165
6,00,000	42,872	510	37,54,142	22,72,588	1,44,948	Bowreah P	6-12	138	64,023	-23,47,373	Nil-Nil	Nil-Nil	..	100	105/00	105/00	165
30,00,000	22,000	640	8,34,453	29,51,420	1,00,393	Cawnpore Textiles	3	25	6,73,253	36,767	10	Nil-5	..	100	105/00	5/50	371
3,27,02,900	1,01,808	2,762	9,94,63,168	2,74,48,393	2,94,83,803	Delhi Cloth & Genl. P	6	238	1,81,41,278	82,759	9	9	..	25	37/75	37/75	371
1,00,533	42,944	518	40,48,861	26,17,431	1,44,222	Dunbar	12	138	3,26,384	3,50,335	Nil-Nil	Nil-21	6	100	151/00	151/00	308
19,00,000	54,000	1,200	18,99,926	93,47,056	71,13,555	Elgin P	9	25	45,81,868	78,754	10	10	121	10	17/95	17/95	10
63,00,000	59,250	1,872	2,38,99,575	1,60,53,952	47,29,268	Kesoram P	3	22	37,41,719	2,45,435	81	81	..	20	13/62	12/56	181
1,20,00,000	85,864	864	17,48,143	9,75,679	74,08,655	Mohini P	12	45	9,53,316	5,158	..	..	..	25	..	..	..
6,00,000	33,96,288	88,000	1,825	47,44,348	52,19,601	Muir P	12	208	-18,77,941	-7,77,290	..	..	..	100	73/50	73/50	88
22,89,882	78,848	1,367	43,25,577	26,00,968	1,45,701	New Victoria P	12	237	-18,83,371	-13,76,473	..	..	..	100	1/67	1/67	211
3,07,09,554	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	61	10	..	10	16/25	16/25	111
19,47,750	23,196	795	22,57,946	18,38,739	2,02,179	Rampooria Cotton	6	4	6,16,936	1,094	61	10	..	10	16/25	16/25	111
5,00,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	71	71	111	100	12/50	12/50	111
1,75,00,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	71	71	111	100	12/50	12/50	111
1,57,50,000	1,14,836	2,077	2,83,77,688	2,65,04,931	32,30,412	Swadeshi (Cawnpore) P	12	333	43,71,838	7,09,029	71	71	111	100	12/50	12/50	111
40,50,000	48,754	1,310	91,16,610	2,50,15,667	32,18,646	Bangalore W. C. Silk P	12	26	57,38,582	2,82,947	30	30	30	100	165/00	163/00	..
1,78,47,800	1,20,012	2,770	3,22,27,110	2,77,73,212	14,62,272	Buckingham Carnatic P	12	26	63,48,883	2,28,220	10	10	10	100	165/00	162/00	202
20,00,000	23,000	..	18,03,003	20,32,074	11,26,239	Cambodia P	12	210	1,96,274	27,593	Nil	5	..	10	11/85	11/25	14
12,00,000	23,864	..	6,41,058	9,00,000	36,53,505	Coimbatore Cotton	12	188	6,53,750	61,404	..	..	..	100	180/00	142/80	370
20,76,900	72,832	407	47,91,212	7,98,681	22,227	Coimbatore Spg & Wvg.	6	46	-7,52,342	-10,23,340	..	..	..	50	87/00	83/00	104
6,50,000	50,640	295	12,25,505	17,90,000	58,77,434	Kalawarwar	..	139	2,05,780	7,677	..	..	..	100	335/00	335/00	100
24,00,000	30,512	200	60,83,320	19,25,000	4,09,960	Kothari Textile P	6	141	6,24,560	42,942	5	10	10	10	12/10	12/00	171
23,64,000	48,758	..	15,01,051	21,70,200	78,050	Lakshmi	12	186	31,44,243	2,209	..	..	..	50	140/00	140/00	220
1,75,02,480	4,65,324	..	2,06,03,942	4,13,81,878	1,14,98,962	Madura	12	108	95,70,251	32,44,130	20	20	171	15	40/25	40/00	511
12,00,000	21,858	..	8,34,189	5,85,383	10,32,891	Malabar Spg & Wvg.	12	240	-85,193	-84,038	..	..	..	200	109/00	109/00	115
60,00,000	24,522	603	20,04,986	69,14,000	72,37,449	Mettur Industries	3	29	37,53,006	5,157	35	421	20	100	320/00	313/00	335
13,61,780	6,000	..	14,15,992	6,50,279	1,34,663	Mysore Spun Silk	3	142	3,79,437	3,985	Nil	..	..	100	7/70	7/80	70
4,00,000	20,137	Nil	8,36,608	6,00,000	24,24,908	Palani Andavar P	12	30	7,39,437	2,687	..	..	..	50	147/00	147/00	168
7,19,700	416	..	5,42,118	2,43,421	3,65,911	Sitaram Spg. & Wvg	3	164	87,724	3,083	..	..	..	50	147/00	147/00	168
7,00,000	28,104	270	12,98,563	18,23,501	11,71,924	Vasanta P	12	47	16,37,459	..	..	..	..	100	285/00	285/00	301

TEA COMPANIES

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

Paid-up Capital Ordinary	Net Stock Account	Reserve & Other Funds	Acreage under Tea	Outturn and Average Price per lb realised for crop				Estimate	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Dividends per cent.			Paid-up Share	Latest Market Quotations as available until	Quotations A year ago	
				1954		1955							1956	1953	1954				1955
				Lbs.	As. P.	Lbs.	As. P.													Lbs.
CACHAR																			
3,00,000	3,40,887	1,75,000	862	2,89,040	39-11	..	..	..	Arcattipore	12	88	1,72,877	Nil	Nil	..	10	12/00	12/00	
4,00,000	6,26,269	49,878	465	..	..	..	..	..	Baitakhal	12	35	43,007	..	..	..	10	10/50	10/50	
10,00,000	18,22,881	5,88,800	1,480	8,90,263	40-10	8,40,392	32-4	8,13,440	Central Cachar	12	128	2,28,282	Nil	71	Nil	100	51/50	55/75	
2,50,000	57,753	Nil	794	7,00,450	4-2 2/5	7,07,743	4-0	7,44,000	Chandypore	12	128	49,992	Nil	Nil	4	100	77/00	77/00	
7,00,000	7,07,199	11,000	649	3,91,520	38-6	3,91,440	28-6	4,40,000	Eastern Cachar	12	202	33,695	Nil	Nil	10	9/81	9/81		
12,00,000	17,92,487	11,50,000	2,153	17,59,920	35-0	16,36,400	24-1	16,00,000	Hattukhira	12	202	2,46,355	25	40	7	10	13/50	12/75	
4,50,000	2,92,000	1,65,222	586	..	..	..	..	..	Kallinugur Khoreat	12	313	91,071	Nil	15	..	100	102/00	102/00	
3,00,000	3,21,914	3,24,391	603	3,40,507	46-8	3,48,445	27-6	3,36,000	Kunchunpore	12	63	33,915	Nil	27	Nil	10	10/12	10/12	
7,00,000	3,25,000	5,50,000	1,368	7,33,267	47-6	7,86,038	26-7	8,00,000	North Western Cachar	12	63	3,68,196	Nil	20	15	100	264/00	264/00	
2,59,050	3,18,608	Nil	590	3,68,950	38-0	4,96,980	23-11	4,80,000	Pathemara P.	12	202	2,494	Nil	Nil	Nil	10	9/06	9/06	
2,60,000	4,34,515	3,56,592	618	5,04,720	36-4 4/5	6,76,240	25-11	6,40,000	Roopacherra	12	165	1,16,999	Nil	10	15	10	22/00	22/00	
5,25,000	8,87,291	10,42,956	638	6,76,800	41-11	7,25,980	29-3	6,00,000	Rungamattie	12	63	2,98,825	20	35	20	50	97/00	97/00	
4,00,000	6,88,316	5,52,313	662	4,49,336	36-7 1/5	..	..	..	Sonai River P.	12	74	3,73,677	Nil	12	12	100	11/87	11/87	
3,75,000	5,02,307	4,31,250	1,050	4,63,320	..	..	..	..	Tilakh	12	95	5,22,670	Nil	20	..	10	12/00	12/00	
DARJEELING																			
3,99,750	7,05,059	6,936	562	1,41,311	29-11	1,31,680	30-11	1,76,000	Bloomfield	12	101	99,904	Nil	Nil	Nil	10	2/00	2/00	
2,79,900	3,07,500	1,25,000	407.5	1,41,174	62-0	1,44,772	46-8	1,76,000	Chamong	12	279	40,551	Nil	20	Nil	10	15/12	15/12	
3,75,900	3,75,900	3,11,928	991	..	..	..	..	..	Darj. Tea Chinchona	12	139	1,15,695	71	40	..	100	131/00	131/00	
2,00,000	1,84,414	1,62,639	488	1,35,760	52-5	1,27,760	38-9	1,28,000	Dilaram	12	200	27,865	Nil	21	Nil	100	190/00	190/00	
2,00,000	5,08,000	3,44,549	500	2,84,204	49-13	2,35,761	3-39	2,64,000	Gielle P.	12	74	62,814	Nil	25	Nil	10	18/12	18/12	
7,00,000	6,59,000	2,00,779	1,049	6,53,740	48-13	6,18,730	42-3	6,72,000	Lingia P.	12	279	1,52,945	20	50	25	10	25/00	25/00	
10,32,000	5,57,576	1,118	761	5,25,515	38-8	..	..	..	Longview	12	95	8,04,822	10	20	..	10	11/56	11/56	
4,00,000	3,12,081	4,00,225	816	3,39,040	37-11	3,53,520	36-7	3,68,000	Margaret's Hope	12	165	36,558	7	30	Nil	10	16/50	16/50	
1,59,000	2,06,770	3,50,239	463	1,82,080	62-4	1,65,440	50-6	1,84,000	Mim	12	2	65,268	10	40	15	100	255/00	255/00	
2,99,800	3,65,500	2,95,000	689	4,35,016	62-4	4,34,342	36-0	4,40,000	Nagri Farm	12	279	91,106	20	50	15	10	22/50	22/50	
1,00,000	2,23,710	97,647	505	1,81,153	55-3	1,68,126	38-4	1,80,000	Kaydi P.	12	63	55,939	Nil	37	Nil	100	600/00	600/00	
3,00,000	3,02,868	2,61,118	776	..	..	..	..	..	Pashok	12	139	1,07,336	21	15	Nil	10	11/12	11/12	
3,00,000	3,83,067	4,09,567	500	1,68,697	60-8	1,64,824	37-11	1,76,000	Poobong	12	63	69,682	10	15	Nil	10	10/12	10/12	
2,05,000	4,30,000	2,07,813	570	1,58,740	58-8	1,27,541	35-11	1,60,000	Pusingbing P.	12	74	15,952	Nil	10	Nil	10	9/62	9/62	
1,40,000	1,69,062	4,65,653	241	1,80,720	68-0	1,67,840	41-4	1,76,000	Rumleek Rungliot	12	63	33,455	17	50	20	100	408/00	408/00	
3,00,000	3,33,822	1,86,462	389	1,77,794	53-3	1,59,385	35-0	1,68,000	Seeyok	12	63	1,07,336	21	15	Nil	10	11/50	11/50	
6,25,000	5,38,413	1,459	747	2,65,035	47-0	..	..	..	Singlom	12	113	45,841	Nil	Nil	..	100	21/00	21/00	
9,00,000	9,08,557	1,54,418	683	2,64,000	50-4	..	..	..	Som	12	101	39,380	Nil	5	11	10	6/00	6/00	
3,00,000	3,24,400	4,10,000	554	2,89,738	60-3	2,90,650	41-11	2,96,000	Sungma	12	74	57,883	Nil	50	30	10	30/00	30/00	
6,25,000	12,36,873	5,74,585	382	3,76,000	54-5	3,74,800	39-3	3,84,000	Teesta Valley	12	165	99,088	15	40	15	10	38/75	38/75	
3,20,000	4,70,000	10,86,284	718	4,40,947	48-8	3,70,473	11-11 3/5	4,00,000	Tukvar	12	74	3,06,669	Nil	10	Nil	10	11/25	11/25	
8,01,350	11,54,000	2,62,417	1,606	7,11,945	50-5	7,09,403	34-4	8,00,000	..	12	279	..	..	..	..	10	11/25	11/25	
DUARS																			
27,00,000	19,11,197	24,25,000	2,540	30,81,680	51-2	30,69,360	31-9	33,20,000	Banarhat P.	12	2	11,23,889	45	120	25	100	265/00	265/00	
6,00,000	20,30,782	19,29,000	1,103	13,91,320	43-7	14,32,132	32-1	14,00,000	Baradighi	12	128	3,17,533	30	65	30	10	21/00	21/12	
9,00,000	9,80,500	16,53,306	1,117	14,15,840	41-10	14,18,240	29-8	13,60,000	Bhatkawa	12	165	3,78,003	30	25	10	20	20/50	20/43	
9,00,000	14,52,896	11,61,304	1,367	11,96,886	52-5	11,04,658	32-3	12,80,000	Birpara P.	12	63	1,67,717	Nil	20	5	100	116/00	104/00	
6,00,000	8,48,776	7,74,645	903	6,04,104	85-10	6,10,033	29-7	5,60,000	Carron	12	63	1,28,962	224	25	7	100	166/00	166/00	
6,00,000	9,91,678	10,50,000	903	10,68,890	49-4	10,82,880	31-11	11,60,000	Choonabhatti P.	12	2	3,98,498	25	90	20	100	301/00	301/00	
3,00,000	4,47,806	3,05,102	500	2,24,800	49-1	2,12,720	26-9	2,40,000	Ellenbarrie	12	63	51,689	Nil	15	Nil	100	190/00	190/00	
1,20,000	1,95,171	3,00,000	447	4,75,840	39-9	4,65,428	30-3	5,40,000	Engo	12	63	48,929	6	110	Nil	100	327/00	327/00	
3,50,000	5,70,483	3,00,000	447	7,62,720	47-4	8,75,280	35-9	..	Ethelbari	12	354	59,765	Nil	50	Nil	10	15/81	15/81	
5,00,000	7,47,046	8,00,000	1,253.6	1,22,690	47-11	1,22,690	27-11	..	Gairkitha	12	68	2,51,774	Nil	50	Nil	100	38/00	38/00	
17,49,550	22,55,503	22,55,503	1,022	12,26,990	47-11	12,26,990	27-11	..	Gopalpur	12	99	1,93,197	16	24	12	25	22/00	22/00	
24,00,000	37,95,527	49,07,736	2,427	30,88,842	44-1	27,90,540	29-0	31,20,000	Hantapara P.	12	63	2,35,935	25	60	10	100	158/00	158/00	
32,00,000	36,55,929	64,06,285	4,265	16,07,368	42-5	16,07,368	32-2 1/5	62,50,000	Hasimara P.	12	74	5,28,271	25	60	10	10	21/12	19/18	
8,25,000	10,98,000	5,15,000	607	4,86,400	54-3	4,62,400	28-7	5,60,000	Huldhari	12	74	2,77,456	22	80	12	10	19/25	22/25	
7,00,000	6,18,809	13,23,848	937	11,46,814	39-4	10,26,832	30-10	9,00,000	Killeot	12	63	2,13,207	25	65	Nil	10	18/25	22/37	
9,00,000	12,59,506	3,50,000	620	4,73,830	45-7	..	..	..	Kishinipara	12	358	2,74,849	20	41	10	10	17/25	16/37	
2,00,000	2,12,000	1,15,032	1,125	1,69,538	44-5	9,78,988	28-1	10,00,000	Manaburree	12	63	5,68,183	20	41	10	100	147/00	147/00	
9,00,000	8,81,933	18,45,000	1,163	15,52,400	49-3	16,35,520	31-2	16,00,000	New Doonars P.	12	63	6,83,262	45	100	25	100	255/00	276/00	
3,20,000	6,26,920	8,80,000	678	6,29,200	44-2	6,65,680	27-1	6,40,000	Oodlabari	12	2	1,20,376	20	75	12	10	40/12	20/12	
2,50,000	3,14,964	3,59,087	348	2,56,097	42-0	2,38,935	28-5	2,56,000	Phaskowa	12	63	29,439	10	30	Nil	100	245/00	245/00	
6,00,000	6,29,490	3,01,034	764	..	..	..	..	..	Rajabhat	12	165	2,69,597	15	..	..	10	18/00	19/87	
7,65,000																			

MISCELLANEOUS COMPANIES—Contd.

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

Paid-up Capital Ordinary	Net Block Account	Reserve & other Funds Premiums & Forfeited Shares if any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profit including taxation	Carry forward	Dividends per cent			Paid-up per Share	Latest Market Quotations as available until		
									1954	1955	1956		26-6-57	19-6-57	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
SUGAR BREWERIES ETC.															
11.00.000	6.45.722	3.75.000	10.90.564	New Savan Sugar and Gur	3	140	95.437	52.205	..	..	7 1/2	10	4/50	4/25	6 1/4
9.00.000	12.45.157	19.64.817	1.62.880	Purtabpur Sugar P.	10	45	2.94.625	20.705	7 1/2	7 1/2	..	10	17/62	17/62	15 1/4
16.39.826	26.32.127	35.30.000	4.94.350	Ramnagar Cane & Sugar P.	10	1	18.11.304	20.350	15	20	..	10	21/25	23/87	27 1/4
19.39.600	56.52.563	39.88.210	13.32.915	Raza Sugar P.	10	92	10.78.193	3.144	..	..	..	10	..	..	..
6.30.000	6.07.233	7.72.778	3.77.846	Ryam Sugar P.	10	25	4.21.492	13.204	5	Nil	17 1/2	10	21/50	21/50	20 1/4
11.99.000	21.07.973	19.42.074	49.572	Sambaspur Central Sugar	10	25	33.558	3.554	5	Nil	Nil	10	11/50	11/50	13 1/2
40.00.000	72.49.554	19.00.000	1.12.477	Shree Krishna Jyanday Sugar P.	10	335	8.85.387	16.381	15	17 1/2	10	10	9/50	9/50	13 1/2
7.94.500	13.54.858	11.48.175	11.14.484	Shree Sitaram Sugar	10	146	1.90.107	7.981	..	..	..	10	13/00	13/00	15 1/2
9.99.950	14.69.227	26.825	75.569	Sitalpore Sugar	10	94	77.391	-4.25.477	Nil	Nil	Nil	10	4/37	4/37	4 1/2
16.00.000	6.07.804	7.99.778	4.22.572	United Provinces	10	341	4.23.980	39.361	12 1/2	..	..	10	13/50	13/50	20 1/4
4.00.000	47.67.000	29.24.348	3.58.383	Upper Ganges Sugar P.	10	316	12.95.211	32.829	25	25	30	10	68/00	60/00	94 1/2
14.00.000	14.24.740	23.74.426	10.72.324	Upper India Sugar	10	302	16.80.986	86.393	15	20	..	100AC	280/00	280/00	280
7.00.000B												121BC	28/50	28/50	28 1/2
MISCELLANEOUS															
8.00.000	2.20.232	1.56.200	9.53.526	A Firpo (Restaurateurs)	10	85	94.518	4.475	..	..	..	10	4/19	4/19	4 1/2
1.50.00.000	1.40.80.594	8.21.715	51.961	Air India Ltd.	12	269	-6.02.785	-14.30.401	..	..	..	100	..	..	..
2.00.00.000	2.58.39.656	68.31.534	50.022	Air India International Ltd.	12	322	-10.51.340	30.205	..	..	..	100	..	..	..
47.50.000	3.08.51.605	17.00.000	16.26.711	Aluminium Corp. P.	10	132	25.21.116	1.16.199	Nil	Nil	5	100	9/00	8/50	10 1/4
2.50.00.000	42.38.502	14.50.000	54.97.530	Anderson Wright Ltd. P.	12	1	-89.042	18.284	13	12 1/2	..	24Dd	4/50	4/50	24 1/2
30.00.000	11.39.552	39.18.823	14.94.091	Angelo Bros.	10	268	15.15.199	3.35.874	13	20	6-5	100	11/50	11/50	11 1/2
30.00.000	18.62.280	15.70.000	98.451	Assam Match	12	274	10.24.478	1.72.873	12 1/2	12 1/2	12 1/2	10	20/25	20/25	18 1/2
13.99.998	21.25.615	28.30.285	64.182	Assam Saw Mills & Timber	10	21	-97.045	-514.537	Nil	Nil	3	10	2/25	2/19	3 1/2
20.00.000	61.61.507	23.00.000	61.84.691	Associated Hotels of India P.	10	204	8.82.993	32.685	2	4	12	10	10/75	10/75	7 1/2
80.01.400	33.50.000	1.09.53.000	1.12.08.422	Balmer Lawrie & Co.	12	304	32.12.152	5.03.129	13	12 1/2	..	100	141/00	140/00	165
12.00.000	2.38.493	8.49.890	5.33.591	Bararee Coke	10	128	1.50.370	90.370	7 1/2	7 1/2	6-5	100	14/87	14/87	20 1/2
6.00.000	76.414	Nil	10.72.417	Bengal Timber Trading P.	10	128	-6.43.164	-1.19.103	..	..	..	100	41/00	41/00	44
50.00.000	19.53.822	Nil	19.59.359	Bharat Airways Ltd.	10	22	-3.19.589	-3.19.229	..	..	..	100	5/25	5/25	5 1/2
20.00.000	7.25.715	66.68.956	66.68.956	Birds Investments P.	10	160	4.50.013	37.312	12 1/2	12 1/2	10	10	13/87	13/87	17 1/2
45.97.020	76.85.085	31.11.814	2.09.476	Britannia Biscuit P.	10	50	8.14.261	1.79.277	10	10	10	10	13/00	13/00	14 1/2
22.50.000	13.98.796	43.18.775	3.38.473	British Ceylon Corporation P.	12	4	27.75.298	1.85.956	..	..	..	10	9/00	9/00	10 1/2
3.25.00.000	59.89.738	1.18.00.524	2.50.83.850	British India Corporation P.	12	33	30.23.938	-27.36.584	12 1/2	Nil	..	7 1/2	6/75	5/80	10 1/2
32.50.000A	2.16.859	3.24.161	6.46.589	Calcutta Gas Co (Propr.) Ltd P.	10	235	60.996	1.550	5	6	5	10A	6/50	6/50	8 1/2
32.50.000B	5.92.780	2.04.684	1.02.576	Calcutta Silk Manufacturing P.	10	213	45.711	22.586	..	..	Nil	10B	4/12	4/12	4 1/2
90.00.000	17.81.146	80.09.268	2.06.11.689	Duncan Brothers & Co Ltd.	12	169	43.51.864	4.97.914	12	11	15	100	98/00	98/00	121 1/2
8.00.00.000	3.06.30.528	34.06.174	35.55.133	Dunlop Rubber Co (India) P.	12	96	1.02.44.557	13.24.595	15	15	10	100	20/56	19/75	30 1/2
51.26.000	54.10.811	1.72.19.436	61.50.000	Eastern Investments Ltd P.	12	21	11.20.034	3.27.916	9	9	9	100	102/00	102/00	146 1/2
75.00.000	13.79.357	43.82.626	1.02.21.271	F & C Oiler (India) Ltd P.	10	8	-4.26.225	-5.26.984	12 1/2	12 1/2	..	10	5/25	4/56	11 1/2
90.00.000	12.88.300	21.97.641	86.55.360	French Motor Car	10	51	8.97.594	1.26.757	12 1/2	12 1/2	..	20	21/87	21/87	20 1/2
14.00.000	14.92.000	10.02.000	11.384	Ganges Rope	10	19	89.571	27.194	7 1/2	7 1/2	7 1/2	100	109/00	108/00	186 1/2
2.25.000	55.893	5.34.893	1.08.48.711	General Investments Trust P.	10	357	18.384	12.435	24-24	24-24	33-24	75	43/00	43/00	43
65.30.000	33.54.049	53.17.350	1.08.48.711	Gillanders Arbuthnot & Co Ltd P.	10	105	30.03.640	89.541	7 1/2	7 1/2	16	10	11/37	11/37	13 1/2
20.00.000	27.68.449	5.09.374	12.84.357	Gladstone Loyal & Co Ltd P.	12	209	7.02.792	34.255	..	..	..	10	..	..	..
40.00.000	31.09.419	8.87.000	1.18.929	Godfrey Phillips (India) Ltd P.	12	310	2.23.734	13.04.513	10	20	20	10	23/50	23/50	24 1/2
90.00.000	32.90.010	17.22.203	6.22.424	Great Eastern Hotel	10	225	5.30.579	16.373	..	..	..	250	226/00	226/00	240
10.00.000	17.38.764	1.61.173	9.221	Hindustan Ice & Cold Storage	10	9	43.377	24.274	..	..	..	5	1/25	1/25	1 1/2
35.20.000	40.20.899	20.00.000	19.08.958	Hoare Miller & Co Ltd	12	294	2.05.330	1.33.076	Nil	Nil	..	10	6/00	6/15	7 1/2
15.16.000	7.42.66.399	1.88.88.788	5.50.32.187	Imperial Tobacco	10	325	3.66.59.515	24.94.274	..	..	8	10	14/40	13/75	15 1/2
2.01.10.000	2.83.61.126	55.27.500	8.59.214	Indian Aluminium Co. Ltd P.	12	293	42.73.225	7.97.410	Nil	9	15	10	13/87	13/00	22 1/2
1.52.89.220	1.27.87.878	1.37.00.000	11.88.400	Indian Cable P.	10	34	1.21.59.493	32.04.214	10	12 1/2	15	10	25/25	21/56	22 1/2
5.00.00.000	22.07.260	2.21.286	11.69.467	Indian National Airways	12	93	36.302	-12.62.971	..	..	..	10PO	8/12	8/12	5 1/2
83.75.000C	1.25.00.000	4,44,398	5,38,000	Indian Rubber Manufacturers P.	10	173	1,79,618	32,616	..	..	..	10D	00/50	00/50	13 1/2
2.27.970	7.64.735	18.15.487	10.03.705	Indian Wood Products	10	173	17.28.038	2,61,819	27 1/2	30	85	10	38/25	38/25	39 1/2
20.00.000	2.55.728	2.55.728	12.78.254	Investments and Finance P.	10	21	27.880	51.001	24-24	33-24	33-24	10	65/00	65/00	21 1/2
2.40.000	15.362	3.20.757	3.20.757	Ivan Jones Ltd.	10	194	1.39.321	36.496	..	..	..	2	2/50	2/50	2 1/2
5.87.500C	2.16.559	3.24.161	64.65.89	James Wright P.	10	281	60.996	1.550	5	5	..	50	3/06	3/06	4 1/2
1.17.500Dd	51.37.813	57.00.000	4.02.27.618	Jardine Henderson Ltd P.	10	39	31.24.445	5.11.852	7 1/2	7 1/2	7 1/2	100	00/62	00/62	100
2.00.00.000	3.17.363	6.02.958	3.21.617	Macfarlane & Co.	10	133	-14.078	-4.449	..	..	..	50	3/06	3/31	3 1/2
6.34.000C	88.50.000	63.33.428	2.57.13.417	Macneil & Barry Ltd P.	10	334	52.06.340	6.31.124	7 1/2	7 1/2	11	100	00/46	00/46	..
1.50.00.000	35.89.193	69.82.796	2.07.03.941	Martin Burn Ltd P.	10	309	93.42.590	2.70.207	13 1/2	19 1/2	21	10	23/50	23/19	24 1/2
1.43.96.500	37.46.252	80.86.900	2.72.14.736	McLeod & Co P.	12	282	31.91.900	2.57.234	12	17 1/2	..	100D	240/00	240/00	240
60.30.000	1.10.37.201	69.74.249	7.33.589	Metal Box Co of India Ltd P.	10	167	62.82.608	16.24.249	10	12 1/2	16 1/2	10	25/		

BOMBAY MISCELLANEOUS COMPANIES

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

Paid-up Capital Ordinary	Net Block-Account	Reserve & other Funds Premiums & Forfeited Shares If any	Cash & Securities	NAMES	Accounts closed	Managing Agents	Net Profits including taxation	Carry forward	Dividends per cent.			Paid-up per Share	Latest Market Quotations as available until.		
									1954	1955	1956		25-6-57	18-6-57	A year ago
Rs.	Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.	
CEMENT															
12,71,67,258	18,41,79,990	9,27,02,700	2,64,52,062	Associated Cement	7	53	2,53,38,245	2,93,968	8½	10	10	100	157/25	155/00	191
ELECTRIC LIT. POWER															
8,74,72,300	11,00,30,916	80,06,632	22,44,294	Ahmedabad Electricity	9	146	60,49,803	440	6½	5	6½	100	93/50	93/25	96½
2,92,83,500	4,18,62,358	62,34,507	65,30,599	Andhra Valley Power Supply P.	6	207	46,19,171	25,735	7½	7½	..	1,000	1,190/00	1,185/00	1,183½
1,74,93,700	2,14,85,122	39,32,485	5,79,834	Bombay Suburban Elec. Sup.	3	146	19,21,739	45	7	7	..	100	103/75	103/50	112½
38,08,200	17,49,053	4,75,324	14,87,557	Poona Electric Supply P.	12	229	3,86,015	..	..	..	..	100	123/00	123/00	140
1,34,45,225	3,37,65,356	63,82,045	58,39,875	Tata Hydro-Elec. Power Sup. P.	6	267	37,75,587	21,171	7½	7½	..	100	120/50	120/00	129
5,02,78,750	8,98,37,403	1,41,56,578	1,23,22,549	Tata Power P.	6	267	77,32,961	27,952	7½	7½	..	1,000	1,207/50	1,203/75	1,267½
ENGINEERING & METAL															
33,42,200	17,06,292	44,16,374	1,54,08,311	Alcock Ashdown	12	268	8,79,666	1,35,820	12½	..	..	100	277/50	262/50	352½
6,00,000	39,341	4,43,904	59,338	Jost's Engineering	3	115	62,291	1,598	15	5	5	50	66/00	66/00	96
40,00,000	11,26,513	10,00,000	9,74,664	Larsen & Poubro P.	3	351	14,60,736	28,740	10	10	10	10	15/30	15/10	133½
40,95,100	81,25,752	2,02,500	49,033	Machinery Mfgs. Corp'n. Ltd. P.	3	330	2,02,006	64,676	Nil	Nil	..	100A	60/00	76/00	96½
1,10,00,000	15,09,978	16,66,199	7,06,260	McKenzie	7	283	14,99,085	64,938	..	..	..	100A	159/00	147/00	191½
2,50,000	5,834	1,00,53,032	1,79,52,042	Premier Construction P.	12	284	3,35,178	59,102	25/5/6	28 1/3	..	300	33F	33F	33F
1,31,250F	5,90,52,365	1,17,73,382	12,24,732	Tata Locomotive & Eng. P.	3	269	1,09,79,942	1,29,979	Nil	Nil	6	100	145/00	140/50	147
3,63,75,000	32,44,07,755	16,63,05,536	23,24,83,510	Tata Iron & Steel P.	3	269	9,26,44,872	4,04,945	14	14	14	750	170/00	160/50	202½
INSURANCE COMPANIES															
20,00,000	..	23,84,913	95,96,033	British-India General	12	297	4,24,629	1,18,605	..	..	..	10	13/37	13/37	175
5,15,000	..	11,04,84,687	8,95,48,481	Empire of India Life	12	253	..	..	..	..	..	100	350/00	350/00	635
8,48,120	..	36,33,999	40,38,300	Indian Mercantile	12	75	..	1,13,109	..	..	..	20	45/50	45/50	45½
18,74,940	25,01,134	2,88,61,155	2,61,49,442	Juniper General P.	12	55	38,951	4,65,316	Nil	..	..	15	7/25	7/00	9½
1,06,81,590	..	1,68,81,79	27,25,19,952	New India	12	179	43,58,653	71,250	16 2/3	..	..	15	42/50	43/50	46
6,00,000	..	67,83,74,430	63,46,53,420	Oriental Life	12	298	..	..	..	..	..	200	3,625/00	3,775/00	3,855
15,99,270	..	29,41,860	59,86,789	Vulcan	12	255	6,05,803	3,81,242	10	..	..	10	15/75	15/60	15½
MISCELLANEOUS															
90,79,065	31,95,468	3,97,408	12,61,996	Air. Service of India	6	336	-15,61,405	-37,22,790	..	..	..	15	..	..	..
47,97,250	21,34,989	35,75,182	78,89,034	Belapur Sugar	9	42	53,89,000	61,389	..	..	..	50	225/00	218/00	237
50,00,000	2,20,64,303	4,12,86,155	2,67,27,639	Bombay Burmah Trading	5	285	47,93,172	61,990	16	21	..	125	559/00	540/00	650
42,00,000	..	..	..	Bombay Steam Navigation P.	6	256	4,54,215	30,135	..	..	..	50	205/50	200/00	245
45,00,000	1,21,04,093	31,74,431	31,14,908	Hindustan Lever	12	91	2,23,86,720	94,17,000	..	..	12½	10	19/25	19/60	..
5,57,00,000	3,51,93,454	1,03,93,754	98,20,769	Industrial Investment Trust	12	299	6,81,909	283,136	4½	4½	..	100	69/00	75/50	72
99,99,256	13,82,957	1,47,336	1,28,40,992	Kemp (Chemists)	3	87	66,232	16,942	6	..	..	100	176/25	197/50	215
11,99,900	..	7,34,142	14,05,224	National Rayon Corp'n.	12	352	53,19,004	5,72,076	10	..	..	100	220/00	205/75	213½
1,57,71,400	5,74,05,719	1,81,13,445	7,89,08,135	Scindia Steam Navigation	6	198	39,40,882	5,62,020	2½	2½	5	20	18/90	17/95	18½
9,99,98,900	17,79,33,192	1,13,12,101	29,63,149	Shivrajpur Synd (Manganese)	11	146	38,67,824	9,485	80	80	80	10	81/10	78/00	102
7,00,000	36,65,283	70,25,000	4,37,991	Tata Chemicals P.	6	269	16,84,488	34,425	Nil	Nil	7½	10	17/40	16/55	18½
1,39,95,990	2,25,39,547	13,22,272	22,83,813	Tata Oil P.	3	299	3,00,461	11,453	9	8	12	25	42/50	43/00	504
70,07,475	75,25,791	34,08,586	1,27,74,419	Western India Match	12	274	67,12,394	5,02,238	11	11	11	100	155/50	152/00	185

* 1956 † Liquid Assets.

LIGHT RAILWAY AND ROPEWAY COMPANIES

Paid-up Capital Ordinary	Gross Block Account	Reserve & other Funds	NAMES	Accounts closed	Balancing Accounts	Net Earning	Carry Forward	Dividends per cent			Paid-up per Shares	Latest Market Quotations as available until			
								1954	1955	1956		26-6-57	19-6-57	A year ago	
Rs.	Rs.	Rs.				Rs.	Rs.				Rs.	Rs.	Rs.		
CALCUTTA															
17,24,000	20,71,727	2,24,692	Ahmedpur Kutwa S.S.G.	3	165	99,888	..	2½	2½	3½	100	60/00	60/00	53½	
21,63,300	33,40,889	6,00,702	Atrah Sasaram D.B.G.	3-9	32	2,57,616	33,735	3-3	3-3	..	100	67/50	67/50	57½	
34,00,000	41,30,202	3,11,048	Bankura Damodar River S.S.G.	3	165	46,607	..	2½	2½	..	100	31/75	31/75	73	
19,00,000	29,09,643	4,91,171	Baraset Basirhat D.B.G.	3-9	331	18,844	1,18,863	..	2½	2½	..	100	10/00	10/00	10
17,80,000	21,78,786	2,29,877	Burdwan, Cutwa S.S.G.	3	165	78,839	..	2½	2½	..	100	59/00	59/00	57½	
31,00,000	35,46,011	..	Chaparmukh Silghat S.S.G.	3	32	62,834	10,849	1½-1½	1½-1	..	100	51/00	51/00	53½	
4,73,000	3,20,049	4,75,000	Cherra Chhatrak Ropeway	3	88	7,071	9,917	5-..	Nil	..	5	4/88	4/88	7½	
2,47,550	2,75,015	65,026	Darjeeling Ropeway	3	101	18,097	4,549	2½-..	2½	..	10	6/00	6/00	7	
22,50,000	62,20,813	13,52,600	Dehri Rohtas	3	235	6,42,311	37,814	7½	10-..	12½	10	9/56	9/37	13½	
11,49,700	20,10,843	1,68,140	Futwah Islampur S.S.G.	3-9	32	—33,016	5,917	99-1	1-1	..	100	31/75	31/75	58½	
16,00,000	50,82,188	17,87,954	Howrah Amta D.R.G. (P)	3-9	32	1,18,351	90,009	3-3	3-3	..	100	51/00	51/00	53½	
6,00,000	13,87,133	4,43,410	Howrah Sheakhali D.B.G.	3-9	32	28,627	20,122	3-3	3-3	..	100	65/00	65/00	37	
19,50,000	27,95,689	2,47,135	Kalighat Falta S.S.G.	3	165	—1,99,473	..	2½	2½	..	100	58/00	58/00	58½	
8,91,100	15,16,175	10,551	Katakhali-Lala Bazar S.S.G.	3	165	31,257	..	5	..	..	100	72/00	72/00	73½	
15,00,000	62,56,929	28,77,041	Shahdara (Delhi) Saharanpur	3-9	32	6,26,073	17,25,546	6-6	6-6	..	100	115/00	115/00	128½	
1,75,000	5,41,779	2,04,841	Tezpore Balipara Tramway P.	3-9	165	—43,574	6,944	..	..	..	100	..	..	..	

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

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